

Minister of Mining and Energy Zorana Mihajlovic and Acting Director of EPS Milorad Grcic concluded, during their visit to the construction site, that the construction of a new unit at thermal power plant Kostolac B is one of the most important projects for power utility EPS and the energy system of Serbia, therefore, the delays in its implementation are inadmissible and works on the project must be accelerated.

Minister Mihajlovic pointed out that current timetable envisages the completion of the project in the fall of 2022, which is inadmissible, adding that intensive talks with the Chinese contractor CMEC will be held in order to speed up the project. She also said that CMEC was the first company which announced delays to the project due to the coronavirus pandemic.

CMEC is a main contractor in the project for the construction of the third unit at coal-fired thermal power plant Kostolac B, which is a part of a larger project for the modernization of Kostolac B at a total cost of some 712 million dollars. The construction of unit B3 will cost 520 million euros and it will produce 2.5 billion kWh of electricity per year, thus boosting EPS' production capacity by some 5 %. Implementation of the project for the modernization of TPP Kostolac B was officially launched in January 2016. In order to finance this project, state-owned power utility EPS obtained a preferential loan from Chinese Exim Bank. The maturity of the loan is 20 years, with a 7-years grace period and fixed interest of 2.5 %. In 2018, it was estimated that the new unit will be completed by the end of 2020.