

According to RES market operator DAPEEP projections, RES special account deficit will reach some 224 million euros by the end of the year, mostly due to adverse effects of the coronavirus pandemic. Greek Ministry of Energy said that it plans to seek support from the EU recovery funds for the ailing RES special account.

Secretary-General at the Ministry of Energy Alexandra Sdoukou said that the Ministry is currently examining several options for ensuring special account's sustainability in the future. One of the options considered is the establishment of a special market for green certificate trading.

Energy Ministry said earlier that it plans to radically reshape the RES special account's financing model with the new market conditions in mind. These include the RES sector's spectacularly increased share of the energy mix, the imminent launch of the target model, the ongoing withdrawals of lignite units, and the gas sector's bigger role. The RES-supporting ETMEAR surcharge included in electricity bills as a key funding source for the RES special account was implemented when renewables held just a minor share of the energy mix. These funding tools need to be reexamined because Greece now aims for a much higher share of RES in its energy mix, namely 65 %. RES special account, which already faces deficit at the end of 2020, has been dealt a further blow by a European Energy Exchange decision to reduce Greece's CO2 emissions right allowance for the last four months of the year. It is expected that the account would lose around 54 million euros as a result of this decision. This decision, based on European Commission rules, was made ahead of the implementation of the Market Stability Reserve mechanism. Greece's CO2 emission rights allowance for 2020 is reduced by 3,767,500 tons, namely from 24,396,500 tons to 20,628,000 tons. This reduction is related to the period between September and December. RES special account finished 2019 with some 50 million euros in surplus, but already in the first quarter of 2020 it showed a 423 million euros annual drop in revenues, mainly as a result of the drop in the marginal system price and the reduction of carbon emission prices, factors that have significantly improved the energy suppliers' profit margins.