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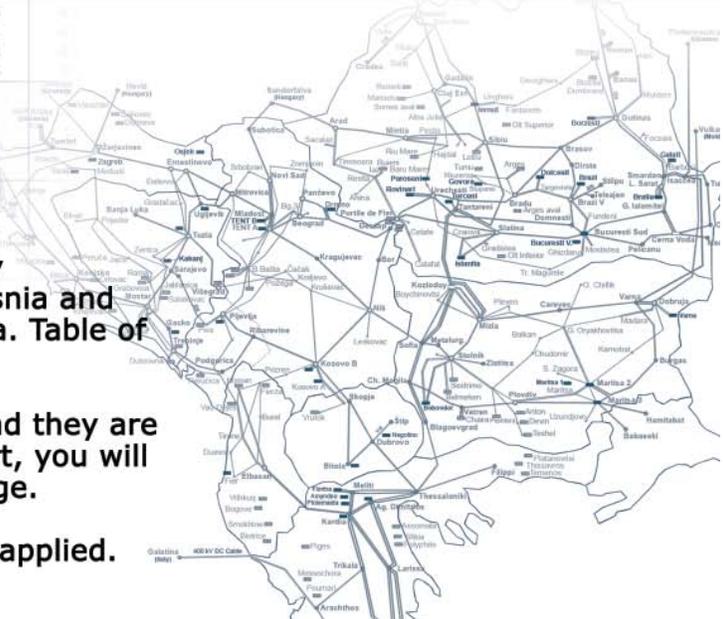
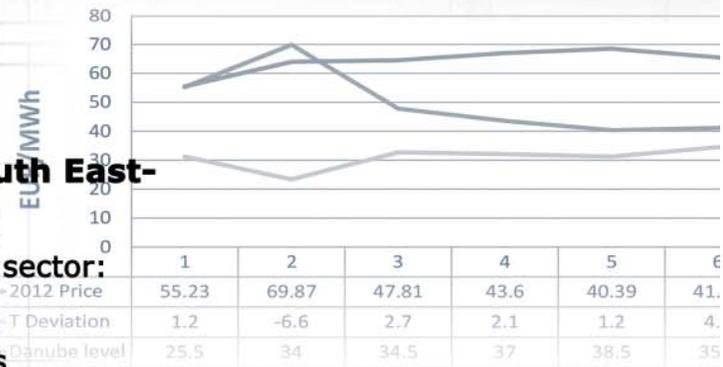
Balkan Energy NEWS publication

Balkan Energy NEWS service provides energy related news from countries of South East Europe. Covered countries are Albania, Bulgaria, Bosnia & Herzegovina, Croatia, Greece, FYR Macedonia, Montenegro, Romania, Serbia, Slovenia and Turkey. Besides all regional energy related news, we are giving you in each issue one market analysis and review of the tenders announced and held in this area. You will be also able to see review of energy market data and relevant power exchanges.

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Country	Year	Sum	1	2	3	4
Slovenia	2007	11182	1027	891	953	850
	2008	11570	1094	998	1012	911
	2009	10994	1099	932	963	818
Bosnia and Herzegovina	2007	11722	1074	979	1016	910
	2008	12186	1155	1038	1075	938
	2009	11570	1094	998	1012	911
Bulgaria	2007	34506	3299	2960	2837	2636
	2008	32727	3051	3196	2636	2636
	2009	31954	3486	3052	3021	2443
Croatia	2007	17842	1680	1543	1570	1568
	2008	17507	1625	1530	1551	1323
	2009	17507	1625	1530	1551	1323
Greece	2007	5306	4915	4539	4269	4105
	2008	53504	4652	4271	4401	3894
	2009	53504	4652	4271	4401	3894
Romania	2007	50636	4738	4268	4473	3803
	2008	50636	4738	4268	4473	3803
	2009	50636	4738	4268	4473	3803



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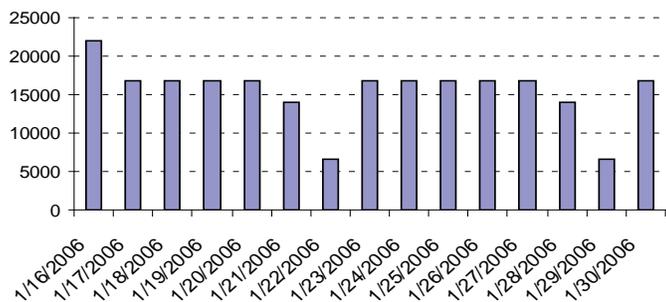
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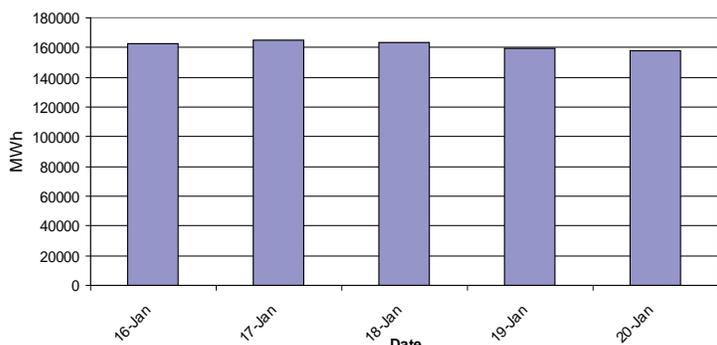
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Power exchanges data:

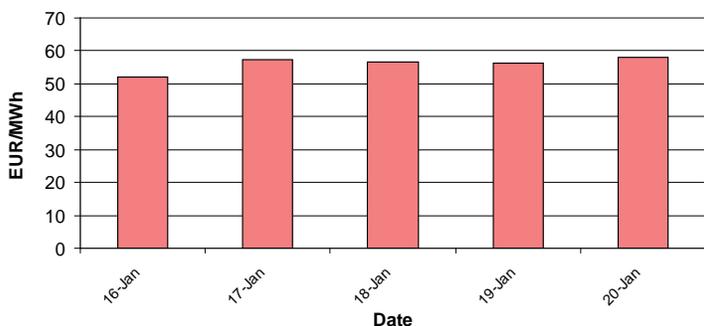
SLOeX - Index - Borzen, Slovenia



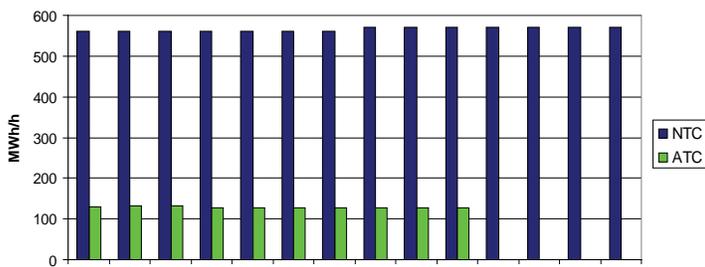
Greece - Daily Consumption



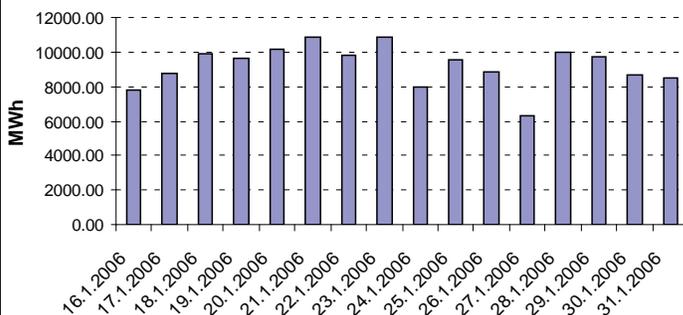
Greece - Average Daily System Marginal Price



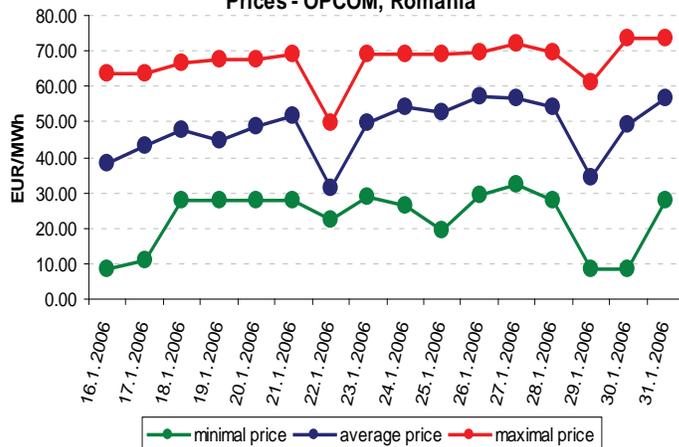
Greece - Average Daily Transmission Capacities



Energy traded - OPCOM, Romania



Prices - OPCOM, Romania



Analysis:

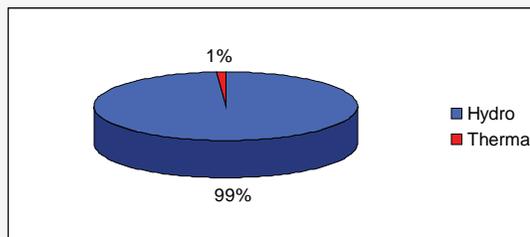
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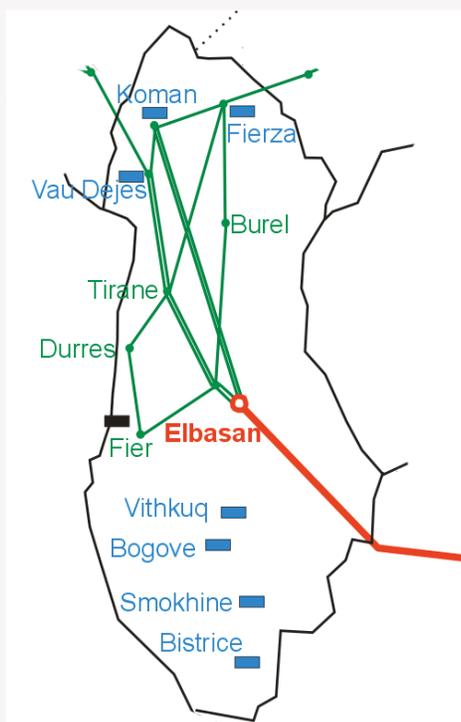
Analysis of Power Sector in Albania

Area: 27,700 sq. km.
 Population: 3.4 mil
 Installed capacity:
 Currency: 1 EUR=124 lek

- Hydro 1450 MW
- Thermal 120 MW

Electricity consumption (2004): 5847 GWh
 Generation (2004): 5368 GWh





Albania has one of the lowest GDP per capita and consequently lowest electricity consumption per capita. In overall electricity consumption so called "non technical losses" are significant part due to low electricity bills collection rate and stealing of electricity in rural areas. Non technical losses are estimated to be about 20% of electricity consumption.

Power system is generally very weak and with outdated equipment. Load shading measures have been often implemented in order to ensure safe operation of power system and acceptable imports. Electric power utility company is KESH (www.kesh.com.al).

Transmission network of Albania consist of almost only 220 kV and 110 kV lines and because of that it is unable to transfer or import/export larger amounts of energy. There is only one 400 kV line, interconnection line between Albania and Greece (Zemlak (AL) – Kardja (GR)).

Practically, all electricity in Albania is generated in hydro power plants. Because electricity generation is based on hydro power it is very dependent on seasonal hydrology. In past years due to variable hydrology conditions total annual energy generation could vary even $\pm 25\%$ regarding to average value. Besides hydro production there is insignificant generation in thermal power plants that participate with less then 5% in generation structure.

There are three main power plants in Albania. All of them are run of river and situated in the northern part of the country. There are:

Power plant	Total installed capacity
HPP Koman	600 MW (4 generators)
HPP Fierza	500 MW (4 generators)
HPP Vau Dejës	250 MW (5 generators)

Only HPP Koman has recently upgraded technology. Besides their big installed capacity, these power plants are run of river so they do not have possibility to accumulate significant amounts of water for later use. So in the days of heavy rains Albania has excess of electric energy, but during the droughts it has big deficits.

Oil/gas thermal power plant Fieri has installed capacity of about 150 MW and it is situated on the south of the country. This plant is rarely in operation, has poor operating characteristics and efficiency.

In last ten to fifteen years electricity consumption in Albania increased drastically due to growth of electricity use in households, especially for

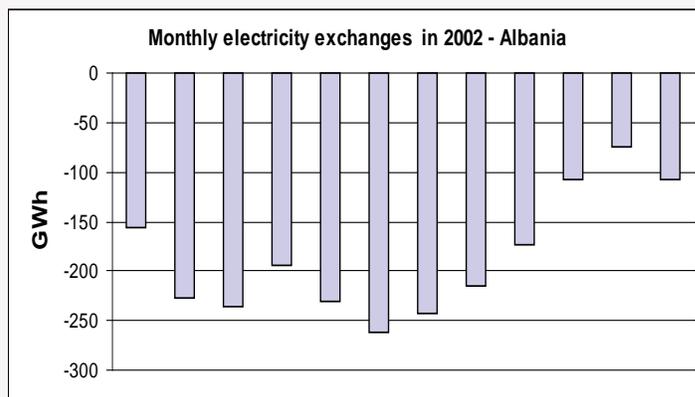
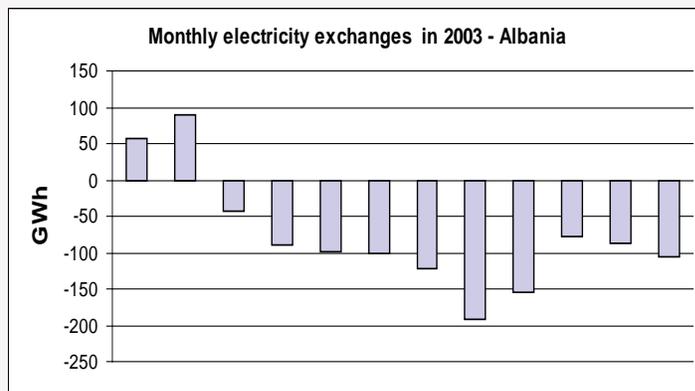
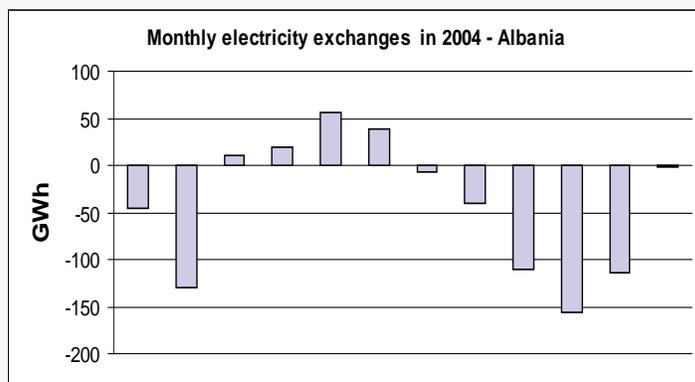
in Albania in a period 1996-2004.

The abnormally high demand, together with reduced hydroelectricity production in 2000 and 2001 caused by reduced river flows, has precipitated a substantial supply deficit, which has caused a social and economic crisis. Peak loads in Albania are around 1300 MW and are being achieved in December and January. Power system fulfils only 85-90% of the total demand during the peak winter period, causing power supply shortages to customers. Enough amount of imports is not possible due to weak interconnections and lack of energy in whole region.

Forecasts of electricity consumption in Albania predict annual increase of between 3.5% and 5% annually. That means nearly 9TWh in 2010, 11 TWh in 2015 and 13 TWh in 2020. Such high growth rate will not be achieved because of still low industrial sector development, but anyhow existing transmission network can not withstand such big loads and new sizeable generation capacities are urgent.

Up to the year 1998 Albania was net exporter of electric energy, but then due to high consumption growth and none of new generation capacities built it became one of the main electricity importers in Southeast Europe. Without load shading, imports would be even bigger. Development of electricity imports and exports in Albania for the period 1996-2004 is shown on diagram Alb. 2 in full report.

On the following diagrams, monthly electricity imports and exports are shown for the years 2004, 2003 and 2002.



New power plants are expected to be based on imported natural gas or hydro power. In any case these new capacities will be based on foreign investments and according to expectations, construction should start soon. The most realistic projects are in Combined Cycle Generation and natural gas fired power plants. Full report lists all possible projects.

In Albania there are still lots of opportunities for big and small hydro power plants because available hydro potentials are not fully utilized. Potential power generation projects are:

- HPP Skavices over 380 MW
- HPP Bushati 80 MW
- HPP Banja 60 MW
- Gas fired plant 200 MW

KESH holds the monopoly position in the domestic market. The private sector participation in power sector has started in last 2-3 years. In 2004 Transmission System Operator TSO was unbundled. KESH now performs all activities of generation, import and distribution of electricity. Government developed an overall national strategy for energy which was approved in June 2003. The main objective of this strategy is to restructure the energy sector based on market economy principles and develop a modern energy policy. During the 2004 a possible privatization of the Albanian power utility in years to come, was announced.

News:

ARMO will invest 7,7 million dollars in 2006th (Albania)

High official of Albanian oil company ARMO announced that domestic oil production would increase in this year. Current domestic oil production covers about 25 % of needs in the country. The oil supplies will be provided for all the buyers under the contract.

According to the announcements, ARMO's ambitious development plan for 2006th predicted 7,7 million dollars of investments.

§ § §

Power cuts again in some parts of the country (Albania)

Albanian power corporation (KESH) has imposed the power cuts in the country during the mid January at predefined schedule due to lack of electrical energy.

Power cuts in the capital of Tirana have lasted for two hours, while in the some cities in Northern Albania power cuts lasted for 6 to 8 hours.

One of the main problems for the KESH is still the unpaid debts for all categories of customers.

Because of that, KESH has disconnected from power grid about 1,400 households customers and 160 companies. The overall debts of those customers reached 1,62 million euros.

§ § §

World Bank's demands for the NPP Valona (Albania)

The representatives of the World Bank (WB) have visited Albania in order to initiate the talks regarding the construction of thermal power plant (TPP) Valona. The estimated power output should be 3x135 MW.

WB has asked for immediate actions for TPP Valona and for other energy projects supported by WB, which consider the energy sector as their key issue in Albania. WB called the Albanian government to face the problems in the energy sector and to continue with diversification of energy sources.

Officials from WB have criticized the decision of the president Berisha to stop the development of the TPP Valona, partly funded by the WB.

In addition, environmental organizations have organized the protests against the construction of the TPP in the last year.

The construction of the TPP was arranged under previous government lead by the Fatos Nano after strong international pressure for enlargement and diversification of energy sources in the Albania.

§ § §

Disputes between the HEP and ERS on the hydro potential (Croatia & Bosnia and Herzegovina)

Officials from the Power utility of Republic of Srpska (ERS) entity in Bosnia and Herzegovina (BiH) have accused the Power utility of Croatia (HEP) of stealing the hydro potential from the Trebisnjica River.

The water from this river has being used in the Croatian hydro power plant Dubrovnik (2x100 MW) and ERS is claiming the part of the power production for their purposes.

ERS claims that, due to non existence of interstate agreement between Croatia and BiH, company has been loosing 25 million euros per year because HEP produces more electrical energy than it was entitled to, according to HEP's investments.

HEP has unilaterally broken the pre-war agreement with former Power utility of Socialist Republic of BiH, the agreement for which ERS considers itself as a legal successor, ERS officials said.

Also, ERS has accused the authorities in Sarajevo of not doing anything to reach the new agreement on the division of water potential from the Trebisnjica River. The water from the Trebisnjica River has been transported by the tunnel to the HPP Dubrovnik.

On other hand, HEP answered that ERS has been using by itself electrical energy produced in two hydro power plants on the Trebisnjica River (one has 8 MW and second one has 180 MW power output), where HEP has also invested funds for their construction.

The hydro power complex on the Trebisnjica River was jointly built by the former power utilities in Croatia and BiH, and Power utility of Montenegro was also claiming the ownership rights.

The construction of the HPP's on Trebisnjica caused the ecological problems because of placing the concrete on the river-bed of the largest underground river in Europe.

HEP also has unsolved problems with the BiH regarding the usage of the water potential of the Lake of Busko Blato, ownership rights in the thermal power plant (TPP) Tuzla and TPP Gacko.

On the other hand, officials from Sarajevo said that BiH had unresolved problems with Serbia regarding the usage of water potential of Drina River. This issue is related to the setting of the state borders on the Drina River.

§ § §

Parliament refused the proposal from INA-MOL for privatization of Energopetrol (Bosnia and Herzegovina)

At the special session, the house of representatives of the parliament of Bosnia and Herzegovina (BiH) has refused the proposal, submitted by

the INA (Croatian oil industry) –MOL consortium, regarding the sale of the 67 % of the shares in the Sarajevo oil company Energopetrol.

After the decision, federal prime minister requested for the defining of the future moves of the government regarding this issue.

Prime minister said at the press interview that government would continue negotiations with the INA-MOL consortium although he was pessimistic on their future.

In the end of February, Energopetrol is likely to achieve the negative capital value, which would imply the commencement of the bankruptcy procedure, prime minister pointed out. In case of bankruptcy, the oil company could not continue the privatization procedure and it would be obliged to pay all debts toward the state, banks, suppliers and workers.

Federal government would not be able to help to over 1,000 workers in that case, prime minister said, without detail explanation what he meant by negative capital of the Energopetrol.

The Commission for the recapitalization of Energopetrol and representatives of INA-MOL consortium have had a meeting several days before the parliament session. On the meeting, the solution regarding the governmental decision on the ownership of the Energopetrol's property and settlement of the eventual Energopetrol's debts or other financial obligations.

Those open questions should have been resolved at the next meeting, but the latest decision of the parliament of BiH has changed all plans.

The privatization procedure of Energopetrol predicted the sale of 67 % of shares to the strategic partner, 22 % of shares should remain in the state ownership and 11 % of shares should be in hands of minority shareholders.

The government has decided that oil terminals and the several hotels owned by Energopetrol are not the subject of the privatization, which implied that state of BiH would remain the owner of the Energopetrol's petrol stations in BiH and Croatia.

The one of the main problems for the Energopetrol is the possible exercise of the mortgage rights over 25 petrol stations and several office buildings by the HVB Bank.

§ § §

Start of the negotiation between Oil refinery in Brod and Alon (Bosnia and Herzegovina)

The negotiations regarding the establishment of joint venture between the representatives of the government of Republic of Srpska (RS) and Oil refinery in Bosanski Brod on one side and the Israeli company Alon on other side have started in Banja Luka city on January 23rd.

The negotiations have lasted several days, and government of RS was represented by (now former ones) prime minister and minister of industry, energy and development of RS.

Alon's negotiation team was led by the co owners of the company, source from RS government confirmed.

§ § §

Problems in the gas supply (Bosnian and Herzegovina)

Due to reduction of the natural gas deliveries from Russia during the cold wave, heating plants in capital Sarajevo were forced to use alternative fuel oil, director of heating company confirmed.

The 25 % reduction in natural gas supply has started on January 18th. Heating plants in Sarajevo have reduced gas consumption by 30 %, and gas was directed to the other consumers.

Sarajevo gas company informed the public that there were no problems in the heat power supply.

§ § §

Pre-feasibility study for the new gas pipeline (Bosnia and Herzegovina)

The pre-feasibility study for the new gas pipeline that will enter the territory of Bosnia and Herzegovina (BiH) in the city of Bosanski Brod should be finished until the end of January.

According to plans, BiH will have two entering points for the natural gas import after end of the construction works in the beginning of 2007th.

The first phase of the construction works will be related to the construction of the gas pipeline to the city of Zenica. The worth of the works for this section is estimated at 50 million euros.

The pre-feasibility study has been jointly prepared by the INA (Croatian oil company) Zagreb and BH Gas (Gas company of BiH).

Last year, two companies have signed the letter of intentions regarding the construction of the pipeline that should be on the route Bosanski Brod-Zenica-Ploce (north to south direction through BiH).

The study will be used for the feasibility study that should be financed by the EBRD (European bank for the reconstruction and development), which showed the interest for the project.

Director of BH Gas announced that EBRD's officials should analyze the pre-feasibility study in the beginning of February, after which it would be known whether the EBRD would finance the project.

Current import of natural gas in BiH has reached 53 million cubic meters, which was close to the pre-war consumption in the country.

§ § §

Lukoil's refinery Neftochim preserves the same production output (Bulgaria)

Refinery Neftochim in Bourgas, owned by Lukoil, will not increase the amount of processed crude oil in the 2006th comparing to the amount in the last year of 5,7 million tons.

The decision was brought by the management board of Lukoil. New long term plans predict increase of the production output up to 7,5 million tons until 2011th, i.e. 32% increase comparing to the production planned for this year.

§ § §

Expected increase in natural gas prices in 2007th (Bulgaria)

According to the Bulgarian energy minister, the price of natural gas for the domestic customers would likely to increase after the planned introduction of the excises.

This was announced at the meeting with the largest gas customer in the state, the fertilizer plants Agropolychim and Neochim, steel maker Stomana, metallurgical plant Kremikovtzi, mining company Kaolin, glass maker Drujba and the district heating companies based in Sofia, Pleven and Plovdiv, whose gas consumption reaches about 85 % of overall natu-

The meeting was related to the demand of the Russian state-owned company Gazprom to renegotiate the bilateral agreement regarding the transit of natural gas to Turkey, Greece and Macedonia over the Bulgarian territory. Bulgarian government has refused to change the long-term agreement that expires in 2010th.

The introduction of taxes will be made due to future accession of Bulgaria to the EU where the rate is 0.15 euro/gigajoule (5.5 euro/1,000 cu m).

According to the report of energy ministry, the increase in gas prices for the industrial customers will be 6 to 7 % after the introduction of the excise. Another reason for the further price increase could be the exhaustion of the natural gas deposit Galata, which supplies about 14 % of the domestic gas consumption in this moment.

Bulgarian government has been preparing the new strategy for the domestic gas prices, which should be presented in the beginning of February.

In the same time, industrial customers have supported the government and requested to attend any future negotiations with the Gazprom.

§ § §

RWE's subsidiary will build power line toward Bulgaria (Macedonia & Bulgaria)

German company SAG has won the 19 million euros worth contract for the construction of the 400 kV power line between Macedonia and Bulgaria.

The SAG is the affiliate company of German power company RWE, the one of the potential buyers of ESM Distribucija (Power utility of Macedonia –Distribution) and one of the favorites in the privatization procedure.

The SAG's victory was unexpected according to the well-informed sources, having in mind that the favorites were the Romanian company Elektromontana and Macedonian company EMO until the last moment.

Romanians have submitted the best financial offer and the EMO was the favorite of the Macedonian government, but the MEPSO (Transmission system operator) has selected the German company.

The Iberdrola from Spain, Croatia's Dalekovod, China's CWE, and Energoinvest from Bosnia and Herzegovina have also participated on the tender.

The deadline for the finishing of the construction works is the mid 2007th. This power line has a great significance for Macedonia due to considerable import of electrical energy and new power line should increase the safety and the capacity of the possible import of electricity.

400 kV power line will be 150 km long, out of which 70 km will be on Macedonian territory.

In the same time, Bulgarian counterpart in this project, Bulgaria's transmission system operator NETC, announced the start of the construction of their part of the line. The worth of the project on Bulgarian side is estimated at 20 million euros.

NETC will invest 1,2 million euros for the projects, while the Macedonia will finance the rest of the project through the 40 million euros loan granted by the EBRD.

§ § §

The continuation of Belene project (Bulgaria)

According to the Bulgarian deputy energy minister, not including the units 5 and 6 in the nuclear power plant (NPP) Kozloduy into the new nuclear power company that will be in charge for the completion of the Belene project is the better option for Bulgarian government.

The government should reach the decision regarding the establishment of the new nuclear power company very soon, deputy said.

The proposal for the inclusion of units 5 and 6 together with the NPP Belene into new company came from Parsons E&C, the company appointed for the engineer and the architect for the construction of the NPP Belene.

The inclusion of the units 5 and 6 in NPP Kozloduy will not make the Belene project more attractive for the potential investors due to payment of the modernization loans. The worth of the loans, granted by the Ex-Im Bank, Roseximbank and Euroatom, is about 216 million euros. According to the energy minister, creditors did not comment the proposal for the establishment of new company.

The latest offer from the potential investors in the Belene project came from the German Commerzbank. The bank's officials have presented the offer to the Bulgarian energy minister during his visit to Germany.

The German bank wants to become the leading agent bank for the future syndicated loans and the officials have expressed the readiness to grant considerable loan, but they did not reveal whether it would demand for the state guarantees.

Two consortiums, one led by the Framatome with Russia's AtomStroyExport, and second one led by the Czech Skoda Praha with Citibank, Italy's Unicredito and Czech Komerčni Banka, have expressed the interest for the construction of the NPP. The deadline for the submitting the bids is prolonged until February at the Parson's requests.

The Belene project was abandoned in the 1990s due to lack of funds and environmental reasons. About 40 % of the construction of the 2x1,000 MW NPP of Soviet type was finished so far, including the delivery of the Skoda nuclear reactor.

1 billion dollars was spent for those purposes and it is estimated that 1,5 to 4 billion euros will be necessary for the finishing of the project.

§ § §

RWE interested for the Maritsa Iztok complex (Bulgaria)

German power company RWE has expressed the interests for the construction of the coal fired thermal power plant, with the power output of 400 to 600 MW.

The proposal was presented by the RWE's vice president to the Bulgarian energy minister during his visit to Germany.

RWE is the member of the consortium for the modernization of the thermal power plant Maritsa Iztok 3. The project is far behind the schedule in this moment.

§ § §

Restart of the power export to Turkey (Bulgaria)

Bulgaria and Turkey are ready to restart the contract for the delivery of the electrical energy from Bulgaria to Turkey, which was stopped in April 2003rd.

The old interstate agreement power- for- infrastructure from 1998th should be replaced by the new one.

Turkey has unilaterally broken the agreement claiming that Bulgaria did not pay the obligation toward the Turkish companies involved in the infrastructure projects.

§ § §

EBRD bought 8 % of the shares in the E. ON distribution companies (Bulgaria)

European Bank for the Reconstruction and Development (EBRD) has acquired the 8 % of the shares in the power distribution companies in the Bulgarian cities Varna and Gorna Orahovitsa, majority owned by E. ON.

According to the privatization contract, EBRD or some other financial institution was entitled to acquire 16 % of the shares in bought companies at most. The contract was signed in the presence of the Bulgarian energy minister.

The worth of the purchased shares is 16,8 million euros. After this transaction, E. ON owns 59 % of the shares in both distribution companies and Bulgarian state owns 33 %.

In 2004th, German power company has bought 67 % of the shares in aforementioned power companies for 140 million euros. Altogether, two distribution companies have 1,1 million customers and annual sales of 4,8 billion kWh of electrical energy.

E. ON has filed the appeal to the Bulgarian power regulator regarding the removing the cap for the investments for the period until the 2008th as well for the cap for the electricity prices, which have been imposed on October 1st 2005th.

E. ON is worried that these two restrictions will affect its plans for the replacement of electric meters and reduction of transmission losses.

EBRD's officials have announced further investments in Bulgarian electrical energy sector and readiness to invest in other local power distribution companies.

EBRD is financing projects in the thermal power plants Maritsa Iztok 1,2 and 3. In fact, EBRD is the largest investor in Bulgaria with 1,3 billion euros invested in 61 projects.

In addition, E. ON is ready to invest in gas distribution company located in the same region of Northern Bulgaria where two E.ON' s power distribution companies are located. This was announced to the Bulgarian energy minister during its visit to the Germany.

§ § §

Two gas companies for the Nabucco gas project (Bulgaria)

In this moment, eight gas companies are interested for the Nabucco gas project and only two of them will be selected to join the project.

This was said by the executive director of Bulgargaz, Bulgaria's state owned gas company.

French companies Total and Gaz de France, German companies E .ON and RWE, Polish and Japanese companies want to join the project for the transport of natural gas from Caspian Sea to the Central and Western Europe.

New partner companies in the project will be entitled for less than 20 % of the stake in the Nabucco Gas Pipeline International Ltd, the new founded company in charge for the project.

Nabucco Gas Pipeline International Ltd is founded by the Turkish state-owned company BOTAS, Bulgargaz, Hungary's MOL Rt., Austria's OMV and Romania's Transgaz SA Medias. Each company owns 20 % of the stake in the company.

13, 300 km long gas pipeline will transport 13,5 to 16 million cubic meters of gas and worth of the project is estimated at 4, 5 billion euros. The construction works should start in the late 2007 or in the beginning of 2008th and it should be finished in 2011th according to the plans.

§ § §

Tender for a financial advisor for Bulgargaz in March (Bulgaria)

The finance ministry of Bulgaria should publish the tender for the restructuring advisor of state owned gas company Bulgargaz in March this year.

The advisor should also provide consultancy services for the development of the natural gas market in the country.

The worth of the project is estimated at 454,000 euros and it will be funded through the EU Phare program.

The Bulgarian legislation has predicted the restructuring of the Bulgargaz into two separate companies, the operator of the transmission gas network and the public gas company in charge for the gas supply until end of this year.

The management of Bulgargaz has asked from Bulgarian government to persuade EU officials to postpone the restructuring of the company for the period after the Bulgaria's accession to EU.

The request was justified by the fact that Bulgaria did not secure the alternative gas supplies and did not establish the connection with the gas network of EU member states. Those were the conditions necessary for the restructuring set out in the Energy Act.

The decision concerning the timetable for the restructuring of the company should be reached in February this year, deputy energy minister said. According to the plans of the Bulgargaz management, the restructuring of the company should be finished in nine months.

According to the financial report published on company's website, Bulgargaz has achieved the drop in the profit in 2005th.

The profit for 2005th was 65,4 million euros, which was more than 16 million euros lower comparing to the 2004th. The drop in profit was due to high import prices of natural gas, even the domestic gas prices were five times increased during the last year.

Bulgargaz has delivered about 3,2 billion cubic meters of natural gas to the customers in Bulgaria and has transited 15 billion cubic meters of Russian gas to the Macedonia, Greece and Turkey (84 % of overall amount) in the last year. The transit of gas increased comparing to the last year.

§ § §

Seminar on renewable energy sources (Bulgaria)

Bulgarian energy minister has opened the seminar on renewable energy sources (RES) in Sofia on January 24th.

The experts from Bulgaria's energy ministry, representatives of the power companies and experts from UK and other countries discussed the future and opportunities in RES.

Bulgarian energy minister pointed out that Bulgaria has not been using the RES in full scale. Economy and energy ministries are obliged to prepare the draft document on the RES by the end of November 2006th according to the experts of Energy Efficiency and Environment Protection department.

New law is aimed to stimulate production of energy in Bulgaria by using the RES.

§ § §

Court rejected Greenpeace's lawsuit (Bulgaria)

Bulgaria's Supreme Administrative Court has rejected the claims in the lawsuit submitted by the ecological organization Greenpeace regarding the construction of the nuclear power plant (NPP) Belene.

In the same time, Court has assigned legal obligations to the Energy ministry and other responsible authorities concerning the completion of the Belene project.

The court decision could be appealed by the private lawsuit before the five-member jury in seven days after the original decision.

According to the claims of the Greenpeace, Bulgarian government did not perform the evaluation on the nuclear waste before the Belene project was approved. Greenpeace has launched large-scale campaign against the Bulgarian nuclear investments during the summer in 2005th and the organization particularly demanded the cancellation of the Belene project.

Bulgaria should select the main constructor for the plant until May 2006th.

§ § §

Croatian and Russian president discussed on Adria project (Croatia)

Croatian president Mesic and Russian president Putin have discussed on the settlement of clearing debts and on the cooperation in the energy projects, i.e. Adria project, at the meeting in Kazakhstan.

Both presidents believe that construction of this oil pipeline is the best and safest solution of all, concerning the transport of Russian oil toward the Central and Western Europe. Croatian president has once again pointed out significance of this project for Croatia and whole Europe. Nevertheless, presidents did not want to prejudice the final decision on this project.

Concerning the clearing debts, Russia and Croatia have reached the preliminary agreement. According to the agreement, Russia should deliver 15 multifunctional helicopters, construct third unit in the thermal power plant Sisak and build the gas pipeline extension to the Hungarian gas pipeline. Mesic has informed Croatian prime minister on the talks with Putin.

As a reminder, Croatian prime minister has recently announced that Croatia will abandon the Adria project due to environmental reasons. Russian companies involved in the project have expressed their disappointment and started to consider other options for the oil transport. This latest announcement of Mesic has again confronted two highest Croatian officials on this issue.

§ § §

Record power consumption (Croatia)

On two consecutive days, on January 23rd and January 24th, the record consumption of 60,060 MWh and over 61,047 MWh of electrical energy was achieved, Croatian power utility (HEP) stated.

Previous record of 59,410 MWh was achieved on February 9th 2005th.

The record peak hourly consumption of 2,984 MWh and 3,036 MW was achieved in aforementioned days, respectively. Previous record of 2,895 MW was achieved on November 23rd 2005th.

HEP informed the public that, despite the record consumption, there has not been any problems in the electrical and heat energy supply.

In the same time, the consumption of natural gas in Croatia was between 520 to 570 thousand cubic meters per hour, INA-Naftaplin (Croatian gas company) said.

In order to provide sufficient amount of natural gas to the households customers, Naftaplin has reduced the supplies to the large customers, HEP and chemical factory Petrokemija, which was forced to stop the production.

HEP was entitled to 25,000 cubic meters per hour and Petrokemija for 15,000, which was sufficient for the cold operations.

In this period, gas deliveries from Russia have been reduced by 7,7 % or 121,000 cubic meters per hour. Domestic production was 190,000 cubic meters per hour, and reserves from the underground depots have been used. The maximum consumption of natural gas in Croatia reached 615,000 cubic meters of natural gas.

§ § §

UCTE meeting in Zagreb (Croatia)

Joint stock company Croatian power utility (HEP) and HEP Transmission Ltd have hosted three important meetings in Zagreb in period from January 18th-20th 2006th.

The meeting of the management board of UCTE (Union for coordination of Transmission of Electricity), the highest body of this organization, was held on January 19th.

The participants on the meeting discussed about latest issues concerning the management of transmission system, the security of supply, wind power plants and their influence on the stability of UCTE operation, on the possible enlargement of UCTE and several internal questions related to the transmission system operators.

With this meeting, two-year mandate of new presidency of UCTE has started and only new member is the president Jose Pendor from Portugal, which presented priorities from its program.

On January 20th, the meeting of the UCTE workgroup Operation & Security was held as well as the meeting of ETSO (European Transmission system operators) workgroup SETSO (South European Transmission system operators).

§ § §

Koncar Concern achieved 250 million euros sales (Croatia)

According to the preliminary results, concern Koncar, has achieved the sale's incomes of about 250 million euros in 2005th, which was 11 % higher comparing to the 2004th and in accordance to the business plans.

Koncar is involved in the production of electrical devices, equipment, plants and services for electrical power generation, transmission, distribution and industry.

In 2006th, Koncar plans to achieve 275 million euros of incomes (10,5 % higher comparing to 2005th) and 6,5 million euros of profit.

§ § §

Krsko dispute continues (Croatia)

At its latest session, Slovenian government has reached the decision regarding the hiring the lawyer's office, which should represent the state of Slovenia in the dispute against the Croatian power utility (HEP) at the International Centre for Settlement of Investment Disputes (ICSID) in Washington.

The legal dispute is related to the debts for undelivered electrical energy from nuclear power plant (NPP) Krsko. NPP is jointly owned by the Croatia and Slovenia.

The name of the lawyer's office should be published in the nearest future.

As a reminder, in November 2005th at the ICSID, HEP has requested the compensation of 32 million euros for the business loss caused by non delivering of the electrical energy from NPP Krsko from June 30th 2002nd. This date was agreed in the contract signed by Croatia and Slovenia, and HEP claimed that Slovenia has started to deliver electrical energy on April 19th 2003rd.

ICSID has notified HEP on formal registration of its arbitration request against Slovenian government, which has confirmed the HEP's right to settle the dispute through the arbitration procedure in ICSID.

Medias in Slovenia have brought the news that Slovenian authorities were ready to bargain with Croatia, but also that Slovenia has been preparing its own compensation request for 12 million euros.

§ § §

The works on the gas pipeline Pula – Karlovac started (Croatia)

The construction works on the natural gas pipeline Pula-Karlovac, 90 million euros worth, and on the undersea pipeline from the gas platform on the Northern Adriatic to the Pula, 45 million euros worth, have officially commenced in mid January.

The companies Plinacro (Croatian transmission gas company) and INA (Croatian oil company) expect works to be finished in Autumn this year. This will enable the transport of the gas from the Croatian gas fields in the Adriatic Sea directly to the Croatian main land, instead of the transit over Italy and Slovenia.

Speaking at the occasion, Croatian prime minister pointed out that Croatia had to have more supply routes for natural gas. The government of Croatia was trying to shorten the deadline for the gasification of Dalmatians region from 2011th to 2009th if possible.

After finishing the first phase of the gasification projects, Croatia will add 394 km or new gas pipeline to the existing 1657 km long gas network. The second phase of gasification predicts gasification of Dalmatia and construction of the gas pipeline from Slavonski Brod to the Hungarian border.

The construction of 100 km long pipeline was entrusted to Plinacro and

km long and 14 million euros worth were started on the opening ceremony and it should be finished in July. The main constructor for this section is the Austrian-Italian consortium Habau-Ghizzoni.

INA will be in charge for the construction of the pipeline between the sea platforms and the Pula, and works are divided in two sections, undersea part 45 km long, and the 9,5 km long section on the main land, construction of which started during the ceremony. The main constructor for the undersea section is the Italian company Micoperi with the subcontractors Belgia's Jan de Nul and Croatia's STSI.

Overall production in two gas fields in Adriatic is 2,5 million cubic meters and the amount would be divided on equal basis with the Italian partner Eni. The start of the production on two new fields is expected to start in March, with estimated production of 1,6 million cubic meters divided 50:50 with Italian partner.

Another two new gas fields should be operational in 2007th and 2008th, respectively.

All activities in Northern Adriatic projects have been done in cooperation with the Italian Eni through the joint venture company INAgip founded in 1996th.

Until the end of 2005th, about 670 million euros was invested in the projects, INA invested half of the amount.

The gas reserves in the Northern Adriatic are estimated at 23 billion cubic meters, out of which 16,9 billions will be assigned to INA.

In addition, INA and ENI cooperate with the Italian company Edison on the new gas fields in Northern Adriatic,

Croatian prime minister has announced the construction of the liquefied gas terminal, whose exact location has not been determined yet. New terminus should provide energy independence for the Croatia, prime minister believes.

§ § §

Cooperation in energy sector with Hungary (Croatia)

Croatian minister and their Hungarian colleagues have signed several important agreements regarding the cooperation in energy sector during the first joint session of the Croatian and Hungarian government.

Croatian and Hungarian side, along with the representatives of INA, MOL and MOL Transmission have adopted joint statement that has announced the start of the construction of 340 km long extension of the gas pipeline from Hungarian border to Croatian city Donji Miholjac.

In this way, Croatia will get second supply route for additional import of 1,5 billion cubic meters of natural gas.

At the same meeting, Croatian and Hungarian power utilities have agreed to start preparations for the construction of the double 400 kV power line between Ernestinovo (Croatia) and Pecs (Hungary). The line is aimed to improve the stability of power systems of both countries.

§ § §

Future of the gas TPP operated by the Hellenic Petroleum (Greece)

Recently launched gas fired thermal power plant (TPP) operated by Hellenic Petroleum (HP), could be economical only after implementation of certain measures, high official of HP said.

Those measures include the increase of the prices of electrical energy

the real costs, liberalization of natural gas market in Greece and fair treatment of the PPC and other competitors.

According to HP's officials, the PPC tariffs were far below the actual costs, without inclusion of the pollution costs. If the PPC start to apply the new tariffs in accordance to new electric energy transaction codes, the price of the electricity produced in the PPC's coal fired units will rise and natural gas units will be more competitive.

HP estimates that price of natural gas units will be close to the marginal price within the decade.

HP officials expect that another institutional directive will regulate the natural gas market framework, which would alter current model of single supplier. New framework should establish single rate of system usage from the entry point at the border to the consumption point, sources from the HP and Greece's development ministry say.

HP's claims on fair treatment refer to tender for the construction of the new 900 MW power units by the private investors. Those units will be entitled for the minimum of 70% of the revenues, while the same terms have not been applied for the HP's TPP in Thessalonica.

HP has addressed to the ministry and other state authorities for the fair treatment in accordance to the EU recommendations on liberalization and competition in energy sector. The company would consider undertaking the legal actions against the state if their interests were endangered.

HP management sees its investment in electrical energy sector as the pioneer step for the other interested companies in Greece, and expects that initial problems in the restructuring phase of the market will be solved in the nearest future.

§ § §

PPC will invest 1 billion euros in the renewable energy sources (Greece)

Public power corporation (PPC) plans to invest about 1 billion euros in the renewable energy generation capacities in the next 8 years.

Company wants to increase its market share from present 10 % to 23 % of overall renewable energy market in Greece until 2014th. The investment activities will be carried out by the PPC subsidiary PPC Renewables and 30 % of the investments should be subsidized by the state.

In 2004th, PPC production was 61,7 % based on lignite, 13,5 % of electrical energy was produced from oil, 9,4 % from hydro power, 15,3 % from natural gas and electrical energy produced from renewable energy sources presented 0,1 % of overall PPC's production.

§ § §

Renewable energy sources still below the plans (Greece)

Similar to most EU states, the target share of renewable energy sources (RES) in Greece is still below projected level of 12 % of primary energy production until 2010th, according to the latest survey conducted by the European Commission.

The highest record in RES production in Greece, of 5,24 % of overall production, was achieved in 2004th.

14 out of 25 member states have their record production below 5 %. Only the Latvia, Sweden, Finland, Austria and Portugal, have already reached the target level of RES production. According to predictions, the best possible rate in EU as whole will be 9 % until the 2010th.

Greece has 456 MW in wind farms at the end of 2004th, which brought the country at ninth place in EU. Germany is at first place with 16,629 MW and Spain on the second place with 8,263 MW.

Greece is on the second position concerning the solar energy production in EU with 2,82 million square meters of solar cells. EU has 73 % of overall global wind production and 10 % of global solar production.

The Greece has constructed another 70 MW of small-sized hydro power plants in 2004th (PPC's plants not included), which was 57,3 % increase. It was the highest increase in the EU, but still far behind other states.

§ § §

No increase in PPC's tariffs (Greece)

According to reliable sources, Greek government will not consider the increase in PPC's (Public Power Corporation) tariffs.

The increase of electricity prices was earlier announced by the PPC's CEO due to increase in fuel prices.

In the same time, Greek Gasoline Station Owners' Federation has protested against the claims that they have made a large profit by selling the fuel oil for heating purposes during the cold wave in the country.

§ § §

Heating company gets only 2 % price increase (Macedonia)

Skopje heating company Toplifikacija intends to take legal actions against Regulatory energy agency (REA) after REA has rejected the request for increase in heating prices, i.e. REA has allowed the only 2,03 % increase.

Earlier this month, Toplifikacija has submitted the request to the Regulatory commission regarding the 26 % increase in heating prices.

This was the third request that was submitted by the Toplifikacija in the past several months.

In the last year, heating company has filed two requests for the price increase; in September for 12 % price increase and in December for 26 %.

Both times, Regulatory commission rejected those demands and Toplifikacija have filled official complaints because of that. While awaiting the answer from the first instance court, Toplifikacija decided to submit new request.

Heating price increase, after the recent increase in natural gas prices of 10,2 %, was considered as the serious problem for the Macedonian economy and many of the Macedonian companies are very concerned about higher production expenses.

In order to protect the citizens and companies from the uncontrolled price increases, Macedonian businessman have requested new methodologies for the calculation of the expenses and prices of natural gas, heating and electrical energy, where interested companies would have its representatives.

On other hand, representatives of the heating company consider the allowed price increase as illegal, because it was not in accordance to the methodology for the determination of prices.

REA said that 26 % price increase would bring extra profit to the Toplifikacija.

§ § §

Makpetrol and Gama continue the dispute over the gas pipeline (Macedonia)

After the reaching the court decision, Macedonian Public gas company Gama was entitled to takeover the management over the main gas pipeline in the country from the Makpetrol, the oil and gas distributor.

However, the Makpetrol's officials did not appear at the official and agreed meeting regarding the transfer of the management rights.

Makpetrol officials said that they did not get the official court decision for the transfer of the management rights.

The head of the Makpetrol announced that battle for the management license was not over yet saying that they would submit the request to the Regulatory commission for the regaining of the license. He also announced possible closing of the pipeline valves.

The head of the Makpetrol said that Gama did not have the qualified staff for the management of the pipeline, while the Gama said that they have established team of 25 people that would manage the line.

Macedonian economy minister commented this deadlock saying that the government has been preparing the new strategy to resolve the problem that was troubling the Macedonian economy and citizens, by preventing the further development of the gas usage.

The government has won the first battle against the Makpetrol, but the most important issue of the ownership rights still has not been resolved.

The auditors have finished the checking of the legal documentation and the court should reach the decision regarding the ownership of the pipeline after 10-year long dispute.

§ § §

Tender for small-sized hydro power plants (Macedonia)

Government of Macedonia has gave the approval for the tender for the construction of small-sized hydro power plants (HPP).

Ministry of economy should propose the members of the committee that will be in charge for the tender procedure for construction of 400 small HPP's.

The project was delayed for more than a two years due to bureaucratic reasons. It is expected that construction of new HPP's will reduce the import of electrical energy, for which Macedonia spends about 110 million euros per year.

§ § §

Dispute on the oil transit (Macedonia & Serbia)

Government of Macedonia was considering the imposing of the reciprocity measures against Serbia if Serbian authorities did not allow the transit of oil from Macedonian oil company OKTA to Kosovo.

At the same session, Macedonian government has decided that oil transport would be temporarily carried out by the trains from Skopje to Pristina, until the problem with Serbian customs was resolved.

The customs problem emerged when the main transit road between Macedonia and Kosovo was closed due to heavy landslides. The other transit route between Macedonia and Kosovo does not have customs terminal and oil transport was redirected to the Serbian border, where Serbian customs service did not allow the transport of the oil without special licenses. About 50 oil trucks were held on the customs terminal.

According to the Macedonian officials, Macedonia and Kosovo have

Serbian side, on other hand, does not approve the attitude of Macedonia, which consider Kosovo as an independent state instead as Serbian province under international protectorate.

According to the latest announcement, Serbia has allowed the transit of oil to Kosovo.

§ § §

CEZ started the visit to the Coal Mine (Montenegro)

The representatives of Czech CEZ have started the official visit to the Coal mine Pljevlja by visiting the so called data room. CEZ is especially interested for the changes in the tender rules. The CEZ representatives have also pay a visit to the thermal power plant Pljevlja. This is the part of the repeated tender procedure for privatization of thermal power plant and Coal Mine for interested companies.

Representatives of Slovenian HSE (Holdings of Slovenian power plants) have announced their visit in the last week of January.

All interested companies are allowed to arrange visit to the both companies that should be privatized, the thermal power plant and the coal mine, in cooperation with the privatization advisor Reiffeisen investments. Interested companies are allowed to acquire all relevant data regarding the business activities for both companies from Pljevlja.

Besides the CEZ and HSE, the Russian company En plus, Belon, PPC from Greece and Contur Global from USA have bought the tender documentation

§ § §

TPP Pljevlja in operation (Montenegro)

Thermal power plant (TPP) Pljevlja (190 MW) was back in operation on January 9th after the series of difficulties. Daily production has reached 4 million kWh.

TPP had no tripping in the last year, except due to lack of coal. General manager of the TPP said that annual production in the last year reached 900 million kWh, which was 18 % below the production plan.

TPP was out of operation from December 29th until January 9th, mostly due to favorable hydrology situation in Montenegro. During the standstill, TPP has acquired new coal reserves and 55,000 tons of fuel.

TPP Pljevlja had 5 unplanned interruptions in the last year due to lack of coal.

§ § §

Norwegian NTE plans construction of small-sized hydro power plants (Montenegro)

According to the latest announcements, Norwegian investment fund should finance the construction of the new small-sized hydro power plants (HPP) in Montenegro.

Norwegian power utility NTE could start the construction of the small HPP on the accumulation lake Cehotina in the mid of this year. The lake with 18 million cubic meters of water was formed 25 years ago for the purposes of thermal plant Pljevlja, and it is not the part of the tender for privatization of the TPP, which will be open until the end of February.

The construction works should last nine months at most, and the feasibility study is close to end.

Officials from EPCG (Power utility of Montenegro) said that investment fund, with 100 million euros in disposal, should finance aforementioned projects.

However, chairman of the management board of EPCG said that NTE still had not submitted any official request for the construction of the HPP on Cehotina Lake.

EPCG officials have visited Norway in the last year and new visit was announced for January. During the visit, commencement of the projects should be agreed.

NTE is the largest benefactor to the EPCG in the last five years. Norway, which has utilized 98 % of its hydro potentials, is interested for the investments in Montenegro, which has utilized only 17 % of the hydro potentials according to estimations.

In addition, EPCG should announce the tender for sale of several existing small HPP's until the mid of this year. NTE has expressed the interest for the purchase or lease of those facilities.

§ § §

8 million euros of guarantees for Electrica Muntenia Sud (Romania)

According to the decision of Romanian government, ten companies interested for the privatization of power distribution company Electrica Muntenia Sud should place their bids until January 31st along with 8 million euros of bank guarantees.

Muntenia Sud is the power distributor for the capital Bucharest and counties Giurgiu and Ilfov.

Following companies have been participating in the privatization procedure: AES Corporation - USA, CEZ - the Czech Republic, Enel - Italy, EnBW Energie - Germany, E.ON Energie - Germany, EVN - Austria, Gaz de France, Iberdrola - Spain, RWE Energy - Germany and Union Fenosa International - Spain.

Italian Enel, the majority owner of the power distributor companies Banat and Electrica Dobrogea, has plans for the increase of its market share in Romania by taking over the Electrica Muntenia Sud. According to the Romanian legislation, the single company could own 20 % of the power distribution market at most.

In 2005th, Enel has bought the Electrica Banat and Electrica Dobrogea for 12 million euros, including the capital stake increase.

In case of Electrica Muntenia Sud, 60 % of shares are going to be sold and future owner will be allowed to increase its stake up to 67, 5 % through the capital stake increase.

On the other hand, Czech CEZ announced that it would submit the best price and the best terms on the tender. This was said by the CEZ's high official at the interview to the Reuters.

CEZ wants to change its investment strategy after several failures on previous privatization procedures, which would imply the best offered privatization contracts. CEZ intends to become the leading power company in the region of Central and Eastern Europe.

In 2005th, CEZ has bought 51 % of shares in Electrica Oltenia for 151 million euros. Czech company, the second biggest exporter in Europe and with budget of 3 billion euros, has ambitious plans to compete with the rival companies from the Western Europe.

The capital worth of the Electrica Muntenia Sud is about 52 million euros and it serves over million customers. The company has achieved over 300 billion euros of turnover in 2004th.

Petrom takes over the OMV's activities in Bulgaria and Serbia (Romania)

The OMV's subsidiary company, Romania's Petrom, will take over all OMV's business activities in Romania, Bulgaria and Serbia and Montenegro. The worth of the transactions will be 234,4 million euros and it would be the part of new company's expansion strategy.

Petrom will buy 99,9 % of the Mineraloel Romania SRL, OMV Bulgaria EOOD and OMV Jugoslavija. The transactions would enable Petrom to become the operational center of OMV for South Eastern Europe. These three companies have reported overall turnover of 425 million euros in 2004th

The takeover includes 178 petrol stations: 73 stations in Romania owned by the of OMV Mineraloel along with viva stores and Vienna Café coffee houses, 74 stations and two depots in Bulgaria and 31 petrol stations and coffee houses and stores in Serbia and Montenegro.

All petrol stations will continue to operate under OMV's emblem. This is the most important transaction for Petrom after the end of the privatization process. The company has bought back some of its assets and sold several unprofitable petrol stations in Romania in the same time, in order to strengthen its market position.

Petrom will pay for the acquired petrol stations one third of the amount paid by the OMV to Romanian state for the Petrom's shares two years ago. The company wants to become the leader in the East European oil and gas market in the next five years, with the estimated 3 billion euros of investments.

Petrom will also move its head office in Bucharest in the new complex that is being built in the northern part of the capital. New complex will have 200, 000 square meters, out of which 46,000 for offices, and 30,000 of square meters of underground facilities.

The construction works should start in this year and new building will be finished in 2009th.

§ § §

Report on CEZ activities (Bulgaria & Romania)

Czech CEZ has invested about 34 million euros in three power distribution companies in Bulgaria, owned by CEZ, during the first year after privatization of those companies.

The CEZ has bought the majority stake of 67 % in distribution companies for 280 million euros in capital Sofia, Sofia district and city of Pleven a year ago.

CEZ's investments were mostly directed for the improving of the companies' efficiency and reduction of the transmission losses by installing the modern electric meters and prevention of the illegal power consumption.

So far, 222,615 electric meters were replaced and entire process should be finished by the end of 2006th.

The power losses were reduced by 10 % in all three companies in average comparing to the 2004th.

During the first year of the CEZ's management, over 13,000 new customers were connected to the power grid. Three power companies, EDC Stolichno, EDC Sofia Oblast and EDC Pleven, now serve over 1,9 million customers and they have delivered 7,981 billion kWh of electrical energy in the last year, which was 3,87% increase comparing to the 2004th .

CEZ has established the integrated organizational structure for all three distribution companies and succeeded to unite the supply contracts

which resulted in the significant reduction of technological losses, officials confirmed.

The CEZ's management is conducting the necessary projects in order to prepare the distribution companies for the participation on the liberalized electrical energy market after 2007th.

In the same time, CEZ has announced its intentions to buy the power production complexes in Turceni, Craiova and Rovinari, as well the power distribution company Electrica Muntenia Sud in Romania.

In Romania, CEZ is the majority owner (51 %) in the power distribution company Electrica Oltenia.

§ § §

Austria supports Nabucco project (Romania)

Austrian minister of trade called for the increase of the natural gas reserves that could be used in case of supply shortages, which could be sufficient for the two-month period. The gas reserves should be managed on the national level according to the Austria's proposal.

The minister said this during the debate on the security of energy supply in EU. Austria will be EU president for the first six months in this year.

The proposal on gas reserves came after latest natural gas dispute between Russia and Ukraine that affected whole Europe.

In the same time, Austrian ambassador in Bucharest said that Austria has also strongly supported the Nabucco project regarding the transport of natural gas from the Caspian Sea to the Western Europe. Austrian ambassador has also announced new medium size investments in Romania.

This Nabucco project was seen as one of the main Austria's priorities during the six-month presidency, which will be certainly speed up, having in mind that Austrian companies are involved in the project, ambassador said.

The gas pipeline, included in TEN program, (Trans European Networks), will be on route Turkey-Bulgaria-Romania-Hungary-Austria. Romania is looking forward to this projects that will connect Romanian natural gas network to the EU gas networks.

Ambassador announced several hundred million euros of Austria's investments in Romania.

Austrian company OMV is one of the main investors in Romania in the last two years. OMV has bought the majority stake in Romanian oil company Petrom and investment reached 1,5 billion euros, with capital stake increase included.

§ § §

Development of nuclear energy sector (Romania)

The chairman of the National Commission for the Control of Nuclear Activity (CNCAN) said that Romania would promote the development of nuclear energy sector for the peaceful usage as well as the establishment of new regulations concerning the nuclear waste.

In 2006th, tenth anniversary of the putting in the operation both units in nuclear power plant (NPP) Cernavoda will be marked.

The new nuclear program will be quite different from one in 1996th; especially having in mind that Convention for Nuclear Security was not in power at the time.

At the head office of Atomic Agency in Vienna, in 2005th, Romania has presented the third revision of the national report regarding the Con-

the requirements for the Romania in nuclear sector, particularly in environmental protection.

Chairman of CNCAN said that Romania has gained the significant experience regarding the nuclear safety, radioprotection, radioactive waste management and nuclear guarantees during this process.

§ § §

Rompetrol takeover French Dyneff (Romania)

Rompetrol Group has announced the finalization of takeover of the largest French independent fuel distributors, Dyneff group.

Rompetrol officials did not reveal the worth of the transaction. Romanian company plans to access to the Western European market through the Dyneff wholesale and retail network.

The integration process will first start in the IT and commercial sector and should end in the next six months, Rompetrol's president announced. The French bank Societe Generale has financed the takeover operation.

§ § §

MOL aims for 20 % of oil market share (Romania)

After takeover of the Shell's petrol stations in Romania in the last year, Hungaria's MOL became the second biggest oil company in terms of fuel sales in the country.

According to the executive manager of MOL in Romania, the main medium-term goal for the company will be reaching the 20 % of the market share.

Since 1995th, MOL has invested overall amount of 150 million euros in Romania and according to the investment strategy of the company, Romania should be the strategic market for MOL.

§ § §

Subsidies for the mining companies (Romania)

Romania's finance ministry has announced the state subsidies for the state company Termoelectrica and other state companies involved in mining business.

The subsidies would imply relief for some old debts, despite the critics for such kind of state help. In 2005th, the state was in debts due to approved subsidies.

However, finance minister believes that debts relief is necessary if the state wants that Termoelectrica remain in operation.

The amount of subsidies for 12 companies is estimated at 70 million euros. The National Coal Company should receive some 30 million euros and National Lignite Company of Targu Jiu should get some 20 million euros.

§ § §

EPS officials against sale of the distribution companies (Serbia)

Deputy general manager of the EPS (Power utility of Serbia) said at the interview that state of Serbia must not sold power distribution compa-

That would imply the sale of the Serbian electricity market and it would make the sale of the coal mines and thermal power plants uncertain, deputy said. He added that EPS wants the privatization of whole system instead of some parts.

Deputy quoted the example of the privatization procedure of Macedonian distribution company, ESM (about 700,000 customers), where Macedonia could get some 165 million euros. Serbia in that case could sell the distribution companies, with 3 million of customers, for about 700 to 800 million euros, deputy estimated.

According to him, main problem in the privatization of ESM was the fact that all privatization incomes would not be transferred to the power utilities, but to the state monetary reserves, as it had been requested by IMF (International monetary fund).

Government of Macedonia plans to invest the funds for the construction of the road infrastructure. EPS's deputy shares the point of view of the Macedonian president that profitable companies should not be sold.

EPS closely watches the developments in Macedonia, as well as other developments in energy sector in the region because EPS is facing the second phase of the restructuring process.

EPS wants to establish strong holdings company, vertically integrated, where the production of coal and electrical energy and power distribution companies would be one entity in accordance to the Serbia's Energy law.

Deputy said that scenario in Macedonia, proposed by the financial advisors, has been already seen before and that many of privatized distribution companies were resold to the original owners and rejoined the production companies.

The deputy fears that, as in case of ESM, privatization incomes of EPS would be transferred to the state budget, and new owner would request the increase of the retail price of electrical energy that could allow the return of the investments in four years.

New owner would not care about Serbian power plants and coal mines and it would buy the cheapest electrical energy in the market.

Deputy rejected the claims of some so-called experts, which have announced the changes of the Energy law and in the same time have accused the management of EPS for inhibiting the reforms in energy sector.

As a reminder, the actual Serbia's Energy law does not allow separation of the production and distribution companies, nor their sale. EPS should learn from the mistakes of others and had to create its own restructuring model in favor of the state and EPS itself, deputy said.

At the end, deputy said that EPS was not against the privatization but against the separation of parts of the system and subsequent sale, and for the privatization of entire EPS as a whole.

§ § §

INA and MOL interested for NIS and Montenegro bonus. **(Serbia& Montenegro)**

According to the press media from Podgorica, INA-MOL consortium, Petrol from Slovenia, Avia and Lukoil have interested for the Montenegro state oil company, Montenegro bonus.

Unofficial sources say that those companies have even sent the letter of intentions to the Montenegro government. The main problem for the Montenegro bonus is the unavailability to get in possession of the warehouses due to dispute with the rival company Jugopetrol.

Montenegro bonus was founded by the decision of the government of Montenegro three years ago. The foundation of new oil company was justified by the need to make use of the old warehouses, which have

The company was founded only couple of months after the sale of the former state oil company Jugopetrol to the Greek company Hellenic Petroleum.

The fuel tanks were used by the Jugopetrol, which now does not allow the access to the warehouses to the Montenegro bonus.

INA and MOL see the acquisition of the Montenegro bonus as the part of their strategy for the expansion in the Serbia and Montenegro. Their rival could be the Hellenic Petroleum.

The executive director of Montenegro bonus could not present the official confirmation for the intentions of aforementioned companies, but he said that those companies were interested for cooperation.

Management of the Montenegro bonus has proposed to sell the company on the international tender. The main condition for the tender would be solution of dispute with the Jugopetrol.

Director of Montenegro bonus believes that geographic position of Montenegro, close to Adriatic, Serbia, Bosnia and Herzegovina and Kosovo could be interesting for the investors.

In the same time, Hungarian oil company MOL, possibly in cooperation with INA (Croatian oil company) has confirmed the interest for participation on the tender for privatization of NIS (Serbian oil company).

This was confirmed in Belgrade by the chairman of the management board of MOL. MOL and Srbijagas (Serbian gas company) have had the negotiations regarding the transport of Russian gas to Serbia. The negotiations have started after the meeting with the Serbian prime minister.

MOL is ready to deliver the 10 million cubic meters of natural gas to Serbia during the winter season, but the amount will depend from actual deliveries from Russia.

MOL's chairman confirmed that MOL was interested for the construction of the large natural depot for the purposes of Serbia, which could be located either in Serbia or in Hungary. The priority location proposed was the Hungarian city of Szeged.

§ § §

Memorandum on oil pipeline Konstanza-Trieste in March. **(Serbia)**

Vice prime minister of Serbia announced that representatives of five countries, over which territory the oil pipeline Konstanza-Trieste will pass, would sign the memorandum of understanding in March.

The MoU should be signed by Romania, Serbia, Croatia, Slovenia and Italy and the signing ceremony should take place in Italy.

Vice PM also announced foundation of new company that will be in charge for the financing of the feasibility study for the pipeline, the construction of which should be finished in 2012th.

Serbian vice PM said this during two days visit to Italy, where he participated on the conference "Regional cooperation, securing of peace and role of contract in Balkans", organized by Institute for Central and Eastern Europe and Balkans.

According to the vice PM, Italy has decided to take active role in the construction of the oil pipeline from Konstanza (Romania), over Pancevo (Serbia) to Trieste (Italy). Also, Italy has seriously considering the construction of the parallel gas pipeline, Serbian vice PM said.

§ § §

NIS leased 13 petrol stations (Serbia)

Oil industry of Serbia (NIS) has signed the contracts for five-year lease for 13 of its petrol stations.

Official takeover of the petrol stations will happen in the beginning of February. Leased petrol stations will still have the emblem of NIS along with the name of the leaseholder.

NIS will have exclusive supply contract with the new owners of the petrol stations.

§ § §

Gazprom delegation in Belgrade, natural gas deliveries should be normalized (Serbia)

In Belgrade, in the last week in January, highest Serbian officials and vice president of the management board of Russia gas monopoly Gazprom have had the talks on the strategic partnership in gas projects in Serbia.

Russian side has shown the interest for the participation in the finishing of the large underground gas warehouse in Banatski Dvor (130 million euros worth project) and for the construction of new supply gas routes to Serbia, Nis- Dimitrograd (Bulgaria) (50 million dollars needed) and Mokrin-Arad (Romania).

Serbian government has expressed the readiness to secure the conditions necessary for those projects. According to Serbian vice PM, Gazprom was the strategic partner for Serbia, who would certainly offer the best terms for aforementioned projects. Vice PM hopes that Serbia could become the transit country for all energy products, especially for gas and electricity.

Serbian president of state has also supported participation of Gazprom in those projects.

In the same time, Gazprom officials have informed Serbian PM that Russian gas giant was ready to increase the natural gas supplies to Serbia, after serious reduction caused by extremely cold weather in Russia.

Serbian PM called for the long-term cooperation in energy sector between Russia and Serbia. The debts toward the Russian partners are related to the 188 million dollars of clearing debts made in time of former socialist Yugoslavia. After the approval from Russian Federation, new agreement for the natural gas import should be signed.

Srbijagas and Gazprom have signed the agreement in December 2005th for the supply of 2,2 billion cubic meters of gas in 2006th, officials from energy ministry confirmed.

Serbia energy minister and minister for capital investments also attended the talks.

As a reminder, natural gas deliveries from Hungary to Serbia, in the mid January, were reduced for 25 %, i.e. 7,5 million cubic meters of gas instead of 10 million as usual.

Hungarian oil and gas company MOL stated that pro rata reduction for all customers was inevitable due to reduced supplies from Russia, which was affected by extremely low temperatures (40 degrees below zero).

After such development and very low temperatures in Serbia, Serbian gas company Srbijagas was forced to deliver natural gas to priority customers only.

The heating plants in Serbia were instructed to switch to fuel oil, while the EPS (Power utility of Serbia) has put in operation thermal power plants with combined cycle to help the production of heat energy, after the request of Srbijagas.

In the same time, the daily electrical energy consumption in Serbia in the last week of January, has reached highest ever record of about 150

Despite the record, power system of Serbia did not have any major problems, due to well-done revitalization works, Serbian energy minister pointed out.

Only several minor disruptions were noticed in the heating and electrical energy supply in Serbia, mainly due to bad weather conditions.

MOL officials announced the normalization in gas supply by the end of January.

§ § §

Negotiations with MOL (Serbia)

The representatives of and MOL, the company that transits the natural gas from Russia to Serbia, and representatives of Srbijagas and government of Serbia have meet in Hungary on January 30th.

Serbia wants to secure 10 million cubic meters of gas during the winter season by signing the amendment to the original contract.

In the same time, Serbian officials have stated that debts toward MOL are about 500,000 dollars and not 18 or 23 million as it was guessed in Serbian public.

Serbia has signed long-term agreement for the transport of the natural gas from Russia over Hungary to Serbian border in 1998th.

Serbian energy minister confirmed that MOL is interested for the construction of the natural gas depot in Szeged in Hungary for the purposes of Serbia.

The chairman of MOL pointed out that Serbia had a seasonal problem related to gas import, because summer import is much lower than in winter, which was one reason more to consider the options for construction of gas depot, no matter where it would be located.

According to the data presented earlier by the Serbian energy ministry, optimal daily amount of gas needed by Serbia in winter period is about 12 million cubic meters, and 5 to 7 millions during the summer period.

MOL's Chairman expressed their interest for the investments in Serbian oil sector also, especially for the privatization of NIS (Serbian oil industry).

Underground natural gas storage facility in city of Banatski Dvor will become a subsidiary company of national gas company Srbijagas, advisor for energy affairs of vice prime minister of Serbia announced.

Advisor confirmed that the management board of Srbijagas confirmed decision related to establishment of subsidiary.

The main idea is to attract strategic partners willing to invest in continuation of construction of the storage facility. The construction works should be finished prior the next heating season.

The storage facility recently attracted attention after Serbian officials stated that facility would be strategic priority for Serbia, and after Hungarian MOL and Russian Gazprom became highly interested for participation in the project.

Serbian ministry of energy and mining said that the first phase of the construction could be finished in 6 to 7 months, for which 400 million euros need to be invested.

After the first phase, about 300 million cubic meters of natural gas could be stored in the facility.

§ § §

Tenders:

Electricity

Company / organization: EBRD – European Bank for Reconstruction and Development, related **Bulgaria**

Construction of new high voltage power lines

Content: The Natsionalna Elektricheska Kompania (NEK) (the Employer) has received a loan from the European Bank for Reconstruction and Development (the Bank) towards the cost of Construction of New High voltage Power Lines. The Employer now invites sealed tenders from eligible tenderers for the construction of New High voltage Power Lines contract to be funded from part of the proceeds of the loan.

The contract will comprise of:
Delivery of materials, on-site erection and installation services, including design, manufacture, delivery, quality assurance, erection, and all related civil works, commissioning, structural completion and connection of the facilities to the power supply, in two Lots.

Deadline: 15 February 2006 at 14:00, Sofia time

Contact: Mr. Lubomir Velkov or Mrs. L.Vitanova Tel/Fax +359 2 9263552
e-mail: lvitanova@nek.bg

Company / organization: EBRD – European Bank for Reconstruction and Development, related **Romania**

Supply of control systems

Content: Regia Autonoma de Distributie a Energiei Termice (RADET) Bucuresti hereinafter referred to as the Purchaser, intends using part of the proceeds of a Grant from the Swiss State Secretariat for Economic Affairs (SECO) managed by the European Bank for Reconstruction and Development (the Bank) towards the cost of Bucharest Multi Sector Project.

The Purchaser now invites sealed tenders from suppliers for the following contract to be funded from part of the proceeds of the Grant:
Control Systems consisting of: digital control systems, control panels, self operated differential pressure regulators with flow limitation, electrically driven two way control valves for domestic hot water and secondary space heating circuit, sensors, software, spare parts and accessories. The control systems will perform for 456 substations. Associated services, including design, technical assistance, adjustment and commissioning, connection works, technical manuals, training. The installation of the Goods will be carried out under separate 11 Contracts of Supply and Installation and is not the subject of this tender. The Goods shall be delivered within period of 18 months. The delivery of the Goods will be split into two 6 months phases. It is expected that the delivery starts in 2006.

Tendering for contracts to be financed with the proceeds of a Swiss Grant shall be in accordance with the Bank's Procurement Policies and Rules with the provision that participation is restricted to companies and firms that are entered in the commercial register in Switzerland.

Deadline: 28 February 2006 at 12:00, Bucharest time

Contact: Mrs. Adriana Stolojan
Tel: +40- 21-322.92.94
Fax: +40-21-322.92.94
adriana.stolojan@radet.ro

Company / organization: **EPS, Serbia**

Call for offers for consulting services regarding restructuring of the EPS power utility

Content: Study shall contain the analyses, opinion and recommendations regarding:
- possibilities for decreasing the costs and increasing the profit,
- improving the organization and administrative functions and other services,
- improving the strategy for investments and management with the investments,
- possibilities for entrance of foreign capital.

The study shall acquire and grade the influence of the formerly recommended measures for future total costs of EPS and its position at the Southeast Europe Regional Electricity market.

Deadline: Job completion shall be with the end of 2006.

Contact: Mr. Aleksandar Jakovljevic, tel: +381 11 3972 994, e-mail: aleksandar.jakovljevic@eps.co.yu JP "Elektroprivreda Srbije", 11000 Beograd, Vojvode Stepe No.412. – Direction for Strategy and Investments

Company / organization: EBRD – European Bank for Reconstruction and Development, related **Bulgaria**

Power Transmission - Goods, works, services

Content: Natsionalna Elektricheska Kompania (NEK) intends using the proceeds of a loan from the European Bank for Reconstruction and Development [the Bank] for a project to rehabilitate its transmission network, including development of their MIS system, construction of a HV line, reconstruction and extension of a 400 kV s/st, modernisation of SCADA/EMS systems and providing of metering, testing and data processing systems. The proposed project, which has a total estimated cost of EUR 20 million equivalent, will require the procurement of the following goods, works and services:
A.2.2. Construction of HV line 400 kV Zlatitsa -Plovdiv, and Re-routing of existing 110 kV Lines.

Tendering for the above contracts is expected to begin in the fourth quarter 2005. The Bank financed packages will be procured as single-point responsibility supply-and-install contracts with fixed price).

Contracts to be financed with the proceeds of a loan from the Bank will be subject to the Bank's Procurement Policies and Rules and will be open to firms from any country. The proceeds of the Bank's loan will not be used for the purpose of any payment to persons or entities, of for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations or under a law of official regulation of the Purchaser's country.

Deadline: 24 November 2006 at 23:00, Sofia time

Contact: Lubomir Velkov – Head of Investment division
Tel: +359 2 987 9154
Fax: +359 2 986 12 88

Company / organization: EBRD – European Bank for Reconstruction and Development, related **Croatia**

INA Environmental Rehabilitation Project

Download: <http://www.ebrd.com/oppo/procure/oppo/>

Content:	INA - Industrija nafte d.d., Zagreb, (INA) has applied for a loan from the European Bank for Reconstruction and Development for environmental improvements in INA's units with the aim to eliminate sources of soil, ground water and air contamination. The proposed project, which has a total estimated cost of Euro 36 million will require the procurement of the following goods, works and services: Repair of the sewer system including reconstruction work involving line testing for damage and the design of a reparation system (Refinery Rijeka); Oily waste treatment plant, including civil, electrical and instrumentation works, and supply of centrifuges, separators, pumps, vessels, containers, piping material, (Refinery Rijeka); Revamp of hydrodesulphurisation plant, (Refinery Rijeka); Design and engineering supervision for the above components...
Deadline:	2 Feb 2006 at 23:00, Rijeka time
Contact:	Mr. Vlado Bilusic C/o Project Implementation Unit Lovniciceva b.b. Tel: 00 385 1 2381 357 Fax: 00 385 1 2381 370 INA - Industrija nafte d.d., V. Holjevca 10, 10000 Zagreb, Republic of Croatia.

Company / organization:	EBRD – European Bank for Reconstruction and Development, related Bosnia And Herzegovina
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Power Distribution Reconstruction Project - Goods, works, services, consultancy

Content:	The proposed project has a total estimated cost of Euro 52 million, proposed to be financed by the EBRD, and will require the procurement of the following goods, works and services for: (a) Goods and related Services for purchasing of metering equipment for residential consumption and Low and Medium Voltage substations, Low and Medium Voltage transformers, cables and auxiliary equipment for Low and Medium Voltage lines, machinery and equipment for the installation of the aforementioned items; (b) Works for the installation of the aforementioned items; (c) Consulting services to support the three Project Implementation Units established by the three power utilities
Deadline:	10 Nov 2006 at 23:00, Zagreb time
Contact:	Mr. Nedeljko Despotovic, PIU Director Tel: +387 33 751 030 , Fax: +387 33 751 033 Mobile: +387 61 227 208 Email: n.despotovic@elektroprivreda.ba

Company / organization:	EBRD – European Bank for Reconstruction and Development, related Serbia
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Electric Power Industry of Serbia - Supply and Installation of plant and Equipment

Download:	http://www.ebrd.com/oppo/procure/opps/
Content:	EPS has applied for an EBRD loan for the realization of the following parts of the new lignite mining system: New Bucket Wheel Excavator, New Belt Conveyor system (co-financed by KfW), New shifting devices. EPS has further applied for KfW loans for the following parts of the new system: Parts of the new belt conveyor system, New power supply system, Spreader integrating new and available parts. Tendering and contract realization for the above goods and services will be carried out during the period from the first quarter of 2005 until the end of 2007.
Deadline:	23 Mar 2006 at 23:00, Belgrade time
Contact:	Mr. Slobodan Mitrović or Mr. Aleksandar Gajić, ELEKTRO-PRIVREDA SRBIJE, Vojvode Stepe 412, 11000 Beograd, Serbia and Montenegro, Tel. + 381-11-397-1926, Fax: + 391-11-397-1923, e-mail: slobodan.mitrovic@dpu.eps.co.yu or aleksandar.gajic@dpu.eps.co.yu

Company / organization:	EBRD – European Bank for Reconstruction and Development, related Bulgaria
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Maritsa East II Supply and Installation of Plant and Equipment

Download:	http://www.ebrd.com/oppo/procure/opps/
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Content:	The contract to be funded will comprise the delivery, installation, testing and commissioning of Flue Gas Desulphurisation (FGD) plants for Units 5 & 6 at Maritsa East 2 TPP. The FGD plants are intended to be based on wet limestone technology and to include: absorber plant(s), flue gas system(s), including discharge to atmosphere, limestone supply and processing, gypsum management and processing, process water supply, waste water discharge, electrical, instrumentation and control, civil works, buildings and infrastructure...
Deadline:	3 Mar 2006 at 24:00, Kovachevo time
Contact:	Mr. Atanas Dimitrov, Executive Director, Maritsa East 2 TPP-EAD, 6265 Kovachevo, Stara Zagora distr. Bulgaria Fax : + 359 42 662 000 Email: tec2@tpp2.com, ISPA and the Government of Bulgaria have published a Works Contract Forecast for this Project.

Company / organization:	EBRD, related Kozloduy Nuclear Power Plant Bulgaria
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Content:	This project is to support the policy of Supply Division of KEK (the Kosovo Power Utility) aiming at improving the revenue collection. The scope of the project consists of four Lots and includes the following: supply and installation of hand held units and docking stations as well as the software; supply of IT infrastructure for hand-held units (computers, printers, servers, and plotters); supply and installation of the Geographic Information System platform; supply of vehicles, and training for KEK staff. The equipment and services in this project will be used to plan commercial activities and improve payment control in the Sales Department/Supply Division of KEK.
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Deadline:	1 Aug 2006 at 24:00, Kozloduy time
Contact:	Mr. Michel Levy, KPMU Commercial Manager Kozloduy Nuclear Power Plant Kozloduy Bulgaria Fax. + 359 973 74508 e-mail: kpmu@npp.cit.bg With a copy to: Mr. Georgi Kirkov Head of Trade Division Kozloduy Nuclear Power Plant Kozloduy Bulgaria Fax. + 359 973 76008 e-mail: KIRKOV@npp.cit.bg

Company / organization:	EBRD, related Romania
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Romania - CFR Traction Energy Network Management Project

Content:	CFR SA and its subsidiary CFR Electricare have applied for a loan from the European Bank for Reconstruction and Development and intends to use its proceeds towards the cost of a project to continue modernisation and introduce cost-savings measures in management of its traction energy network. The proposed project, which has a total estimated cost of EUR 27 million equivalent (EUR 22.5 m from the Bank and EUR 4.5m in VAT and other taxes), will require the procurement of the following goods, works and services; Supply and installation of equipment sets consisting of traction substations, switching equipment, railway station distance control equipment, and central dispatching equipment and communication facilities; Supply of catenary maintenance vehicles; and Consultancy services for contract supervision. Tendering for the above contracts is expected to begin in the first quarter of 2006. Contracts to be financed with the proceeds of a loan from the Bank will be subject to the Bank's Procurement Policies and Rules and will be open to firms from any country. The proceeds of the Bank's loan will not be used for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations or under a law of official regulation of the Purchaser's country.
Deadline:	22 Jul 2006
Contact:	Mr. Tiberiu Angelescu, Director of Foreign Financing Directorate, Compania Nationala de Cai Ferate CFR – SA, 38, Dinicu Golescu Blvd., 3rd floor, room no. 26, 010873 Bucharest 1, Romania, Tel.: +40 21 224 84 06, Fax: +40 21 222 14 45

Company / organization:	EAR, related Serbia
Ash Disposal System – Nikola Tesla B Thermal Power Plant	
Content:	<p>EAR is seeking a new ash disposal system for the Electric Power Serbia (EPS – Contracting Authority) owned Nikola Tesla B Power Station, a 2 x 620MW lignite fired power station located in the town of Obrenovac, Serbia. Obrenovac is located alongside the River Sava, some 50km upstream from Belgrade.</p> <p>At present the furnace bottom ash is removed mechanically by a de-asher which is filled with water as a seal to the furnace. Further transport is by belt conveyor.</p> <p>The fly ash from the precipitators, air pre-heater hoppers and boiler economiser hoppers is collected and conveyed via pneumatic flow channels. At the end of the precipitator house these ashes are mixed together and flushed with additional water to the ash slurry sump. From there the water ash mixture of ratio nominally 10:1 is pumped via a pipeline to the ash disposal site, which is located approximately 4.5km away from the power plant, for final disposal. Three pipelines are installed in order to provide 1 stand-by line for use in the event of a temporary blockage.</p> <p>The existing de-ashing system at Nikola Tesla B power plant has been in operation since the commissioning of the plant and handles, on average, about 2.1Mt/year of which approximately 7% is furnace bottom ash.</p> <p>Tenderers are requested to propose the design, supply, installation, commissioning, testing and setting to work of a new ash handling and disposal system for Nikola Tesla B Power Station. The works comprises of replacing the existing thin slurry 10:1 ash disposal system with a thick slurry 1:1 hydraulic transport scheme.</p>
Deadline:	4 April 2006, at 15:00h CET
Contact:	The European Agency for Reconstruction (EAR) Procurement Officer Vasina 2-4, 11000 Belgrade Serbia and Montenegro Fax: +381 11 30 23 466

Company / organization:	EBRD – European Bank for Reconstruction and Development, related Serbia
Emergency Power Sector Reconstruction Project Measuring Equipment for Electricity Distribution Companies	
Content:	<p>Electric Power Industry of Serbia (EPS) hereinafter referred to as the Purchaser, intends using part of the proceeds of a loan from the European Bank for Reconstruction and Development (the Bank) towards the cost of Electro distribution Companies of Serbia.</p> <p>The Purchaser now invites sealed tenders from eligible Tenderers for the following contracts to be funded from part of the proceeds of the loan:</p> <p>Measuring Equipment for Electro distribution Companies</p> <p>Tenders are invited for one or more lots. Each lot must be priced separately. Tenders for more than one lot may offer discounts and such discounts will be considered in the comparison of tenders.</p> <p>The Goods to be delivered in accordance with the Contract include, but are not limited to the following:</p> <ol style="list-style-type: none"> Supply of calibrated meters with instruction manuals Technical documentation Installed software programming instructions and tools Staff training for software utilisation and meter connection
Deadline:	28 April 2006 at 10:00, local time
Contact:	Mr. Nikola Rakić Tel: 381 11 361 1251 Fax: 381 11 688 835

Company / organization:	HEP, related Croatia
supply of Steam Coal	
Content:	Steam Coal in the quantity of approx. 195.000 metric tons
Contact:	Hrvatska elektroprivreda d.d. Mr. Dalibor Blazevic fax 00385-1-6171-296 e- mail: dalibor.blazevic@hep.hr
	RWE Power AG Mr. Stefan Egyptien fax 0049-201-12-22010 e- mail: stefan.egyptien@rwe.com

Company / organization:	EBRD – European Bank for Reconstruction and Development, related Romania
National Power Transmission Company - Erection of 400 kV NADAB Substation	
Content:	<p>The National Power Grid Company COMPANIA NATIONALA DE TRANSPORT AL ENERGIEI ELECTRICE "TRANSELECTRICA" S.A., hereinafter referred to as the Employer, has received a loan from the European Bank for Reconstruction and Development (the Bank) towards the cost of a Programme for the interconnection of the Romanian and the Hungarian high-voltage power grid (400 kV Overhead Transmission Line Oradea – Nadab – Bekescsaba and erection of 400 kV Nadab Interconnection Substation).</p> <p>The Employer now invites sealed tenders from contractors (firms or joint ventures) for the following contract to be funded from part of the proceeds of the loan: Erection of 400 kV NADAB Substation</p> <p>Contract for the design, manufacture and supply of electrical, instrumentation and control equipment as well as related works and services as required for the erection and commissioning of a new 400 kV substation at Nadab. The project is a "green field" project, consisting of a triangle single line diagram to which three OHLs bays will be connected: Arad, Oradea and Bekescsaba (Hungary). The substation will be totally remote controlled from the Regional and National Dispatching Center and operated without personnel. Access to the substation site is achievable from Nadab – Cinteş DJ 792 in the north-west part of the country, near Chisinau – Cris town.</p>
Deadline:	31 Mar 2006 at 12:30, Bucharest time
Contact:	Mr Ovidiu Murasan- Commercial Department; Phone: +40 21 3035986 Fax : +40 21 3035980 e-mail: omurasan@transelectrica.ro

Company / organization:	EAR, related Romania
Construction of the over head line 400 KV single circuit Arad-Nadab Location - Romania	
Content:	<p>The project aims to provide technical assistance for supporting Transelectrica –Romanian Power Grid Company, in reviewing and finalizing the tender dossier, tendering and contracting process, and supervising the implementation of construction works for the Arad-Nadab high voltage overhead line. The Consultant will provide assistance for the supervision of the performance of the works contractor, acting as 'Engineer' as defined in the FIDIC Condition of Contracts.</p> <p>Maximum budget 450.000 euro</p>
Deadline:	Deadline: 27 February 2006, 12:00 local time
Contact:	Contact: Contact person: Mădălin Pascu – Project Officer Tel: 0040 21 326 55 55 Fax: 0040 21 326 87 30 / 326 87 09

Company / organization:	INA, related Croatia
RELIF VALVES (SN-42/06, INA Specification no. 2000/092)	
Deadline:	Deadline : 24th February, 2006., until 13,00 hours
Contact:	Contact: Procurement Sector, Avenija Većeslava Holjevca 10, 2nd floor, 10002 Zagreb, (Mrs. Ljubica Šupe, tel: +385-1- 64 51 007, fax +385 (0)1 64 52 048) every working day from 12 to 11 p.m. local time

Company /
organization: INA, related Croatia

WELL COMPLETION EQUIPMENT AND SPARE PARTS

Deadline: Deadline: February 09, 2006, until 11.00 hrs

Contact: Contact: Mrs.V. Bigač, tel.++385 1 6451050, fax:++385 1 6452048, e-mail: vlatka.bigac@ina.hr) every working day from 10 to 11 hours