

## **Macedonia: Government adopted study on the construction of the 150MEUR distribution network for natural gas**

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Minister of Economy of FYR Macedonia, Bekim Neziri, Vice Prime Minister of Economic Affairs, Vladimir Pesevski, and Minister for transport and Communications, Mile Janakieski, informed at a joint press conference on adopted feasibility study on the establishment of public-private partnership on construction of distribution network for natural gas in the eastern and western Macedonia.

"The construction of a national gas pipeline system, its correlation with regional gas line systems and building of distribution systems for natural gas are some of the priorities for the Macedonian Government in the part of energy infrastructure construction. Natural gas is only used energy source because its use has great power, both in households, industry and transport, and for the electricity and heat production", said Minister Neziri, emphasizing that the benefit of natural gas supply will be huge, especially from economic aspect.

If the individual residential building of 240square meters instead of extra light oil exceeds on natural gas use, savings would be smaller by 45%. While collective residential building could save 24%, if instead of extra light oil would use natural gas.

According to information of the Vice Prime Minister, Vladimir Pesevski, public calls will be published by the end of next month. Distribution network also covers the Skopje region for which the public calls have been already announced, at which two companies have applied and the evaluation is in progress.

Total investment in the distribution network of more than 650 kilometers long, will be 150 MEUR from which 100 MEUR is dedicated for the Skopje region, and 50 for the other two, east and west, Pesevski pointed out.

Study means operationalization and giving the clear picture of the future steps that are forward Macedonia, with detailed elaborated plans for Region 2, which encompasses 36 municipalities in central and eastern Macedonia, and there is a municipality of Prilep and Region 3, which consists of 27 municipalities in Western Macedonia and Pelagonija Region.

According to the Minister of Transport and Communications Mile Janakieski the construction is expected to last four years.

"Current analysis shows that total estimated investment for the Region 2 with 37 municipalities is about 27 MEUR and it includes the part of the operators, who should invest to reduce the customers' investment. Time for the full realization of the distribution gas system is four years, by which will be created conditions for connection of each object which

includes distribution system. The connection of the objects that are close to distribution network will start from the second to the fourth years, which would be connected by that period", said Janakieski.

22,242,191 EUR belong to the Region, states Macedonian Ministry of economy at the end.