

The stability of the Serbian power system is dominantly provided by the lignite-fired thermal power plants. The thermal power plants "Nikola Tesla" are the largest electricity producer, generating more than one half of electricity in the country. All thermal power plants are old, and in addition to the modernization cycle, they require constant efficiency improvement projects. Environmental protection projects, required by both the local and the European legislation, represent a significant financial burden for the EPS.

In the Serbian energy sector, one of the key market players is the company Alstom, which has achieved a significant success in the cycle of thermal power plants modernization, by taking on jobs within the field of turbines and generators of thermal power facilities. Their main competitor is Siemens, but also the local companies fighting for their market share through lower market offers and dumping.

Since the year 2000, when the investment and modernization cycle began, the business focus of Alstom has been the overhaul of turbines and boilers. When the environmental protection projects were initiated, Alstom started the activities to conquer this part of the market.

Alstom has been present on the Serbian market for 40 years already. This company is the supplier of 70 % of turbines and generators and, simultaneously, the key player in the segment of modernization of Serbian thermal power plants.

In cooperation with the Serbian companies Feromont and Mihajlo Pupin, Alstom has worked on the project for modernizing the block A3 of the thermal power plant "Kolubara". This 65 megawatt-block suffered a breakdown in 2010. Through its revitalization, the capacity has been increased by 5%. At the same time, the reliability of operation of the turbo generator has been increased, which is why this aged block is considered one of the most reliable blocks of TENT. Alstom is the supplier of the new turbine for the block A3 in the TPP "Nikola Tesla", worth 23 million euros. In addition, Alstom has been engaged in the overhaul of the block "A5", whereby the block capacity has been increased from 308 to 350 megawatts, as well as in the overhaul of the block "A6".

The EPS has contracted Alstom for the purchase of a part of equipment for the reconstruction of the thermal power plant Morava, which is planned for the year 2015. This involves the procurement of a steam turbine worth seven million euros. The company Alstom is carrying out the capital overhaul of the turbine and the generator for the block "B1" of the thermal power plant Kostolac. The job is worth 21.9 million RSD. The aim of the overhaul is to reach the block capacity of 21.8 megawatts, to increase the efficiency, the plant availability and to extend the turbine lifetime. Within the modernization, among other, the reconstruction of the turbine control system and of the high-pressure turbine bypass is carried out, as well as the capital overhaul of the generator and the rotor overhaul. The deadline for the completion of works is 1st December. Alstom has also been entrusted with the recovery works on the generator of the block "B2" during the overhaul, and this

company previously performed the capital overhaul of this block, too.

The recent takeover of Alstom by the company GE could also affect the Serbian market. The GE is present on the Serbian market through the local branch office, but without a clear and visible market network, which is necessary for the sale and development of projects.

According to the available data, the GE covers the market through its office in Italy and they are mostly focused on renewable energy resources, but their success level is unclear when the Balkan region is assessed. It is quite certain that the EPS and the thermal power plants will suffer some impact due to the created vacuum, but the competition will sharpen their tools in the race for conquering the market space.