

Montenegro: Revenues from Montenegro-Italy submarine cable to exceed expectations

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Vladimir Bojic from the Montenegrin electricity transmission system operator CGES said that revenues from the operation of submarine electricity cable between Montenegro and Italy will be higher than expected and would rise to over 6 million euros in 2020.

Bojic explained that in accordance with CGES" business plan and projections, expected revenues are around 6 million euros. However, as the current situation is based on developments in the electricity market, there are definitely realistic expectations that we will exceed those projections.

CGES has already earned around 3 million euros by auctioning the cable capacity. The electricity interconnection was put into operation in November last year, and in December the Coordinated Auction Office in South East Europe (SEE CAO) has started the auction process for 2020 by offering the capacity of 70 MW. The link"s total capacity is 600 MW, of which Montenegro is entitled to 200 MW.

CGES recorded a net profit of 2.78 million euros in the first nine months of 2019, which is 34 % lower compared to a profit of 4.22 million euros recorded in the same period last year. The Government of Montenegro owns 55 % of the shares in CGES, while Italian Terna has 22.09 % stake in the company. In late December 2015, Serbian electricity transmission system operator EMS became a shareholder in CGES, after the company bought about 10 % of CGES"s shares at Montenegrin Stock Exchange for some 13.9 million euros.