

Construction works on unit 7 of coal-fired thermal power plant Tuzla should start in August, said Executive Director for Capital Investments at power utility EPBiH Senad Salkic.

According to Salkic, a first batch of Chinese workers, namely 15 engineers will arrive in Bosnia and Herzegovina on 10 August, after which a total of 1,000 workers will arrive in several smaller batches. The construction of unit 7 was initially planned to start in March but it was delayed due to coronavirus pandemic. Salkic said earlier that the 2024 deadline for the unit's completion will not be jeopardized despite the delays.

EPBiH launched the preparatory works for the project in November last year. In July 2019, EPBiH picked a local consortium consisting of three companies as the winner of a tender for preparatory works for new unit at TPP Tuzla, thus ending 2-year tendering procedure. The consortium, comprising ITC Zenica, Prijedorputevi and Integral Inzinjering offered a price of some 9.2 million euros to relocate an existing transmission power line, level the ground of the construction site and build a sewage system. It is planned that preparatory works will be completed within a year, but the construction of a new unit could start prior to that. In November 2017, EPBiH signed a loan agreement with Chinese Exim Bank for financing the construction of unit 7 at TPP Tuzla on the sidelines of a meeting of the heads of Governments of China and 16 Central and East European countries held in Budapest. The net agreed price under the EPC contract is 722.35 million euros (without VAT). The maturity of the loan from China's Exim Bank is 20 years, with a 5-years grace period. The loan will cover 85 % of the investment, while the remaining 15 % will be provided from EPBiH's own funds. TPP Tuzla has 6 units with overall output of 715 MW. New unit 7 will be replacement capacity for units 1 and 2 (32 MW each), which have already been shut down and units 3 (100 MW) and 4 (200 MW) which should be put out of operation in 2018, but will most likely continue to operate until 2020. When unit 7 is completed, it will provide almost a quarter of electricity produced by EPBiH.