

Croatia: Instead of wind power plants, incentive focus is on the production of electricity from biomass, biogas, small HPPs

Government has adopted the National Action Plan for renewable energy by 2020, by which focus from promoting the construction of wind farms, transported to encourage the production of electricity from biomass, biogas, cogeneration and small hydro power plants and reduce the total cost of the incentives. The plan is in line with this EU Directive for renewable sources and its integral part are the concrete measures by which member states will meet the goal of 20 percent renewable energy share in consumption by 2020.

Data from the end of last year showed that in Croatia the share of renewables in total energy consumption was 15.1 percent, while it is estimated that at the end of this year it will be 15.8 percent.

Unlike the current situation, the government wants to make the obligation of 20 percent with new action plan, primarily by encouraging the implementation of small hydropower plants, biomass and biogas, as these projects have the greatest impact on the economy. Economy Minister Ivan Vrdoljak says it was shown that with the concentration on encouraging the construction of wind farms Croatia does not encourage its own industry, but the industry of foreign countries, from which derives the majority of circuits and systems for wind turbines.

In addition, Vrdoljak says that the 10 MW installed capacity wind farm employs one person, and the production of biomass, biogas, cogeneration and small hydro power plants open ten times more jobs than wind power.

If Croatia would stay with the current concept of promoting renewable energy sources, the cost for it would amount 21.1 billion kunas from 2013 to 2020.

According to the Action Plan adopted today, the total costs from this year until 2020 fell to 13.9 billion kunas.

With a new action plan for renewable energy, the Government has set a new fee for the promotion of electricity from renewable energy sources and cogeneration, which determines the use, height, billing, collection, distribution and payment of the fee.

The amount of compensation to be paid by purchaser of electricity increases from the current 0.5 lipa per kilowatt hour to 3.5 lipa (excluding VAT).

For electricity customers who pay for obtaining permit for greenhouse gas emissions, or for the industry, fee remains at 0.5 lipa per kilowatt hour. We're not going to burden the industry because they are burdened by paying for carbon dioxide and other benefits, Vrdoljak said.

All other customers, including the households, from the beginning of November will pay the new, higher fees for renewable sources, and unofficial calculations show that the amount of the fee for the average household would be higher for a few dollars a month.

Minister Vrdoljak says that "green energy" is expensive energy and that the fee for the promotion of this energy, the so-called green rent is the lowest in our country, compared to other EU countries. In our country it is one percent of the total cost of electricity, and for

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example, in Italy is 12 percent, in Germany 20 percent.

Increasing fees for renewable energy at 3.5 lipa per kilowatt hour will be enough for all fees and costs for the implementation of today accepted National Action Plan, said Vrdoljak.

He hopes that suppliers, due to increasing fees for the promotion of renewable energy sources and cogeneration will not increase electricity bills. We hope that the suppliers will succeed to compensate that in their business, said Vrdoljak.

Source; Serbia Energy See desk