

During his meeting with Serbian Minister of Energy and Mining Zorana Mihajlovic, CEO of oil company NIS Kirill Tyurdenev said that the combined heat and power (CHP) plant in Pancevo will enter trial operation by the end of the year.

Other topics at the meeting included the development of Petrohemija following its privatization, in line with new technologies, the cooperation on new projects and the realization of the existing investment projects at the Pancevo refinery and the question of storing mandatory oil reserves.

In 2015, Serbian oil company NIS, majority owned by Russian GazpromNeft, has signed an agreement with Gazprom Energoholding, a part of Gazprom Group, on the establishment of joint company for the construction of thermal power plant near Pancevo. In October 2017, NIS signed an Engineering, Procurement and Construction (EPC) contract on a turnkey basis worth 180 million euros with Shanghai Electric Group. It was initially expected that the construction of CHPP Pancevo will start in the second half of 2018 and be commissioned by the end of 2019.

The construction of CHPP Pancevo has officially started in March 2019. 200 MW power plant will be built within NIS' oil refinery complex in Pancevo, the project will cost 180 million euros and it is expected to be completed in mid-2020 and fully operational by the end of the year. However, the deadline was later moved to 2021. It should contribute to an increase in the stability of supply of electricity, thanks to directing up to 65 % of the power produced to the energy system of Serbia, while also covering the needs of Pancevo refinery for electricity and steam.