

# Serbia: Construction of river dock for TPP Kostolac started

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The construction of a dock on Danube river, worth over 14 million euros, which is being built primarily for the needs nearby thermal power plant Kostolac has started. It is one of the five projects funded within the first phase of credit arrangement between Serbia and China.

The dock on Danube will be primarily used for the transportation of coal to the plant, but also for the removal of byproducts of the plant, such as ash, which could be used for industrial needs. General project for the dock was prepared by the company Ehting in cooperation with the Institute of Transportation CIP and it envisages three operating wharves for loading and unloading with total length of 220 meters.

In early 2017, Serbian state-owned power utility EPS announced that it has started the second phase of the modernization project of thermal power plant Kostolac B with the start of installation of excavator-conveyor-spreader (ECS) system at Drmno coalmine.

The project for the modernization of TPP Kostolac B also includes the construction of the new B3 unit with power output of 350 MW. Implementation of the project was officially launched on 4 January 2016, when EPS made an advance payment to the contractor, China Machinery Engineering Corporation (CMEC). In order to finance this project, EPS obtained a preferential loan from Chinese Exim Bank. The maturity of the loan is 20 years, with a 7-years grace period and fixed interest of 2.5 %. The deadline for the completion of the new unit is five years (until the end of 2020), and since the grace period lasts for another two years the idea is that the unit will partially repay itself if electricity production starts on time. The whole project is worth 712 million dollars.

Kostolac TPPs complex consists of two power plants – TPP Kostolac A (unit A1 and unit A2, 310 MW in total) and TPP Kostolac B (unit B1 and B2, 700 MW in total), including Drmno mine which supplies coal for all units.