

Serbian government has decided not to change the incentive fee for privileged electricity producers this year, so it will continue to be RSD 0.093 per kilowatt-hour.

Although it was decided not to change the price of buying electricity from renewable sources this year, the problem is that this production is several times more expensive than electricity from thermal power plants, and is paid for by all citizens of Serbia.

All electricity consumers pay for the electricity bill. The privileged producers of electricity are those producing energy from renewable sources. These are small hydropower plants (SHPPs), solar power plants, wind farms, biogas power plants.

Whether this decision will give the feed-in tariffs, ie the incentives given by the state to those who build wind farms and small hydropower plants, will cause electricity to rise again this year, as was the case last year, is still early to say. But the fact is that these clean energy incentives will continue to be paid by the socially disadvantaged, who barely manage to settle their EPS bills as well.

All these allocations for “green kilowatts” would not be problematic if no double standard policy was pursued. This means that the state, on the one hand, continues to pursue social policy over kilowatts of electricity generated from coal, by charging it cheaper than the cost of production, and on the other - financing clean energy investors through the pockets of those same citizens.

In addition, thermal power plants and large hydropower plants such as Djerdap represent the only real energy stability of Serbia. For everything to build a new wind farm at every turn and roofs covered with solar panels, our country would not have enough electricity but would have to import electricity.

Prof. dr. Dr. Branko Kovacevic, President of EPS Supervisory Board, says that nowhere in Europe is a state-owned company obliged to buy clean energy directly from producers, but that it is done on the open market - on the stock market, as well as for electricity produced from coal.

As it states, EPS losses due to the purchase of electricity from renewable energy sources at subsidized prices as early as 2021 will amount to 100 to 150 million euros a year (unless the fee for renewable sources is drastically increased).

- The problem is that the production of “green electricity” is several times more expensive than that from thermal power plants, and more than 10 times more expensive than electricity from large hydropower plants. It is utterly illogical that the state has introduced a 7.5 percent excise tax on electricity that both citizens and EPS as a state-owned company have to pay - says Kovacevic.

Asked how he explains that, on the one hand, we have a social price for electricity derived

from coal, and on the other, an obligation for every consumer to pay expensive “green kilowatts”, Predrag Simonovic, an environmental expert in mountain rivers, says that the tariff is for so-called green kilowatts the main reason for the construction of various plants for their production and the main interest of those who collect these tariffs. And it is clear to everyone that this is a large capital stock.

- Replacing energy from non-renewable energy with renewable energy is imperative, but it is not feasible in the short term and should not be to the detriment of those who use it. This replacement of energy should be a benefit to all through reducing pollution and increasing energy stability and security. This is how things work now, which places the interests of narrow groups above the public interest in nature conservation and all natural resources (when it comes to derivative small hydropower plants), as well as above the healthy environment, constitutional equality of citizens - Simonovic says.

We have a situation, he adds, that local governments are offered favorable loans for investing in wind farms or geothermal plants to produce green energy shareholders and return the money earned from its production to their budgets and long-term social development.

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