

The fee for electricity produced from renewable energy sources (RES) will increase from the current 0.0046 euros/kWh to 0.0137 euros/kWh as of September, which means that the average electricity bill in Croatia will rise by around 2.7 euros.

With an average consumption of 3,300 kWh, the annual electricity bill will increase by 31.2 euros and with VAT it adds to 35.2 euros more per year. The statement from Croatian Ministry of Environment Protection and Energy explains that after this price increase, there will be no need for new hikes until 2019.

The increase will be applied for household consumers as well as for business consumers. Also, the state did not abolish the obligation of electricity suppliers to purchase RES produced electricity at a regulated price, but it remains to be discussed.

Minister of Economy Martina Dalic explained that electricity bills will actually be lower by some 0.7 euros compared to 2016 due to lower VAT on electricity in 2017. She stressed that this will not be the last electricity hike, because the current increase of RES fee will not bring enough money for future RES incentives. Namely, the production of electricity from renewable sources is growing, the number of contracted facilities within the incentives scheme is increasing, while their realization is becoming more profitable due to lower equipment costs.