

PRESS RELEASE**Infrastructure investment challenges and opportunities in SE Europe for the sector of Electricity Networks**

With the participation of leading players of the European electricity market, representatives of the European Commission as well as representatives of investment organizations and bodies, HEDNO and EURELECTRIC co-organized in Brussels a Workshop on Infrastructure Investments in Smart Grids within the countries of SE Europe.

In today's announcement, EURELECTRIC mentions the following referring to the conference:

"On 22 February, EURELECTRIC co-organised with Hellenic Electricity Distribution Network Operator (HEDNO) a workshop on infrastructure investment and smart grids in South East Europe (SE Europe).

South East Europe is an important geostrategic energy corridor and transit energy region, which is in need of new energy projects that are crucial for security of energy supply and energy transit towards and across Europe.

While countries in the region face deep economic and financial crisis, smart investments are even more important, as they affect the rest of the necessary energy infrastructure.

Workshop discussions focused on finding solutions to these challenges and ways in which the SE region can attract more investment.

Professor Nikos Chatziargyriou, Chairman of the Board and CEO of HEDNO presents in this [recap video](#) the main conclusions of this event.

Distribution system operators (DSOs) in SE Europe need to integrate in their systems a high share of renewable generation in a cost effective way in order to meet the EU emissions reduction target.

One of the most important challenges in developing infrastructures in SE Europe is making distribution grids smarter.



Smart grids technologies are key in providing more customer participation through demand side management and in allowing more efficient integration of renewables.

In order to achieve this, major investments are needed in distribution systems in most of SE European countries. The economic crisis has tightened the availability of investment financing, even in cases of long-term reduction of costs.

Uncertainties about the European zone recovery, the ineptness of the corporate sector and the reduction of the electricity consumption hamper investments in SE Europe.

However, the SE Europe region also offers plenty of opportunities for investment. The high potential of renewables in many SE European countries and the developments in the ICCT sector offer major opportunities to investors. Meanwhile, in countries like Greece, smart grids and energy investments are at the core of their strategy to return to growth.

Workshop discussions brought to the table solutions to attract investment in the SE Europe region.

First, an effective energy policy is the key to economic development. However, energy policies need to have a more Eurocentric approach, rather than a national one.

Stability is a key issue for attracting investment and in SE Europe, there is a great need for a stable regulatory framework that rewards investments in a fair way.

National governments and the EU must clarify and stabilize the regulatory and institutional environment. Transparency, corruption tackling and strong governments separate from the regulator are all mandatory to attracting investment.

Regulators should create a long-term stand of what is required and incentivise investment in grids. It is also vital to empower the customer and to develop a business case for both customers and DSOs.

SE Europe needs to move towards a DSO, which is more ITC-oriented. Smart grids are an area where investments should be prioritized, not only because of the lower electricity costs and more efficient network cooperation, but also because of their capability of providing jobs and opportunities that lead to new investments. Smart grids will manage effectively the sources of the future and



provide flexibility that will facilitate a cost-effective evolution to a lower carbon future. They will also allow users to make better use of the assets.

Concluding remarks referred to the end-user benefits off innovative solutions such as electricity smart grids and meters, which must be better explained and clarified to final consumers. Also, SE Europe countries must further enhance and exploit the value of their natural resources in the field of renewable energy production. Finally, these countries must also make sure that the issue of credit risk is well managed, so that energy utilities remain financially viable".

Athens, 3rd of March 2016

From the Press Office