

The authorities set up a company Geotermalni Izvori, which is in charge of the project. The authorities of Srijem-Vukovar County are planning to use EU funds to accelerate the project for the construction of geothermal cogeneration power plant in the village of Babina Greda near Zupanja.

According to previous study, the site, which was discovered by oil company INA in 1980s, has a potential for the construction of cogeneration plant with 27 MW thermal energy output and 1 MW power output. The preparation of documentation for the project has started and is expected to be completed within 10 months, when exploratory drillings could commence.

If additional exploratory drillings prove the existence of even hotter water at greater depths, the output of the electricity segment of the cogeneration plant could reach 15-20 MW. However, these additional drillings would require investment of up to 20 million euros. The budget for documentation preparation is around 300,000 euros and it will be mostly covered by the European Union's Operational Program Competitiveness and Cohesion.

Last year, Croatia launched its first geothermal power plant. The Velika Ciglena project, located near Bjelovar in northeastern Croatia, exploits geothermal steam and hot water at 170 degrees Celsius to produce electricity which is then delivered to national electricity network. Italian company Turboden delivered and commissioned an Organic Rankine Cycle (ORC) turbine system for the power plant, which successfully completed the nominal load test. The reservoir was discovered in 1990 by oil company INA, during an underground exploration for oil. The oil was never found, instead, a promising potential for geothermal energy was discovered. The installed capacity is expected to grow due to further similar projects. The plant has power output of 16.5 MW and Turkish MB Holding invested 43.7 million euros in its construction. Last September, MB Holding signed an agreement with local project design company Ekonerg on the design of the future 19.9 MW geothermal power plant in Legrad. The Organic Rankine Cycle (ORC) power plant will be build in Legrad, near the city of Koprivnica in northern Croatia, and will produce some 165 GWh of electricity per year.