THE LEGAL FRAMEWORK OF NET METERING IN HELLAS AND THE BALKANS

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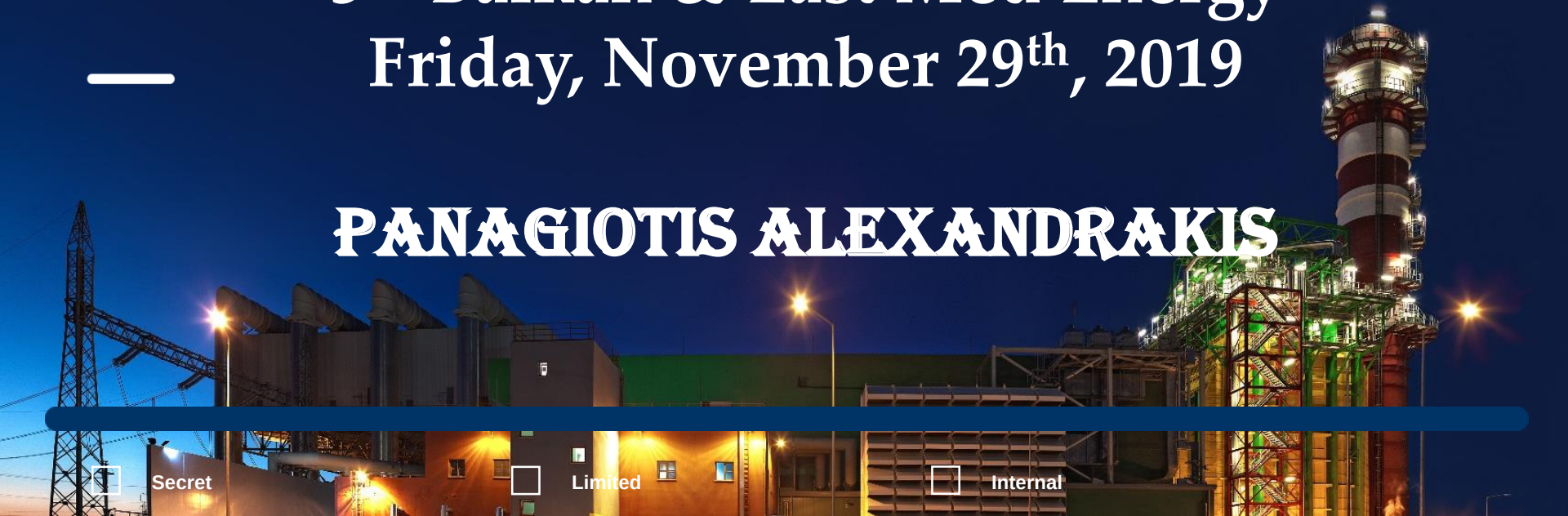

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HELLAS – Net Metering

- The concept of **Net Metering** for self-producers was established for the first time in Greece through **Law 4203/2013**, Art. 6 par.2 (GG A' 235/2013) which added art. 14A to **Law 3468/2006** (GG A' 129/27-06-2006) and the process was defined through the Ministerial Decree No. ΑΠΕΗΛ/Α/Φ1/ΟΙΚ. 24461/30.12.2014 (GG B' 3583/2014) (**annulled** by Ministerial Decree No. ΑΠΕΗΛ/Α/Φ1/ΟΙΚ. 175067 (GG B' 1547/5.5.2017) .
- **Net Metering** is defined as the **offsetting** of the electricity **produced** by the self-producer with the electricity **consumed** by the same.
- **Virtual Net Metering** is defined as the **offsetting** of the electricity **produced** by the self-producer at his self-generated electrical installation, with the electricity **consumed** by the same in a place **within the same Regional Unit** as the self-generated electrical installation but **NOT DIRECTLY electrically connected** to the same.
- **Self-producer** of electricity from RES or Combined Heat & Power (CHP) is defined as the person who produces electricity from RES or/and Combined Heat & Power (CHP) **mainly for his own use** and directs any **surplus** of this energy to the System or the Grid for a price.
- **Prosumer** is defined as an electricity consumer who also produces part or the total of the electricity consumed by the same a fact which makes him/her a producer and a consumer at the same time, hence "Prosumer".
- Each time the electricity supplier issues an electricity bill of discharge, the electricity fed into grid and the electricity consumed is measured by the Hellenic Distribution Network Operator (HEDNO - DEDDIE) beforehand. With Net Metering, if the **difference** is **positive**, meaning that more electricity is produced by the Prosumer and fed into the grid than consumed by the same, **this surplus is credited** to the next electricity bill of discharge, whereas, if the difference is **negative**, i.e. more electricity was consumed than produced, then the Prosumer is obliged to pay the difference to the electricity supplier.

HELLAS – Net Metering

- **Eligible technologies**
  - **PV, small wind power plants, biomass, biogas, small hydro and Combined Heat & Power** (CHP – ΣΗΘ) for self-production are eligible (Law 3468/2006, art.14A).
  - **Solar energy:**
    - **PV plants with interconnected system**: PV plants <20kW or 50% of the agreed capacity consumption (PV Capacity ≤0.5 x Sum of the agreed power consumption (kVA). For non-profit legal persons, agriculturers and ENERGY COMMUNITIES, this could reach up to 100%.
    - **For non-interconnected islands connected to low voltage distribution network**: PV plants <10kW or 50% of the agreed capacity consumption (PV Capacity ≤0.5 x Sum of the agreed power consumption (kVA). For non-profit legal persons, agriculturers and ENERGY COMMUNITIES this could reach up to 100%.
    - **Maximum capacity limits for each PV plant are defined**:
      - Interconnected system: 500kWp
      - Non-interconnected islands: 20kWp (50kWp for non-profit legal person)
      - Island of Crete: 100kWp (300kWp for non-profit legal person).
  - **iii) Wind energy:**
    - **Wind power plants** up to **50kW** connected to the mainland grid are eligible.

HELLAS – Net Metering

- **Amount**
  - Apart from the offset of the electricity produced and consumed by the Prosumer, **PV installed on public buildings** in the context of the EU funded programs can receive **up to 20%** of the value of the total annual electricity production for the same value of electrical energy surplus fed into the grid (Law 3468/2006, Art.14A, par.4).

- **Addressees**
  - **Natural or legal persons**, governed by public or private law that they own or rent the space in which the RES plants are installed (Law 3468/2006, Art. 14A, par.1, and ΑΠΕΗΛ/Φ1/ΟΙΚ.175067, Art. 3, par. 1(a)).
  - For PV (and other RES) Virtual Net-Metering **non-profit legal persons** are only entitled (ΑΠΕΗΛ/ Φ1/ΟΙΚ.175067/5.5.2017, Art.3, par.1(a) and Law 3468/2006, Art. 14A, par. 1).
  - **Energy Communities** can also participate to the net metering scheme (Law 4153/2018, Art. 10).

- **e) Competent authority**
  - The competent authority for the functioning of the procedure of net metering is **the Hellenic Distribution Network Operator (HEDNO - ΔΕΔΔΗΕ)** which measures the production and the consumption, thus performing the offset.

Net Metering in the Balkans: ALBANIA

- The **only** Balkan Country so far which has legislated the procedure of Net Metering is **Albania**.
- In Albania, the **Electricity Power Distribution Operator (OSHEE)** is obliged to purchase electricity from renewable energy producers. For small and medium-sized companies as well as private households, a net-metering scheme for solar and wind installations <500 kW is in place (Art. 15 Renewable Energy Law).
- **Eligible technologies**
  - Wind energy: Installations up to 500 kW are eligible.
  - Solar energy: Installations up to 500 kW are eligible.
- **Amount**
  - The net balance of produced and consumed electricity is metered on a monthly basis (Art. 15, § 3, Renewable Energy Law). The metered excess electricity is sold to the universal service provider and remunerated according to the universal service price defined by ERE, which depends on the voltage level (Art. 15, § 3 Renewable Energy Law).
- **Addressees**
  - Small and medium-size companies;
  - Private households

Changes in the Net Metering Scheme

- Since Net Metering in HELLAS has not been a very successful and widely used concept, as was intended. Indicatively, Net Metering is only used in ten percent (10%) of the total energy producing systems. For this reason, the following changes were made to the Net Metering procedure through the Ministerial Decision ΥΠΕΝ/ΔΑΠΕΕΚ/15084/382/2019 (GG B' 759/2019):
  - The overall electricity production limit was increased from 500 kW to 1000 kW (Art.4 par.1c).
  - In Medium Voltage the specific power limit was set at 50% of the agreed power and for the public entities at 100%. Now the threshold is set at 100% of agreed power for both Medium Voltage consumers and energy communities (Art.4 par. 1a).
  - For the major islands, namely Crete, Rhodes, Kos, Lesvos, Chios and Samos, increased power limits were established per installation (Art.1 par.2).
  - Energy offsetting was extended to all technologies (photovoltaics, small wind turbines, biomass / biogas / bioliquids, small hydroelectric power, geothermal power, Combined Heat & Power High Efficiency - ΣΗΘΥΑ) (Art.1)
  - Energy storage by installing batteries up to 30kVA was allowed (Art.8).
  - Medium Voltage Offsets were allowed (Art.7).
  - Mixed technologies were allowed to participate in the Net Metering scheme (Art.1).

The future of Net Metering

- In order to make the concept of Net Metering more attractive to the consumers, several ideas - incentives are being proposed or/and examined. Namely:

  — Following the Target Model and the opening of the market to bilateral energy sales agreements, the Prosumer should be allowed to **sell the surplus** of produced electricity **to third parties or to the System or the Grid**. Furthermore, an amendment has been passed which allows agriculturers to sell up to 75% (instead of previous 20%) of the surplus of electricity produced.

  — **Increase in the electricity storage capacity** of the batteries used to store electricity, **allowed by law**.

  — **Abolition of charge for services of general interest (ΥΚΩ).** Currently, in the procedure of Net Metering, services for general interest are charged to the Prosumer for the net electricity consumed, while in the Virtual Net Metering the services for general interest are charged to the total of the energy consumed.

  — The Net Metering scheme will be widely used with the development of the ENERGY **COMMUNITIES** in HELLAS.

THANK YOU!