

Contracting of construction, obtaining of permits and preparatory works expected not earlier than at the end of 2016.

Although a public image has been created that just about all HEP's investments in new production facilities have got stuck, it is not so actually.

In March, the Croatian Electric Power Industry initiated a prequalification tender for the construction of a new combined-cycle cogeneration gas power unit at the location of the Power Plant-Heating Plant Zagreb (CC/CHP PP-HP Zagreb) in Trešnjevka, Zagreb, within the modernization of the entire location in which electricity has been produced for more than one hundred years already. The estimated value of the investment amounts to 138 million euros. As we have found out in HEP, the new unit will replace the existing power unit A, and with time, it will also compensate for the production of some other units at the location of PP-HP Zagreb. This is a highly-efficient cogeneration with significant savings in primary energy during the coupled process of heat and electricity production with the projected total plant efficiency of 90% at the level of the entire year. The thermal capacity of the power plant should be around 100 MWt.

By the planned increase in the installed electricity capacity of the power unit from 90 to around 150 MWe, the PP-HP will be a reliable support to the secure electricity supply of the western and the northern part of city. This is particularly important in moments of serious disruptions in the electric power system because it reduces the interruptions in electricity and heat supply in Zagreb to a minimum. The new production unit will enable higher electricity production outside the heating season. In addition, by replacing the back pressure unit A with a combined-cycle cogeneration unit with the possibility of certain condensate production and by the construction of summer air coolers, the installed electricity capacity will be significantly increased at the location and thereby also the security of supply. The condensing mode of the new power unit will enable more flexible operation of the existing units, as well as longer operating time, and thereby also higher production at the location.

HEP possesses the location permit for the project, which was the basis for the technical and technological solution according to which the tender for construction on a "turnkey" principle was prepared for the plant, and later for the long-term maintenance of gas turbines. The preparation of the location itself and the infrastructure for the acceptance of the new power unit, as well as all connections, have been undertaken by HEP.

The prequalification tender is open until 3rd May, after which evaluation ensues, as well as the sending of invitations for bid submission to qualified Bidders. The procurement procedure is carried out according to the procurement rules of EBRD which has expressed interest in financing the project. The contracting of construction, obtaining of permits and preparatory works are expected at the end of this year or at the beginning of next year, and the planned duration of construction is three years. The construction of this power unit will

contribute to the reduction of emissions of harmful substances in the air, which is in line with the decision of Zagreb City Assembly on the need of preparing a recovery program for the stationary source of emissions in the air of the facility PP-HP Zagreb. The recovery program prepared by HEP Production was adopted in 2011, transmits Serbia-energy.eu