

Serbian Minister of Energy and Mining Aleksandar Antic said that the combined heat and power (CHP) plant in Pancevo will start commercial operation in the fourth quarter of 2020, an investment of Russian Gazprom Energoholding worth 180 million euros.

Minister Antic made the statement after a meeting with Director General of Gazprom Energoholding Denis Fyodorov, at the St. Petersburg International Gas Forum. Fyodorov said that Gazprom Energoholding is also interested in the development of new gas-fired power plants, as well as in the development of renewable energy sources, primarily from hydro and wind. CHPP Pancevo will be the company's first power plant outside of Russia. The construction of CHPP Pancevo has officially started on 7 March. 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 by the end of 2020. 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.

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. In March 2018, Italian company Ansaldo Energia said that it has been awarded a contract for the supply of gas turbines and generators for CHPP Pancevo. The contract awarded by Shanghai Electric Group is worth about 40 million euros. Ansaldo Energia will deliver two AE64.3A gas turbines, their WY18Z air-cooled generators and the relevant auxiliary systems.