

Croatian Minister of Economy Tomislav Panenic said that this month or the next, the relevant Ministry will start creating the basis for the key issues of new Croatian energy development strategy, which should cover the period up to 2040.

Minister Panenic explained that the guidelines for the strategy will be put to a public hearing, the budget funds are already secured and energy strategy should be harmonized with the strategy of low-carbon development, drafted by the Ministry of Environmental Protection.

He also answered the questions regarding the construction of coal-fired thermal power plant Plomin C, a project of state-owned power utility HEP with Japanese Marubeni, which received the opinion of the European Commission (EC) that it constitutes as state aid.

Panenic explained that HEP wanted to purchase all the produced electricity from Marubeni, but the EC estimated that since HEP is state-owned company, it could use budget funds in case of any financial trouble. Asked about the fate of the project, the Minister replied that its implementation has been halted due to EC's opinion and the fact that market price of electricity is currently too low to make the project financially viable.

He added that HEP is currently preparing for the construction of CHPP Zagreb, as well as for the construction of a new facility in Osijek because it needs to replace the existing power plant, but it is not decided whether it will be intermediate or fullscale solution. In any case, the project will have to be financially viable, Panenic concluded, transmits Serbia-energy.eu