

The Government of the Republic of Srpska (RS) adopted a decision on a possible concession extensions for two coalmines in Ugljevik municipality, following the decision to grant concession extension for the construction of coal-fired thermal power plant Ugljevik 3 to Russian company Comsar Energy. Namely, RS Government adopted a decision on entering in negotiations with Comsar Energy on a possible extension of concession for coal excavation at the Ugljevik East 2 deposit for 14.5 years and at the Delici deposit for 3 years. Director of Comsar Energy RS Sinisa Majstorovic said that the company is not planning to abandon the TPP Ugljevik 3 project, adding that it has entered negotiations on strategic partnership with a reputable company.

Earlier this week, media reported that the RS Government once again met the request of Comsar Energy and extended the deadline for the construction and usage of TPP Ugljevik 3 to 44 years. Previously, Comsar Energy requested for its concession to be extended from 30 to 45 years. The construction of this power plant has not even started yet, although, according to initial plans, it was supposed to be operational for several years already. The statement from the Government said that the term for which the concession is awarded is extended to 44 years, counting from the day of the contract's conclusion. The minimum amount of concession fee for the ceded right for the extended duration of the concession is around 1.5 million euros. In 2018, Russian company asked RS Government to extend the concession granted for the construction of TPP Ugljevik 3 for an additional 15 year or the company will give up the investment. The request includes the extension of the concession period from 30 to 45 years, because the current concession period of 30 years is deemed unprofitable due to lower electricity prices. At the same time, Comsar Energy requested to reduce the power output of the future plant from 600 to 350 MW. However, in early 2020, Comsar Energy requested that the installed capacity should be increased to 700 MW.