

The second package of debt securitizations of Public Power Corporation (PPC) were approved by company's board. This concerns electricity bills overdue for more than 90 days, the securitization of which could fetch revenues of 300 to 350 million euros to the ailing power utility.

Sources say the offer for the package came from international investment giant Pimco, while the organizer of the transaction is Deutsche Bank. The same sources note that interest is formed at 6.8 %, which is considerably higher than the rate of 3.5 % on the first package of bills unpaid for up to 60 days, conceded late last month to JP Morgan.

However, the decision wasn't unanimous, as some PPC board members expressed concern about the level of the interest rate, but the proposal was adopted at the end.

The first concession, of debts adding up to 260 million euros, should fetch revenues of 200 to 250 million euros for PPC, which means the utility can expect a total of 500 to 600 million euros from the securitizations, which would boost its liquidity.