

Conclusions

KOZANI 230MW PV

INVEU-ICR-0009-2022 – Sustainable Infrastructure

Short description of the financing or investment operation and its objectives:

Name of the Promoter/Financial Intermediary:	PPC RENEWABLES SA
Country(-ies) of implementation	Greece
Implementing Partner	EIB

The Project consists of the development, construction and operation of three solar PV plants with a total installed capacity of ca. 230MWp, in Kozani district unit, Western Macedonia prefecture, Greece. The project scope also includes the ancillary infrastructure for the grid connection and the access roads. The total capacity of the project is divided in two 15MWp-plants ('IPDM1' and 'IPDM2') and one 200MWp-plant ('IV1'), each of the three owned by a different SPV. The grid connection of the three PV plants will be accommodated via two new Medium-to-High Voltage substations that will be constructed close to IPDM1 and IPDM2. These substations will be connected to the existing 150kV network located within a very short distance.

The Project is located in Western Macedonia Prefecture, a cohesion region and a designated Just Transition region in Greece. No funding from the Just Transition Fund is envisaged by the Promoter. The National Just Transition Plan of Greece includes the development of ca. 2.3GW of PV in the Western Macedonia region and makes specific reference to the Project as being under construction.

Global Assessment and rationale for approval

The Investment Committee of the InvestEU Fund approved the use of the InvestEU guarantee on 1 April 2022 for the above mentioned operation.

Financing this project supports Greek and European efforts for the promotion of electricity generation from renewable energy sources and a just transition. It is fully aligned with EIB policies related to renewable energy and climate change mitigation. The project is one of the largest PV projects developed in Greece, located in the Lignite Center of Western Macedonia, and has secured one of the lowest feed-in-premium tariffs encountered in Greece. Therefore, electricity consumers and the environment are expected to benefit, as are workers in the just transition region that will be able to benefit from new employment opportunities. The project will thus help address multiple market failures and improve social and economic cohesion in Western Macedonia and Greece.

The Bank is contributing to the fulfilment of the above public policy goals, the implementation of the specific project and the strategy of the promoter by providing a long-term debt facility at optimal terms under a limited recourse Project Finance structure. This financing structure / method is for the first time implemented by the promoter and a successful outcome with the assistance of the Bank, its co-lenders and their advisors will strengthen the capacity of the

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company to manage complex projects and financing methods, diversifying thus its funding sources for implementing its overall ambitious strategic plan.

The Investment Committee recognized that financing this project with a long term loan supports Greek and European efforts for the promotion of electricity generation from renewable energy sources and a just transition. High policy value added stems from full alignment with climate and environmental objectives, as well as supporting investments in cohesion regions.

The Investment Committee further welcomed, that the operation has secured one of the lowest feed-in-premium tariffs encountered in Greece. Therefore, electricity consumers are expected to benefit, as are workers in the just transition region that will be able to benefit from new employment opportunities. The project will thus help address multiple market failures and improve social and economic cohesion in Western Macedonia and Greece.