

ENERGY BRIEFING: Special Edition

## Law 5037/2023, recently published in the Government's Gazette A' 78/28-03-2023, was adopted by the Greek Parliament and reforms the legislative framework for Net-Metering.

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#### A. New Limitation on Net-Metering and Virtual Net-Metering Capacities

1. Law 5037/2023 (the **New Law**) provides that the limit on Net-Metering capacity is set at 10,8kW for domestic customers and at 100kW for non-domestic customers, as opposed to the previous general limit of 3MW.
2. Additionally, the limit on Virtual Net-Metering capacity is set at 100kW for power stations with agricultural use.

#### B. Legislative Changes in Net-Metering and Virtual Net-Metering

1. Virtual Net-Metering will now be available to high-voltage consumers, in contrast with the previous framework under which self-consumers were eligible to connect only to low or medium voltage networks.
2. Virtual Net-Metering may be implemented by local governments (OTA), farmers and Energy Communities (ie existing Energy Communities, new Renewable Energy

Communities and Citizen Energy Communities) for the satisfaction of the needs of their domestic members only.

3. Legal non-profit and private law entities and other businesses can no longer implement Virtual Net-Metering, in contrast with the previous provisions which allowed Virtual Net-Metering to any Energy Community irrespective of the nature of its members.
4. New Renewable Energy Community may apply for Virtual Net-Metering from RES stations, and not CHP units, and from RES stations with storage, rather than just storage units.
5. For the implementation of Virtual Net-Metering by all types of Energy Community, self-production facilities can be established in any region irrespective of the self-consumption site's location and the Community's registered offices, subject to proximity conditions. Under the previous regulation, the production facility had to be established within the same region as the self-consumption facility.
6. Any excess energy remaining at the end of a three-year period of Net-Metering is injected into the network following energy clearing and without compensation of the self-consumer.
7. Self-consumption without injection in the grid is implemented through the installation of Net-Metering facilities in land plots and areas only, and installation on industrial areas or roofs is no longer permitted.
8. The production and consumption facilities of Virtual Net-Metering may be represented by different suppliers. The previous framework provided that both generation and consumption facilities should be represented by the same supplier and only Net-Metering by Energy Communities connected to Non-Interconnected Islands could be represented by different suppliers.

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9. Applications for the issuance of Final Grid Connection Offers (FGCO)s for Virtual Net-Metering are subject to the provisions of the New Law from 1 July 2023. Such applications by existing Energy Communities will no longer be available from 1 November 2023.

## C. The Implementation of Net-Billing and Virtual Net-Billing

1. Net-Billing and Virtual Net-Billing provide for simultaneous consumption in real time with production and allows self-consumers to sell any excess energy, with prices determined through fixed tariffs or auctions.
2. All consumers are eligible to apply for the implementation of a Net-Billing or a Virtual Net-Billing facility either autonomously or through aggregators. In particular, businesses can apply for Virtual Net-Billing but not Virtual Net-Metering.
3. Self-consumers may receive operating aid for the total capacity of surplus energy. Until now, operating aid was provided generally for up to 20% of the total electricity produced on an annual basis and specifically for up to 75% of energy produced by PV plants with agricultural use.
4. In contrast with the Net-Metering scheme, there is no capacity limitation per supply consumption in Net-Billing.

## D. Collective Self-Consumption

1. Collective Self-Consumption can now be adopted by two or more self-consumers (residential or commercial self-consumers), as long as they are in the same building.
2. Self-consumers under collective self-consumption schemes

must appoint a representative and enter into an agreement, the provisions of which regulate specific activities such as entry and exit requirements, required majority and financial issues. Collective self-consumption schemes can include the consumption needs of common parts of a building.

## E. Maximum Capacity of FGCOs, Pending FGCOs and Exemptions

1. FGCOs for Net-Metering and Virtual Net-Metering projects can be granted a maximum power capacity of 2GW in total by competent operators. No such limitation was previously in place.
2. The provisions of the New Law apply to pending applications for the issuance of an FGCO, as well as to existing FGCOs and Connection Agreements, subject to certain exemptions.
3. Applications made up to 30 June 2023 for Net-Metering or Virtual Net-Metering by local governments (*OTA*), farmers and all types of Energy Communities will either be subject to the New Law or exempted upon submission of a relevant declaration before the competent operator, whether the Independent Power Transmission Operator (IPTO) or the Hellenic Electricity Distribution Network Operator (HEDNO).
4. All applications made after 1 July 2023 shall be governed by the New Law.
5. RES or CHP producers, with pending or existing FGCOs, may amend their Production License, Producer's Certificate or FGCO, as the case may be, in order to implement a (Virtual) Net-Billing or (Virtual) Net-Metering scheme. The limit is set at 100% of the sum of the total amount of the offsetting consumptions.

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