

Serbia: Power utility restarts EBRD financed tender for small HPPs modernization

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Date : May 4, 2017

Serbian power utility EPS has again published a tender for the rehabilitation of seven small hydropower plants (SHPP) owned by the company, since there were no bidders on the previous tenders.

These SHPPs are waiting for the refurbishment for six years already, since EPS obtained funds for that purpose from the European Bank for Reconstruction and Development (EBRD) in 2011. The loan amounted to 45 million euros and it was intended for the rehabilitation of a total of 15 SHPPs owned by Serbian power utility. According to the new tender, rehabilitation works are expected to be completed in 2018.

The seven SHPPs in question are: HPP Raska, HPP Radaljska Banja, HPP Seljasnica, HPP Kratovska Reka, HPP Pod Gradom, HPP Turica and HPP Moravica, most of which are out for operation for years. Previously, private investors did not show interest in participation in the projects for SHPPs rehabilitation, which is why EPS has published the tender again.

Another reason are the penalties, which EPS is now obliged to pay, since the funds provided by the EBRD for the project have not been withdrawn for six years. These penalties reached almost one million euros in 2016 alone.