

All experts, and even the general public, know that the Public Company Elektroprivreda Srbije is in trouble, but how big they really are, everyone outside the government could only guess.

JP EPS published a report on the implementation of the three-year business program for the period of the first three months of this year, and the results are devastating.

In just three months, EPS recorded a loss of 29.8 billion dinars (about 250 million euros), mostly from business activities.

This is the result after the loss in 2021 of 13.2 billion dinars (112 million euros). That last year's loss came in its entirety in the last quarter, because for the first nine months of last year EPS had a profit of 8.5 billion dinars, which means that from October to the end of December it lost 21.7 billion dinars (185 million euros).

As stated in the report, EPS did not receive subsidies from the state, but that is why it took on a lot of debt. In the fourth quarter of last year, they contracted loans of 12.6 billion dinars and 150 million euros (total of about 250 million euros). In the last three months of 2021, 175 million euros were withdrawn, while the other 75 million were withdrawn in January. Then another 20 million euros were withdrawn in January.

As of March 31, 2022, the total credit debt of EPS was 167.5 billion dinars or 1.4 billion euros.

Since the beginning of this year, 18.2 billion dinars of loans (155 million euros) have been contracted, and around 135 million euros have been withdrawn (until March 31, 2022).

The main reason for such a disastrous financial situation of EPS is the collapse of TENT last winter. From October to the end of December, thermal power plants produced 20 percent less electricity than planned, and the total production was 8.7 percent less than planned.

"Lower production in thermal power plants was due to the poor quality of coal from RB Kolubara, the inevitable delay in the overhaul of G1 in TENT B and the breakdown of TENT in December 2021," the EPS report states.

They describe how the wet and muddy coal stuck to the bunkers and dispensers and how, as a result, there was insufficient fuel for the boilers, and despite the increased use of fuel oil, blocks fell out.

At TENT A, only block A2 remained in operation, but with a "reduced and unstable power of 60-120 megawatts".

At TENT B" due to sticking of muddy coal, the power dropped to 80 megawatts.

After the removal of mud from the bunker and some kind of stabilization, a fire broke out on December 26 at block B1, and the next day a breakdown of the mill occurred in block B2.

The problems continued at the beginning of 2022, only with bad coal

the flow of water at the hydroelectric power plants also fell, so the electricity production at the HPP was 21 percent lower in the first three months of this year compared to the same period last year.

Production in thermal power plants was 16 percent lower than in the first quarter of last year.

Since there was not enough electricity from its own production, it had to be bought on the market at ridiculous prices.

In the fourth quarter of 2021, EPS imported 1,244 gigawatt hours of electricity at an average price of 232.8 euros per megawatt hour and paid 289.7 million euros for it - as much as 278.7 million euros more than planned.

In the first quarter of this year, imports even increased to 1,645 gigawatt hours at an average price of 219.29 euros per megawatt hour, which amounts to a total of 360 million euros of purchased electricity for the first three months of this year alone.

Therefore, from October to March, EPS spent almost 640 million euros on the import of electricity, which was four times more expensive on the stock market than during the previous winter of 2020/21. years.

On the other hand, the Government of Serbia decided to limit the selling price of electricity to the economy, so in March EPS bought electricity for 285.58 euros per megawatt hour, and sold it on the commercial market at an average price of 66.4 euros per megawatt hour. The cost has also increased because the production of electricity in TE TO Pannonian power plants, which consume gas, has increased sixfold. In 2021 and the first three months of 2022, 10 billion dinars worth of gas was consumed, while less than four billion is planned, Danas writes.