

Serbia needs to build 900 MW TPP by 2023

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According to the plan for the development of the electricity transmission system in the 2017-2026 period, in the next 15 years Serbia will consumer some 7 TWh of electricity more than today, which means that electricity consumption will increase by approximately 1 % annually. But, according to projections, electricity production will remain at the current level.

The study, developed by the transmission system operator EMS, is currently at the public debate. Projected electricity consumption in 2031 ranges from 44.3 to 47.2 TWh and shows an upward trend. The results of the conservative production development scenario show that during winter consumption peaks, installed production capacity will be insufficient to cover the demand.

The study also shows that the construction of new thermal power plants is not expected in Serbia after 2023, indicating how critical is to delay investments in new capacities given the fact that, in accordance with the EU Directives, some capacity would have to be decommissioned. According to experts, the study indicates that Serbia has to build at least one more thermal power plant, besides the 350 MW B3 unit at TPP Kostolac. Additional thermal power plant with at least 620 MW of power output is needed, ideally it would have power output of some 900 MW. Due to the vicinity of a large coalmine, it could be the third unit at TPP Nikola Tesla B.

New B3 unit at TPP Kostolac complex will have power output of 350 MW, and the loan obtained from Chinese ExIm Bank will be also used to finance the expansion of nearby open pit coalmine Drmno from 9 to 12 million tons of coal per year. The maturity of the loan is 20 years, with a 7- years grace period and fixed interest of 2.5 %. The deadline for the completion of the new unit is five years, and since the grace period lasts for another two years the idea is that the unit will partially repay itself if electricity production starts on time. Kostolac TPPs complex consists of two power plants – TPP Kostolac A (unit A1 and unit A2) and TPP Kostolac B (unit B1 and B2), including Drmno mine which supplies coal for all units.