

# Montenegro: Electricity - Market and Regulatory Framework

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The regulatory framework for the electricity sector is primarily set out in the 2016 umbrella Energy Act, which deals with the generation, transmission, distribution and supply of electricity. The Energy Policy of Montenegro until 2030 and the Energy Development Strategy until 2030 describe the policy and development goals of the energy sector, together with the 2016-2020 Action Plan. Also, there is a decision on the long-term energy balance of Montenegro for the period from 2017 to 2019, which refers to electricity, coal and petroleum products, as well as implementation measures.

Competent authorities for regulating the electricity sector in Montenegro include: the Government, as a policy maker; The Ministry of Economy and Energy, responsible for implementing policy documents and laws; and the Energy Regulatory Agency, an independent regulatory body that decides on licensing, tariff methodology and regulated tariffs.

Households were given the right to choose their electricity supplier in early 2015, while the by-laws regulate supplier change. Since 2015, no new suppliers have entered the electricity market.

The market is dominated by state-owned companies. However, the renewables sector has attracted private investment. Masdar has acquired a stake in Krnovo's first operating wind farm. Mozura Wind Farm is due to be commissioned in late 2019. The construction of the Briska Gora Solar Power Plant (with an installed capacity of over 200 MW) has been awarded to the consortium EPCG and Finnish Fortum.

The share of coal-fired power plants in the planned generation in 2017 is 39%, hydro power plants 52%, wind power plants 9% and solar power plants 0.06%. The planned exports and imports are 678 GWh and 819 GWh, respectively.