

Two unnamed investment funds have submitted their expression of interest in the first, non-binding round of tender for the sale of 49 % stake in Greek electricity distribution system operator DEDDIE, ahead of the deadline, which expires on 19 February, according to sources. Several US and European investment funds have expressed interest in participating in DEDDIE privatization. In December, a market test revealed that 19 potential bidders include New York-based Blackrock, the world's biggest investment fund, managing capital worth 7.8 trillion dollars; American giant KKR, handling 220 billion dollars; as well as French fund Ardian, with capital management worth more than 100 billion dollars. Between four and seven consortia are expected to express interest in DEDDIE privatization. The initial first round deadline was 29 February, but PPC has extended the expression of interest round, pushing the deadline to 19 February. The Regulatory Authority for Energy (RAE) has set DEDDIE's weighted average cost of capital (WACC) level to 7 % for 2020 and to 6.7 % between 2021 and 2024, which should be very attractive for potential investors. According to DEDDIE's 2020-2028 business plan, the operator's investment funds will be gradually increased to reach annual levels of 300-350 million euros, from current 150-170 million euros. DEDDIE's 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.