

CEO of Romanian natural gas Romgaz Aristotel Jude said that the company is still analyzing the possibility of concluding a new contract with the consortium consisting of Romelectro and Duro Felguera for the completion of the 430 MW gas-fired unit at the Iernut power plant.

However, Jude said that Romgaz expects to complete the unit by the end of 2022, which is three years later than initially planned.

In July, after five extensions of negotiation period, Romgaz has finally terminated the contract concluded with a consortium. 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 the meantime, the Romanian Government obtained from the European Commission the permit to prolong the project until the end of June 2022. This approval was necessary because the Government is extending 64 million euros worth state aid for the project.

In late 2020, Romgaz said that it would not grant an extension of the deadline for the completion of the construction of a gas-fired unit at the existing TPP Iernut, which was proposed by project's contractors - Spanish Duro Felguera and local Romelectro. The agreed deadline for the completion of the project expired on 26 December. The statement from Romgaz said that it will identify the necessary solutions to complete and commission the combined cycle unit at Iernut and will inform of its decision at a later date.

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 euros debt.