

RWE Hydro power plants on Drina river: Concession contract for the four hydro power plants in February

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Future concession company shall have no obligation to supply electricity to tariff customers in the RS and therefore it will be free to sell in domestic and international markets.

By the end of February 2013 all of the most important elements of the concession agreement for all four facilities planned as part of the HPS "Upper Drina" will be defined, representatives of the Ministry of Industry, Energy and Mining, "Electric Power Industry of RS" and the German company RWE Innogy, which is a strategic partner in this project concluded today in Trebinje.

At this first meeting, special attention has been paid to the environmental aspects of the project, which must follow the terms of the Treaty establishing the Energy Community of South East Europe, as well as the highest environmental standards of the EU, they said from the relevant entity ministry.

Strategic partner was informed that meetings were held with representatives of the competent authorities of the Republic of Montenegro in the aim of informing them about the development of HPS project "Upper Drina". On that occasion they presented the completed environmental studies that have shown that these energy facilities will not have a cross-border impact on the environment, it said in the statement.

The next meeting will be held in mid-January 2013.

As a reminder, the RS National Assembly, on November 8, after a heated debate and strong reaction by the opposition approved the Government contract on the selection of a strategic partner for the project Hydro Power System (HPS) "Upper Drina" and a strategic partnership agreement with the German company RWE.

Earlier on, this project caused reactions from BH and neighboring Montenegro. RS presented a study to the Montenegrin Government, which claimed that the construction of hydro power plants "Foca" and "Buk Bijela" in the upper basin of the river Drina would have no impact on the environment.

The contract that was signed by the Government on October 26, and then confirmed by the Parliament, defines the ownership ratio between RWE (60 percent) and "EPIRS" (40 percent) in the joint venture that will be building the four power plants - "Buk Bijela", "Foca", "Sutjeska" and "Paunci".

The contract clearly states that the future concession company will not be obliged to supply electricity to tariff customers in the RS and will be free to sell in both domestic and international markets.

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