

Bosnia: HEP interested in TPP Stanari acquisition

Categories : [SEE Energy News](#)

Date : June 6, 2017

According to Croatian newspapers, Croatian stateowned power utility HEP is conducting negotiations with EFT on the possible takeover of newly commissioned thermal power plant Stanari in Bosnia and Herzegovina (BiH).

Both HEP and EFT declined to comment on this information, but unofficial sources confirmed that there has already been several meetings between the two sides and HEP's representatives visited the plant. This could be the most significant transaction in the energy sector in southeastern Europe this year.

TPP Stanari is the first private investment in large conventional power production facility in former Yugoslavia. The project started in 2004, when EFT was selected as the best bidder on the international tender for the selection of strategic partner for coalmine Stanari. Since the demand of lignite in the region was in decline, EFT decided to build a thermal power plant near the coalmine. Initial plans envisaged the construction of 400 MW unit that was supposed to produce some 3 TWh of electricity per year, project was financially supported by the European Bank for Reconstruction and Development (EBRD) and the equipment was to be delivered by French Alstom. However, the final agreement was not reached, EFT turned to Chinese company Dongfang and reduced the output of the plant to 300 MW, planned production to 2 TWh of electricity per year and gross efficiency from 43 % to 38.5 %. TPP Stanari was officially commissioned on 20 September 2016, while the cost of the project totaled some 550 million euros, while most of the funds were provided by China Development Bank.