

Serbia and Republic of Srpska will work together on the construction of as many as three new hydro-power plants on the Drina River. These are HPP Foča, Paunci and Buk-Bijela, which will correspond in strength to Unit 2 in HPP Đerdap 1. HPP Buk-Bijela as the front power plant, from the point of view of the size of the accumulation, should be the largest power plant on the Drina (upstream from Visegrad). HPP Foča is one of the planned hydropower plants in the system of hydropower plants on the upper Drina.

The agreement signed between Serbia and Republic of Srpska on the formation of a joint venture for hydro-power plants on the river Drina, which has been waiting for 40 years, does not mean, as it has been speculated for days, the takeover of Elektroprivreda Republike Srpske from Elektroprivreda Srbije.

This was also confirmed by Aleksandar Vučić, the President of Serbia, and Milorad Dodik, the President of RS, emphasizing that this is a new project related to the middle course of the Drina, and that there is no talk of selling, it is an investment.

The first man of Serbia said that the country is interested in buying other electricity distribution companies in the region, and added that Belgrade will never do anything that would not be in the interest of RS, adding that the region needs enlargement.

Although there are not many details about the new project, "Politika" finds out that there is definitely no word about any takeover of Elektroprivreda Republike Srpske (ERS) from EPS. Namely, ERS is a mixed holding company - a joint stock company, where it is not 100 percent owned by the state, but part of ERS is owned by small shareholders, so even if there was such an intention (sale of ERS to EPS) it would be published.

The formation of a joint venture refers only to new hydropower plants whose construction will be jointly financed and which will operate within that new joint venture.

The existing hydroelectric power plants, both EPS and ERS, remain within their parent companies as before, so the thesis that the existing hydroelectric power plants will leave EPS is also meaningless, points out this "Politika" source.

In light of the obligations under the Paris Agreement and trends towards decarbonisation, any project that involves capacity building from renewable energy sources is undoubtedly important and will bring benefits to both sides in the future.

When asked whether we will build more large hydro-power plants thanks to this new company or small ones are planned and whether it affects the increase of production capacities, the same source says that the new company was formed with the aim of building three hydroelectric power plants - HPP Foca (44.15 megawatts, HPP Paunci 43.21 megawatts and HPP Buk-Bijela (capacity 93.52 MW), so this is not about mini-hydro power plants, but about hydropower plants with a total installed capacity of 180 megawatts, which

is equivalent to, say, the power of Unit 2 in HPP Djerdap 1 .

This power, for example, represents about 2.5 percent of the total installed power of all power plants owned by EPS, the same source points out.

Any increase in installed capacity, especially if it is not about energy from coal and lignite (due to pressure to abandon coal production), contributes to increasing security of supply, both customers in Serbia and customers in Republic of Srpska.

On the other hand, the importance of the above-mentioned capacities should not be overestimated in terms of any major strategic impact on both power companies, bearing in mind that this is not a matter of some great power. However, due to greater stability of production from hydro potential, the planned capacities will be of greater importance than, say, the production of 180 megawatts from wind or solar, which is more adversely affected by weather conditions.

Source: politika.rs