

In order to start with the construction of the 430 MW gas-fired unit at TPP Iernut Ministry of Energy will extend the financing contract until 31 December 2022, said Romanian natural gas producer Romgaz.

At the end of June, after five extensions of negotiation period, Romgaz has finally terminated the contract concluded with a consortium of Spanish Duro Felguera and local Romelectro for the construction of a gas unit at thermal power plant Iernut. The termination comes two and a half months after Romgaz initially announced the imminent termination of the contract signed in 2016 with the consortium of Duro Felguera (Spain) and Romelectro (Romania).

In November 2016, Romgaz has concluded an agreement worth 268 million euros (without VAT) with a consortium of Spanish company Duro Felguera and Romanian Romelectro for a turnkey project for the construction of new 430 MW gas-fired power plant within its Iernut thermal power plant. The deadline for the completion of the new combined cycle power plant is 36 months from the effective date of the contract, which shall be within 5 working days from the date the NIP financing is approved. Romgaz took over Iernut thermal power plant in 2013 from Bucharest-based thermal energy producer ELCEN in exchange for deleting a 145 million euro debt. Initially, the plant was supposed to be commissioned in early 2020, but delays have arisen, both as a result of disagreements between partners regarding the provisions of GEO 114/2018 and regarding the increase in construction costs.