

Serbian grid operator EMS (Elektromreza Srbije) CEO Nikola Petrovic announced investment cycle in modernization of existing grid network and more important the expansion of current capacities. EMS plans to invest MEUR in new cross border connections with Romania and Montenegro-Italy connection.

Development of the electricity market, however, has been hampered by a transmission system in need of modernization and by state control of the sector, which is to be fully liberalised in January 2015.

EMS Chief Executive Nikola Petrovic said the grid operator planned to upgrade cable connections with Montenegro and Italy to bolster links to the European Union.

“The connection with Montenegro will give us access to the Italian market via subsea cable due to be completed in 2020,” Petrovic said.

EMS will build a 400 kilovolt (KV) cable to link Serbia’s biggest coal-fired power plant in the town of Obrenovac with the Montenegrin border, Petrovic said.

Another cable will link the northern town of Pancevo, where the country’s sole oil refinery and petrochemical plant are based, with the Romanian border.

Petrovic said the projects are part of an overall investment plan due to be completed in 2020 at a cost of 400 million euros, which will be financed partially by EU funds as well as by EMS.

The investments will also include construction of cross-border connections with Macedonia and Bosnia.

“We already managed to get the first 12 million euros from EU funds to start construction of the cable to the border with Romania,” Petrovic said.