

Greece: DEDDIE sale consultant selected

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Date : May 22, 2020

In February, PPC CEO Giorgos Stassis said that the stake of up to 49 % and increased rights for investors will be offered for sale, however, the majority stake and management will remain under the control of PPC. DEDDIE's assets are estimated to be worth around 3.2 billion euros, which means that a 49 % stake should cost over 1.5 billion euros. State-owned Public Power Corporation (PPC) decided to hire US financial services company Goldman Sachs as privatization consultant for the sale of a 49 % stake in its subsidiary, an electricity distribution system operator DEDDIE.

This appointment is seen as the first step in preparations leading to the partial privatization of the distribution operator, while the choice of such a renowned consultant reflects the importance of the sale for both the Government and the company.

Last December, Greek Minister of Energy Kostis Hatzidakis said that the state plans to sell a 49 % stake in electricity distribution system operator DEDDIE in order to strengthen the finances of its current owner, state-controlled power utility PPC. He said that the stake sale would include strong rights for minority shareholders as Greece wants to attract both institutional and strategic investors. The sale is expected to be launched in 2020. He said that the sale will be a much needed cash injection for PPC and a modernization for DEDDIE.

According to the 2020-2028 business plan of electricity distribution system operator DEDDIE, a subsidiary of Public Power Corporation (PPC), the operator's investment funds will be gradually increased to reach annual levels of 300-350 million euros, from current 150-170 million euros. New investments will focus on upgrading and expanding the electricity network to facilitate growing needs of the renewable energy sector and broadened network presence, especially on islands, as well as ambitious electric vehicle targets. The overall upgrade will include network digitization projects for advanced grid management and smart meter installations.