



Energy for everyone

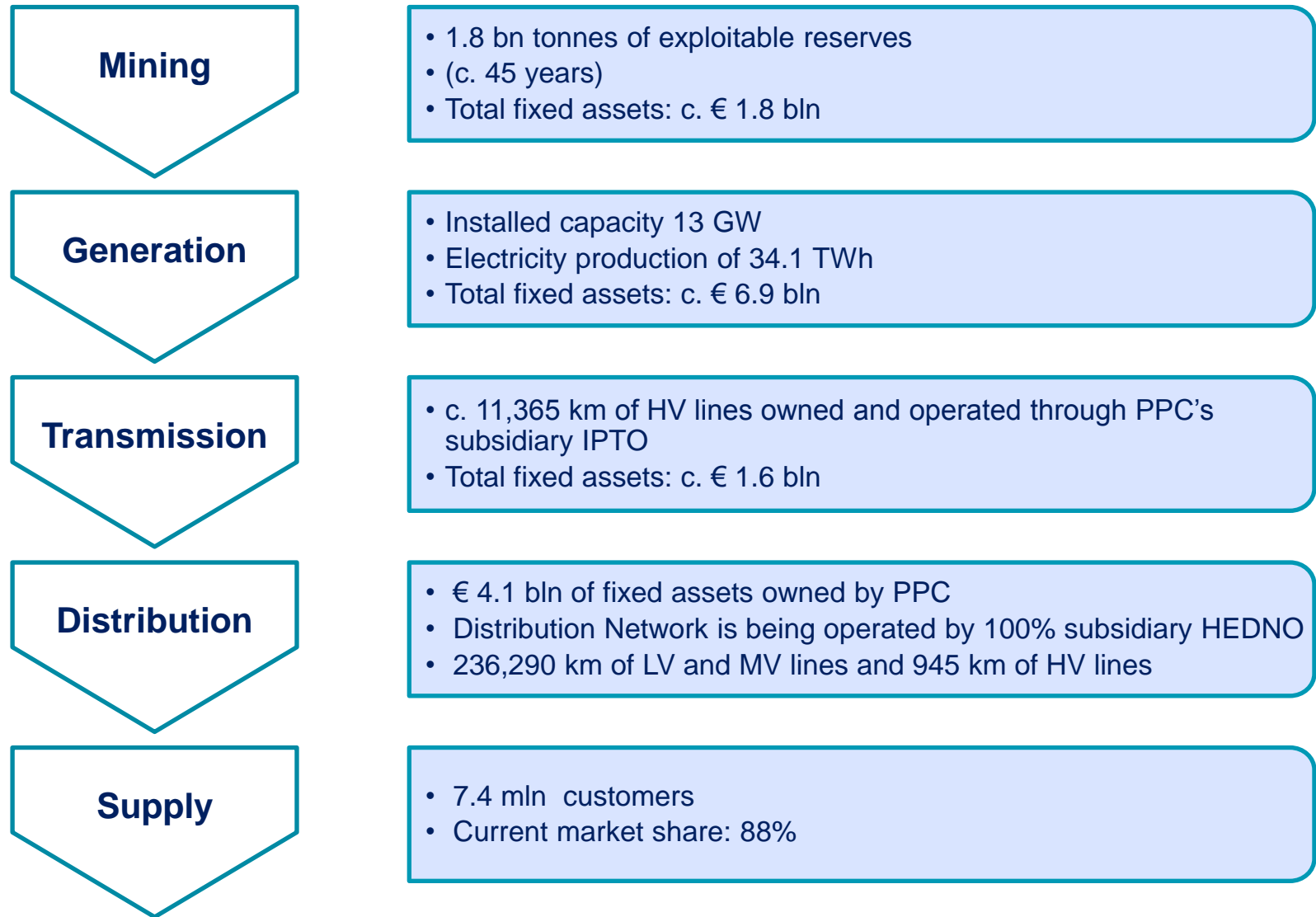
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**“Trends, Developments and Outlook in the
Energy Sector – PPC’s strategic orientation”**

**Emmanouil Panagiotakis
CEO
Public Power Corporation S.A.**

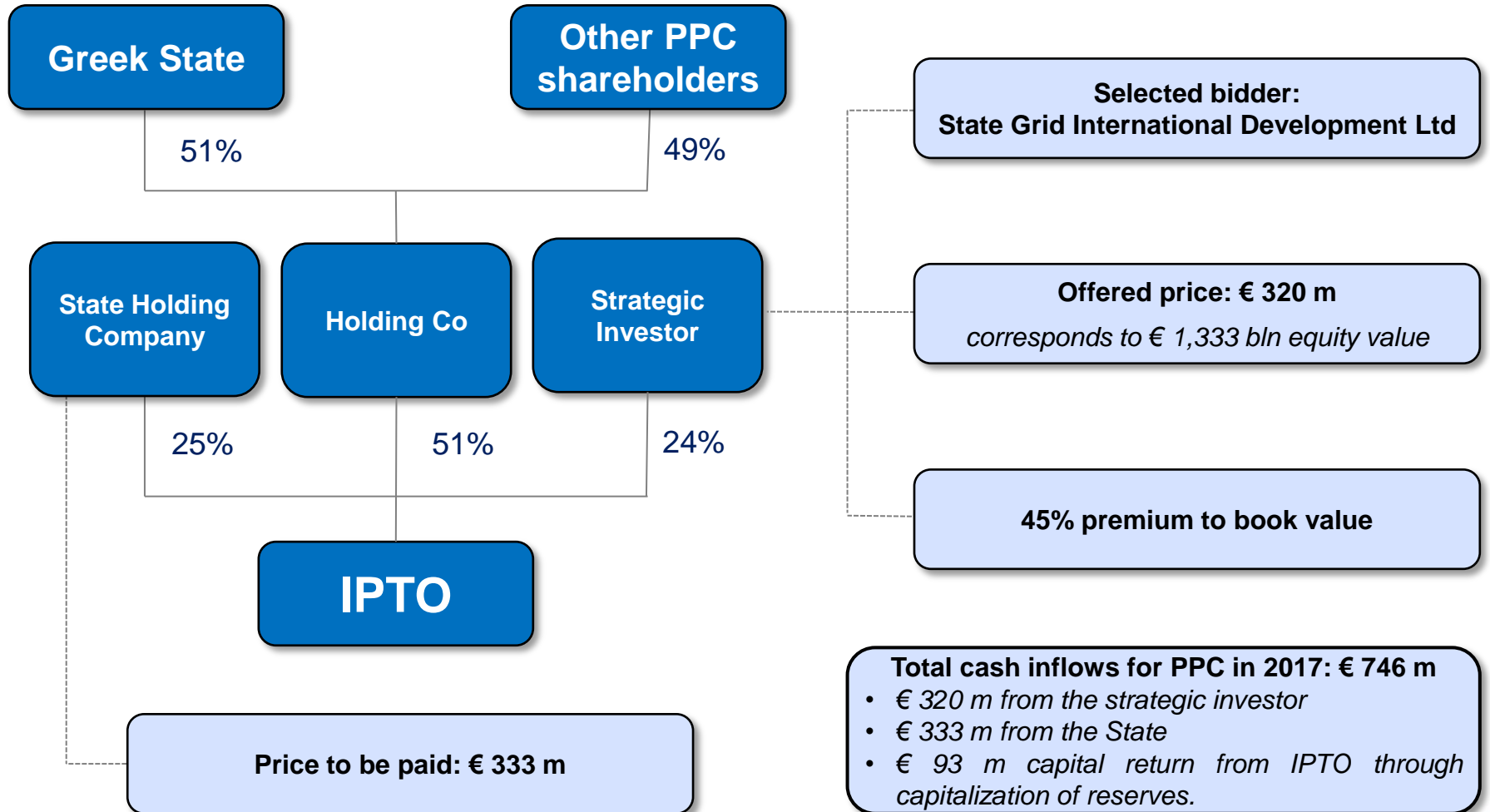


PPC is a vertically integrated utility





In process of completing IPTO ownership unbundling





General Trends in European Electricity Sector

- ❑ Decarbonisation to mitigate climate change within the framework of Paris - COP21 conclusions.
- ❑ Improvement of energy efficiency and exploitation of indigenous energy resources aiming at reducing energy dependency.
- ❑ Electricity market integration by enhancing interconnections during the next 10 years as well as setting the soonest possible uniform rules for their operation and the penetration of Renewables.
- ❑ Enhancement of the consumers' role in the market and in the operation of electricity systems within the context of dispersed generation and smart grids.



The Greek electricity market

- ❑ Greek electricity market, both wholesale and supply, in a transitional phase.
- ❑ “EU Target Model” targeted to be implemented in the Greek electricity market by the end of 2017, substituting the current “mandatory pool” model.
- ❑ Wholesale market fully liberalised – PPC’s share slightly below 50%.
- ❑ Further liberalisation of the Greek electricity retail market with the objective of bringing PPC’s retail market share below 50% by the end of 2019.
 - Current retail market share of PPC stands at 88%.
 - Electricity auctions of lignite and hydro generation adopted as an intermediate measure facilitating the reduction of PPC’s retail market share.
 - Alternative measures proposed by PPC, such as the creation and sale of subsidiary companies with customers from all market segments.



PPC's strategy going forward

- ❑ Decommissioning of old and units of low efficiency.
- ❑ Implementation of targeted capex plan for the renewal of the generation fleet (two new lignite units with 41.5% efficiency rate) and environmental upgrade of existing plants.
 - Maintain lignite as a strategic fuel contributing 30%-35% to the country's energy mix.
- ❑ Acceleration of the implementation of RES capex plan, aiming at a leading position in the industry.
- ❑ Investments in modernising and increasing efficiency of the distribution network towards smart grid.
- ❑ Creation and sale of subsidiary companies with customers from all market segments.
- ❑ Expansion in other markets, in order to offset loss of domestic retail market share.
- ❑ Joint ventures and strategic alliances.



Renewal of PPC's generation fleet.

Decommissioning Plan (installed capacity)	
2010-2016	
• eight lignite units,	913 MW in total
• three gas-fired units	537 MW in total
• four oil-fired units	730 MW in total
2017-2025	
• seven lignite units,	2,112 MW in total

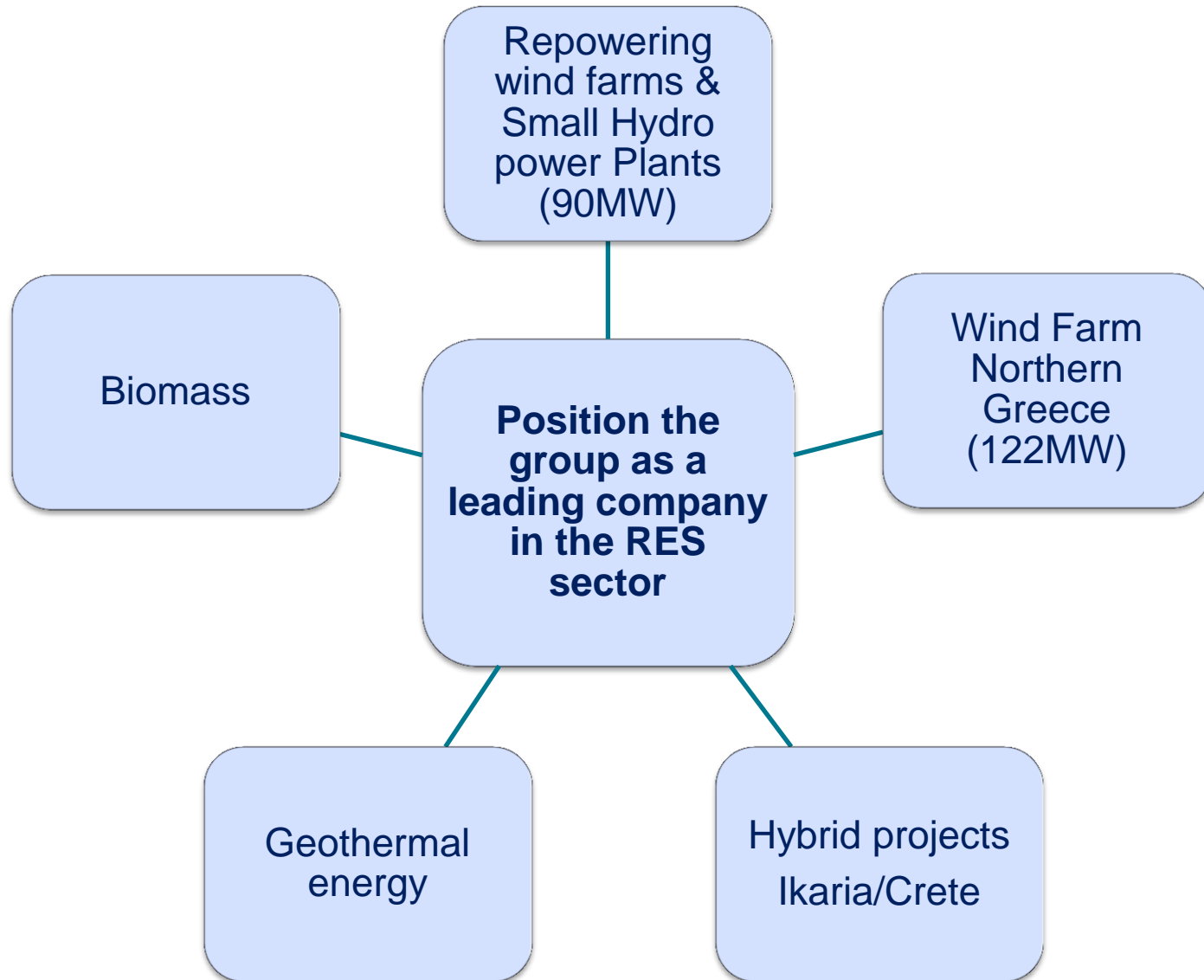
Commissioning Plan (installed capacity)	
2010-2016	
• two gas-fired unit	1,259 MW in total
• one hydro unit	157 MW
2017-2025	
• two lignite units	1110 MW
• two hydro units	191 MW in total
• HFO units (non interconnected islands)	290 MW in total
• RES units	c.180 MW in total

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- Environmental capex
 - Transmission System & Distribution Network capex

- Reduction of CO₂ emissions by more than 40% to less than 20 mln tons by the end of the next decade.
- Increase of the operating efficiency of PPC's generation fleet (from 31% to 36.5% on average for lignite units and from 48% to 53% on average for natural gas units).

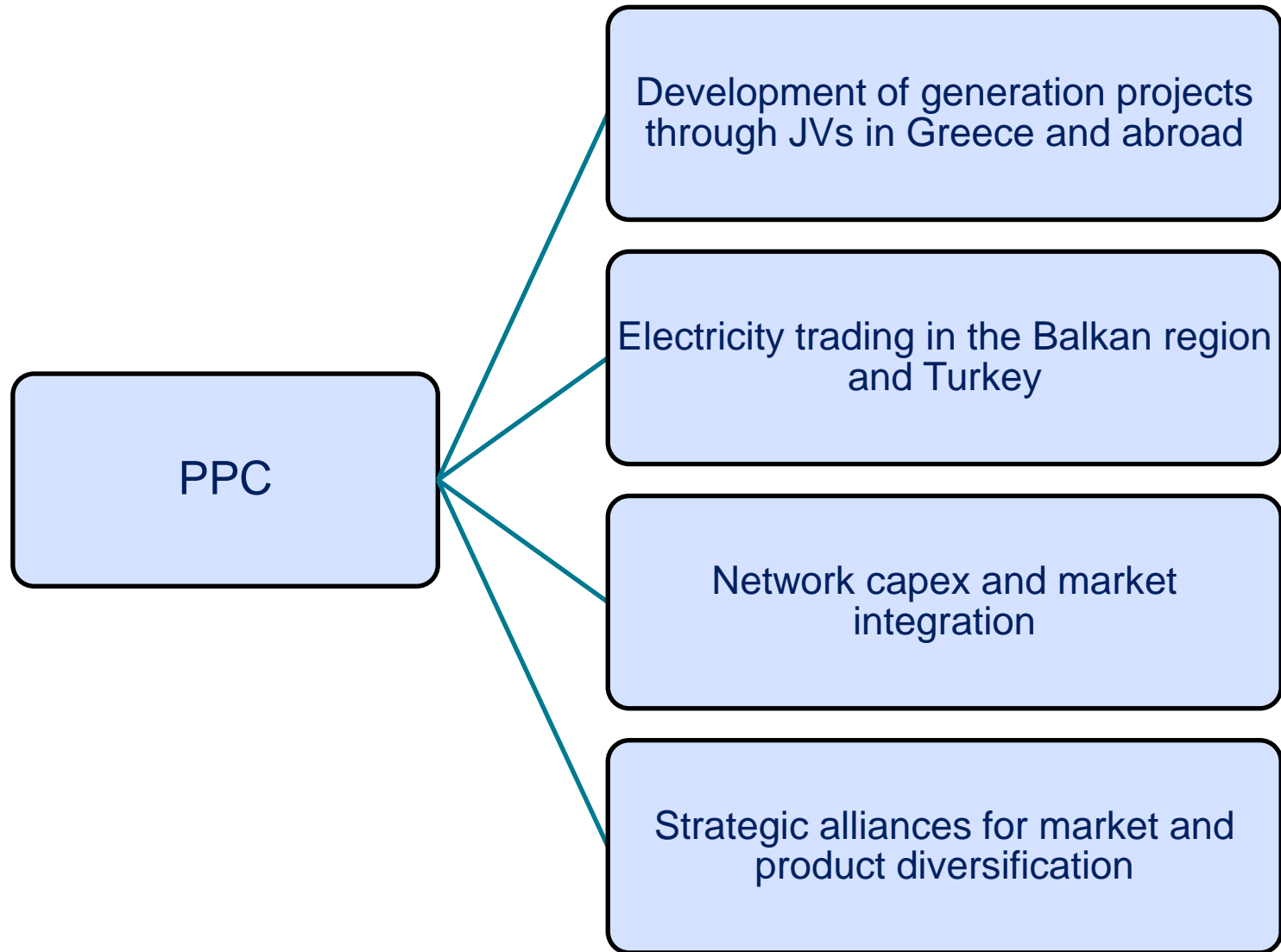


Investments in the RES sector





Expansion in other markets / Strategic alliances





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