

Power utility EPCG in March last year has submitted RAE unbundling program which should be undertaken in two phases until April this year , but this deadline was not respected. EPCG has no precise answer to the question when will it complete the unbundling of distribution business. This is one of the most important preconditions for the development of the electricity market in Montenegro, or appearance of other suppliers and competition. Regulatory Agency for Energy ( RAE ) in a report on the situation in the energy sector for the last year stated that the legal unbundling of EPCG and its functional parts distribution should be completed in 2011, which has not been done yet, and have repeatedly insisted that the job is completed.

EPCG in March last year has submitted RAE separation program which should be undertaken in two phases until April this year, but this deadline was not respected. EPCG has been intensified work on the project of unbundling the Distribution aimed at finding the best model for the functioned of the new companies . It is complex job because of organizational changes, following the removal of distribution system operator, lead to the certain changes in whole company, ” explained from EPCG. Although Distribution is not legally separated from EPCG, it is ready to fulfill all obligations of distributions system operators if any independent supplier appears.

The companies in Montenegro can choose supplier of electricity from 2009, and households since January this year. The problem is that licenses have only EPCG and Montenegro bonus which supplies only Aluminum company KAP. EPCG believe that the others did not entered into the market due to low electricity prices.

RAE has stated that there is no legal mechanism to compel EPCG to fulfill obligation of unbundling , and that it will notify the Minister of Economy.

The state is the majority owner of EPCG together with JV partner.

The state has a 57,02 % EPCG ownership , and the Italian partner A2A 41,75 % , while small shareholders less than 2% . , transmits Serbia-energy.eu