

Greece: In mid-2021 country plans to shut down coal-fired TPP Megalopoli III

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Date : September 11, 2020

A decision was taken to shut down Megalopoli III, located in the Peloponnese, ahead of schedule as this facility has operated for a total of just one week since spring, indicating its output is no longer required so the Greek Public Power Corporation (PPC) is planning to shut down its coal-fired thermal power plant Megalopoli III in mid-2021, which is six months ahead of previously agreed timetable.

Once considered relatively cheap, the cost of lignite-based electricity generation has increased significantly since the introduction of CO₂ emission allowances. The average variable cost of lignite-based electricity production is 0.8 euros/MWh, which is well over the System Marginal Price (SMP) of 0.45 euros/MWh.

According to agreed decarbonization schedule, PPC should close Kardias III and IV in 2021. These will be followed by Agios Dimitrios I, II, III and IV, with a total capacity of 1,100 MW, in 2022. Their withdrawal will coincide with the entry of a new unit 610 MW Ptolemaida V unit, which is also lignite-fired, but will switch to alternative fuel after 2028. PPC is also scheduled to withdraw 260 MW Megalopoli IV, 290 MW Meliti I and 340 MW Agios Dimitrios V in 2023.

PPC has already shut down 550 MW lignite-fired TPP Amynteo located in northern Greece.