

Report on latest developments in the implementation of renewable energy acquis

-MONTENEGRO-

Legislation adoption

In June 2018, the Government of Montenegro adopted a Regulation on mandatory share of biofuels in the transport sector and a Regulation on closer sustainability criteria for biofuels and bio-liquids for achieving the required share of energy in the total final energy consumption.

In July this year, the Government adopted a Regulation on the manner of issuing, transferring and withdrawing the guarantee of electricity origin from renewable energy sources and high efficiency cogeneration.

Reform of support schemes

The reform of the support scheme for the production of energy from renewable sources has not yet been carried out in Montenegro, as the amendments to the Energy Law are late.

Grid integration of variable renewable energy sources

Montenegrin transmission system operator - CGES is preparing for the connection of new renewable energy sources in two ways. The first is the planning of the expansion of our transmission system to enable the connection and operation of new renewable energy sources, and the second is the elaboration of measures and ways to successfully balance the power system taking into account new, variable generators in the system.

Through the new ten-year TSO Development Plan, which is in the preparation phase, all potential new RES will be considered, and several variants of the construction and expansion of our transmission system will be elaborated, so that we will have a response plan for accepting new RES with all possible variants, including an estimate of the required investments. The intensive construction of the transmission system in the coastal part of the country, in the Bar and Ulcinj region, is expected to be particularly intensive, where the construction of significant 400 kV and 110 kV transmission capacities is planned.

Regarding the balancing of the power system in real time, the entry of new variable RES will be a serious challenge for the management of the system. CGES estimates that the answer to this challenge could be to increase regulatory generating capacity by including additional power plants in the regulation, then including CGES in cross-border balancing energy exchange with neighboring systems, as well as involving CGES in regional and European co-operation on the netting of regulatory imbalances, known as Imbalance Netting Cooperation.

In accordance with the Energy Law, obligations of the Distribution System Operator - DSO are:

1. Preparation of the ten-year distribution system development plan, (which is updated every five years and submitted to the Energy Regulatory Agency for approval) and
2. Preparation of the three-year investment plan (that is updated every year and submitting it to the Energy Regulatory Agency for approval.)

In 2016, DSO prepared a three-year investment plan for the period 2017-2019, which was approved by the Energy Regulatory Agency.

In June this year, an updated investment plan was adopted for the period 2019-2021.

Preparation of the distribution system development plan for the period 2019-2028 is under way. The plan will be made by April 2019.

The development plan aims to present the state of the distribution system in Montenegro, determine the guidelines for its development in accordance with the needs of the system users, as well as the necessary investments. The development plan must be based on the existing and planned distributed production and system burden and contain certain measures that guarantee the ability of the system to meet the needs for electricity distribution and long-term security of supply.

Currently, we have built 20 small hydropower plants in Montenegro. They are predominantly located in the north part of Montenegro.

An increasing number of investors are interested in building solar power plants on the roofs of their buildings for their own needs. The Energy Law defines the electricity exchange on a connection point. (Final customer that generates electricity from renewable energy sources in facilities of up to 50 kW installed capacity shall have a right to exchange electricity that it delivers to the system and takes from the distribution system.)

DSO is working intensively on the development of procedures and instructions for connection of power plants operating on the principle of electricity exchange at the point of connection.

Construction of new power plants

The Ministry of Economy in May this year announced the Public Invitation for leasing land owned by the state at Briska Gora - Ulcinj Municipality for the construction of a solar power plant with an installed capacity of more than 200 MW.

The Ministry of Economy plans to announce a tender for the selection of investors for the construction of a wind power plant with an installed capacity of 75 MW at the locality Brajići - the municipalities of Budva and Bar (on the Montenegrin coast).