



The Electric Power of Serbia officials are negotiating on construction of first ChP power plant, the first new facility after 25 years in Serbia. From Russian Gazprom the offer for gas supply is too high. If the agreement is reached with investors first kwh on grid from Novi Sad CHP plant could be expected in 2 years from now.

New gas-steam unit for electricity production in power plant Novi Sad could be the first big power gen facility constructed in Serbia after 25 years. By end of the month it will be known will this facility be constructed by consortium of companies from Russia, Slovakia and Greece, the group that also includes Gazprom. EPS experts are saying that the financial part of the offer is very bad as the gas supply price is simply too high.

This consortium was the only bidder for strategic partner in 320 mill euros joint venture project with EPS for construction of 450MW power plant.

According to Dragomir Markovic EPS General manager, EPS is not satisfied with financial part of the offer. Tough negotiation are in progress as the consortium bid includes natural gas which is over rated with price. We expect that Gazprom managers will get involved in this talks, so we can conclude the evaluation and negotiation by end of march, stated Markovic.

In EPS they did not want to disclose any more details specially regarding the gas price in question, specially during the ongoing negotiation. The calculation shows that each kwh produced in domestic gas power plants was 10,5 eurocents while the selling price was double less.

It is expected that strategic partner invests 200-250 mill euros, which would grant the majority ownership. The project include the reconstruction of existing facility. New unit will provide 250-300MW of heat power which will be used for heating of the city. According to earlier statements, Gazprom plans to build in Serbia some additional gas plants in Belgrade, Nis and Pancevo.

As for other new power plants EPS expects to have CHP Novi Sad plant constructed by 2014. Kolubara B could be completed by 2016 and TENT B3 in 2017, stated Markovic.

Source Serbia-energy