

In order to jointly build the second submarine cable connecting Greece and Italy, Greek electricity transmission system operator ADMIE and its Italian counterpart Terna have made an agreement thus strengthening the coupling of the two markets.

The two operators consider that this project, a 200 kilometers long cable offering a transmission capacity of between 500 and 1,000 MW, will contribute to further RES growth in both markets, while also boosting activity in their target-model energy exchange markets. The project is also included in ADMIE's ten-year network development plan covering 2022-2031 period.

Last month, the first stage of a four-step feasibility study being developed by ADMIE and Terna for the second submarine cable interconnection linking the Greek and Italian energy systems has been completed. The entire study is expected to be ready at the end of the year. According to the study, the link between Greece and Italy needs to be strengthened in order to enable electricity price convergence between the two countries. Following the launch of the exchange, Greek electricity prices have equaled Italian-zone price levels for about half the time. This period would have been more extensive, but the existing infrastructure's capacity limits prevented further price convergence.