

Company "TPPs and OPMs Kostolac" is officially one of the most successful Public Companies in Serbia, regarding all production and business parameters during the last year.

During 2013 about 8,803,759 tons of coal were produced in this Company, 41,139,991 cubic meters of overburden, that represents the highest production ever, and 6,472,258 MWh of electricity were delivered to the system of "Electric Power Industry of Serbia" it was said today on the press conference in the Company "TPP and Mines Kostolac". Talking about achieved business and production results in 2013, Dragan Jovanović, the director of the Company "TPP-Mines Kostolac", pointed out the following: - The business year 2013 is, having in mind many business elements, milestone in the development of the Company. The production results are set based on the activities from the previous years. The efforts to increase production output and to increase technical efficiency resulted in the highest output of electricity and overburden ever. A special characteristic is that the coal production is reduced to the output necessary for coal production and the thesis: "produce as much as electricity as possible out of minimum coal possible" began to be affirmed completely. Great attention in the Company "TPP-Mines Kostolac" is paid to the OHS field, so that number of injuries at work decreased for 42% if compared with the year 2012. In 2013 high consciousness in managing the state capital is shown and during last year, the Company achieved the total operating income in the amount of 25,842,766,000 RSD and operating expenses in the amount of 21,235,150,000 RSD. This means that during 2013, the profit in the amount of 3,649,024,000 RSD was achieved. Especially the development responsibility of the Company in realization of initial activities from the first phase of credit arrangement with the Chinese partners was shown. The biggest achievement of the last year activities is undersigning of the Contract Agreement with the Chinese Company "CMEC" on the building of the new Thermal Power Unit B3 with 350 MW of power, based on the usage of lignite from the mine "Drmno". With it, the Company "TPP and Mines Kostolac" started with the activities on building the new facility after 25 years. That was the last time that one Power Unit with greater power was built in Serbia.

At this moment, electric power system of Serbia is in the "strained position" pointed out Mr. Dragan Jovanović: the Power Units in TPP NT operate with significantly decreased capacities because of the fact that the Mining Basin "Kolubara" cannot deliver the full capacity of coal necessary. Three our blocks are operating with the full power while the Power Unit B1 in the TPP "Kostolac B" is in the process of recovery that is expected to last until the beginning of December.

On the gathering in Kostolac the president of the Supervisory Board of EPS Aca Marković, PhD was also present, and he praised the efforts of the employees in the Kostolac Company during the recent emergency situation. - I have to praise the management of Kostolac Company because it protected the mine and the power plants from floods and it should

especially be pointed out that in Kostolac production continued despite the emergency situation. Our most important task is the preparation of the electric power system for the upcoming winter season. The period of emergency is over and now all our powers are focused on the removal of material losses. Measures for increasing coal production in Kolubara are taken and with the partly import of electricity, we are going to be ready for the upcoming winter. It is known that during the last year EPS achieved the top electricity production that amounts about 33.7 billion KWh. It is about the greatest production result since 1998 when the Company "EPS" was founded. On this occasion I have to point out also that it is not easy to be the Champion, because when you are the best everybody wants to compete with you and "defeat" you and much effort is required to maintain the leading position.

The delivery of coal for TPP "Morava" starts

Due to the situation in EPS especially regarding the consequences of floods in "Kolubara" supply of the TPP NT that also includes TPP "Morava" in Svilajnac, starting with this month, this facility will be supplied by coal from Kostolac. Namely, the order for increasing of the daily coal production is already given to the OPM "Drmno" and for the needs of "Morava" it is going to deliver from 30 to 40,000 tons of lignite by railway transport. At the moment, the daily production for the needs of Kostolac aggregates is in average 20,000 tons and that increase will be about 1,500 tons daily.

At this moment, for the electric power system of Serbia is in hard position, pointed out Mr. Dragan Jovanović: - The power Units of TPP NT operate with decreased capacities because of the fact that the Mining Basin "Kolubara" cannot deliver the usual full coal amount. The three our blocks operate with full capacity while the Power Unit B1 in the TPP "Kostolac B" is in the recovery process that is going to last until the beginning of December. Also, the decision on maximum shortening of the overhauls was made and only the most urgent activities are going to be performed, as well as the replacement of only those parts that endanger the stability of operating capacities. In Kostolac, great efforts are made in order to maintain the electricity production level and practically all defects on the facilities, that are caused by maximum load of the facility, are repaired immediately and very often without stopping the facility. In average 13.5 thousand Mwh of electricity are delivered daily to the energy system.