

Electricity suppliers are faced with considerably higher prices for their electricity purchases with the launch of the target model's new markets on 1 November, and this could lead to higher electricity prices for end-consumers.

Balancing market prices quadrupled since the launch of the target model markets, amounting to up to 15 euros/MWh, compared to some 3 euros/MWh prior to the launch. In the first two weeks of November, balancing market costs amounted to 27 million euros. Suppliers have already warned that the efforts to balance the system is costing Greek consumers considerably more, and, contrary to other European markets, initiatives taken to further liberalize the electricity market are raising rather than lowering price levels for consumers in Greece.

The Regulatory Authority for Energy (RAE) is closely monitoring the situation. The authority believes it is still too early to reach any safe conclusions on the balancing market. If, however, the current situation stabilizes into a permanent condition, RAE will intervene with corrective actions.