

Serbian Minister of Mining and Energy Aleksandar Antic said that thanks to significant coal production, Serbia had enough electricity to cover the increased consumption during summer, but also a certain surpluses that were exported.

Minister Antic explained that drought caused a deficit in hydro production of electricity in the region, which led to a shortage and a significant increase in electricity prices on the exchanges. According to him, Serbia was well prepared for such scenario and used its thermal capacities and mass coal production, especially in Kolubara basin.

He said that last August price of electricity was around 30 euros per MWh, but currently prices are above 60 euros/MWh, adding that in July and the first half of August, Serbia exported about 160,000 MWh of electricity and sold it at electricity exchanges for a little less than 10 million euros. He noted that electricity was mostly exported to Albania, Montenegro and Macedonia.

In May, Serbian media informed that currently there are not enough coal for electricity production in stock of the country's largest thermal power plant complex Nikola Tesla (TENT), which is why Serbia could face power cuts in the forthcoming winter.

The source claims that coal reserves at TENT are very low at the moment (about 400,000 tons, while normally it should be over 1.5 million tons) and if this situation continues, it is uncertain that power utility EPS will be able to provide enough electricity for the next winter season, without turning to importing expensive electricity during peak hours.

According to source, there are no vital parts necessary for maintain the equipment at Kolubara mining basin, and the effect of loans that should be provided by the state will be visible in only a few years, leaving EPS in dire situation during this winter.

Following the media reports, EPS officially denied allegations that Serbia could face power cuts due to lack of coal, stating that reports that there are only 400,000 tons of this resource in TENT's stock are incorrect, claiming that the amount of coal reserves currently exceed one million tons. The statement from the company also refuted other allegations that parts for the maintenance of machinery are lacking and that the coal provided by Kolubara coalmines is of low quality.

Acting Director of EPS Milorad Grcic said that in the first half of 2017 the company produced a total of 17.5 million tons of coal, adding that he expects that the annual plan will be fulfilled. The production of 17.5 million tons of coal in the first six months of the year is 1 % above the plan for this period. Grcic said that the production of the open pit mines of the Kolubara basin and Drmno open pit mine near Kostolac is currently on the level of production in the same period last year.