

In the beginning of March, the Croatian Energy Regulatory Agency HERA adopted a decision according to which, two hydropower plants operated by state-owned power utility HEP, acquired the status of eligible producers.

HEP Proizvodnja has applied for obtaining the status of eligible producer of electricity for its HPP Orlovac and HPP Dubrava. HPP Orlovac has power output of 237 MW, while HPP Dubrava has 76 MW power output. However, these two HPPs will not be eligible for the incentive price because they do not qualify for the inclusion in the incentives system, which has been abolished for this type of power plants.

The acquisition of the status of eligible producer for HPP Orlovac and HPP Dubrava is motivated by the desire to certify the electricity produced by these plants, by entering the system of guarantees of origin of electricity in accordance with international standards. The guarantee of origin is an electronic document which guarantees to the buyer of electricity that it has been produced by renewable energy sources. The plants that are incentivized are not entitled to participate in the system of guarantees of origin, but since HEP's plants are not incentivized, the company can register its facilities that meet the criteria for the production of —green energy||.

In the past ten years, HEP has certified 42 MW HPP Lesce and 95 MW HPP Varazdin, but now the company is obviously interested in certification of its other HPPs. According to Croatian electricity transmission system operator HROTE, the guarantees of origin from HPP Lesce were intended for export (namely to buyers from Netherlands and Norway), while those from HPP Varazdin were used to supply domestic customers.

Possession of green certificates could prove increasingly important for electricity trading both in Europe and in Croatia. For example, the National Action Plan for Public Procurement for 2015 stipulates that the supplier will be required to prove that up to 50 % of its supplied electricity is produced by renewable sources, and in the 2018-2020 period up to 100 % of supplied electricity should be produced by RES.