

The Government of RS and “Electric Power Industry of RS” will do everything to avoid electricity price increase in the near future, despite the fact that there are legitimate demands of companies and distributors for tariff change, was stated from Trebinje by Petar Djokic, Minister of Industry, Energy and Mining, and Branislava Milekić, General Manager of ERS.

Djokic and Milekić discussed in Trebinje about business results in the previous year, but also about the losses that accompany the production, especially in thermal power plants, as well about the opening of the electricity market and new projects.

Although we have a difficult business year behind us, with losses in thermal power plants in which the exploitation of ore is performed with difficulties, we can say that we finished last year with an insignificant profit, even though we produced almost 11% less electricity than in 2013 - Milekić pointed out after the meeting.

She explained, however, that at current, lowest electricity prices in the region, and much lower than the other entity, it is difficult to maintain the entire system.

Milekić familiarized the Minister with the fact that thermal power plants are having the hardest times, and they cannot operate positively at such low prices, so there is a real chance that subsidiaries of ERS will request from regulators an increase in electricity price. Very low prices, on the other hand, are the reason why there are no big competitive opportunities for the appearance of other electricity suppliers on the market of RS, despite the opening of the electricity market and establishing of the Energy Community at the international level.

- When all this is taken in consideration, “ERS” will seek a mode by which the prices will remain moderate and costs will be rationalized, in order to postpone electricity price increase as much as possible, although there are legitimate demands of companies and distributors for tariff change - added Milekić .

- Requirements of generation and distribution companies are fully justified and realistic, so for a long time the situation for an increase in electricity prices has matured - she said. Minister Djokic as well pointed out that the Government of RS will do everything to prolong the increase in electricity prices or to make it as small as possible, and in this sense to reduce the costs as much as possible, which is, as he stressed, the policy of the Government of RS.

Djokic highlighted that, in the context of more rational fund spending, future energy investments in the RS were also mentioned, and the majority of discussions was about the completion of project documentation for HPP “Dabar” and its implementation, for which it is necessary to allocate 350 million KM, and the tunnel construction has already been approved, after which follows the construction of the plant and procurement of the facility.

- In the coming days we will also determine how this investment will be financed, where

ERS will allocate part of the funds, while when it comes to the rest of the money we should be thinking about another financier - Djokic said, adding that there are already negotiations in progress with one Chinese partner and the European Bank for Reconstruction and Development on the financing of the construction of HPP "Dabar" and a new unit of 300 MW of Gacko thermal power plant.

The completion of these two energy giants, as well as the TPP "Stanari" and wind power "Hrgud", where there will be direct negotiation process with the concession of ERS, will significantly change the energy landscape, not only in the Republika Srpska, but also in the whole region, it was concluded at the end of the meeting.