

Russian company Comsar Energy has sued the Government of the Republic of Srpska (RS) because it revoked the environmental permit for the project for the construction of coal-fired thermal power plant Ugljevik 3, developed by the Russian company.

A new environmental permit for TPP Ugljevik 3 is necessary due to the agreement signed in 2018 between Bosnia and Herzegovina (BiH) and the Energy Community in which BiH has committed not to use the existing environmental permit for the plant and that the environmental impact assessment study will be re-examined. Local subsidiary sued the Ministry of Spatial Planning, Construction and Environment before the District Court of Banja Luka. The plaintiff requested that the court annul the decision on the revocation of the environmental permit. However, the court rejected the lawsuit as unfounded. This agreement came after the NGO Center for the Environment filed a complaint with the Energy Community Secretariat in 2014 regarding this project. Prior to the appeal, in 2013, the Center initiated a dispute against the decision on the issuance of an environmental permit, which was annulled in 2017 by the Supreme Court of the RS.

Soon after the agreement with the Energy Community, Comsar Energy said that it might withdrew from all projects in the RS, which, besides TPP Ugljevik 3, include the construction of hydropower plant Mrsovo and opening of a new coalmine near Ugljevik. State-owned power utility ERS said that it is interested in taking over concessions from Comsar Energy. However, in early 2020, Comsar Energy requested the increase of the installed capacity of the future TPP Ugljevik 3 from 600 to 700 MW.

In March 2011, Government of RS has approved a letter of intent submitted by Comsar Energy Limited regarding construction of second unit in TPP Ugljevik. The investor was selected based on unsolicited bid, without publishing public invitation. TPP Ugljevik 3 will have two 300 MW units and overall cost of the project is estimated at 750 million euros. The joint venture agreement for construction of TPP Ugljevik 3 was signed in July 2011 by the RS Government and Comsar Energy. Comsar Energy is obliged to invest 90 % of the funds, while the coalmine and TPP (RiTE) Ugljevik should invest 10 % of the necessary funds. The government will hold 10 % stake in the joint venture company, by investing the land and existing infrastructure at the site of TPP Ugljevik, while CE will own 90 % stake. TPP Ugljevik 3 would export its entire output to foreign markets and it will not be competitor to local power utility ERS. The construction of the plant has not started yet.

Source: capital.ba