

The system of the artificial reservoir Busko and the pumping station is located on the territory of Bosnia and Herzegovina, from where the water is directed by pipeline to the hydropower plant Orlovac, which is located in the basin of the river Cetina in Croatia. The project was built jointly by Croatia and BiH in the 1970s. After the war, the BiH authorities have been warning for years that the amount of compensation paid by HEP for the use of water from the Busko lake is not fair. HPP Orlovac has installed capacity of 237 MW and average annual electricity generation of 366 GWh.

The authorities of the Herzeg-Bosnia Canton have launched an initiative, according to which, Croatian state-owned power utility HEP would pay around 4.3 million euros per year for the water from the Busko lake used for electricity generation at HPP Orlovac. This more than double compared to what HEP paid before.