

It has been exactly 33 years since thermal power plants (TPP) Pljevlja was put into operation. Since then, Montenegro has not built a single larger source of electricity, although household consumption was nearly doubled.

More than three decades without new electricity sources is infamous record, which was not recorded among the developing countries which, like our, have the power deficit and build or plan to build exclusive tourist capacities. Since independence, it was mentioned the construction of power plants on the Moraca, and then it was widely rumored on the construction of TPP, but it has not been realized. Construction and commissioning of the second unit and gradual phasing out of the first one, with the heating system of the city and private fire furnaces, will improve the currently unfavorable environmental situation in the most northern Montenegrin town.

Slowly flows the third year of tendering for seeking partners who will build the second unit of the thermal power plant in Pljevlja, but it is not yet certain when and whether will start the project implementation.

As the reason for this much delay, Italian partner in the Electric Power Utility EPCG, the A2A considers that currently is not indulging time for the construction and financing of the second unit of TPP.

A five-year management contract, which A2A has in EPCG, expired at the end of March this year and the beginning of August we will know whether A2A will continue engagement in EPCG and under which circumstances and whether it will formally support the construction of a new thermal source.

The government is guilty for omission, not A 2A: A2A absolutely has no responsibility why the construction of the second unit has not been started yet, but the executive authority is guilty.

The decade-long story of the Government that "there is no money for the construction of thermal power plants" does not hold the water from the simple reason that only for activated guarantees to "strategic partners" of KAP and Ironworks has been immediately paid 150 MEUR - what is a half of the money needed for the construction of thermal power plants. Not to mention tens of MEUR of deposits, which EPCG has on their accounts.

With this money super profitable peak power hydropower plants on the Komarnica river could be built.

So there was money but not the will or courage. After all, A2A has promoted medium-term strategy, which says it will extinguish all of its thermal power plants, so it is difficult to expect that it will easily enter into the financing of the second unit at Pljevlja. What is required of A2A is not to interfere with the construction of the second unit and to accept it. Compromise-joint enterprise: Referring to sources from the top of the ruling coalition, "Pobjeda" announced the possible outlines of a compromise with the Italian company. Government and A2A have generally agreed to form joint venture for the construction of

TPP in which 51 percent went to Government ownership, and the rest of EPCG. At the same time there would be a unification of the thermal power plant and coal mine and extraction from the composition of EPCG.

The formation of the company enables that the Government leaves its share to a third partner, who is willing to enter into the construction of TPP. The EPCG Board of Directors decided in the first quarter that the Czech company Skoda Praha gave the best offer for the construction of the second unit of the thermal power plant. And with economic and environmental population Czechs offer is evaluated as the best.

The first unit pollutes the environment, despite the investments in environmental protection: It is not secret that the manufacturing process in the thermal power plant has negative impacts on human health and the environment manifested through the land, water, air pollution, producing noise and electromagnetic effects. TPP Pljevlja has already reached 33 years of work, and in spite of large investments in environmental protection, continues to seriously endanger human health and the environment.

Its designed service life is long expired -25 years, and the revitalization of the basic equipment can be extended to 40 years. The remaining service life determines resource turbine, which, according to the manufacturer's recommendations, is about 220,000 hours. Based on these data, completed jobs and revitalizing the former number of hours of operation (about 180,000 hours), assuming that it is 6500h / year, it follows that the remaining project unit resource will last no later than 2021<sup>st</sup>. Therefore, the second unit must be unit of continuity, because it cannot be allowed Pljevlja to remain without thermal power plant, because then the coal mine would stop working, which employs about 700 workers. From the European institutions is recommended the first unit to be closed after 2025<sup>th</sup> due to outdated equipment and the inadequacy of European standards.

Therefore, the construction of the second unit, the heating system in Pljevlja and private fire furnace are the condition for survival of northernmost Montenegrin town.