

According to non-governmental organization Action for Social Justice (ASP), Montenegrin state-owned power utility EPCG has lost at least 100 million euros in the past decade, due to unjustifiably high price of coal, which it paid for the production of electricity at thermal power plant Pljevlja.

ASP legal advisor Ines Mrdovic said that she will send the initiative to the Prime Minister Zdravko Krivokapic, in which the ASP stresses the necessity to change the price of coal sold to TPP Pljevlja. She said that, since mid-2018, EPCG is the owner of the Pljevlja coalmine, but coal is still sold at a high price, somewhat less than during the period when the mine was mostly privately owned, when the Italian A2A was the largest shareholder.

Mrdovic said that one of the key arguments of the then management of EPCG for the purchase of the Pljevlja coalmine at a price which, according to reputable economists, was one third higher than the real value, was to reduce the price of coal, in order to achieve more profitable electricity production. EPCG management claimed that the price of coal is accounted for 65 % of electricity production cost, which makes it uncompetitive.

According to the valid four-year contract on the sale of coal between EPCG and Pljevlja coalmine, which was concluded at the beginning of 2018, before the purchase, the price of 24 euros/ton of coal with a guaranteed calorific value of 9,211 KJ/ kg was determined. A higher caloric value also means a higher price of coal, according to the value scale defined by the contract.

Before the acquisition, guaranteed price was 25.65 euros/ton of coal. However, EPCG calculated over a decade ago that the real value of coal of that calorific value should not exceed 18-19 euros/ton.