

## Republika Srpska: Norway Technor Energy restarts its 250MEUR small HPPs project, the report

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The concession construction project of small hydropower plants on the river Bosnia, which the government awarded six years ago to the Norwegian company "Technor Energy", could be finally moved from the dead point. In fact, the key problem that stopped realization project of estimated value of 250 MEUR in 2011. were disputes between majority and minority shareholders of the company "Technor Energy".

Although there were speculations that the deal with the Norwegians definitely failed, however, they recently solved their differences, by dividing the obtained six concession locations for the construction of hydropower facilities from Dobož and Modrica.

Based on the agreement the "Technor Energy" minority shareholders founded the firm "Technor Hydro 2 ", which will take over the implementation of three from six small hydropower plants (SHPP) in Bosnia.

The RS Ministry of Industry, Energy and Mining confirmed that the Commission for Concession gave agreement, and the RS government approved the transfer of the concession contracts for the construction of HPP "Cijevna 1", "Cijevna 2" and "Dobož" from "Technor Energy" to "Technor Hydro 2 ".

The remaining three concession agreements for SHPP "Cijevna 4", "Cijevna 5" and " Cijevna 6" will realize "Technor Energy".

In the company "Technor Energy" stated that the decision to invest in the RS project will bring if financiers would be satisfied with the legal framework with the RS Government related with the concession agreement.

-When such a decision is brought, then construction start represents just a matter of logistics and practical work - said the Roar Hausner, management president of "Technor Energy".

Commenting on the current project activities, Hausner said that the process of land expropriation is almost complete, the project is consistent with the Corridor 5c and highway Banja Luka - Dobož, while others permits renewal, according to him, is only a formality.

RS Energy Regulatory Commission in May this year rejected the Norwegians request for a permit for SHPP construction "Cijevna 1", "Cijevna 2" and "Cijevna 4" as incomplete.

As stated, the environmental permits and environmental impacts assessment were issued for the installed capacity of the power plants, which is less than the capacity stated in the annex of the Concession Agreement and the request (11.5 instead of 14.1 megawatts). Also, urban

agreement, namely location conditions were also issued for lower installed power, and they expired the expiration date, and as third reason stated that the concessionaire in the concession contract and the applicant were different legal persons.

Norwegians say that with the concession implementation has gone furthest in locations SHPP "Cijevna 1" and "Cijevna 2", for which it is expected the first to be built.

-For them, also it must be waited for the "Cijevna 3" finalization which is under the jurisdiction of "Elektrodoboj." As we informed, they started intensively to work on the project activities implementation - said the management president of "Technor Energy".

The "Elektrodoboj" company earlier said that contractor tender for SHPP "Cijevna 3" would be announced at the beginning of 2014. Construction works and purchase of equipment are funded by a loan from the German development bank KfW of 50 MEUR, while the part of funds for Bosnia riverbed assortment and facilities construction will be provided from its own resources.

Source; Serbia Energy See desk