

Slovenia: Waiting for the project revision of TPP Sostanj

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The decision of the Slovenian government on the future construction of the sixth unit of the power plant will be based on sixth change of the investment project. The price of coal and electricity from TPPS 6 must be realistic and coordinated between the management of power plant and HSE, the government has agreed. The Ministry of Infrastructure still waits for harmonized and real information about the project, in which the state guarantees of 750 MEUR of EIB and EBRD loan.

The Supervisory Board of the HSE changed yesterday and the Assembly of management society ordered to coordinate the investment program between the companies HSE, TPP Sostanj and Velenje mine in order to facilitate the project review of TPPS 6. The Assembly also instructed the drafting of business restructuring of mine Velenje. Prime Minister Bratusek recently announced that the state will continue the project of the sixth unit building because "all data they have on the table show that the stop would be more expensive than the project completion". Energy Transmission System Operator, EELS, warned the government last week that the project stopping could lead to a 38 percent growth in electricity prices in Slovenia, as the fourth unit of TPP Sostanj could difficultly meet EU environmental rules by 2016th, and fifth unit will work to 2024th, when NPP Krsko should stop to work, if in the meantime does not extend lifespan. It is expected TPP Trbovlje to stop working because it operates at a loss. Slovenia had to introduce 10.2% of the electricity last year, and without the sixth unit of the TPP Sostanj, import dependency would increase from 30 to 50 % by 2020th, while the mine Velenje would lose its coal customers. Price of one MWh in the summer 2015th will be six EUR more expensive in Slovenia than those in the German market (36.02 EUR MWh) and about 16 EUR more expensive than in Italy. If the production from the TPP Sostanj would partly miss, the average cost of production between 2015th and 2020th would increase about 50 EUR. The coal prices will be a key for the cost-effectiveness of the plant - on the coal price of 2.66 EUR per GJ TPP Sostanj would realize 45 MEUR of losses annually, and by the rationalization in TPPS and in the mine, and then by the connection of these companies, what they think about in the HSE, the losses would minimize.

Source; Serbia Energy See Desk