

Drought is endangering the operation of hydropower plants, so the demand for electricity in Southeast Europe is much higher than the supply, which has heated up the regional power markets. Since the beginning of the year, the lack of electricity has increased the wholesale electricity price up to 30 percent, and this month, the megawatt hour has risen as much as 100 percent. EPS and Power grid operator (Elektromreze) say that despite the drought and overhauls they provide enough electricity.

In Serbia, a third of the electricity is provided from hydropower plants, but the operation of most other electric power companies in the south of the Balkans depends on the hydrological situation. Therefore, due to the period of drought there are supply crises, which shook the regional power market. The wholesale electricity prices on the power exchanges are constantly increasing.

“Prices are higher from ten to fifteen euros on average than in the same period last year. While in August we have a situation that the price has practically doubled, from EUR 32.3 it has risen to EUR 64 per megawatt hour on average,” points out Milos Mladenovic, Executive Manager of the Serbian Power Exchange.

Although the transmission lines overhauls are under way, the Serbian transmission system is stable. During the summer they have been recording an increased transit of electricity towards Central Europe, especially in our region.

“Electric power companies that cover the consumption from hydropower plants compensate the lack of electricity by importing from the surrounding systems. We have enough electricity to meet the demands of the neighboring transmission system operators for support,” says Aleksandar Kurcubic, the Executive Director for Management and Market in EMS.

Italy, Macedonia, Montenegro and Albania are the main importers of electricity.

“We have a situation where, according to some data, Albania is importing even 80 percent of the needs. Therefore, some natural flow of electricity is practically from north to south,” says Mladenovic.

Water inflows on Djerdap and Drina are drastically reduced, so it is reported from EPS that they provide electricity generation owing to larger quantities of coal in Kolubara and Kostolac.

“We are able to meet all the needs of consumers in Serbia, and we also have the amount of electricity that can be put on the free market.” The distribution of production is such that in this dry period the hydropower plants produce less electricity than last year. “All this difference in the production is compensated from thermal power plants”, says Savo Bezmarevic, Executive Director for Electricity Generation in EPS.

Thermal power plants in Serbia provide 70 percent of electricity, so it is most important to provide the coal reserves needed for the smooth operation of thermal power units during the winter.