

Serbia: Environment investment projects in power utility EPS power generation plants

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Date : April 7, 2015

Preparations of Serbian Power utility company EPS facilities for the application of the two key directives, large furnaces and industrial emissions, have already started and if it continues with the same pace , it is expected that EPS will fulfill obligations on time.

Harmonization with European regulations in the field of environment, because of its volume and interconnections is very complex and expensive process. Accessing negotiations in this field are referring to 200 legal acts that make even third of European regulations. According to evaluations, adjustment in this field will cost Serbia even 10, 6 billion euro by 2030.

The key legal act that directs energy policy of countries in region is agreement on establishing Energy Community signed in Athens in 2005. that obligates nine signatory countries it to apply Acquis Communautaire in energy field, environmental protection , competition and renewable energy.

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Directive on Large Furnaces (LCP) refers on facilities for combustion which power is bigger or equals 50 MW regardless which type of fuel is used. Goal of directive is limitation of sulphur-dioxide emissions, nitrogen oxides and dust which is transmitted by big furnaces.

Directive on Industrial Emissions (IED) brings together Directive on Integrated Prevention and pollution control and six other directives, including Directive on Large Furnaces, which in member countries replaces from 1th of January 2016. IED prescribes less strict requirements for facilities which got their permission before 7th of January 2013., or which are put into operation no later than January 7th, while for all the other facilities directive prescribes following limited values:

1. For facilities of 50 to 100 MW of power limited emissions of SO₂ are 400mg/Nm³, NO_X 300mg/Nm³ and for solid particles 30mg/Nm³
2. From 100 to 200 MW limited emissions of SO₂ are 250 mg/Nm³, NO_X 200 mg/Nm³ and for solid particles 25 mg/Nm³
3. For facilities with power bigger than 300 MW limited emissions of SO₂ are 200 mg/Nm³, NO_X 200 mg/Nm³ and for solid particles 20 mg/Nm³

Within the document which is adopted by Serbian Government in 2011, named ""National

Strategy for Approximation in the Field of Environment Protection of the Republic Serbia” economic analysis is presented, which has showed that only in 2003. there is possibility for appliance of Directive about Large Furnaces.

Therefore, at the ministerial meeting of Energetic community in October, Serbia started initiative for delay of appliance of that directive until 2023. Bringing this decision is explained by tendency to energetic stability, because by closing TENT and “Kolubara” mine, Serbia would be left without 50 % of electric energy. This withdraws longer transition deadlines for appliance of Directive on Industrial Emissions.

Delaying appliance of Directive on Large Furnaces was welcomed by EPS. This way it is avoided that energy stability is endangered by closing thermal power plants with power under 300 MW for those who have not secured replacement capacities , on the other hand there is no economic adequacy to apply on them the most modern measures for reducing harmful emissions.

Towards appliance of Directive on Large Furnaces and Directive on Industrial Emissions, thermal power plants should build systems for desulphurization and denitrification and high efficiency filters.

One of the most important projects that is carried out within EPS is desulphurization within TENT “A” .

Funds of 28,25 billion yens is provided by Japanese Agency for International Cooperation JICA. Project will be realized through two phases. First phase includes building facilities for desulphurization of smoke gas for units A3 and A4, and second phase for units A3 and A4. Expected deadline for completion of the project is the end of 2017.

This is the first project of the kind in Serbia and it will lower sulphur-dioxide emission at the exit from facilities beneath 200 milligrams per cubic meter. Deadline for receipt of the bids was May 19th.

Bids have been received from ANDRITZ company, MHPS consortium and SBENGI consortium. Second stage is evaluation of proposals by EPS and approval by Japanese agency, that is supposed to end by the end of January 2015. By given approval, it is expected that in February contract is going to be signed with tender participant. Desulphurization of TENT “B” is planned by 2019., while drafting of tender documentation is ongoing.

Desulphurization within TE “Kostolac” is conducted with the Chinese loan.

Investment value is around 96 million euros; and the finalization of the project is expected by the end of 2015. Within general repair of “TE Morava” planned for the next year, electric filters will be installed, for which EU has donated 5 million euros.

Considering that within EPS realization of significant number of different projects is ongoing, there is a real chance that obligations prescribed by Directives on Large Furnaces and Industrial Emissions will be fulfilled on time. Key condition for that is providing financial

support.

Fulfilling obligations by EPS would also mean that a large number of Serbian obligations regarding environment protection would be fulfilled.

Source Serbia Energy