

According to data published by the Ministry of Capital Investments, 12 companies which operate 24 SHPPs received 3.9 million out of total 19.4 million euros paid to privileged producers in 2020. The operators of small hydropower plants (SHPP) in Montenegro, which have a status of privileged producer, paid around 650,000 euros in concession fees in 2020, while at the same time, received over 3.9 million euros in subsidies for produced electricity. The companies are: Hidroenergija Montenegro, Igma Enerdzi, Kronor, Sinerdzi, Nord Enerdzi, Hidro Bistrica, MHE Mojanska, MHE Kutska, BB Hidro, Simes Inzenjering, Viridi progresum and AB Power Group. In 2021, three operators of three new SHPPs obtained the status of privileged producer.

In the period January-April 2021, the concession fee was calculated for 27 SHPPs, for eighteen on a monthly level, one on a semi-annual basis, and eight on an annual level. In the four months of 2021, SHPPs, for which the fees are calculated on a monthly basis, were charged a total of 343,736 euros, which was fully collected.

Through the approved procedures, 29 concession agreements and two energy permits are currently active, which enabled the construction and operation of 44 SHPP facilities. Based on the concluded concession agreements and one energy permit, 32 small hydropower plants have received a use permit so far. The total installed capacity of 32 small hydropower plants that have received a use permit is 47.3 MW, with average annual production plan of 161.8 GWh.

Part of the public has been opposing the construction of SHPPs for years because the society benefits very little from them, and they cost consumers a lot. Also, it is often the case that the rivers were destroyed after the construction of SHPPs. Due to that, protests of locals are frequent, who oppose the construction of new mini-power plants. The system of subsidies, which are paid through electricity bills, was designed by the previous Government. Privileged producers have the right to a subsidized purchase price of electricity for 12 years, which is over 50 % higher than the market price. The purchases are made through state owned power utility EPCG and electricity market operator COTEE. The Government has so far terminated 17 concession agreements for the construction of SHPPs. Due to non-compliance with the obligations stipulated by the concession agreement during the implementation of the project, 12 contracts were unilaterally terminated. Also, five agreements on termination of the contract were concluded.