

The Montenegrin Electric Distribution System (CEDIS) will purchase electricity from Elektroprivreda (EPCG) to cover technical losses at the same prices at which it recovers this cost from consumers.

The right to operate the Pljevlja thermal power plant is extended until the end of the Government's negotiations with the Energy Community and the European Commission and the proceedings before the Secretariat of the Energy Community.

This was proposed through amendments to the law on energy and the law on industrial emissions, which were submitted to the Parliament by the "Peace is our Nation" club of deputies.

CEDIS now has to buy electricity from EPCG at prices that depend on the formula from the stock exchange in Hungary, that is, at 116 euros per megawatt hour (MWh), and sell it at the regulatory allowed price of 52 euros. Because of this, as previously announced by the company, CEDIS has annual losses of over EUR 10 million, and if it were to buy that electricity at the prices at which it is sold from other regulatory permitted income, it would have a profit of over EUR 6 million.

Amendments to the law now provide that in the event of an extreme rise in electricity prices on the market, prices are determined separately to cover approved technical losses to network operators.

This means that in the event of a price disturbance on the market, which has been happening for a year and a half, the article of the law would be valid, which stipulates that "The Government can prescribe the obligation to provide public services for electricity and gas entities under different conditions than market conditions, in the pursuit of public interest, and when the public interest cannot be realized on market principles".

If this amendment to the law is adopted, it would affect that EPCG does not earn money from the sale of electricity to its company CEDIS, and CEDIS would have a chance to make a profit from regular operations and fulfill its role of public interest. This would keep the money within the same business group, but CEDIS would be saved from losses and the risk of becoming an insolvent company.

According to the current law on industrial emissions, the Pljevlja Thermal Power Plant would have to stop operating by the end of 2023, because the harmonization of its operation with EU regulations has not been resolved in the past ten years. Its reconstruction, which will solve only part of the problem with the emission of harmful gases, started only in April this year.

Yesterday, the Parliamentary Committee for Tourism, Agriculture, Ecology and Spatial Planning supported the proposed changes to the mentioned law.

The Democrat MP and one of the proponents, Danilo Šaranović, said that the proposed changes represent the state's interest, because the essence is to create preconditions that enable the continuation of the Pljevlja Thermal Power Plant.

- According to the existing law, the operation of the Pljevlja Thermal Power Plant is approved for 20,000 working hours, until the end of 2023 at the latest, which is completely unrealistic in the circumstances of the global energy crisis. If the current law were to be followed, the energy sector and thus the economic sector would be threatened because TE Pljevlja is the only stable producer of electricity with a participation level of 90% during the summer months, and 40 to 50% annually - said Saranović.

He also emphasized that the integrated permit for the operation of the TPP expires in three months, and that the Environmental Protection Agency would not be able to issue a decision on the extension of this permit if the proposed amendments to the law are not adopted.

Germany requested the shutdown of the Pljevlja Thermal Power Plant, and opened its 16th Democratic Front MP Dejan Đurović said that the MPs of that party will support the proposal to amend the law and stated that the European Energy Community accepted Montenegro's draft plan for energy efficiency.

- The draft plan had difficulty entering the procedure because Germany insisted on shutting down the Pljevlja TPP in record time, by 2025 or possibly by 2030. After the energy crisis that arose in the world, we witnessed that Germany opened 16 new thermal power plants, so the operation of the Pljevlja thermal power plant is no longer in question - stated Đurović.

He reminded that the European Energy Community gave a certain quota to Montenegro to emit carbon dioxide (CO₂), and that until 2021 the company Uniprom received a quota that was three times higher than the one received by the Pljevlja Coal Mine.

- Since they are not producers, they sold their quota to the Coal Mine, for which they received an abnormal amount of money. One year it was around eight million euros, and later much more. That's how we came to the direct arrangement of money to Uniprom, which was not actually a producer because the Aluminijski kombinat has been out of business for a long time. We hope that with the proposed law we will get out of this story and will not allow private individuals to sell their quota to the only producer of electricity - said Đurović, eKapija writes..