

Serbia: EPS Power utility investment plan for its key coal mine Kolubara

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Power utility EPS 2016 investment plan for its key coal mine Kolubara includes modernization of equipment. Additional coal quality and modernization projects will be financed from EBRD and KfW loans.

The total funds that the “Electric Power Industry of Serbia“ will invest in “Kolubara“ in 2016 should amount to around 12 billion and 50 million dinars, which will enable the implementation of several very ambitious projects, says Slobodan Marković, Assistant Director for Investments, Development and Production Improvement in the Branch “Kolubara“. This sum refers only to the investments of EPS from its own sources, independently from the money which has been previously provided for “Kolubara“ through the loans of EBRD and KfW bank.

Marković emphasizes the fact that around 870 million dinars have been planned for the procurement of auxiliary mechanization in the following twelve months. Several high-capacity cranes will be purchased, as well as bulldozers, hydraulic excavators, pipe-laying machines, and numerous machinery, including trucks, all-terrain vehicles (GAZ), mass transportation vehicles, delivery vehicles and similar.

- The plan is to eliminate the renting of cranes as a budget item through this year’s procurements and to finally solve the perennial problems in the performance of mining activities caused by the lack and outdatedness of auxiliary mechanization - Marković explains.

When it comes to infrastructure projects, numerous activities with respect to the second phase of regulation of the flow of the river Kolubara are expected in “Kolubara“ this year, and this in the section where the river Peštan flows into it. This is one of the stages of the long-term relocation project, and the Contract is worth more than one billion dinars. One portion of works was performed last year, but considering that all conditions have been provided, the majority of the project should be carried out in 2016.

- The tender documentation is also being prepared for the job of relocating a section of the Ibar Main Road in the length of 7.4 kilometers, the value of which will amount to around 740 million dinars according to estimates. The relocation of two 110 kV long distance lines of the Power Grids of Serbia is also envisaged on this route, as well as the relocation of several minor mining long distance lines and one distribution long distance line of 35 kV. All these investment projects are carried out so as to provide space for the beginning of exploitation in the field “G“ - Marković explains.

- This year, significant funds have also been allocated for the procurement of mining

equipment. Around 750 million dinars will be invested in equipping the Field “E” - this is the procurement of conveyors B-2000 and B-1600, the manufacture of which is the responsibility of “Kolubara Metal”, and for which the structures for three stations and the necessary routes have already been made. Their inclusion into the system will significantly increase efficiency and reduce the number of downtimes which burden the production process to a large extent. A somewhat lesser amount, around 500 million dinars, has been allocated for the construction of the second coal line in the “Crushing Plant”, which is one of the conditions for the implementation of one portion of packages of the “green” loan - Marković announces.

It is planned that, this year, the works on the recovery of damage from floods on the water courses of the rivers Vraničina and Kladnica should be completely rounded off by the procurement of equipment. After solving acute issues and constructing embankments, it is time that the systems that represented forced and temporary solutions are finally brought to regular state. A part of conveyors which have been permanently lost need to be purchased and replaced with new rubber, idlers and auxiliary mechanization, damaged roads need to be repaired. Around 1.3 billion dinars have been planned for these procurements and repairs.

Marković remarks that, in the investments plan for 2016, a significant item is also the construction of substations and the power grid - around 700 million dinars. 525 million will be invested in the procurement of equipment for the new open pit mine “Radljevo”, and the funds allocated for expropriation works are also bigger than in 2015. Almost two billion dinars have been allocated for the expenses of the resettlement of Vreoci, the continuation of resettlement of Zeoke and the beginning of resettlement of Medoševac.

The total funds envisaged for investments in “Kolubara” in the next 12 months are higher than in 2015, which will enable us to finish a large number of tasks together with the loans from foreign banks. All this should ensure the long-term stability of production process, Marković concludes, transmits Serbia-energy.eu