

Bosnia exclusive report: 850MEUR Comsar investment in TPP and HPP, contractors China CPECC and US Black and Veatch

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Date : October 9, 2013

The construction of new thermal power plants in Ugljevik and hydropower plant in Mrsovo, in which the company "Comsar Energy" will invest 850 MEUR, will start in the spring of the next year. Preparatory construction works are underway, key contractor is China Power Engineering Consulting Group Corporation" (CPECC) and US "Black and Veatch" as engineering supervisor.

As confirmed by Sinisa Majstorovic, director of "Comsar Energy", the realization of the biggest Greenfield investment has already begun.

-We have completed the first operation phase in Ugljevik, namely we have built two bridges, camp for workers, location for the future coal landfill. It was signed contract with Chinese company "China Power Engineering Consulting Group Corporation" (CPECC) – said Majstorovic.

According to him, the Chinese company has already submitted the project documentation, which should be validated and audited by the end of March.

-Along with that , we expect to get environmental permits in October, we reported on a public call for the concession award for two units construction of 300 MW, so we go towards fulfilling all the legal requirements in accordance with the Law on Spatial Planning and Construction in order to start construction in the spring- said Majstorovic.

As he says it is important to note that besides the Chinese company also is engaged an American company "Black and Veatch", which manages the complete construction process in the technological and technical issues.

He explained that the role of American company is to monitor and supervise the entire construction process, which in practice means that the construction, equipment installation, and all other processes will be carried out under the auspices of the "Black and Veatch", in accordance with the highest quality standards.

Speaking about the project importance for the RS, Majstorovic said that, despite the fact that the Chinese company signed an agreement on a "turnkey", domestic companies has already been engaged for great part of the work, and also will be contracted in the future, especially from the construction sector.

- We are confident that CPECC, which will soon found a company in the Republic of Serbia, will employ several thousand people during the construction - said Majstorovic and added that after the power plant completion about 800 workers would also find jobs.

As it was planned, the first unit in Ugljevik, which builds "Comsar", will be put in the network in 2016.

As for HPP "Mrsovo", it will have power of 37.2 MW, and estimated value of the investment is approximately 100 MEUR. And in this project the location conditions have already been fulfilled and the construction contract has been signed.

- Also, we have completed geomechanical researches, and also a project that is waiting for validation - said Majstorovic.

He pointed out that in these projects implementation they have good cooperation with the Government of RS, but also with representatives of the local municipality.

Zeljko Kovacevic, Minister of Industry, Energy and Mining, said that since its establishment until today, the "Energy Comsar RS" proved to be a respectable and reliable investor who completed and completes its obligations towards RS, defined by the signed concession contracts, so it settles obligations to the budget and extra-budgetary funds.

Incomes from concessions

Majstorovic said that this year on behalf of companies concession fees they planned to pay more than 3, 6 MEUR at the RS budget, of which it has been already paid 1,3 MEUR.

- The amount that will be paid by the end of the year will be significantly higher, because the "Comsar" reported to the public call for the construction of unit Ugljevik 3, which provides one-time amount of the concession fee of 2, 3 MEUR - explained Majstorovic.

Otherwise, since the Republic of Serbia founding "Comsar" has invested more than 35 MEUR in the preparation of TPP construction of 600 MW and HPP in Rudo.

False accusations

On the more and more frequent attacks by some politicians that the ultimate goal of "Comsar Energy" is ERS acquisition, Sinisa Majstorovic, head of that company in RS, says that they are aware that the campaigning has already begun, a series of lies have been set out for unknown reasons and it has been tried to put the investment in a negative context, without considering how it can affect not only their investment but also the potential future investors.

- We think that the lies set out, without any evidence and arguments, are quickly revealed and people can recognize what is set out with the aim of personal promoting and party interests, and at the expense of the RS - Majstorovic said and added that in "Comsar" did not want to get into the ownership structure of the TPP Ugljevik.

- We do a greenfield investment, which means the start from zero, and we do not make combinations related to the privatization - Majstorovic says categorically.

Source; Serbia Energy See desk