

Serbia: New 350MW TPP Kostolac unit, China CMEC as contractor

Categories : [News Serbia Energy](#)

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The Serbian government has approved the implementation of the second modernization phase of the Thermal power plant and mines Kostolac, which envisages the construction of a new thermal power plant in Kostolac of 350 megawatts. The government, at the meeting held last week, approved the decision of the Board of Directors of the Serbia Power Utility Company (EPS), by which was allowed to this company the signing of the contract with the Chinese company CMEC to build a new thermal block in Kostolac and extension of mine Drmno from nine to 12 million tons of coal per year.

The total value of the second phase of the arrangement package, which is implemented in Kostolac in cooperation with Chinese partners, is 715.6 MEUR.

New thermal unit in Kostolac of 350 megawatts should be online by the end of 2019th.

In the EPS pointed out that this decision was historic because the last EPS unit was put into operation 23 years ago.

This is a strategically important project, which is one of the priorities in the Serbian energy development strategy, which will contribute to the stability and security of the Serbian energy system of in the future.

By the project it is predicted that all the energy standards of the European Union and Serbia have to be followed, especially in the field of environmental protection.

In the first modernization phase in Kostolac it is performed revitalization of units B1 and B2 and construction of desulfurization facility with the accompanying infrastructure projects - railroads and ports.

Arrangement package for the modernization of Kostolac is achieved with 85 percent from the Chinese soft loan, which is 1.06 billion dollars, and the rest from the EPS and TE- KO Kostolac funds.

Arrangement package for the modernization of TE- KO Kostolac is based on the Agreement on Economic and Technical Cooperation in the infrastructure sector signed between the Governments of Serbia and the Republic of China.

Source; Serbia Energy/EPS