

Macedonia's main, publicly owned energy producer ELEM announced that it will not ask for a hike in electricity prices and will make up the international trading deficit caused by the brutally cold winter by exporting over 2017.

ELEM director Hristijan Mickoski said that currently regional prices are full 17 EUR per megawatt hour below the regulated price in Macedonia, prompting the company to import in order to maintain its producing facilities and preserve water levels in hydro plants for the later part of the year when prices may go up.

"In this way we will be able to cover the deficit that appeared at the beginning of the year, and turn it into profit later on", Mickoski said at a press conference on Friday.

Speaking about the charges which the Special Public Prosecutor's Office (SPO) initiated against two companies that were mining coal at the REK Bitola Suvodol mine, Mickoski said that the entire procedure was handled according to the law on public procurement. Internal and external reviews of ELEM showed that the company has worked legally and properly in its coal mining operations. The SPO charges were filed against representatives of the Transmet and Sileks companies which won a bid to mine coal, with the SPO claiming that they didn't possess all the equipment that was necessary to win the bid.

Mickoski said that ELEM turned a pre-tax profit of 14 million EUR in 2016, twice as much as in 2015, and was also able to pay back a World Bank loan of 31 million EUR. Production in the first two months of 2017 was 8 percent higher than in 2016, with the bulk of the production increase coming from the coal fired plants.

"We are proud of the results we are achieving and we intend to continue to optimize the producing capabilities of the company", said Mickoski.

Due to the cold winter weather, in January 10 percent of all used energy was provided from imports. By February, ELEM was able to cover consumption with its own producing capacities.

Regarding future development of the company, surveys between Delcevo and Pehcevo in eastern Macedonia have shown reserves of 50 million tons of coal, that would be able to feed a plant with capacity of between 150 and 200 megawatts for at least 30 years. The company will also work on smaller generating plants such as one in the Skopje Clinic campus, or restoring small hydro plants. A feasibility study for the major Cebren - Galishte hydro complex is being prepared and additional options for coal and gas fired plants are examined between Stip, Kocani and Veles, in Skopje and in the Polog region.

*Source: MIA*