

Revitalization of the existing hydro power plants and construction of new facilities, international tender ahead, the report

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- Tenders for the modernization of old small HPPs to be launched in the summer.
- Tendering for new small HPPs expected for the end of 2014

The project for the construction of seven new small hydropower plants and rehabilitation of the existing 15 small HPPs, funded from a 45 million euros worth loan of the European Bank for Reconstruction and Development, is one of the most important projects designed to increase the share of renewable sources in electricity production.

- The revitalization of these 15 small HPPs should result with an increase in their capacity of about 20 percent. Considering the objective of capacity increase and the plants age, given that some of HPPs are old more than 100 years, we acknowledge that fellow designers have applied adequate methods in the analysis of hydrologic regions and made good use of available data in the process of the equipment selection - said in an interview for the newspaper "kWh" Mr Darko Nikolić, lead engineer for the HPPs development planning in the EPS Department for Strategy and Investment, adding that the greatest benefit should be the increase of these plants annual production.

Before the revitalization, these small HPPs were able to generate about 50 million kilowatt-hours of electricity on average, while after the revitalization they should be able to make about 87 million kilowatt-hours per year, an increase of more than 50 percent. The planned installed capacity of the seven new HPPs to be built at water resources is 13.35 MW, and the expected production is about 49 million kilowatt-hours.

- For the preparation of the technical documentation and the construction of small hydropower plants at water storages as well as for providing consulting services, the Institute "Jaroslav Černi" was selected in an open procedure - Nikolić said. - The institute has completed General Design for the construction of seven small HPPs, which was adopted at the Expert Council of EPS on 6 April 2012. The ongoing activities include the conceptual designs development and resolving property issues. Tendering is expected for the end of 2014. The completion and commissioning is scheduled for the year 2017.

As pointed out by our source, for the purpose of making the general project of revitalization and modernization for the 15 existing small hydropower plants owned by EPS, the company "Energoprojekt - Hidroinženjering" ,which submitted the complete documentation, was hired. Also a tender for consultancy services has been announced.

- The task of the consultant is to develop specifications for tender documents as well as investment-technical documentation, and contracting the consulting services is expected to take place by May this year - Nikolić explained.

Tendering for small hydro power plants in the territories covered by the companies "Elektrosrbija" and "Jugoistok" is scheduled for July and August respectively. The contract award is expected in November or January of 2014, and the revitalization completion is planned for 2016.

- It is general impression that obtaining the necessary opinions, collecting the relevant background, setting requirements and resolving the property issues is a tough and demanding job, which requires a lot of effort, work, energy and incredible patience, regardless of whether the applicant is a natural person or EPS - Nikolić said .

According to the Bank's procedure

Procurement will be carried out according to the procedure of EBRD, through a tender for the supply and installation (supply and install). Due to the number of locations, three tenders will be made: the first one for the construction of new small hydropower plants, the second one for the rehabilitation of existing small hydropower plants in southwestern Serbia and the third one for the revitalization of existing small hydropower plants on the territory of southeastern Serbia. The tenders will be announced successively. The formation of a team to manage the project is under way.

Terms of the loan

The loan was contracted for the 12 years period, with the repayment period of nine years starting upon the expiration of the three-year starting period. The interest rate is the six-month EURIBOR plus one percent per year. The fee for the unused portion of the loan is 0.5 percent per year, while the fee that is paid at the beginning of the use of funds is one percent.

Source;Serbia Energy