

Existing TPP Nikola Tesla B has two 620 MW units, with available output of 1160 MW and annual generation of around 7 500 GWh. TPP Nikola Tesla B is located near the older TPP Nikola Tesla A, which has 1500 MW output, but lower annual generation. It is the largest thermal generating capacity in Serbia.

Project envisages construction of new, 3rd unit in existing TPP Nikola Tesla B, with 700 MW output. But, during tender procedure in 2011, none of the eligible candidates submitted bid. Government later announced that the project could be developed through interstate agreement, i.e. without publishing the tender, in order not to waste time.

In the end of October 2011, EPS and consortium of Chinese companies, the China Environmental Energy Holdings (CEE) and Shenzhen Energy Group (SEC) have signed Protocol for development of projects in energy sector in Serbia. The protocol particularly referred to development of unit 3 (700 MW) in TPP Nikola Tesla B and opening of the Radljevo coalmine. Overall cost of the project was estimated at over 2 billion EUR. China National Electric Company CNEC expressed their interest in B3 unit as well as in the Radljevo open mine pit expansion offering full financing soft loan.

In September 2012, EPS and German RWE have signed Memorandum of Understanding on strategic cooperation. Part of the MoU referred to the development of TPP Nikola Tesla B3. According to MoU, in 1.2 billion euros would be invested in new unit (700 MW) in TPP Nikola Tesla B. Several days after signing the MoU, Minister of energy, development and environmental protection confirmed that RWE should build unit 3 in TPP Nikola Tesla B and it should develop Radljevo coalmine. In return, Serbia should deliver the part of electricity produced by the future unit to the RWE, Minister said.

According to current situation, the construction works in TPP Nikola Tesla B could hardly start in 2016. The construction works should last 4-5 years. The new unit should be independent electricity producer and it will sign electricity sale agreement with EPS.

Latest letter of intention came from Japanese company Marubeni.

New 700 MW unit in TPP Nikola Tesla B will have a supercritical boiler so that its efficiency will be over 40%. EPS share in this project should be close to 200 million EUR (it includes the worth of the land, infrastructure and 60 million EUR of cash investments).