

# Montenegro: EPCG signed HPP Perucica revitalization deal

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In the next two year, six generators at hydropower plant Perucica will be revitalized, which will increase its safety and reliability , thus extending the operational life of one of oldest Montenegrin large-scale HPP, commissioned in 1961.

Montenegrin power utility EPCG signed the revitalization contract with Sever-Nikom-Koncar GIM consortium. Revitalization works, worth 3 million euros, will mostly be carried out during regular overhauls of the plant and are expected to be completed by the end of 2021.

CEO of EPCG Igor Noveljic said that this is a beginning of an investment cycle in modernization of HPP Perucica, adding that signing of a loan agreement worth 33 million euros with German KfW Bank is expected in July. In parallel with the revitalization of generators, a replacement of old transformers will be carried out, while a portion of the loan is intended for the preparation of documentation for the project of installing the eight generator at HPP Perucica.

Last year, Board of Directors of EPCG has approved an amendment to the public procurement plan for 2018 as well as the decision on the capital overhaul of unit A2 at hydropower plant Piva. These decisions are another step in the realization of extremely important projects within the program for the reconstruction and modernization of EPCG's two large HPPs. Capital overhaul of unit A2 at HPP Piva, worth 2.75 million euros, is foreseen in the budget for this year and 2019.

The approval of the amendment to the public procurement plan created a precondition for the start of the revitalization of six generators at HPP Perucica, with estimated cost of 3.36 million euros, as well as the implementation of the procurement of the transformer for HPP Perucica, worth 2.75 million euros.

With these investments, EPCG intensifies its activities within the five-year investment cycle, which envisages realization of projects with combined cost of some 170 million euros. These investments will provide high operational readiness, security and safety in the operation of power plants, increase company's efficiency to ensure safe supply of customers and stable operation of Montenegrin electricity system.