

Bosnia's maiden wind farm began producing electricity on Wednesday as part of the country's efforts to cut greenhouse gas emissions and meet the renewable energy standards of the European Union it aspires to join.

The 50.6 MW Mesihovina wind power plant, located near the northwestern town of Tomislavgrad and set in rocky-mountainous terrain, consists of 22 turbines and can produce 165.2 GWh of power a year, or enough to supply 27,500 households.

The project was commissioned by majority state-run power utility Elektroprivreda HZHB, the smallest of the three power utilities operating in the Balkan country, and took 13 years to complete.

Bosnia generates 60% of its electricity from coal-fired power plants and the remainder from hydro-power. It plans to increase the share of renewable energy to 43% by 2020.

"We hope that this project, which has a safe future on the energy market, will encourage new investment in renewable sources," the utility's General Manager Marinko Gilja said at an opening ceremony.

EHZHB, which itself operates seven hydro-power plants with a combined capacity of 860 MW, relies on imports to cover demand in increasingly dry weather conditions. The new capacity will boost its output by 10%.

The firm's profits dropped 90% last year as a long drought and soaring temperatures lowered water levels across the Western Balkans, hitting hydro-power output and driving demand and spot power prices sharply higher.

The project, built at a total cost of €82 million, was financed mainly through a loan provided by German state-owned development bank KfW while Germany's Siemens supplied the turbines.

Several developers are seeking to add around 500 MW in wind capacity in Bosnia over the coming years but only four have been issued permits so far.

Due to steady winds from the Adriatic and Western Balkan mountains, energy experts predict the newly installed wind capacity in the region could reach 6.1 GW within five years.

Source: euractiv.com