

The cooperation between Bosnian power utilities EP HZHB and ERS was extended by the end of 2020. These power utilities have agreed to extend their cooperation on electricity production at pumped-storage hydropower plant Capljina.

In March 2019, the two utilities agreed that HPP Capljina, operated by EP HZHB from the Federation of Bosnia and Herzegovina (FBiH), will provide 50 % of its output in 2019 to ERS, power utility from the Republic of Srpska (RS). This would be the first time in last 15 years that ERS will receive electricity from HPP Capljina. General Director of ERS Luka Petrovic said last year that under the agreement HPP Capljina will provide electricity for the needs of ERS, thus further strengthening the energy balance of the RS. The agreement also obliges HET to secure regulated water release at the Gorica dam of its HPP Trebinje 2, while HZ HB has agreed to ensure the production of electricity at HPP Capljina, which has 2 units with total output of 420 MW. In late 2019, BiH Government approved a 15 million euros loan, which will be provided by German Development Bank (KfW), for the modernization of HPP Capljina. The aim of the modernization project is to extend the operational life of the pumped-storage hydropower plant by upgrading its 40-year old equipment. The upgrade will result in the increase of HPP's electricity output and increasing its capabilities to provide additional services to the Bosnian electricity supply system. The loan will have a maturity of 15 years, with a five-year grace period.