

The new management of Montenegrin state-owned power utility EPCG will do everything possible to prevent the closure of coal-fired thermal power plant Pljevlja and continue with its reconstruction, said the President of the Board of Directors of EPCG Milutin Djukanovic. Djukanovic said that environmentally oriented reconstruction of TPP Pljevlja had to be done much earlier and that the contracts signed by the previous Government and company's management will be reviewed. He also said that the Board will propose several new renewable energy projects, such as the construction of HPP Komarnica, the addition of unit 8 at HPP Perucica, construction of wind farm Krnovo 2, adding that EPCG will continue with the project for the construction of Briska Gora solar power plant. He said that Montenegro's RES installed capacity, currently standing at 883 MW, could double in the next four years. According to the management of TPP Pljevlja, the closure of the plant would have devastating consequences for the country's economy. Montenegro would have to pay up to 100 million euros per year for electricity imports to offset the absence of TPP Pljevlja's production. Out of a total of 3,126 GWh of electricity produced in 2020, TPP Pljevlja was accounted for 47.6 %.

Last week, non-governmental organization Eko-tim said that the European Commission does not have the mandate to extend 20,000 operational hours allocated to coal-fired thermal power plant Pljevlja, as a chance to complete the environmentally oriented reconstruction of the plant, which will bring it to the EU operational standards. Previously, Minister of Capital Investments Mladen Bojanic said in February that the Government is in negotiations with the Energy Community in order to delay the closure of TPP Pljevlja, as its allowed operational hours are expiring soon. According to him, although the previously undertaken obligations to complete the modernization of the plant in 2020 have not been completed, it is unlikely that Montenegro will be asked to close it, because other deadline extensions were already granted to other countries in the region.

In June 2020, EPCG signed a contract for the reconstruction of coal-based thermal power plant Pljevlja with a consortium led by Chinese Dongfang Electric Company (DEC). The deadline for the completion of works is 39 months for the date of signing the contract. The selected consortium offer to perform the reconstruction for around 54.4 million euros including VAT. Project implementation is scheduled to take place in the period 2019-2021, after which the operation of TPP Pljevlja will be enabled to continue for at least 20 years. Reconstruction will assure compliance with the requirements and adherence to the strictest environmental protection parameters as envisaged under the latest EU Decision 2017/1442.