

The Energy Agency has not received an EPS (Elektroprivreda Srbije – Power utility company of Serbia) proposal for the price increase, and more expensive electricity in the region has not to be a justification for a higher price in Serbia.

Ljuba Macic, president of the Energy Agency which approves correction of the electricity price, stated that more expensive electricity in the region may be an indication that in Serbia, something needs to be changed, but not the reason for the higher price.

- Justification for the increase should not be any damage that the energy system has suffered due to the floods. It has made a cost that should be paid, but there is a World Bank loan. Then even a flood does not have to be a reason for price increase – said Macic.

The electricity in Serbia is the cheapest in the region, 30 percent cheaper than in Macedonia, and 40 percent of Montenegro and Bosnia.

The Energy Development Strategy until 2025th stipulates that electricity must reach the market price, which means that had to be increased by 20 to 30 percent by 2017th.

When asked whether the electricity should be increased, Aleksandar Obradovic, acting director general of EPS, explained that we have the lowest cost of electricity not only in the region but also in Europe.

- Maintaining a low price, EPS actually donated six billion EUR to the citizens and the economy in the last eight years, which could have been invested in the construction of new generating capacities. The current electricity price did not provide any investment in new production facilities – says Obradovic.

He also says that increase in price is not the solution for rehabilitation of the floods consequences and it can compensate only a third of EPS financial needs.

Energy Minister Aleksandar Antic says that at this moment more important thing than the electricity price is to make a tariff system to encourage people to save and rationally to use electricity.

- The Ministry will insist that the price would not be increased to those who save and belong to vulnerable categories – said Antic, adding that the government prepares a response for each scenario during the winter, and the electricity cuts are not an option.

From May 15th until end of July EPS imported electricity for 30.5 MEUR, and most of the Slovenian GEN.

- Our assessment is that in Serbia there is no reason for the shortage – said Predrag Savić, Deputy Director of GEN-I adding that now is impossible to predict the electricity price for winter.

“Kolubara” at full power in 2015th

In “Kolubara” expects total water pumping from the mines to the end of the year.

- This does not mean that we will start then with full capacity production. Problem are nine dredges that are under water and for repair of each one needs at least a month – say in “Kolubara”, which today produce 65,000 tons of coal, compared to 90,000 tons before the



Serbia EPS Power utility company imported 30MEUR of electricity
from Slovenian power trader GEN-I

floods.