

Members of the House of Representatives of the Parliament of the Federation of Bosnia and Herzegovina (FBiH) have unanimously adopted the bill by which Croatian state-owned power utility HEP will pay at least 2.5 million euros more annually for the use of water from the Busko Lake, while the funds will go to the municipal budgets of Livno and Tomislavgrad. The current legislation prescribe allocations to municipalities that are exclusively related to the amount of electricity produced or water used, while the most important factor, flooded land, is not valued at all. This particularly affects the two municipalities, where the facilities of HEP's hydropower plant Orlovac are located.

In this case, with the construction of dams and embankments for HPP Orlovac, huge arable land of Livanjsko polje and Buzo blato were transformed into Busko accumulation and the compensation pool Lipa. Water from these reservoirs are used for electricity generation in HPP Orlovac, located in Croatia.

The special feature of HPP Orlovac, in relation to other hydropower plants in FBiH, is the small production of electricity in relation to the area occupied by hydro accumulation. According to the proposal, the annual amount of compensation cannot be less than 750 euros KM per hectare of area flooded by the reservoirs.