

Montenegro set aside a total of EUR 7.5 million in incentives for producers of electricity from renewable energy sources in the first six months of 2018, about EUR 4.3 million of which went to Krnovo Green Energy, which operates the Krnovo wind farm, Pobjeda has learned, according to local media.

From May 1, 2014, when the incentives were launched, to the end of 2017, Montenegro paid EUR 7.5 million to producers of electricity from renewable energy sources, of which EUR 4.5 million in 2017, according to data released earlier by the Montenegrin Electricity Market Operator .

The 72 MW Krnovo, Montenegro's first wind farm, became eligible to receive the incentives in November 2017. The eligibility status expires on November 2, 2029.

According to COTEE's latest data, renewable energy producers receiving the incentives generated 145.9 million kWh of electricity in H1 2018, of which the Krnovo wind farm produced 82.8 million kWh and small hydropower plants the remainder.

Krnovo Green Energy is a subsidiary of France's Akuo Energy, while the United Arab Emirates' Masdar has agreed to acquire a 49% stake.

The SHPPs in question are Jezerštica, Bistrica, Orah, Rmuš, Spaljevići 1, and Šekular operated by Hidroenergija Montenegro; Vrelo operated by Synergy; Bradavec and Piševska Rijeka operated by Igma Energy; Jara and Babino Polje operated by Kronor; and Bistrica Majstorovina operated by Hydro Bistrica.

The last of the incentives to the SHPPs are to be paid in 2030.

EU advises switch to auction system

In its 2018 report on Montenegro, the European Commission advises the country to move to market-based support schemes for renewable energy production given that it overshot its 33% renewables target for 2020 back in 2016, when the share stood at 41.6%.

"The country needs to move to an auction system compliant with the 2014-2020 Guidelines on State aid for environmental protection and energy," the report reads.

The Montenegrin government recently said that the Ministry of Economy has registered strong investor interest in the construction of facilities using renewable energy sources without incentives for generated electricity.

Source: balkangreenenergynews