

Support schemes for renewable energy in Bosnia and Herzegovina

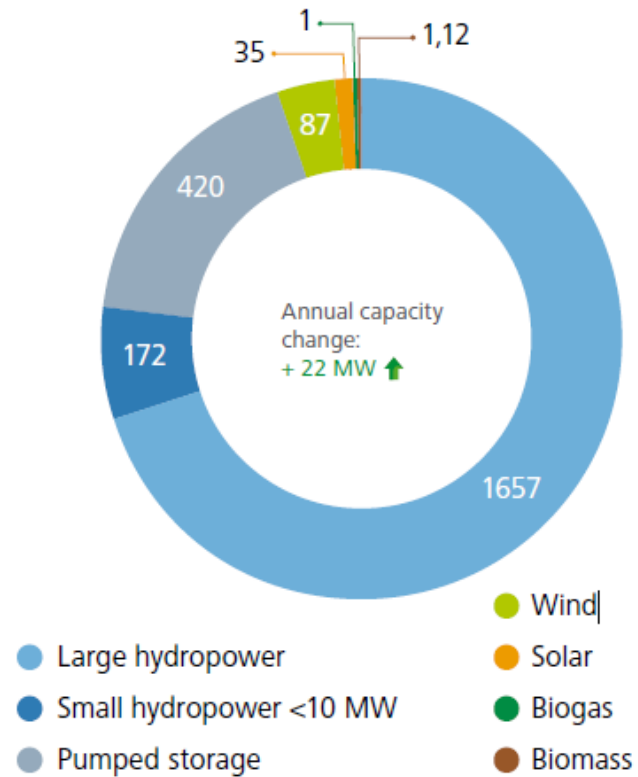
Ministry of Foreign Trade and Economic Relations of
Bosnia and Herzegovina



Renewable energy in Bosnia and Herzegovina

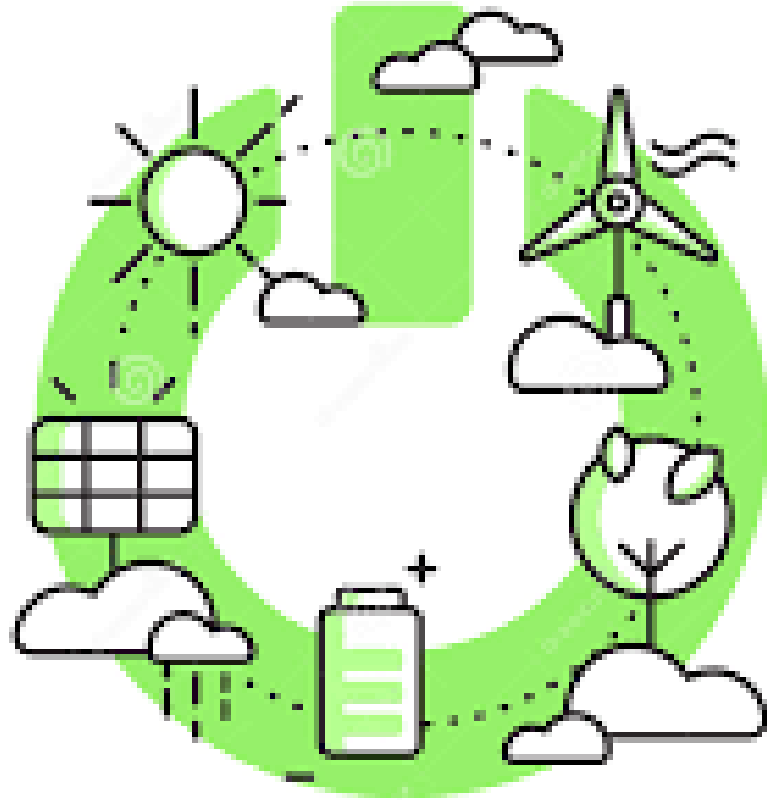
Total capacities of renewable energy :

2373 MW



Existing Support Schemes for RE in BiH

Feed-in-tarife



- Existing RE support schemes are not sustainable
- The goals of electricity production from RES cannot be met through existing schemes incentives in BiH

NEED FOR REFORM OF THE RENEWABLE ENERGY SUPPORT SCHEME SYSTEM IN BOSNIA AND HERZEGOVINA

WHY New Support Schemes for RE in BiH?

The “RE world” dramatically changed since existing support schemes were introduced:

- Tremendous development of RE generation installed capacities
- Extraordinary technology improvement
- Significant price drop per installed kW
- Challenges in networks related to higher feed-in of intermittent RE
- New EU regulation for RE reflects the recent developments

New RE Support Schemes in Bosnia and Herzegovina

New RES support schemes are transparent and non-discriminatory – auctions are introduced instead of “allocation by the order of application” (first come – first serve)

RES support in BIH is divided by:

RES capacity that is supported, on:

- Support for large installations
- Support for small installations

Type of support, on:

- Direct support (FIP, FIT and tax rebates), and
- Indirect support (participation in balancing costs, priority dispatching, network connection costs, etc.)

Allocation support methods, on:

- Auction (open or site specific auctions), and
- Administrative (based on expert estimation)

New RES support schemes provide:

- Either more projects, i.e. MW/MWh from RES than so far, for the same spent funds,
- Or the same amount of projects, i.e., MW/MWh from RES as so far, for less spent funds

Significant improvements are proposed in legal/regulatory framework for consumers that produce electricity for own needs (Prosumers)

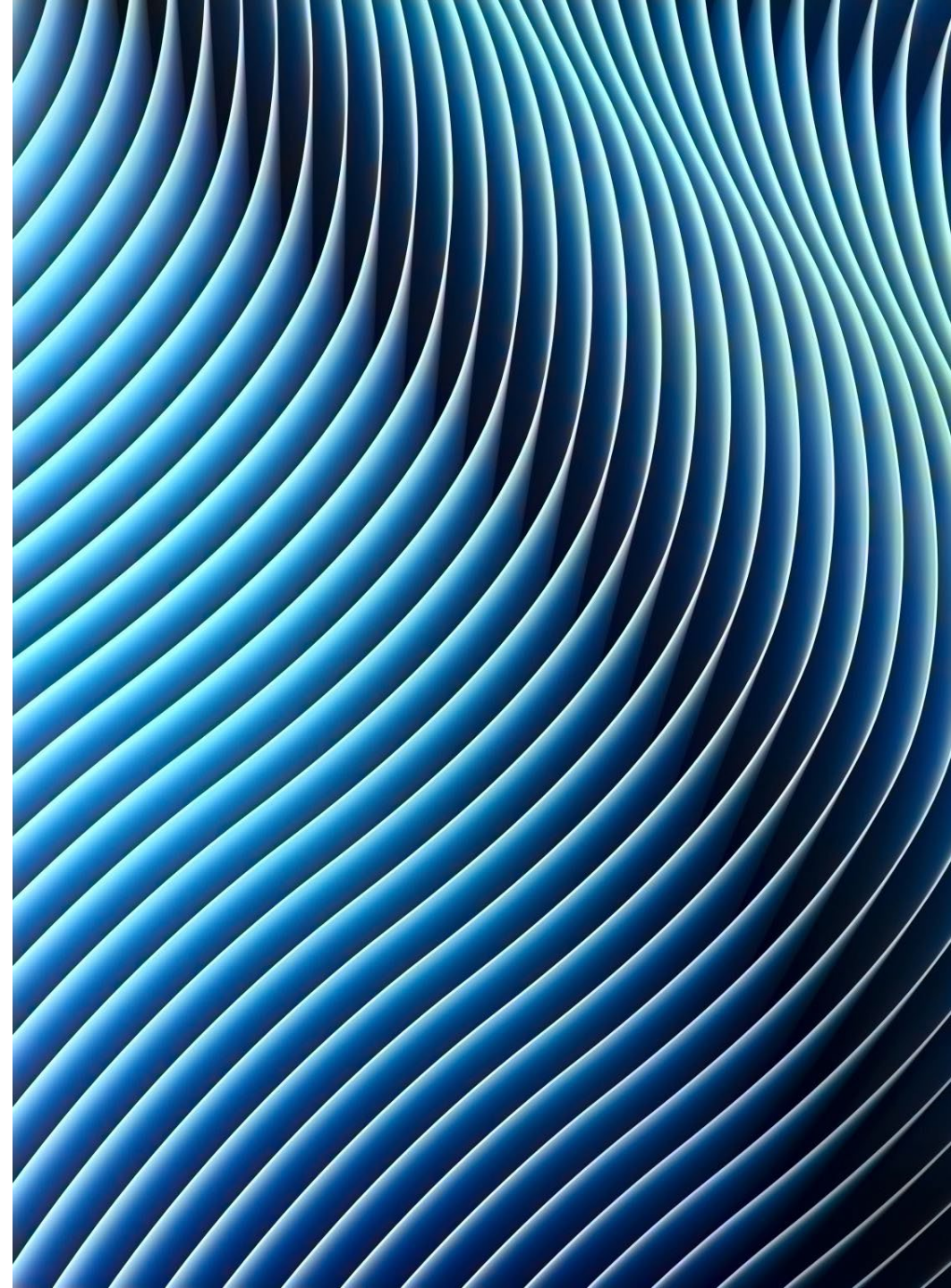
Institution of so called community energy projects is introduced in legal-regulatory framework for RES

General concept new RE Support Schemes in BIH

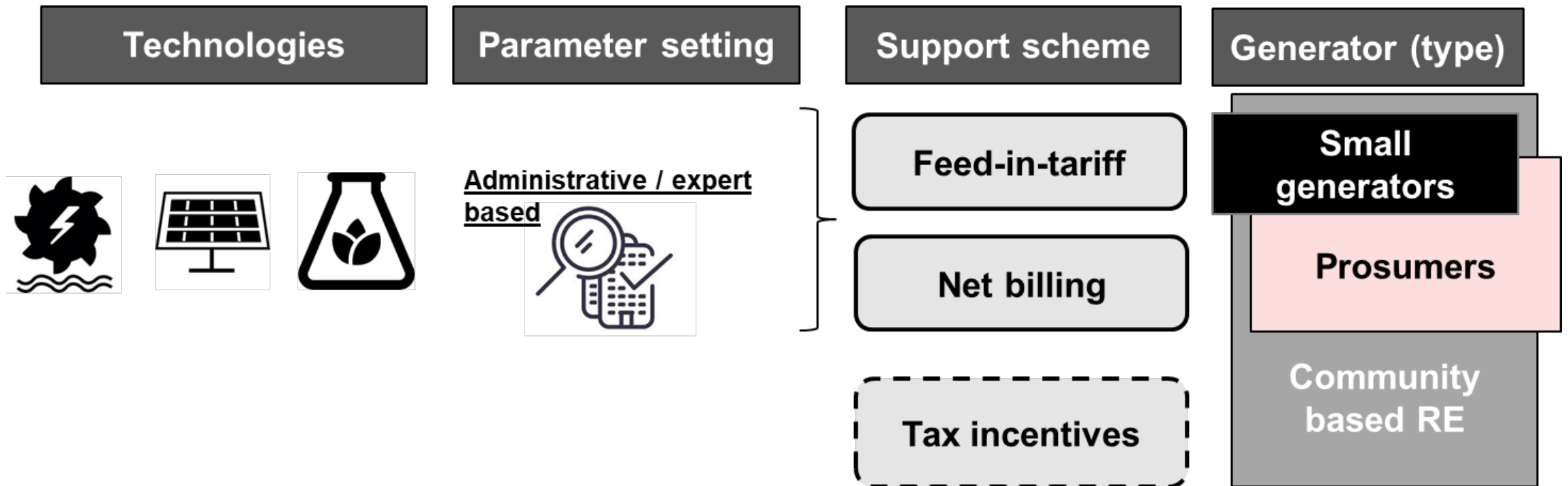
Different support schemes for small and large RES installations

Large-Scale Installations: Incentives based on Feed in premiums and whole sale price/market reference price

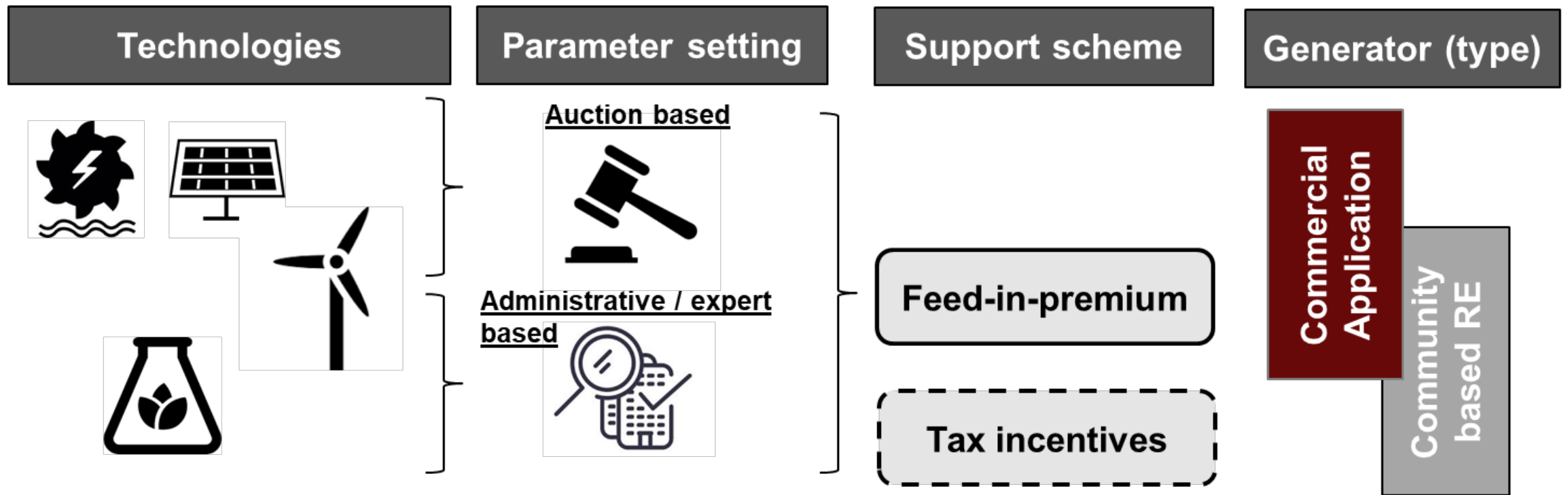
Small-Scale Installations: Incentives based on Feed in tariff or net collection (up to the defined capacity limit)



Overview of Support Schemes for Small-Scale Installations



Overview of Support Schemes for Large-Scale Installations



New RE Support Schemes in Bosnia and Herzegovina

Republika Srpska

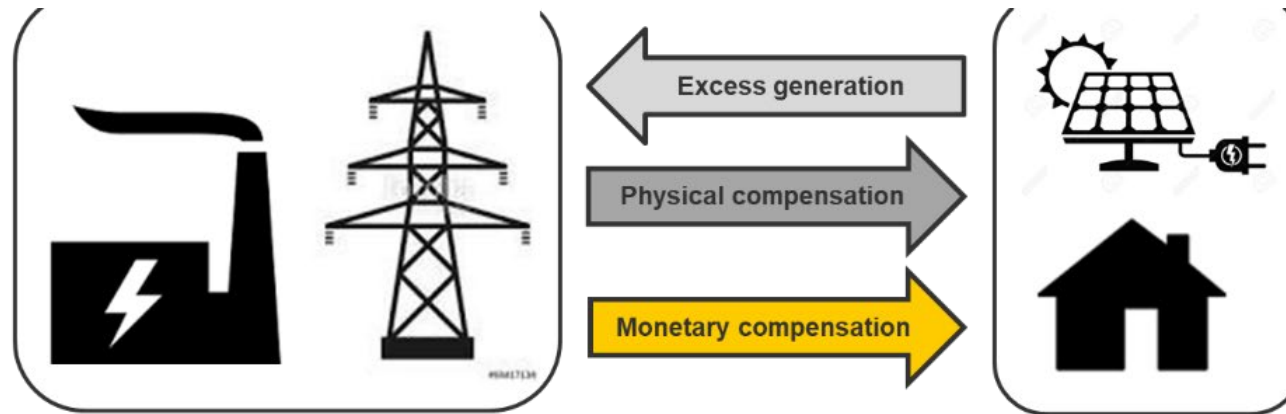
small installations (<150/500 kW) –
guaranteed redemption price
large installations (>150/500 kW) - market
variable premium (auctions 2 years -
Operator)
15 years
Prosumer - net metering and net billing

Federation of Bosnia and Herzegovina

small installations (<150/250/500 kW) –
guaranteed redemption price (small
auctions)
large installations (>150/250/500 kW) –
fixed premium (auctions 2 years - Operator)
12 years
Prosumer - net metering and net billing

Support For Prosumers: Net Metering / Net Billing

- Definitions: Net metering refers to physical, net billing to monetary compensation of prosumers by their supplier for excess generation fed into the grid

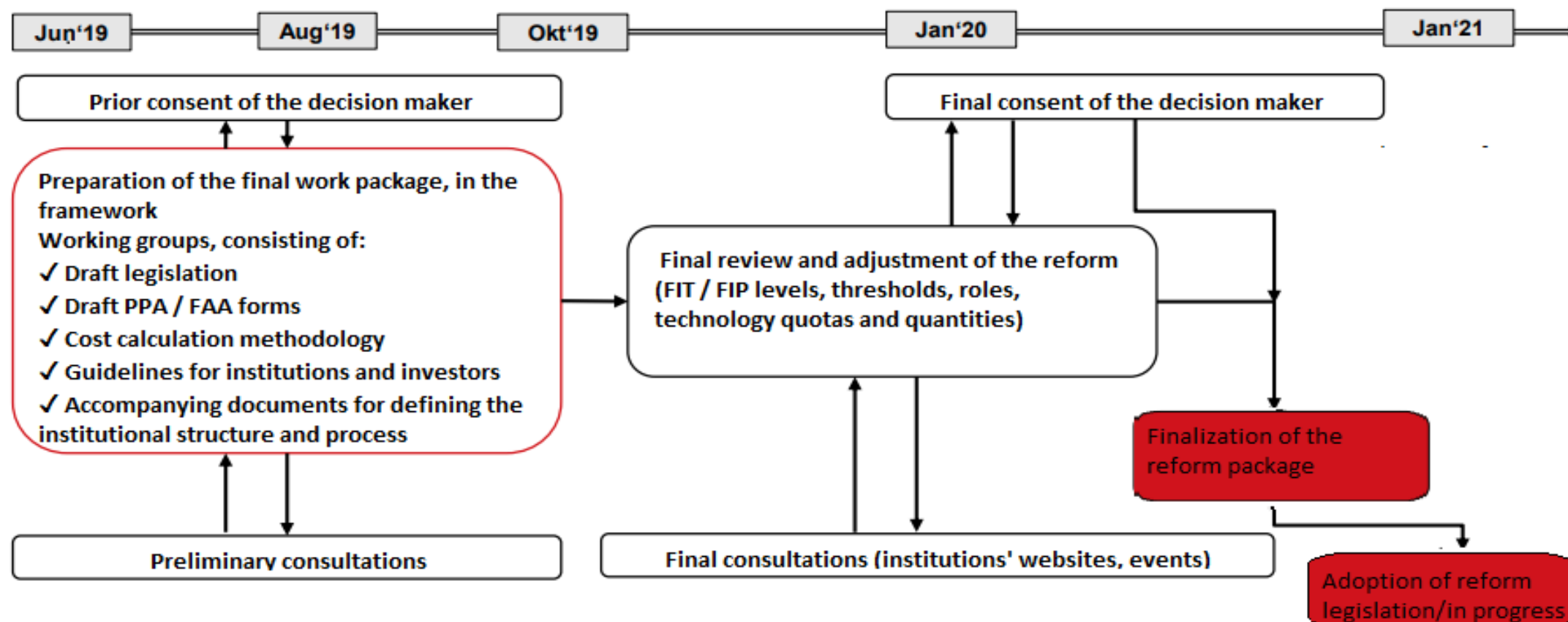


- RE self-consumption should be actively promoted by net billing (preliminary suggestion)
- Net billing is preferred option for prosumer support for the following reasons
 - technology neutral,
 - applicable only to the households and small businesses,
 - connected to the low voltage networks (0.4kV)
- Detailed recommendations in line with report by Energy Community

Community Energy Projects

- ❑ Through the benefits of the realization of the community energy projects, part of the RES support funds returns to the „place of origin“ - end consumers of electricity in BiH.
- ❑ Implementation of Community Energy projects significantly increases awareness of the importance and value of the RES
- ❑ It is necessary to enable participation of community energy projects within foreseen main and complementary support schemes, such as:
 - Net billing (if/when enabled)
 - FiT for small installations / FiP for large installations
 - Supplementary exemption of taxes and fees payment
- ❑ Community energy projects should be additionally supported through:
 - Development of changes and amendments in relevant legal and regulatory framework
 - Definition of quotas/upper limits for community energy projects ,
 - Inclusion of Community Energy projects in strategies, action plans and RES target

Time frame for reform



Thank you for
your
attention!

Tamara Bajkuša
Aldina Imširović

***Ministry of Foreign Trade and Economic Relations of Bosnia
and Herzegovina***
Sector for Energy

Musala 9, 71 000 Sarajevo

T: + 387 33 407 264

F: +387 33 552 512

e-mail: tamara.bajkusa@mvteo.gov.ba

aldina.imsirovic@mvteo.gov.ba

web:mvteo.gov.ba