

## **Serbian small hydro power plants location, huge perspective and secure ROI for investors under feed in tariff prices**

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Serbia uses only 62% of its hydro potentials for electricity production, and usage of remaining hydro potential for the operation of small hydro power plants would gain a value of 47 mill dollars, it was concluded on the conference Small hydro power plants and perspectives. ROI is secured with feed in tariff prices and 12 years contract for selling the green kwh.

In Serbia there are 31 small hydro power plant with total power of 34,6MW with annual total production of 150 Gwh which is only six % of total estimated potential of small hydro power plants.

Extensive use of renewable energy sources and increase of investments into green energy economy would generate new jobs, decrease of import of electricity and decrease of external trade deficit.

In last years 16 new small hydro power plants are constructed, some projects are in different phase of development and Electric Power of Serbia plans the construction of another nine small hpp. EPS has the obligation with 25 preferred producers to buy off all electricity from this small hpp under feed in tariff prices.

According to Zoran Manasijevic, assistant to general manager of EPS Serbia has great need for new hydro power plants but so far not much was done due to the different obstacles in investor friendly environment. This environment and regulations are in the process of reform and will provide security and reliable ROI to investors.

Electricity from small waterways is the rich potential which Serbia does not uses a lot. Out of all energy potential in Serbia more than 10% are from small waterways where small hpp could be constructed, explained director of Jugoistok Mr.Dragan Milentijevic and added that the estimated value of investment into this capacities is 13 mil euro. Potentials should be promoted to investors, it can be expected that in 2012/2013 the installed power will be increased.

Serbia has a cadastre of small hpp under which the power of this facilities could reach 440MW in total with annual production of 1,55TWH and 15% of total production in the country. If such an energy is imported it would cost 47 mil dollars.

The producers of electricity in small hpp up to 10MW since 2010 have the right to obtain the status of preffered producer status and sell the electricity under feed in tariffs and kwh from small hpp goes between 7,8 to 9,7 eurocents per kwh. The contracting obligation to purchase



such an electricity kwh is valid for 12 years which guaranties the ROI for investors.

Source [Serbia-energy.com](http://serbia-energy.com)