

Market officials have forecast that carbon emission right prices will rise even further, possibly to levels beyond 100 euros per ton. At the moment carbon emission rights have risen sharply to record-high levels, reaching 42.28 euros per ton, an ascent of more than 80 percent compared to last October's levels of approximately 23 euros per ton.

This relentless upward drive is costing Greek power utility PPC extraordinary amounts. The corporation, maintaining lignite-fired power stations and related mines to ensure grid sufficiency, has spent a total of 152 million euros on carbon emission rights between November, when the target model was launched, and March, according to market data. PPC's daily outlay on carbon emission rights, estimated at 1.4 million euros, would increase further if these projections prove to be accurate.

The ascent of carbon emission rights has driven up the cost of lignite-based electricity to levels of approximately 130 euros per MWh.

Despite the participation of lignite units in the Greek market, their elevated operating cost has not been reflected in price levels. Paradoxically, even though the cost of electricity exports exceeds 120 euros per MWh, these exports are being invoiced at a little over 40 euros per MWh, benefitting traders, who are making the most of these low price levels.

Source: energypress.eu