

The Ministry of Sustainable Development has issued to the Montenegrin electric transmission system (CGES) a building permit for construction of substation in LASTVA Grbaljska for the transfer line of electricity through 400 kilovolt transmission line to Pljevalja and 500 kilovolt optical cable between Montenegro and Italy. Green energy from RES power generation plants from Balkans gets an export route. TERNA to invest 700MEUR and CGES 100 MEUR, Toshiba selected as main contractor.

The construction of substation in LASTVA Grbaljska is a part of obligation that the CGES must fulfill as part of the project of construction of the submarine cable from Italy to Montenegro and to be performed with the Italian Terna together.

CGES's request for the building permit was sent to the Ministry at the end of last year, and the process of obtaining a license at the end of January was interrupted because the CGES has not submitted the proof of payment for the construction of a regional water supply system in the municipalities on the coast. However, six days after interruption of the procedures, Coast Regional Water Supply sent the Act, to the Ministry of Sustainable Development by which was stipulated that the investment of building of the undersea cable was relieved from the obligation to pay for the part finances fees for the regional water supply system, because this project was of public interest.

Having obtained the Act with the CGES by which is exempted from payment to the Coast Regional Water Supply, the conditions were in place for issuing a building permit for the CGES. The decision was signed by General Director of the Ministry, Mr. Danilo Gvozdenovic. "The investor's construction right for the issued building permit terminates, if construction does not start within two years of its issuing" as decision declares.

The Terna will invest over 700 million euros in undersea cable, and the CGES around 100 million euros. For the construction of substations in LASTVA, fitting a high-voltage cable and reconstruction of the substation in Pljevlja, the CGES has raised so far two loans. They have borrowed 25 million dollars from the German Development Bank and from the European Bank for Reconstruction and Development 60 million dollars. The Government has issued guarantees for both loans, as it was a condition for granting the loan in a first place. Toshiba company was engaged for a cable fitting and the construction of the submarine cable is expected to begin soon.

Source; Serbia energy See Desk