

March (1) 2007 issue of Balkan Energy NEWS, with limited data

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In this issue:

Analysis:

- » Overview of RES potentials in Balkan countries, 2nd part

News headlines

Region:

- » EU rejected demands of Balkan countries for restart of units in NPP Kozloduy
- » Contract for construction of Bourgas- Alexandropoulos oil pipeline signed

Albania:

- » Government approved construction of 17 small HPPs
- » KfW provides 9 million euros for construction of HPPs
- » Bankers Petroleum interest for purchase of national oil refinery ARMO
- » New director of KESH appointed
- » Feasibility study on natural gas terminals near Fieri

Bosnia and Herzegovina:

- » ERS and AES signed a cooperation agreement
- » INA-MOL paid funds for recapitalization of Energopetrol
- » Russians to acquire ownership share in Janaf ?
- » Feasibility study for new unit in TPP Gacko to be finished by June

Bulgaria:

- » Increase in electricity prices could be imposed on July at the earliest
- » Decrease in electricity and heat power consumption due to warm weather
- » Prime minister did not raise the issue of restarting the units in NPP Kozloduy
- » NEK do not want to reveal the name of candidate banks for financing the Belene project
- » Renewable energy sources to increase by 10 % until 2020th
- » Slow development of EBRD's energy efficiency program

Croatia:

- » Draft law on deregulation of natural gas market
- » HEP's Trade subsidiary established

Greece:

- » REA published new auction rules for northern interconnections
- » Natural gas from Azerbaijan to be imported in mid -2007th
- » Tender for Aliveri TPP prolonged until March 26th
- » The winner of the tender for Vevi lignite mine to be decided in April

Macedonia:

- » Large industrial customers to buy electricity on free market starting from April
- » 15 foreign companies to participate in tender for sale of TPP Negotino

- » TE-TO company changed ownership structure
- » Tender for gas fired TPP to be launched in April

Montenegro:

- » Government allowed Montenegrobonus to find strategic partner, Slovenian Petrol interested for cooperation
- » Increased safety of power distribution grid
- » Average electricity bill in February 21 euros
- » EN Plus accepted new terms set by government, negotiations for sale of TPP and coalmine Pljevlja to be continued

Romania:

- » Report on electricity production and consumption in January
- » Possible increase in electricity tariffs of 4 % in April
- » No changes in natural gas tariffs
- » Privatization of power plants to start in May of June
- » National Anti-Corruption Directorate confirmed irregularities in renewal of HPP Iron Gate 1
- » 647 million euros of profit for Petrom in 2006th
- » ANRE to continue to regulate electricity prices after July 1st
- » Transelectrica announced 473 million euros of investments in 2008-2014
- » Petrom to consider construction of natural gas storage facility

Serbia:

- » Koncar to deliver equipment to EMS
- » Renewal of HPP Djerdap could start in spring
- » Report on electricity production and consumption in February
- » Revitalization of 100 MW unit in TPP Kostolac to be finished in March
- » HEP interested for construction of TPPs in Kosovo
- » World Bank granted 5.5 million euros loan for removal of coal ash

Tenders: (Electricity, Nuclear, Oil and gas, Wind)

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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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The readers who will mostly benefit from the content of Balkan Energy News are: energy trading companies, investors, consulting companies, financial institutions, electricity generation companies, electricity distribution companies, transmission system operators, authorities, etc.

Slovenia		2008	2009	2010	2011
1022	1134	12287	10883	991	1054
1081	1077	12590	955	1051	1127

Annual electricity consumption in GWh		Year	Sum	1	2	3	4
016	1120	2007	11182	1027	891	953	850
048	1089	2008	11570	1094	998	1012	911
081	1054	2009	10994	1099	932	963	818
115	1156	2010	11722	1074	979	1016	910
148	1157	2011	12186	1155	1038	1075	938

Bosnia and Herzegovina		2008	2009	2010	2011
105	3307	34509	32399	2960	2037
141	3185	32729	30711	3196	2636
174	3257	31954	3486	3052	3021
207	3167	33452	3475	3107	3037

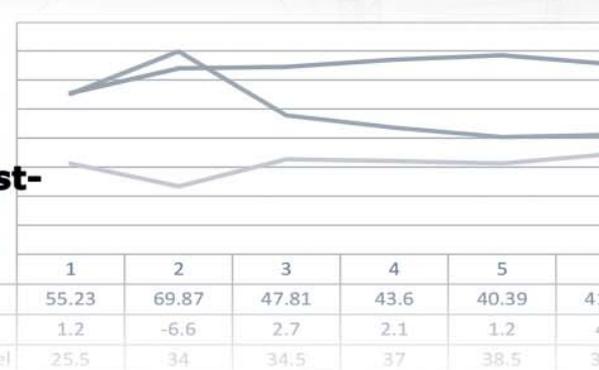
Bulgaria		2008	2009	2010	2011
240	1640	17842	1680	1543	1570
273	1648	17507	1625	1530	1551
306	1681	15555	1536	1568	1323
339	1683	15574	1581	1552	1356

Croatia		2008	2009	2010	2011
372	4000	4500	4200	4100	4000
405	4000	4500	4200	4100	4000
438	4000	4500	4200	4100	4000
471	4000	4500	4200	4100	4000

Greece		2008	2009	2010	2011
504	4531	53504	4652	4271	4401
537	4531	53504	4652	4271	4401
570	4531	53504	4652	4271	4401
603	4531	53504	4652	4271	4401

Macedonia		2008	2009	2010	2011
636	5134	7576	862	747	753
669	5134	7576	862	747	753
702	5134	7576	862	747	753
735	5134	7576	862	747	753

Romania		2008	2009	2010	2011
768	4791	50636	4736	4288	4473
801	4791	50636	4736	4288	4473
834	4791	50636	4736	4288	4473
867	4791	50636	4736	4288	4473



Country Reports on Energy Business in South Eastern Europe

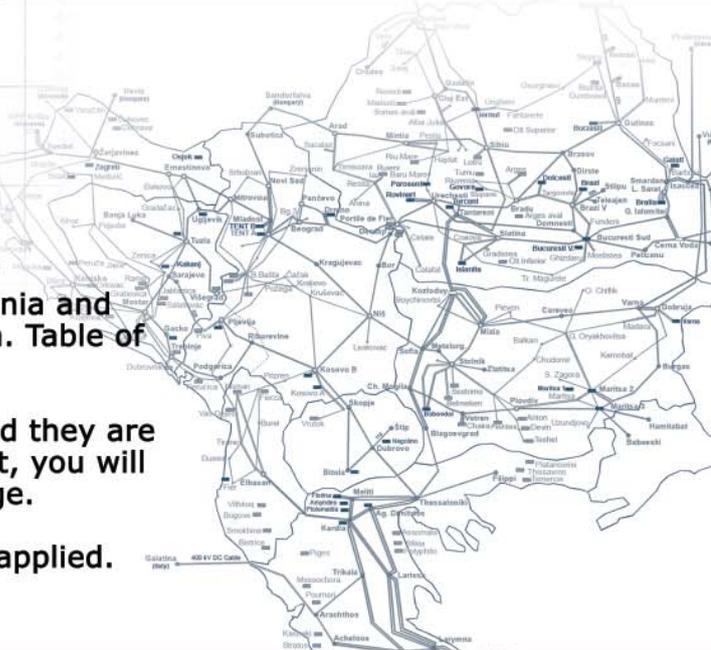
Country reports provide detailed overview of energy sector:

- Overview of the electricity market,
- Consumption, production and export characteristics
- Actualities - hot topics
- Key market players,
- Legislation and electricity market opening
- Electricity prices and tariffs,
- Potentials for investments in power generation,
- Privatizations in power industry
- Current state of RES sector

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Power exchanges data:**Weather conditions**

	16.03.	17.03.	18.03.	19.03.	20.03.
Albania Tirana	T: 8-19 W: SW 1-3.3 R: -	T: 5-17 W: S 1.5-3.3 R: -	T: 6-17 W: S 1.5-3.3 R: -	T: 9-17 W: S 3.3-5.4 R: -	T: 12-14 W: S 3.3-5.4 R: 18
Bosnia and Herzegovina Sarajevo	T: 3-14 W: W 1.5-3.3 R: -	T: 2-17 W: W 1.5-3.3 R: -	T: 4-16 W: SW 1-3.3 R: -	T: 9-14 W: SW 1-3.3 R: -	T: 1-4 W: NW 1-3.3 R: -
Bulgaria Sofia	T: 3-12 W: NW 1-3.3 R: -	T: 3-15 W: NW 3-5.4 R: -	T: 5-13 W: NW 3-5.4 R: -	T: 5-18 W: NE 3-5.4 R: -	T: 6-13 W: SE 3-5.4 R: -
Croatia Zagreb	T: 3-16 W: SE 3-5.4 R: -	T: 2-19 W: W 3.3-5.4 R: -	T: 4-17 W: SW 5.4-7 R: -	T: 8-12 W: NE 3-5.4 R: 20	T: -3-3 W: NW 3-5.4 S: 1
Greece Athens	T: 8-17 W: W 1-3.3 R: -	T: 8-16 W: S 1-3.3 R: -	T: 8-17 W: W 1.5-3.3 R: -	T: 9-18 W: S 1.5-3.3 R: -	T: 12-17 W: S 3.3-5.4 R: -
Macedonia Skopje	T: 3-16 W: N 3.3-5.4 R: -	T: 3-19 W: N 1.5-3.3 R: -	T: 4-17 W: E 1.5-3.3 R: -	T: 4-20 W: SE 3-5.4 R: -	T: 8-11 W: SE 3-5.4 R: 2
Montenegro Podgorica	T: 9-18 W: SE 1.5-3.3 R: -	T: 8-17 W: SE 1.5-3.3 R: -	T: 7-16 W: SE 1.5-3.3 R: -	T: 9-12 W: S 3-5.4 R: 20	T: 10-12 W: SE 3-5.4 R: 18
Romania Bucharest	T: 4-13 W: SW 1.5-3.3 R: -	T: 2-15 W: W 3.3-5.4 R: -	T: 6-13 W: W 5-7.4 R: -	T: 4-18 W: SW 3-5.4 R: -	T: 6-16 W: SW 5.4-7 R: -
Serbia Belgrade	T: 7-15 W: NW 1-3.3 R: 7	T: 6-17 W: W 1-3.3 R: -	T: 8-18 W: SW 1-3.3 R: -	T: 10-19 W: W 1-3.3 R: 3	T: 4-5 W: NW 1-3.3 R: 3

Average weather conditions for March

	Daily Minimum (°C)	Daily Maximum (°C)	Mean total rainfall	Mean number of rain days
Albania Tirana	-	-	-	-
Bosnia and Herzegovina Sarajevo	0.7	10.4	70.0	10.0
Bulgaria Sofia	0.3	9.8	38.0	10.0
Croatia Zagreb	0.9	11.3	51.6	11.2
Greece Athens	6.7	15.7	40.7	10.2
Macedonia Skopje	1.9	13.6	40.0	10.0
Montenegro Podgorica	5.8	15.1	159.0	11.0
Romania Bucharest	0.3	10.5	38.0	6.0
Serbia Belgrade	3.3	11.9	50.0	12.0

T: Ts in Celsius degrees.

W: Ws in m/s, S – South, W – West, N – North, E – East and variables.

R: Rain in mm

S: Snow in mm

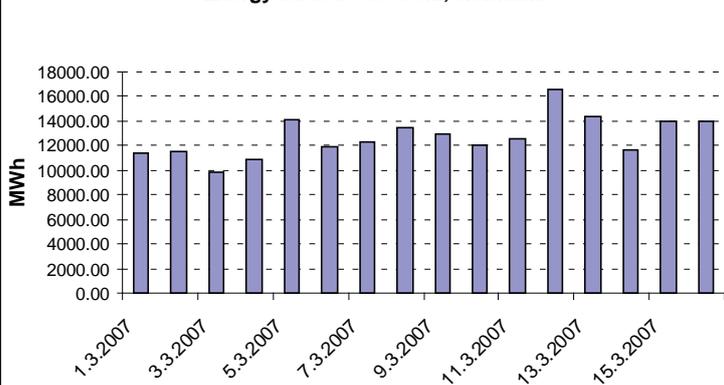
Hour	Traded Volume [MWh/h]	MCP [EUR/MWh]
1	437.195	31.08
2	399.503	27.03
3	442.204	27.03
4	429.600	27.03
5	370.365	27.03
6	392.166	27.03
7	420.630	32.16
8	338.440	21.62
9	482.999	35.14
10	557.232	36.49
11	545.850	37.84
12	543.927	35.11
13	537.591	33.78
14	561.637	37.84
15	527.067	33.78
16	526.924	37.84
17	563.666	40.54
18	661.218	45.95
19	708.837	62.16
20	706.384	63.51
21	723.373	62.16
22	665.333	62.16
23	539.672	51.36
24	520.068	43.24
Total	12,601.881	

Opcom, Romania: Energy Traded on Sunday, March 11, 2007

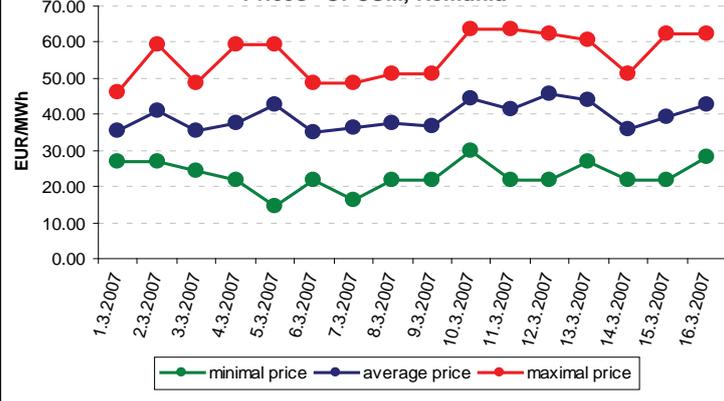
Hour	Traded Volume [MWh/h]	MCP [EUR/MWh]
1	429.784	30.27
2	364.639	27.03
3	375.469	21.62
4	346.779	21.62
5	402.445	21.62
6	395.563	28.11
7	437.589	27.03
8	526.711	37.84
9	547.115	43.78
10	576.152	43.79
11	573.120	43.78
12	557.178	39.19
13	567.034	37.84
14	577.704	37.84
15	530.146	35.11
16	451.902	27.03
17	424.783	27.03
18	430.619	27.03
19	549.534	40.54
20	585.253	51.35
21	585.827	51.35
22	548.304	43.79
23	427.691	32.44
24	448.282	32.44
Total	11,659.623	

Opcom, Romania: Energy Traded on Wednesday, March 14, 2007

Energy traded - OPCOM, Romania



Prices - OPCOM, Romania



Tables with offered Available Transfer Capacities (ATC) in Balkan region for March 2007.

NOS BIH - Bosnia & Herzegovina						April 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Croatia > BIH	550	150	400	100	100	01.-30.04.2007.
Montenegro > BIH	490	100	390	0	195	01.-30.04.2007.
Serbia > BIH	350	100	250	0	125	01.-30.04.2007.
EXPORT						
BIH > Croatia	690	150	540	0	270	01.-30.04.2007.
BIH > Montenegro	500	100	400	31	169	01.-30.04.2007.
BIH > Serbia	350	100	250	0	125	01.-15.04.2007.
	250	100	150	0	75	16.-30.04.2007.

OPS HEP - Croatia						April 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Hungary > Croatia	-	-	-	-	300*	01.-30.04.2007.
Slovenia > Croatia	-	-	-	-	200	01.-30.04.2007.
Serbia > Croatia	-	-	-	-	0	01.-30.04.2007.
BIH > Croatia	-	-	-	-	70	01.-30.04.2007.
EXPORT						
Croatia > Hungary	-	-	-	-	0*	01.-30.04.2007.
Croatia > Slovenia	-	-	-	-	100	01.-30.04.2007.
Croatia > Serbia	-	-	-	-	50	01.-30.04.2007.
Croatia > BIH	-	-	-	-	100	01.-30.04.2007.

* Common auction conducted by MAVIR

MAVIR - Hungary						April 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Croatia > Hungary	300	200	100	50	0*	01.-30.04.2007.
Romania > Hungary	400	100	300	50	100	01.-15.04.2007.
	200	100	100	50	0	16.-30.04.2007.
Serbia > Hungary	0	0	0	0	0	01.-15.04.2007.
	300	100	200	50	50	16.-30.04.2007.
EXPORT						
Hungary > Croatia	1100	200	900	598	302*	01.-30.04.2007.
Hungary > Romania	300	100	200	25	75	01.-30.04.2007.
Hungary > Serbia	0	0	0	0	0	01.-15.04.2007.
	300	100	200	25	75	16.-30.04.2007.

* Common auction conducted by MAVIR

HTSO - Greece						April 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Bulgaria > Greece	-	-	-	-	-	01.-30.04.2007.
Macedonia > Greece	-	-	-	-	-	01.-30.04.2007.
Albania > Greece	-	-	-	-	-	01.-30.04.2007.
EXPORT						
Greece > Bulgaria	-	-	-	-	150	01.-30.04.2007.
Greece > Macedonia	-	-	-	-	150	01.-08.04.2007.
	-	-	-	-	0	09.-13.04.2007.
	-	-	-	-	150	14.-22.04.2007.
Greece > Albania	-	-	-	-	0	23.-30.04.2007.
	-	-	-	-	150	01.-16.04.2007.
	-	-	-	-	0	17.-22.04.2007.
-	-	-	-	150	23.-30.04.2007.	

TSO EPCG - Montenegro						April 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Albania > Montenegro	-	-	200	-	100	01.-30.04.2007.
BIH > Montenegro	-	-	400	-	200	01.-30.04.2007.
Serbia > Montenegro	-	-	360	-	125	01.-08.04.2007.
	-	-	310	-	100	09.-13.04.2007.
-	-	360	-	125	14.-30.04.2007.	
EXPORT						
Montenegro > Albania	-	-	200	-	100	01.-30.04.2007.
Montenegro > BIH	-	-	390	-	195	01.-30.04.2007.
Montenegro > Serbia	-	-	350	-	175	01.-30.04.2007.

Transelectrica - Romania						April 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Bulgaria > Romania	200	100	100	0	50	01.-30.04.2007.
Serbia > Romania	200	100	100	50	0	01.-30.04.2007.
Hungary > Romania	200	0	200	25	75	01.-30.04.2007.
Ukraine > Romania	200	0	200	20	180	01.-15.04.2007.
	0	0	0	0	0	16.-20.04.2007.
200	0	200	20	180	21.-30.04.2007.	
EXPORT						
Romania > Bulgaria	200	100	100	50	0	01.-30.04.2007.
Romania > Serbia	300	100	200	50	50	01.-08.04.2007.
	200	100	100	50	0	09.-30.04.2007.
Romania > Hungary	300	0	300	50	100	01.-15.04.2007.
	200	100	100	50	0	16.-30.04.2007.
Romania > Ukraine	0	0	0	0	0	01.-30.04.2007.

EMS - Serbia						April 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Hungary > Serbia	0	0	0	0	0	01.-15.04.2007.
	300	100	200	0	100	16.-30.04.2007.
Romania > Serbia	300	100	200	0	100	01.-08.04.2007.
	200	100	100	0	50	09.-30.04.2007.
Bulgaria > Serbia	300	100	200	0	100	01.-08.04.2007.
	200	100	100	0	50	09.-13.04.2007.
	250	100	150	0	75	14.-30.04.2007.
Macedonia > Serbia	310	100	210	0	105	01.-13.04.2007.
	270	100	170	0	85	14.-30.04.2007.
Albania > Serbia	260	50	210	0	105	01.-30.04.2007.
Montenegro > Serbia	500	150	350	0	175	01.-30.04.2007.
BiH > Serbia	400	100	300	100	50	01.-30.04.2007.
Croatia > Serbia	400	100	300	0	150	01.-30.04.2007.
EXPORT						
Serbia > Hungary	0	0	0	0	0	01.-15.04.2007.
	300	100	200	0	100	16.-30.04.2007.
Serbia > Romania	200	100	100	0	50	01.-30.04.2007.
Serbia > Bulgaria	170	100	70	0	35	01.-30.04.2007.
	400	100	300	0	150	01.-08.04.2007.
Serbia > Macedonia	200	100	100	0	0	09.-13.04.2007.
	300	100	200	0	50	14.-30.04.2007.
Serbia > Albania	260	50	210	0	105	01.-08.04.2007.
	160	50	110	0	55	09.-13.04.2007.
260	50	210	0	105	14.-30.04.2007.	
	460	100	360	110	125	01.-08.04.2007.
Serbia > Montenegro	410	100	310	110	100	09.-13.04.2007.
	460	100	360	110	125	14.-30.04.2007.
Serbia > BiH	350	100	250	100	25	01.-15.04.2007.
	250	100	150	50	25	16.-30.04.2007.
Serbia > Croatia	300	100	200	0	100	01.-30.04.2007.

MEPSO - Macedonia						April 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Serbia > Macedonia	400	100	300	150	0	01.-08.04.2007.
	200	100	100	100	0	09.-13.04.2007.
	300	100	200	150	0	14.-30.04.2007.
Greece > Macedonia	250	100	150	0	0	01.-08.04.2007.
	100	100	0	0	0	09.-13.04.2007.
	100	100	0	0	0	14.-22.04.2007.
	100	100	0	0	0	23.-30.04.2007.
EXPORT						
Macedonia > Serbia	310	100	210	105	0	01.-08.04.2007.
	310	100	210	105	0	09.-13.04.2007.
	270	100	170	85	0	14.-30.04.2007.
Macedonia > Greece	200	100	100	0	0	01.-08.04.2007.
	100	100	0	0	0	09.-13.04.2007.
	100	100	0	0	0	14.-22.04.2007.
	100	100	0	0	0	23.-30.04.2007.

Remark: No transparent allocation procedure on Greek and Bulgarian border

TTC (Total Transfer Capacity), TRM (Transmission Reliability Margin) and NTC (Net Transfer Capacity) values in previous tables, represents commonly correlated values, given per each border and per each direction on the respective border. (Please note that some of TSOs on their web sites publish only one-half of the NTC value, i.e. their own part of NTC, and therefore NTC data can be different)

AAC (Already Allocated Capacity) value represents part of transmission capacity allocated earlier by TSO in which table this value appears.

ATC (Available Transfer Capacities) value represents amount of transmission capacity, which will be offered by the TSO in which table this value appears to the interested market participants through allocation procedure: usually by pro-rata or explicit auctions method. (Please note that some of TSOs on their web sites within their ATC value publish ATC part of the neighboring TSO, and therefore ATC data can be different)

Important dates regarding allocation of cross-border transmission capacity for April 2007

APRIL 2007	Publication of ATC	Deadline for bid submission	Allocation results	Date of contract	Settlement report of allocation fee	Maturity date of allocation fee
NOS BIH	15.03.	22.03.	26.03.	-	-	-
OPS HEP	09.03.	15.03.	16.03.	21.03.	22.03.	-
MAVIR	07.03.	13.03.	14.03.	19.03.	20.03.	28.03.
EMS	12.03.	14.03.	16.03.	19.03.	20.03.	27.03.

Danube water-level

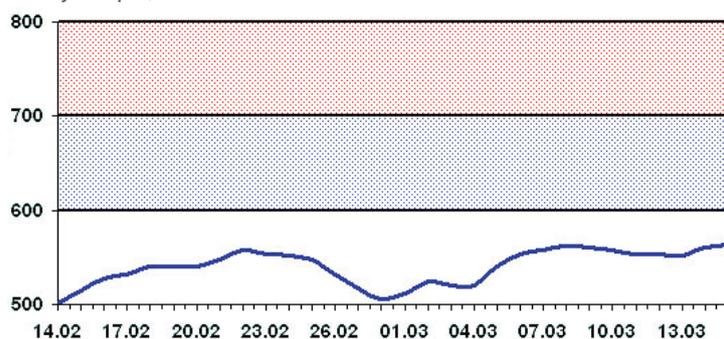
relevant for:

HPP Portile de Fier I, 1167 MW, Romania

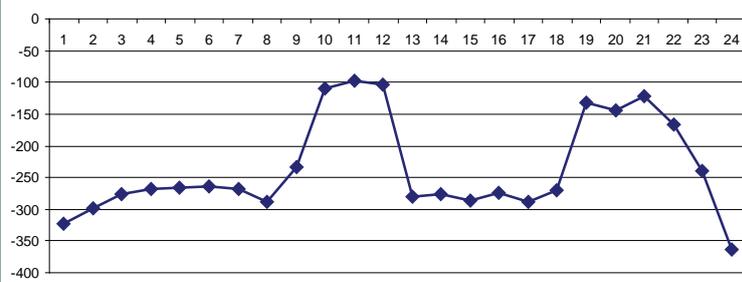
HPP Portile de Fier II, 270 MW, Romania

HPP Djerdap I, 1058 MW, Serbia

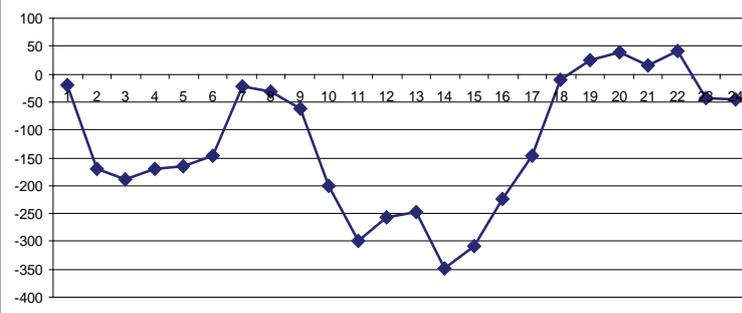
HPP Djerdap II, 270 MW Serbia



Hourly imports of Montenegro on Sunday, 11.3.2007



Hourly imports of Montenegro on Wednesday, 14.3.2007



*Physical imports are shown, i.e. with included generation of HPP Piva in exchange total of Montenegro

In the period from 01.3.2007 till 16.3.2007:

Montenegro maximum daily consumption: 14.3 GWh

Montenegro maximal hourly consumption: 650 MWh

No trades were performed by Borzen in the period from 1.3.2007 till 15.3.2007

Analysis:

Overview of RES potentials in Balkan countries

2nd part

4. Croatia

a) Small hydro

The country's large HPPs are located predominantly along the Adriatic coastline and near the Slovenian-Croatian border. Croatia's mountainous territory and numerous rivers give it large hydroelectric potential. Currently, 26.7 MW installed hydro capacity is in SHP plants. The total potential energy capacity of SHP plants is 177 MW.

b) Wind

Croatia has a promising wind potential, particularly on the islands and in the coastal region. The highest measured wind speeds were 7.3 m/s at 25 m above ground level (approximately 8 m/s at 50m height). According to the ENWIND National Energy Programme, total energy potential of wind is 209 MW on islands, while it is 163 MW on the Adriatic coast. Very interesting fact is that autonomous wind energy systems could provide islands with power and more importantly with clean water by using Reverse Osmosis desalination systems by the two or three times lower prices. Installed wind capacity in Croatia has grown to 17 MW as of October 2006. New 44 MW are planned to be installed till the end of 2008.

c) Biomass

Nearly 44% of Croatia is covered by woods and forests. Developed agriculture and woody biomass have a great potential as a source of renewable energy. According to one estimate, Croatia's total technical energy potential biomass for energy amounted to approximately 33.8 PJ. The major source for such energy is the wooden mass from forests (fuel wood, residues and wood waste). In May 2006, the first "biodiesel" production plant in Croatia started its operation.

d) Solar

Solar energy for heating purposes has been used in Croatia since 1975 in all kinds of facilities and for various purposes. The country has an aggregate installed capacity of more than 6 MWth, and for electricity production 48.84 kW. According to the SUNEN National Energy Programme, the total energy potential of solar energy is 100 PJ.

e) Geothermal

Geothermal reservoirs in the northern part of the country are characterized by high value geothermal gradients. The most prospective fields are located in areas near Zagreb – region Blato, Lunjkovec-Kutnjak and in Velika Ciglena. Total installed capacity is around 36.7 MWth or 113.9 MWth including balneology. Total potential thermal capacity of high and medium temperature geothermal fields is estimated as 839 MWt with a waste discharge temperature of 50°C. The potential capacity for electricity production constitutes about 48 MW. Two pilot-projects of geothermal power-plants in Legrad municipality and in Velika Ciglena near town Bjelovar was initiated in the beginning of this year by HEP.

5. FYR Macedonia

a) Small hydro

There is a number of existing SHP plants in Macedonia with total capacity of around 50 MW. There are more than 400 potential sites with SHP plants from 45 kW up to 5000 kW. Therefore the overall potential is 225 MW in capacity and 1100 GWh in terms of annual energy production. For 30 potential SHP plants projects with a total capacity of 174 MW there are detailed studies and 25 sites of them are most probable, with a total capacity of 75 MW and an annual estimated production level of 350 GWh.

b) Wind

The most favourable area for wind energy applications is Vardar river basin from Kumanovo in the north to Gevgelija in the south. Other areas of possible importance are mainly mountainous areas and area around town Stip, in the central part of the country, which is one of the most favourable in terms of wind speed. Nevertheless, measuring campaign is required in order to draw safe estimation about wind energy potential.

c) Biomass

Macedonia currently acquires a reasonable amount of energy from biomass fuels. The technical potential of biomass energy resource is estimated at 3361 GWh. From forests and forest residues is expected 2660 GWh, from agricultural residues 286 GWh and from municipal waste 415 GWh.

d) Solar

Macedonia has huge solar energy potential, with 2400 sunny hours annually in its capital Skopje. The yearly ratio of actual irradiation to the total possible irradiation reaches approximately 50%. As one of the sunniest countries in the region, Macedonia has an annual solar energy value of 10 GWh.

e) Geothermal

The country contains six geotectonic zones and has 18 different geothermal fields (Kocani, Vinica, Strumica, Gevgelija, Debar, ...) out of which only Kocani geothermal field is investigated as necessary and with enough known characteristics. Currently there are more than 14 geothermal sites used for heating green houses. Macedonia had an installed capacity of 81.2 MWth producing 510 TJ/year or 142 GWh per year. The potential for geothermal energy production is estimated at 210 GWh per year.

6. Montenegro

a) Small hydro

In Montenegro, there are 7 SHP plants in operation with 8.72 MW installed capacity and average annual production of 21.4 GWh. There are projects for 70 SHP plants with total capacity of 232 MW or 644 GWh per year. Locations of small hydropower plants in Montenegro are characterised by relatively low flows and high falls of water. Montenegro has hydropower potential of approximately 0.8-1.0 TWh/year in small water flows.

b) Wind

Results of previous researches are still insufficient for any substantial utilisation of wind energy for the purpose of electricity production. Potential areas that could have "good" wind power are located in the vicinity of Niksis, then in south western region of Montenegro, in the mountains over the sea, and in Coastal region. Some detailed measurements were undertaken at the locations Ilino Brdo and Vučje and the first realized project – wind generator was constructed on Ilino Brdo (500 kW and 1.25-1.80 GWh/year).

c) Biomass

The key biomass in Montenegro is forest wood for heating (150,000-200,000 m³ per year) and wood scraps from wood processing industry. Total area of woods amounts to 620,872 ha. The data about energetic potential of biomass are not available, but the study on the possible utilization of biomass for production of heat and electricity is underway. It is calculated that 200,000-250,000 tons of solid communal waste is formed yearly in Montenegro and that is necessary to consider in details the possibility for construction of an industrial plant to burn out waste and produce heat and electricity on potential locations - in the vicinity of big cities (Podgorica and Nikšić).

d) Solar

In the majority of country areas, the duration of sunshine ranges from about 2000-2500 hours per year. It has been found out that capital Podgorica and Montenegrin Coast are the areas with good parameters for substantial utilisation of solar energy. The solar energy use is limited to heat production, mainly in tourist sector. Some 20,000 solar thermal units are in operation, replacing the equivalent of more than 1 GWh of fossil fuel.

e) Geothermal

In Montenegro so far no substantial geothermal water resources have been discovered.

7. Romania

a) Small hydro

The country's total hydropower potential is extremely large. Currently, beside larger there are 317 operational HPPs with capacities between 0 and 30 MW and with 1069 MW of installed total capacity. According to national strategy for RES, there is annual potential of 6000 GWh in 780 possible new SHP plants (< 10 MW). Approximately 5000 locations have been identified as suitable for those SHP plants applications. In addition, the micro hydro potential (SHP plants with

capacities under 0.63 MW) is 757 MW with possible annual production of 2940 GWh.

b) Wind

A country wide wind-atlas indicates wind speeds of 4.5 to 11.5 m/s at 50m above ground in various areas of the country, notably offshore (> 9 m/s). There are also large areas with wind speeds above 11 m/s. The estimated economic potential of wind energy in Romania is 14,000 MW, i.e. 23,000 GWh/year (and the wind potential on the Black Sea coast is approximately 2000 MW, i.e. 4500 GWh/year). The country has two wind installations connected to the grid (one of 660 kW in the Ploiesti industrial complex and the other of 250 kW).

c) Biomass

Geographically, the most promising areas regarding biomass are forestry areas, the Carpathians and the Subcarpathians (90% of fuel wood and 55% of wood waste come from these regions). On the other hand, about 54% of agricultural wastes are found in the South Plain and Moldavia, and about 52% of biogas is found in the South Plain and the Western Plains. Overall biomass potential is assessed to 7594 thousand toe/year. From forestry waste and firewood 1175 thousand toe, from sawdust and other wood waste 487 thousand toe, from agricultural waste 4799 thousand toe, from biogas 588 thousand toe, and from urban household waste 545 thousand toe. There have been several biomass projects in Romania and the total capacity is said to be 1242.4 MWth and 0.2 MW.

d) Solar

The average solar irradiation ranges from 1100 to 1300 kWh/m²/year for more than half of the country area and the mean value for the whole country is 1400 kWh/m²/year. The exploitable potential of photovoltaic electricity production is approximately 1200 GWh/year. Romania is planning the installation of 2.6 million m² of collectors with the capacity to produce 1000 GWh thermal energy per year. Currently 0.1 km² of collector area is installed with thermal output of 144 TJ.

e) Geothermal

Theoretically, Romania has the third highest geothermal potential in Europe (after Italy and Greece). The total installed capacity of geothermal systems is 320 MWth, but currently 137 MWth are being used (from 60 wells with a temperature range of 55-115°C). The exploitable reserve is approximately 167 thousand toe (7000 TJ/year) but technical potential is estimated at 5290 TJ/year. Main technical areas include Western Plain, Southern Carpathians and South Plains.

8. Serbia

a) Small hydro

Serbia has 39 SHP plants with the installed capacity of 49 MW. There are 856 potential sites for small hydro power plants with a capacity of up to 10 MW. SHP plants in Serbia have the technically usable hydro potential of 2.1 TWh (now in exploitation only 11%). Mid-term potential is estimated at 1.8 TW with installed capacity of 490 MW.

b) Wind

If zones with average wind speed of more than 5 m/s are considered, they enables 1316 MW of wind capacities to be built. This data is based on the measurements at 10m height, usually near towns, so for better estimation, more precise measurements are needed. Areas with good potential are in Miroc, Suva planina, Vrsacki breg, Tupiznica and Krepoljina. In average wind speed zones, Serbia and Montenegro together has a wind capacity (onshore and offshore) of 26.3 TWh/yr. One project of wind power station installation in Indjija recently started.

c) Biomass

Biomass energy sources are distributed across an area of 24000km² (25% of the territory) covered with forests and 45,000 km² (55% of the territory) used for agriculture. Biomass energy potential comes mainly from agricultural wastes (1.6 million toe) and wood biomass (1 million toe). Usable energy potential of animal waste is estimated at 0.45 million toe, while industrial and municipal waste is estimated at 1.4 million toe. Good results are achieved in "biodiesel" production (out of beet, sunflower and soybean oil) while results from biomass briquettes production are also expected.

d) Solar

The yearly ratio of actual irradiation to the total possible irradiation reaches approximately 50%. The total potential for solar active technologies has been estimated to be 50-60% of heating demand in the cloudier central regions.

e) Geothermal

In Serbia there are more than 60 geothermal systems with temperatures lower than 150°C. Estimated energy reserves of geothermal resources are around 800 MWh, but utilization of this is low: only about 10%. Identified geothermal fields are located in Macva, Vojvodina, Podunavlje, Pomoravlje and Stig, while investigation in twenty localities is in progress. The priority region in this investigation is Macva. The installations already built are mostly for balneology purposes, tourism and for the heating of greenhouses (but only in three localities).

* * *

Balkan countries have the highest energy intensities in Europe, i.e. much more energy is used for the production of a unit of work here than in any European country. Nonetheless, very little investment and priority are given to increasing efficiency, in comparison to the investments going to unsustainable fossil fuel projects, such as thermal plants and pipelines, and to nuclear. Balkan countries have high potential for developing energy production from renewable energy sources: sun, water, wind, biomass, and geothermal energy. However, these potentials are not studied and exploited enough.

News:

EU rejected demands of Balkan countries for restart of units in NPP Kozloduy (Region)

European Union has rejected the request of the seven Balkans countries regarding the temporarily restart of units 3 and 4 (440 MW each) in Bulgarian nuclear power plant (NPP) Kozloduy. The units have been shutdown on December 31st last year due to safety reasons and in accordance to Bulgaria's EU accession treaty.

The request for restart of units was supported by special declaration adopted in Sofia mid March by Bulgaria, Serbia, Macedonia, Albania and Croatia. Romania, Montenegro and United nation mission in Kosovo also supported the declaration, Bulgarian energy minister Rumen Ovcharov confirmed.

The signatories expressed their concern over electricity supply in the region, which could lead to economic and political instability. Bulgaria has exported 7.8 TWh of electricity in 2006th, which was approximately equal to annual production of decommissioned units. In the last year, Bulgaria has covered 60 % of overall electricity deficit in the region. Balkan states also warned that electricity prices rose by 80-100 % comparing to the last year.

The Balkan countries believe that restart of units would ease electricity shortage in the region.

European Commission told to BBC that it had not yet considered the request, but spokesman of EU energy commissioner said that conditions regarding the units had not changed, where shutdown of units was the part of Bulgaria's accession treaty.

He also reminded that EU has provided hundreds million euros worth funds in order to compensate Bulgaria for the closure of units.

Head of EC office in Bulgaria, Michael Humphreys said that change of the decision for shutdown of units would be unacceptable, although it had been a difficult one for Bulgaria. Also, the change would imply renegotiations over accession treaty, he said.

§ § §

Contract for construction of Bourgas- Alexandropoulos oil pipeline signed (Region)

On March 15th in Athens, Bulgaria, Greece and Russia have finally signed the contract for construction and operation of Bourgas- Alexandropoulos oil pipeline. The contract was signed by Bulgarian PM Sergey Stanishev, Greek PM Kostas Karamanlis and Russian president Vladimir Putin.

The project was initiated in 1990s, where new pipeline would be the vital one for transport of Russian crude oil, which would bypass congested Bosphorus straits. According to estimation, delays of oil tankers in Bosphorus cost oil companies almost 1 billion dollars per year.

The initial capacity of the pipeline should be 35 million tons per year, which should be increased up to 50 million tons. The pipeline will be 280 km long (some 160 km on Bulgarian soil), where the cost of the project is estimated up to 1 billion dollars. The construction of the pipeline should start in 2008th and it should be finished in 18 months. The pipeline is considered as rival to new Baku -Ceyhan pipeline from Azerbaijan to the Mediterranean.

According to the contract, Russian companies will own 51 % of the pipeline, while the rest will be equally divided between Bulgarian and Greek companies.

Bulgarian officials confirmed that US company Chevron expressed interest for participation in the project. The issue was recently discussed by Bulgaria and Chevron's representatives.

Government of Greece believe that new pipeline, along with the existing contract for construction of Turkey-Greece-Italy gas pipeline, would make Greece as one of the most important countries in energy corridor.

The pipeline is seen as increase of Russia's influence in the European energy market. Russian companies Rosneft, Gazprom Neft and Transneft will hold Russian stake in the project. Bulgaria will be represented by Bulgargaz and Transexportstroy, although Bulgaria announced it could sell part of its share to KazMunaiGas or Chevron. Greek part in the project will be owned by Hellenic Petroleum, Lastis Group and Petroleum Gas (Gazprom's subsidiary).

The agreement supposed to be signed on March 6th, yet it was postponed, which sparked speculations that interested parties wanted to achieve better deal in the last moment. The main problem during the long-lasting negotiations in the past decade was the issue of future constructor of the pipeline, the ownership of the terminals and the issue of the transit fees.

§ § §

Government approved construction of 17 small HPPs (Albania)

Government of Albania has supported the construction of 17 small hydropower plants (HPPs), with power output between 2 and 10 MW. Ministry of economy and commerce should initiate tender procedure, where HPPs would be built through concession contracts, i.e. the Build-Operate-Transfer (BOT) agreements. According to Albanian laws, interested companies could sign 25 to 30-year concession contracts. All HPPs would be entitled to sell electricity to KESH under supervised prices, which would cover amortization of investments and provide considerable profit margin.

In this moment, several independent hydropower producers sell electricity to Albanian power corporation (KESH) at price between 3 to 4.8 eurocents per kWh. In 2006th, private electricity producers delivered 100 GWh, which market value reached 3.8 million euros.

§ § §

KfW provides 9 million euros for construction of HPPs (Albania)

German KfW bank provided 9 million euros fund in order to support project for development and construction of small size hydropower plants (HPPs) in Albania in accordance to framework of the Programme for Promotion of Renewable Resources and Energy Efficiency as part of Albanian-German financial cooperation. By this, KfW invited interested private companies to take part in the project.

The programme will cover 50 % of risks for all Albanian banks, which will finance renewal and construction of small HPPs. Also, funds will be used for providing the technical assistance during the entire project.

According to officials from Decon company (the company which made a study on profitability of construction of small HPPs in the country), 9 million euros fund will be divided in two parts. The first, 3.5 million euros part of the fund, will be used to finance private investors interested in operation of HPPs and it would be delivered through bank system. The rest of the funds will be used as a guarantee fund to cover the risks of the banks.

Sources from Decon also confirmed that technical assistance will include drawing up of project, preparation of documents for getting the bank loan, and other help during the project.

According to another programme, prepared long time ago by the National Energy Agency, the aforementioned fund should be followed by opening of larger, 30 million euro fund for development of HPPs.

§ § §

Bankers Petroleum interest for purchase of national oil refinery ARMO (Albania)

Canadian oil company Bankers Petroleum, involved in oil production in Patos-Marinza's oilfield under the concession contract, has expressed interest for purchasing the state owned Albanian oil re-

finery (ARMO). The news was published in Albanian daily papers, which quoted reliable source from Bankers.

ARMO is the owner of the only oil refinery in Albania located in Balsh. The refinery has capacity of 1 million tons of oil derivatives. The annual refinement reaches some 100,000 tons of diesel and gasoline, and covers some 30 % of the country's needs.

According to chief financial director of ARMO, the company has reported 15.2 million euros of profit in 2006th. The profit was considerably increased comparing to 2005th, due to rise in international oil price.

Bankers Petroleum sells the part of produced oil to ARMO and the rest is exported to Italy. In 2006th, crude oil exports reached 17.7 million euros, which was 80 % higher comparing to 2005th. Canadian company plans to increase daily production output from current level of 4,400 barrels of oil up to 10,000 bopd.

In the related news, Albanian newspaper ABC confirmed that Banker Petroleum was recently accused on illegal dumping of industrial waste. ABC said that Canadian company has opened waste field without approval of local authorities.

§ § §

New director of KESH appointed (Albania)

In the beginning of March, deputy minister of trade and industry Gjergj Bojaxhi was appointed to be a new general manager of Albanian power corporation (KESH).

A day before, the former head of the company, Andi Beli, was dismissed after KESH failed to provide regular electricity supply in the country for the past several months.

The first priority of new general manager would be to provide funds for electricity imports. It is estimated that KESH would need some 180 million dollars for electricity imports this year. In February, the company paid 33 million euros for imports and also signed several supply agreements, 40 million dollars worth, for electricity import in March.

New general manager of KESH confirmed that company has been working on new international tender for import of electricity until end of the year. In the meantime, KESH would purchase electricity in April and first half of May through direct procurement, head of KESH confirmed. He also said that new law on electricity procurement should be prepared in three months.

In the related news, according to announcements made by KESH in the beginning of March, the price of electricity to be imported in March were reduced to 20 euros/MWh, which will be considerably lower comparing to February, due to high temperatures in the region. As a reminder, during the electricity crises in December 2006th, KESH was forced to pay even 80 euros/MWh.

§ § §

Feasibility study on natural gas terminals near Fieri (Albania)

Albanian government has approved the start of feasibility study for construction of liquefied natural gas (LNG) terminals and related infrastructure in southwestern part of the country.

Three companies, the Swiss EGL, Dutch Trans European Energy and international consortium ASG Power SA should build the terminals. The terminals will be built in coastal areas of Vjosa in Fieri District, some 100 km from capital Tirana. The LNG terminals should be built in the total area of 210 hectares.

Government expects that the project will boost economic development not only in the country, but also in the region.

In the same time, Land management committee of Albania has approved a development plan for energy complex in Voja coast.

Prime Minister Saly Berisha said that energy complex in Vjosa coast in the future should also include gas fired thermal power plants and oil warehouses. It is the ambitious project, which should provide cheap electricity for Albania and new jobs, PM believes.

PM also announced construction of gas fired power plant and inter-connection power line with Italy.

The thermal power plant Vlora (100 MW), the construction of which was agreed by the 92 million dollars contract signed between Albanian power corporation (KESH) and Italian Maire Engineering SpA in February this year, will be also supplied with natural gas from Vjosa terminals. The Vlora power plant should be operational in two years.

§ § §

ERS and AES signed a cooperation agreement (Bosnia and Herzegovina)

The representatives of US company AES Europe & Africa and officials of mixed holding Power utility of Republic of Srpska (ERS) have signed an Agreement on business and technical cooperation. The agreement will be the starting point for making the feasibility and environmental study for construction of new unit in thermal power plant (TPP) Ugljevik.

The agreement was signed by the minister of industry, energy and development of RS, Rajko Ubiparip, director of department for Europe and Africa of AES Tom Wray, director of TPP Ugljevik and general manager of ERS, in the presence of prime minister of RS Milorad Dodik.

PM of RS believes that AES, as one of the leading international companies in energy sector, would certainly contribute to realization of new project. The interest of AES for RS would be good sign for other potential investors in RS, he said.

AES's director pointed out that AES is the leading company in electricity production and trade with over 12 million customers and over 30,000 employees. AES owns 13 power distribution companies and 127 power plants with overall power output of 44,000 MW. Director concluded that RS has great investment potential.

The both aforementioned studies will be jointly financed by the AES and ERS. The deadline for the studies will be six months.

If the studies showed economic justification of the project, RS should start construction of new 600 MW TPP, minister of energy said. He also said that government would find strategic partner for the project, where AES would be good choice. This would not exclude other potential investors, minister said.

§ § §

INA-MOL paid funds for recapitalization of Energopetrol (Bosnia and Herzegovina)

Prime minister of Federation of Bosnia and Herzegovina (BiH) Ahmet Hadzipasic confirmed that consortium INA-MOL has paid its obligation related to the recapitalization of Sarajevo fuel distributor Energopetrol. INA-MOL have paid overall amount of 36 million euros, where 30.75 million euros was paid to Energopetrol and 5.25 million euros to the government (privatization fee).

By this, INA-MOL has fulfilled all financial obligations in accordance to the privatization contract of Energopetrol and thus became an owner of 67 % of the shares in the company.

§ § §

Russians to acquire ownership share in Janaf ? (Croatia & Bosnia and Herzegovina)

Croatian media speculate that Russian company Zarubezneft, which recently purchased oil refineries in Republic of Srpska (RS), has secretly purchased the shares of Adriatic pipeline (Janaf).

Political leader from Federation of BiH suspect that government of RS has sold overall partnership share of BiH in Janaf, i.e. 33.3 % of shares with estimated worth of 500 million euros.

Newspapers in BiH said that aforementioned shares were the property of Energoinvest, which along with Croatian oil company (INA) and Serbian Naftagas, participated in construction of Janaf, the national pipeline network of former Yugoslavia in 1979th. Although the Energoinvest was the owner of the Bosnian part of Janaf, entire project papers were deposited in oil refinery in Brod, having in mind that Janaf was partially built for the refinery's purposes.

Until 1991st, Janaf was independent company jointly owned by three shareholders, while the status of the company become disputable in 1992nd, after state of Croatia has nationalized it. Media in BiH claim that Janaf's importance increased after launching the Druzba Adria project, in which Russian companies have been participated.

In the same time, ministers in Council of minister of Bosnian and Herzegovina (BiH) from Federation of BiH have recently rejected to approve the decree on oil quality, which would allow Zarubezneft to continue to produce oil derivatives, with high percentage of sulfur, in oil refinery in Brod in the next three years.

The sources imply that this decision of ministers of Bosnian nationality was related to the aforementioned speculation over sale of Bosnian ownership share in Janaf to the Russians.

Ministers from Federation of BiH also demanded to be allowed to see the original contract signed between RS and Zarubezneft, but officials from RS did not approve this.

On the other hand, prime minister of RS Milorad Dodik warned ministers from Federation of BiH that due to their refusal to prolong decree on oil quality, RS could boycott the Council of ministers of BiH.

§ § §

Feasibility study for new unit in TPP Gacko to be finished by June (Bosnia and Herzegovina)

Director of thermal power plant (TPP) Gacko confirmed that feasibility study, which should justify the profitability of construction of the second unit in TPP, should be finished by the end of June.

In December 2006th, Power utility of Republic of Srpska (ERS) and Czech CEZ have established joint venture, task of which is to perform feasibility study, and subsequently, to carry on the renewal of existing unit and construction of new 660 MW unit.

According to director, CEZ has been analyzing old 250 MW unit. He believes that signing the contract for aforementioned projects would be signed very soon.

In 2006th, TPP Gacko produced record ever amount of 1.527 TWh since 1983rd, the year when TPP was put in service. Director expects that financial report, which should be published soon, would show several million euros of profit for the company in the last year. In the same time, coalmine has produced 2 million tons of coal.

Director pointed out that, regardless of the future of cooperation with CEZ, TPP would modernize the equipment in this year.

§ § §

Increase in electricity prices could be imposed on July at the earliest (Bulgaria)

Electricity prices for households would not increase before July 1st, deputy head of head of State Energy and Water Regulatory Commission (SEWRC) Valentin Kirchev said.

Kirchev could not confirm the exact amount of the price increase, since SEWRC has been still receiving the requests from electricity producers and distributors.

National electric company (NEK) demanded increase in electricity prices starting from April 1st, where SEWRC said it would not be possible due timeframes in accordance to regular procedures.

Until mid March, only CEZ, the owner of power distribution companies in Western Bulgaria, demanded 10 % increase in electricity prices. CEZ also proposed that reading of electricity meters should be performed once in three months, instead every month. Kirchev said this could be applied only to villa zones, but not to all customers.

§ § §

Decrease in electricity and heat power consumption due to warm weather (Bulgaria)

Both the electricity and heat power suppliers have reported decrease in sales in January and February due to unusually warm weather this winter.

According to data, electricity consumption in January this year was 7.6 % lower comparing to 2006th, while consumption in February was 5 % lower, official from National electric company (NEK) confirmed. In the same time, due to lack of precipitation, hydropower plants (HPPs) reported 67 % reduction in production in period January- February this year comparing to 2006th.

The CEZ, the owner of electricity distributors in Sofia, Sofia District and Pleven, reported 7.18 % decrease in sales in January, where the reduction was 74 % related to the decrease in electricity consumption by households.

On the other hand, EVN, the owner of electricity distributors in Plovdiv and Stara Zagora, and Germany's E.ON, the owner of the electricity distributors in Varna and Gorna Oriahovitsa, reported insignificant decrease in electricity sales in aforementioned period.

§ § §

Prime minister did not raise the issue of restarting the units in NPP Kozloduy (Bulgaria)

Bulgarian prime minister Sergey Stanishev confirmed he did not raise the issue of restarting the decommissioned units 3 and 4 in nuclear power plant (NPP) Kozloduy during the EU summit held in the first week in March. Stanishev confirmed that Bulgaria did not want to provoke any negative reactions.

Bulgaria should undertake further work (experts evaluations, statements of other countries in favor of opening units, etc) in order to address the issue of restarting the units. Bulgaria would continue to insist on equal European standards in nuclear energy sector, prime minister said.

Energy was the main topic of the EU summit, where European council adopted full package regarding the renewable energy sources (RES) in order to fight climate changes. According to the agreement, 20 % of overall EU energy consumption should come from RES by 2020th.

In the related news, Bulgarian energy and economy minister Rumen Ovcharov met the representatives of US energy sector in Washington. Among other things, they discussed the energy stability in Balkans and possible restart of units in NPP Kozloduy. Ovcharov met the representatives of Westinghouse in order to discuss modernization of units 5 and 6 in NPP Kozloduy. US company confirmed that cooperation in this project was successful.

§ § §

NEK do not want to reveal the name of candidate banks for financing the Belene project (Bulgaria)

National electric company (NEK) did not reveal the names of the banks, potential financiers of the project for construction of nuclear power plant (NPP) Belene.

The deadline for submission of bids for providing 250 million euros bridge loan facility expired on March 6th. NEK said that names were not revealed at the banks' requests, where company did not breach any regulations under Public procurement law.

The winner in the tender should be announced by the end of March.

According to unnamed sources, 11 candidates have submitted bids for providing the bridge loan, which will be used for the design, shipping and construction works during the first year of the project.

In the end of November 2006th, NEK and Russian AtomStroyExport have signed 3.9 billion euros worth contract for construction of NPP Belene. The NPP will have two 1,000 MW, VVER 466 type reactors.

NEK also plans to launch the tender for selection of strategic investor in the project, where NEK will keep 51 % stake. So far, Enel, CEZ, Iberdrola, E.ON and RAO EES have expressed interest for investing in the project.

§ § §

Renewable energy sources to increase by 10 % until 2020th (Bulgaria)

Bulgarian foreign minister Ivailo Kalfin said Bulgaria would increase usage of renewable energy sources (RES) by 10 % until 2020th. The increase of RES would be expensive having in mind constant rise in energy consumption in the country, minister believes.

According to data, some 6-8 % of overall energy production in Bulgaria has been provided from RES. Bulgaria, as new EU member, should target increase of RES usage up to 20 % according to new EU energy policy determined in summit in Brussels.

Bulgarian minister was satisfied with the conclusions of EU summit, having in mind that every country will be allowed to choose its energy sources, including nuclear energy.

§ § §

Slow development of EBRD's energy efficiency program (Bulgaria)

European bank for reconstruction and development (EBRD) said that customers of 6 banks that participate in the energy efficiency program financed by EBRD have been slow in utilization of the 50 million euros allocated for this project. According to data, some 165,000 households have borrowed some 8.5 million euros under the scheme to date.

The project's consultant confirmed that main obstacle was the decision of the lenders to sign the contract for supply of the energy conservation equipment with the particular supplier.

The program was conducted UBB, DSK Bank, Raiffeisenbank (Bulgaria) EAD, Postbank, ProCredit Bank and UniCredit. Users of the loans could borrow up to 20 % of the funds needed for energy efficiency upgrade of their homes. The loans vary from 250 up to 10,500 euros, with interest rate of 9.5 % to 12 % and maturity of the loan is between 1 and 5 years.

In the related news, data presented by Energy efficiency agency of Bulgaria showed that Bulgarian households spend a twice as much energy comparing to the EU average. Some 75 % of the overall electricity spent by households is related to home appliances (cooking and warming water), 15 % for heating and the rest of 10 % of electricity is spent for lightning purposes.

§ § §

Draft law on deregulation of natural gas market (Croatia)

Government of Croatia has adopted the draft law on deregulation in natural gas market. The law should be submitted for parliament's approval through emergency procedure.

Ministry of the economy, labor and entrepreneurship proposed so called gradual liberalization of natural gas market "in accord-

ance to the economy development and social environment". New law will enable to the government to regulate price of natural gas for privileged customers, such as Croatian power utility (HEP) and Petrochemical factory (Petrokemija), which consume some 53 % of overall natural gas consumption in the country.

The draft law stipulated that until August 1st 2011th, government, in limited time period, could impose the cap for the natural gas prices for privileged customers.

This special right could be also used for customers that would purchase natural gas for purposes of production of electricity and heat power for tariff customers and for customers involved in steel and ferroalloy production, with annual production of over 50,000 tons.

Government explained that this legal right would be used for protection of customers, market regulation or for any other justified cause.

The government would be obliged to determine such prices in accordance to international prices, as well as to use available amount of natural gas produced in Croatia. It implies that future natural gas prices would be closely related to the production of domestic natural gas. It is estimated that domestically produced natural gas will cover some 60 to 70 % of natural gas need in Croatia in this year.

Starting from August 1st 2007th, all customers except households should become privileged customers, while after August 1st 2008th, the same status would be granted to households.

§ § §

HEP's Trade subsidiary established (Croatia)

On March 1st, new member of HEP (Croatian power utility) Group, the HEP Trade Ltd, was officially registered, HEP confirmed.

HEP Trade has 13 employees and it will be involved in electricity trade, conduction of studies related to electricity trade and optimal operation of power plants, and trade mediation in domestic and international markets.

Head of HEP Trade has recently informed public that HEP has provided sufficient amount of electricity for all customers in incoming period.

In the related news, management of HEP confirmed that Croatian operator of electricity market (HROTE) was officially separated from HEP.

§ § §

REA published new auction rules for northern interconnections (Greece)

Regulatory energy agency (REA) has published new Auction rules for allocation of cross-border capacities on North Interconnection, 2007 in accordance with the RAE's decision 50/2007 The Rules became effective on March 1st.

Comparing to old rules, the Article 7.03 is changed and new Article 7.04 was added.

The quoted articles have shown below:

Article 7.03 Use of Yearly and/or Monthly Physical transmission rights (PTRs)

In order to use PTRs Allocated via Yearly and/or Monthly Auctions, the PTR Holder must nominate the capacity of the day D to HTSO before 08:00 of day (D-2)8.

Modification of schedules after this time is not possible. Use is generally based on the principle "use it or lose it". This means that Allocated PTRs which are not Nominated at 08:00 (D-2) will be made available to all market participants in the daily auction procedures.

Nomination of total or partial use of capacity corresponding to Allocated PTRs is binding the PTR Holder to submit to HTSO corresponding Energy Offers for import and/or Load Declarations for export, pursuant to the provisions of the Grid Code and in accordance with the content and the time schedule stipulated therein.

Until the Third Reference Day established in the Grid Code, Nominations of PTRs Allocated via Yearly and/or Monthly Auctions for exports constitute Load Declarations for exports and their form and content is determined pursuant to the provisions of the Grid Code (Article 322, paragraph 5.B).

Article 7.04 Use of Daily PTRs

PTRs awarded in Daily Auctions cannot be transferred to other market participants.

In order to use PTRs Allocated via Daily Auctions, the PTR Holder must nominate the capacity to HTSO before 11:00 of day D-1.

Modification of schedules after this time is not possible. Use is generally based on the principle "use it or lose it".

The nomination to HTSO is binding for the PTR Holder.

Nominations of PTRs Allocated via Daily Auctions constitute Energy Offers for import and/or Load Declarations for export and their form and content is determined pursuant to the provisions of the Grid Code.

In the same time, RAE has given additional explanation regarding the latest changes in the amendments to the 2007 North Interconnection Capacity Auction Rules and implementation details of the Grid & Power Exchange Code with respect to selection rules among Energy Offers for imports and Load Declarations for exports.

This was shown below:

A. Interconnection access rights for imports and exports are defined for each market participant type pursuant to the provisions of Article 312 of the Grid & Power Exchange Code. In the same article of the Code, it is stipulated that imports and exports are affected subject to their inclusion in the Day Ahead Schedule on the basis of Energy Offers for imports and Load Declarations for exports. Until the Third Reference Day established in the Code, only Energy Offers for import include an energy price, whereas Load Declarations for exports are Non-Priced.

B. In order to use the interconnections, every market participant has the right to reserve interconnection transfer capacity in the long term, pursuant to the provisions of Article 313 of the Grid & Power Exchange Code. During year 2007, interconnection transfer capacity is reserved on long term basis (annually and monthly) and on short term basis (daily) by means of explicit capacity auctions, in accordance with the Interconnection Capacity Auction Rules approved by RAE (Decisions 303/2006 and 323/2006).

C. the reservation of interconnection capacity, either on a long or on a short term basis, is no prerequisite for accessing the interconnections to perform imports and/or exports. Every market participant,

depending on his access rights to interconnections in accordance with Article 312 of the Code, may submit Energy Offers for imports and/or Load Declarations for exports in the context of the Day Ahead Schedule, regardless of any prior reservation of interconnection capacity he may have made. Energy Offers for imports and Load Declarations for exports may be submitted according to the time schedule established in the Grid & Power Exchange Code, regardless of whether, based on the nomination of long term rights and/or the results of short term allocation, it is estimated that there remains any capacity available.

D. Since Energy Offers for imports include an energy price, it may occur that an Energy Offer submitted by a market participant with long or short term capacity reservation is surpassed by an Energy Offer, for which no capacity reservation exists, in case the former Energy Offer is made at a higher energy price. Rules for selecting among equally priced Energy Offers for imports were established in RAE Decision n. O-12271/6-12-2005 (paragraph 3). The relevant provisions of this decision are replaced in accordance with RAE Decision n. 50/2007. After the Third Reference Day, similar selection rules apply also to Load Declarations for exports.

§ § §

Natural gas from Azerbaijan to be imported in mid -2007th (Greece)

Minister of economy of Azerbaijan Haydar Babayev confirmed that natural gas from Azerbaijan could be exported to Greece in mid 2007th at earliest, if Turkey builds the additional natural gas pipeline links.

Greece and Azerbaijan will hold intergovernmental talks on March 14th -16th, when issue of import of natural gas would be one of the priorities for Greece. Natural gas from Azerbaijan is seen as the alternative to gas supplies from Russia.

The largest field in Azerbaijan is the Shakh Deniz deposit, operated by BP and Statoil, which already arranged deliveries to Turkey and Georgia during the first phase of the project. According to BP and Statoil, the large-scale exports toward Europe across Turkey would not be possible before 2012th.

§ § §

Tender for Aliveri TPP prolonged until March 26th (Greece)

The tender for construction of natural gas fired thermal power plant (TPP) (CCGT type) Aliveri (420 MW) launched by Public power corporation (PPC), would be prolonged until March 26th.

The prolongation of the deadline came after Kopelouzos group has filed objections against PPC regarding the tender terms. The evaluation of technical offers has been finished in the beginning of March, while financial offers should have been opened on March 15th, which was the original deadline for the tender.

The bids have been submitted by consortiums Metka-Alstom and consortium Damco (Kopelouzos group)-Ansaldo. The worth of the project is estimated at 220 million euros.

PPC plans also to launch the tender for construction of new 400 MW TPP in Megalopolis (to be operational in 2011th) and to build 400 MW TPP in Western Macedonia by 2012th or 2013th. The aforemen-

tioned projects are the part of PPC's 1,600 MW capacity replacement program.

§ § §

The winner of the tender for Vevi lignite mine to be decided in April (Greece)

The ministry of development announced that it would announce a winner in the tender for Vevi lignite mine in April.

The highest bid in the tender was submitted by Terna. Another bidder, Mytilineos, claims that methodology of the Terna's offer was not in accordance to the terms and conditions of the tender.

If Terna's bid were rejected, the winner in the tender would be consortium of Mytilineos group (Metka) and Hellenic Technodomiki (Aktor).

The winner in the tender will also acquire license for construction of 300 MW thermal power plant.

§ § §

Large industrial customers to buy electricity on free market starting from April (Macedonia)

According to proposal in new Energy law, large industrial customers, such as oil refinery Okta, Railway company, Feni, Silmak, Cement factory, Bucim, will be obliged to purchase electricity independently on free market starting from April 1st. Macedonia's transmission system operator (MEPSO) is obliged to provide transmission services for such customers.

New articles in Energy law will be proposed due to lack of electricity, i.e. inability of providing sufficient amount of electricity from domestic sources.

According to data, large industrial customers spend some one-third out of 7.7 TWh of overall electricity consumption in the country.

MEPSO confirmed that it has provided sufficient amount of electricity until April 30th this year.

New tender for electricity import is already launched, where deadline for submission of bids in April 7th. MEPSO demanded to import overall amount of 2.4 TWh of electricity in period May 1st 2007th until April 30th 2008th.

MEPSO demanded to import overall amount of 1.65 TWh in period May 1st-December 31st. The overall amount is divided in monthly values, where average monthly import should be 206GWh, i.e. 315 MWh/h in average during day (7h-24h) and 195 MWh/h during night. The highest import of 227 GWh should be in May, and the lowest import of 169.5 GWh should be in September.

In period January 1st – April 30th 2008th, MEPSO demanded to import overall amount of 0.75 TWh, where average monthly import should be 187GWh, i.e. 290 MWh/h in average during day and 191 MWh/h during night. The highest import of 221 GWh should be in January, and the lowest import of 127.2 GWh should be in April.

§ § §

15 foreign companies to participate in tender for sale of TPP Negotino (Macedonia)

Tender commission for sale of thermal power plant (TPP) Negotino confirmed it selected 15 companies during the prequalification procedure for participation in the final tender.

Vice prime minister of Macedonia (responsible for economic issues) officially published the names of the companies and consortiums that will be allowed to participate in the tender.

Those were: Finmechic (Italy) in cooperation with RAA (Hungary) and SEI (Italy), Shikoku and Mitsui (Japan), consortium led by Mott MacDonald (Great Britain), Hatch (Canada), Verbund (Austria), Siemens (Germany), Union Fenosa (Spain), Electrabel (Belgium), Edison (Italy), EVN (Austria), AES (United States), Enel (Italy), Sencap consortium led by PPC (Greece), RAO EES (Russia) and RWE (Germany).

Three companies were not allowed to proceed with the tender, and those are the companies, which cumulative profit in last three years was lower than 200 million euros and overall turnover was lower than 400 million euros, vice PM confirmed.

The government should adopt tender rules and information memorandum in the next session. By the end of the March, government should prepare the sale contract. It is expected that selected companies could submit their financial offers in the beginning of June.

Government has set minimum price of 38 million euros for purchase of 200 MW TPP.

§ § §

TE-TO company changed ownership structure (Macedonia)

According to the official data from Macedonia's stock exchange, the 60 % of the shares in TE-TO Company was sold to Russian company Project Management Consulting for 600,000 euros. The shares were sold by company Intera, also a Russian company, which decided to abandon the project.

The rest of the shares in TE-TO Company were owned by Skopje heating company, the Toplifikacija, and Russian company Bitar (20 % each). TE-TO company should start to build new CCGT (combined cycle gas turbine) type power plant near Skopje.

According to sources, unnamed Russian oil giant stays behind the Project Management Consulting. The particular company has annual incomes of over 2 billion euros, produces some 1 million tons of oil per year and operates 550 MW gas-fired TPP, sources say.

Investors said that aforementioned transaction would speed up the construction of the plant. They confirmed that 1 million euros was paid for the reservation for construction of new gas turbine to the Alstom, which should build the turbine in cooperation with Turkish Gama.

It is estimated that TE-TO would invest some 140 million euros for construction of new power plant. The power plant should have 200 MW of electricity output and 160 MW of heat output.

§ § §

Tender for gas fired TPP to be launched in April (Macedonia)

Director of Macedonian power plants (ELEM), Vlatko Cingovski, announced that international tender for construction of natural gas

fired thermal power plant (TPP) in Skopje would be launched in April at the latest.

Government should build the TPP in cooperation with strategic partner, where final approval for the project should be given by the government, Cingovski confirmed. ELEM has already prepared tender terms for interested companies.

New TPP (CCGT type) should be built in the industrial zone of capital Skopje, where the TPP could use the existing infrastructure. According to plans, the TPP should produce 1.52 TWh of electricity and 500 GWh of heat energy per year, as well as technological steam. The power output should be 195 MW. The TPP should be built in 2.5 years, where the worth of the project is estimated at 137 million euros.

Estimation showed that in the next ten years, Skopje would be missing 100-150 MW of electricity and 150-200 MW of heat energy.

§ § §

Government allowed Montenegrobonus to find strategic partner, Slovenian Petrol interested for cooperation (Montenegro)

Government of Montenegro has given official approval to state-owned oil company Montenegrobonus to find foreign strategic partner. The proposal was initiated by Montenegrobonus. Nevertheless, government will reconsider necessary details prior the launching the international tender.

According to announcements, tender terms will be determined by special government's workgroup. Montenegrobonus will invest 5 million euros in new company, but not the physical assets, the oil warehouses in Lipci, Bar and Bijelo Polje.

Montenegrobonus want to acquire funds for construction of new oil and natural gas warehouses and for construction of at least 15 petrol stations.

Slovenian oil company Petrol announced it would analyze tender papers for selection of future strategic partner and, most likely, apply in the international tender. According to Petrol's long-term strategy, the company wants to become one of the leaders in providing various energy products in Southeastern Europe.

In September 2006th, Petrol and Montenegrobonus signed a letter of intention, by which two companies have officially expressed interest for business cooperation in the region, including Bosnia and Herzegovina, Albania, Macedonia and Kosovo province. The companies expressed interest for electricity, natural gas and ecology projects.

§ § §

Increased safety of power distribution grid (Montenegro)

In 2006th, Power utility of Montenegro (EPCG) managed to increase quality and stability in electricity supply, management of the company said during the press conference.

EPCG has been for some time conducting activities related to improvement of quality of electrical energy by reducing the interruption in supply and providing the better conditions for the customers, company said.

In the last several months, EPCG worked on optimization of interruptions in power grid and the company considerably reduced the number of interruptions.

According to data presented, in the January and February this year, there was 119 interruptions in electricity supply, which was 36.4 % lower comparing to the last year. In the same period, there were 331 interruptions, which did not cause the interruptions in supply, which was 15.6 % lower comparing to the last year.

§ § §

Average electricity bill in February 21 euros (Montenegro)

Power utility of Montenegro (EPCG) informed the public that electricity bills for the households in February would be 28 % lower comparing to January, where average bill should be 21 euros. Overall electricity bill for households in February is 5.9 million euros.

The reduction was explained by the lower percentage of imported energy in February, which amounted to 40.37 % of overall electricity needs. As a reminder, percentage of imported electricity in January reached 71.2 %.

In the same time, the largest customer in the country, the Aluminum factory in Podgorica (KAP), should pay 4.84 million euros (VAT included) for the electricity delivered in February.

EPCG expects that electricity bills in March would be reduced by 20 % more.

§ § §

EN Plus accepted new terms set by government, negotiations for sale of TPP and coalmine Pljevlja to be continued (Montenegro)

According to press release issued by Tender commission for privatization of thermal power plant (TPP) Pljevlja and Coalmine Pljevlja in the beginning of March, the first ranked bidder in the tender, the Russian EN Plus, has accepted all new demands made by the government of Montenegro. Tender commission announced that negotiations for privatization of TPP and coalmine would be continued very soon.

As a reminder, Montenegro has demanded from the Russians to use the electricity produced in TPP for supplying of Aluminum factory in Podgorica (KAP), the largest industrial customer in the country, owned by parent company of EN Plus.

By this, Power utility of Montenegro (EPCG) would not be obliged to deliver some 1.2 TWh of electricity per year to KAP under privileged prices. KAP spend some 2 TWh of electricity per year, and the rest of electricity have been imported from the region.

According to current supply contract signed by EPCG and KAP, which should be changed, EPCG was obliged to deliver 1.2 TWh of electricity in 2007th and 2008th. Since TPP Pljevlja has been producing some 1 TWh of electricity per year, EPCG would be obliged to deliver some 200 GWh to KAP in the that period.

In 2009th and 2010th, EPCG was obliged to deliver 900 GWh and 600 GWh respectively, which implies that EPCG would not be obliged to deliver any amount of electricity to KAP.

EN Plus earlier accepted to obey collective workers' agreement of EPCG in both companies. According to tender terms, EN Plus should build new 225 MW unit in TPP Pljevlja, which should be operational in 2011th. The worth of the investment is estimated at 170 million euros.

Russians offered to pay 45 million euros in cash and 195.4 million euros in investments for TPP and 5 million euros in cash and 78.74 million euros in investments for 31 % shares in the coalmine.

EN Plus, owned by Russian businessman Oleg Deripaska, expressed interest for finishing privatization procedure as soon as possible, not only due to long-lasting negotiations, but also due to urgent needs for investments in both companies.

Tender commission said it had not considered a proposal to be prepared by EPCG and management of the coalmine, so called Plan B, which should be adopted if TPP and coalmine were not privatized. Officials said the plan was not submitted to them. According to earlier news, the plan foresaw that the state of Montenegro should keep the ownership over two companies and find the funds for necessary investments. Experts estimated that 40 million euros should be invested for renewal of TPP, 170 million euros for construction of new unit and some 80 million euros should be invested in the coalmine. The overall investment of 290 million euros would provide 1.38 TWh of electricity, plan says. The plan is supported by the SDP, one of the ruling parties in Montenegro.

In the same time, minority shareholders in TPP are also against the privatization of TPP. They proposed to state to sell minority stake of EPCG in order to provide necessary funds for the investments.

Experts, who are against the privatization of two companies, warned that power system of Montenegro, without TPP Pljevlja, the only TPP in the country, would be 100 % hydropower, less stable and more dependent on precipitation.

Minister of economy of Montenegro Branimir Gvozdenovic expects that electrical energy from domestic sources would be reduced if the TPP was sold to EN Plus.

The price of electricity produced in TPP Pljevlja is some higher 4 times comparing to price of electricity produced in hydropower plants (HPPs). Minister's statement was based on the latest analyses performed by EPCG which showed that price of electricity produced in TPP Pljevlja is 4.9 eurocents per kWh and in HPPs 1.2 eurocents/kWh. The issue should be resolved by Regulatory energy agency of Montenegro, minister said.

According to analyses made by EPCG, price of electricity in Montenegro, after sale of TPP Pljevlja and including the price of imported electricity, should be 2 eurocents lower comparing to current prices.

Besides TPP Pljevlja, EPCG operates HPP Perucica, HPP Piva (leased to Power utility of Serbia under long-term contract) and six small HPPs.

§ § §

Report on electricity production and consumption in January (Romania)

According to official data presented by National Statistics Institute, overall electricity supply in January reached 5.589 TWh, which was 477.8 GWh or 7.9 % lower comparing to last year.

The reduction is the result of reduced production by 422.7 GWh (7.1 % decrease) and reduced import by 55.1 GWh (53 %). Out of overall amount, 73.2 % of electricity was produced in thermal power plants, comparing to 66.8 % last January.

In the same time, overall electricity consumption in January reached 4.438 TWh, which was 2.1 % higher comparing to the last year, where households' consumption increased by 10.4 %.

In the same period, electricity export reduced by 287.6 GWh, which was 45.7 % lower comparing to 2006th.

§ § §

Possible increase in electricity tariffs of 4 % in April (Romania)

According to president of the National Regulatory Authority in the field of Energy (ANRE), Nicolae Opris, electricity tariffs for households could rise by 4 % on April 1st. The final decision could be reached by mid March, Opris said. The latest price increase of 4.72 % occurred on December 1st last year.

The rise in tariffs would be related to new energy trading platform, which would be put in operation on the OPCOM-administrated power exchange. Opris confirmed that OPCOM should put new platform in service by mid-March. ANRE should evaluate the amounts of electricity to be sold in the incoming period, where the surpluses will be offered in the regulated market.

Recently, minister of economy and commerce, Varujan Vosganian, said that electricity prices would be increased 1 to 2 % above the annual inflation rate.

§ § §

No changes in natural gas tariffs (Romania)

General Director of the National Regulatory Authority for Natural Gas (ANRGN), Gabriel Sirbu confirmed that price of natural gas delivered to household customers would remain unchanged until April 1st, where final decision should be reached soon.

In the same time, minister of economy and commerce, Varujan Vosganian confirmed that natural gas price would remain unchanged until the end of the year. If the increase occurs, it will not exceed 2 %, minister confirmed. In real terms, the gas prices for end-users could decrease, having in mind that import prices would slightly decrease in 2007th, mostly due to appreciation of national currency.

Earlier this year, minister announced that natural gas and electricity price increases in this year could be lower than estimated, i.e. up to the inflation rate of 3 to 5 %,

§ § §

Privatization of power plants to start in May of June (Romania)

Minister of economy and commerce, Varujan Vosganian, announced that privatization procedure for thermal power plants (TPPs) Craiova, Turceni and Rovinari would start after preparing the energy strategy, i.e. in period May –June this year.

Minister Vosganian also confirmed that privatization of power plants in Oltenia has attracted several companies from Italy, France and Germany.

In the beginning of March, during the meeting with minister, officials from RWE, Iberdrola and Endesa confirmed their interest for privatization of Rovinari (1,320 MW), Turceni (2,310 MW installed, the largest TPP in the country, 1,260 MW operational at the moment) and Craiova (630 MW).

Minister Vosganian said that privatization of those three power producers in the last three months has been delayed particularly due to their undefined intuitional status. TPPs have been transferred to the to the Authority responsible for State Assets Resolution (AVAS) by the special government decree, but the plants would be under administration of ministry of economy and commerce until March 31st. President of AVAS has recently confirmed that aforementioned TPPs would be privatized by the end of the year.

In the related news, German RWE, except from expressing the interest for privatization of TPPs, had expressed interest for participation in the project for construction of 1,000 MW storage type hydro power plant (HPP) Tarnita – Lapustesti. Minister of economy recently announced that Romania would order new feasibility study for construction of HPP, having in mind that the previous study, made by World Bank, showed that construction of HPP was not necessary and too expensive.

RWE is also one of the companies selected during the prequalification tender for establishing the project company that would finance construction of units 3 and 4 in nuclear power plant (NPP) Cernavoda.

In the related news, ministry of economy and commerce announced draft proposal for upgrade and construction of power plants period 2006th – 2010th.

The draft regulation stipulates that some 2,060 MW in TPPs should be modernized, while some 1,445 MW in new TPPs should be built. In the same period, Romania would decommission some 1,870 MW in TPPs.

According to same proposal, some 200 MW in HPPs should be built, while zero MW would be upgraded or decommissioned.

In 2010th, 700 MW will be put in service in nuclear power plant Cernavoda.

§ § §

National Anti-Corruption Directorate confirmed irregularities in renewal of HPP Iron Gate 1 (Romania)

Head of National Anti-Corruption Directorate (DNA) Daniel Morar confirmed the existence of irregularities in the project for renewal of hydropower plant (HPP) Iron Gate 1 (i.e. Portile de Fier). He said that investigation was in early phase and that no one was yet prosecuted, but there were criminal activities. Morar said that the case would be transferred to DIICOT - unit of the General Prosecutor's Office, having in mind that prosecutor did not confirm corruption in this case, so it would not be under DNA's competence.

According to Romania's media, Hidroelectrica has lost some 30 million dollars due to failures in the HPP, after renewal was carried out. When renewal finished, one by one, units in HPP were stopped due to cracks noticed at the propellers of the turbines

The renewal was performed by Swiss company Sulzer hydro, which changed the name into VA Tech Hydro. In 2005th, Romanian Court of Account carried out an audit report, which showed several irregularities related to the awarding the contract for renewal of the HPP.

Audit report showed that losses of HPP in 2005th, the time when failures occurred, amounted to 15 % of 3.561 GWh electricity produced in the same period a year before, i.e. in 2004th. Due to failures, Hidroelectrica, the operator of the HPP, demanded the compensation from VA Tech Hydro, but Swiss company paid only fine of 467,000 CHF. In the same time, Hidroelectrica has paid some 500,000 CHF to VA Tech Hydro due to one-day delay in payments for the renewal project.

Court of Accounts also found that overall price of the contract, signed in 1997th, was 6 % higher comparing to the actual costs. Romania was obliged to pay 156 million dollars to VA Tech Hydro for the project through delivery of electricity.

Another problem was the fact that contract was awarded to the VA Tech directly, without tender procedure, although several companies expressed interest for the project. In addition, experts claim that VA Tech previously was not involved in renewal of such large turbines as those in HPP Iron Gate.

The latest investigation of the project also has a political background, after president of Romania Traian Basescu accused its coalition partner, the Prime Minister Calin Popescu Tariceanu on being involved in the irregularities regarding the project. In 1997th, PM Tariceanu was minister of economy and directly responsible for the project.

Due to the latest political accusations, the disputes over the project raised once again. Three state commissions have already investigated the project, and current minister of economy and trade confirmed that new commission was established in order to investigate the technological quality of renewal performed.

§ § §

647 million euros of profit for Petrom in 2006th (Romania)

Oil and natural gas producer Petrom, reported 647 million euros of net profit in 2006th, which was 61 % higher comparing to 2005th. In the same period, the overall turnover increased by 22 % up to 3.71 billion euros. The increases are explained by the rise in international oil prices.

In 2006th, overall production reached 74.68 million barrels of oil equivalent (boe), which was 5.6 % lower comparing to last year. Petrom produced 73.1 million boe in Romania (6.3 % reduction), while in Kazakhstan, Petrom produced 1.58 million boe (42 % increase).

The company achieved domestic sales of 4.91 million tons (6.2 % reduction), while production costs increased by 6.8 % up to 13.73 dollars per boe. The sales in fuel stations abroad reached 480,000 tons, after Petrom took over three subsidiaries of its major shareholder OMV, the OMV Bulgaria, OMV Yugoslavia and OMV Romania.

Petrom announced some 900 million euros of investments in this year, comparing to 830 million euros invested in the last year. The management estimated that oil prices in 2007th would be slightly lower comparing to last year.

Also, company expects that price of domestically produced natural gas would rise gradually up to EU level in two years. Petrom plans

to seize 28 % market share in distribution of natural gas Romania in this year.

§ § §

ANRE to continue to regulate electricity prices after July 1st (Romania)

National Regulatory Authority in the field of Energy (ANRE) announced it would continue to determine the electricity prices and amounts of electricity related to the wholesale energy transactions between producers and suppliers of the household customers after July 1st. The price regulation will not apply to distributors that supply less than 100,000 clients or distributors that supply small isolated power systems.

The July 1st is the date when electricity market in Romania should be completely deregulated according to new Energy law that become effective in the end of January. The deregulation implies that customers will have free choice of electricity supplier.

For the first time, new Law has predicted that electricity distribution and supply activities had to be separated.

According to old Energy law, ANRE has been setting the tariffs between producers and suppliers of household customers as well as the tariffs for the household customers.

In the related news, electricity distributor Electrica informed eligible customers that starting from April 1st it would not be able to deliver electricity since it had failed to sign contracts in the power exchange.

In the last year, Ministry of economy and commerce have issued the Order which stipulated that all electricity producers needed to extend supply contracts with Electrica due to stability of power systems during the winter season. The order is to expire on March 31st, and ministry announced it would not prolong the order. The minister of economy warned Electrica that it had to be prepared for market environment.

§ § §

Transelectrica announced 473 million euros of investments in 2008-2014 (Romania)

The Romania's transmission system operator, Transelectrica (TEL), announced 473 million euros worth investment project in period 2008th – 2014th. 119 million euros should be provided from own sources, while 354 million euros will be provided through loans.

In period 2015th -2025th, the estimated investments should reach 630 million euros, 300 million euros from own sources and the rest from loans.

The main projects of TEL in the future are 400kV interconnection toward Vrsac (Serbia), 400kV submarine power cable toward Turkey, upgrade of 400/220/110kV substation Gura Ialomitei, upgrade of 220kV substation Ostrovul Mare and the upgrade of 400/220 kV substation of Lacu Sarat.

In 2006th, TEL invested 130 million euros, where 85 % were the large scale infrastructure projects.

In 2007th, the company plans to achieve 17.45 million euros of net profit which would be some 4 times lower comparing to prelimi-

nary net profit of 83 million euros reported in 2006th (the plan was 16 million euros). Overall incomes in 2007th should reach some 740 million euros, TEL announced.

§ § §

Petrom to consider construction of natural gas storage facility (Romania)

The oil and natural gas company Petrom announced construction of new natural storage gas facility, where company announced possible cooperation with state owned natural gas producer Romgaz.

Petrol plans to achieve natural gas sales higher than company's production output, for which it would need its own storage capacities. Currently, Petrom does not have its own storage facilities, and it leases Romgaz's storage facilities for storing some 500 million cubic meters of gas.

Romgaz operates overall storage capacity of 2.5 billion cubic meters in six deposits. In 2007th, injection cycle would reach 1.932 billion cubic meters. The storage tariff will be 22.13 euros per 1,000 cubic meters, according to Romanian press.

In the related news, the officials from Romgaz visited Moscow in the beginning of March in order to conclude new supply contract with Gazprom.

The head of Gazprom, Alexander Medvedev, said that Gazprom would not reduce the price of natural gas to be delivered to Romania, yet it was willing to discuss such option if Romania was ready to increase import of natural gas. Because of that, Gazprom awaits if the Romgaz would launch feasibility study for construction of new natural gas storage facility.

On the other hand, president of Romgaz believes that natural gas consumption in Romania would not significantly rise in the nearest future.

§ § §

Koncar to deliver equipment to EMS (Serbia)

The company Koncar-Energy transformers (jointly owned by Koncar and Siemens), and Serbian transmission system operator (EMS) have signed contract for delivery of two 300 MVA, 400/110kV energy transformers. The worth of the contract is 5 million euros, while transformers should be delivered in January 2008th.

The contract includes delivery of spare parts, special equipment, tools and technical documentation, supervision of installation and putting in service of transformers, as well as the instruction of EMS's employees. In addition, Koncar will be obliged to perform factory tests, the testing of samples of transformers' oil, transport and insurance of the transformers.

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Renewal of HPP Djerdap could start in spring (Serbia)

Head of Russian Trade mission in Serbia, Andrej Hripunov, confirmed that 3,000 tons of equipment (18 million dollars worth) for renewal of the first out of six units in hydropower plant (HPP) Djerdap 1 was ready for installation this spring. The equipment could be installed by the beginning of July, Hripunov believes.

According to contract signed between Russia and Serbia regarding the settlement of old clearing debts, the renewal of HPP Djerdap (1,080 MW, the largest HPP in Serbia), should be performed in the next six years. The worth of the renewal is estimated at over 100 million dollars.

Hripunov also said that Russian companies have been delivering spare parts for HPPs Djerdap 1 and 2, thermal power plants Nikola Tesla and Kostolac during the last year, where worth of the equipment and installation was 11 million euros. Russian official confirmed that cooperation in energy sector and export of energy sources comprised some 80 % of overall Russia's export to Serbia, which amounted up to 2.14 billion dollars in the last year.

The construction of new natural gas pipeline, agreed between Russia and Serbia December last year, would increase cooperation between two countries, Hripunov said. The worth of the investment is estimated at 1 billion dollars.

The construction of 400 km long pipeline should start in the beginning of 2008th and it should be finished in 2010th. The pipeline should transport some 20 billion cubic meters of natural gas per year from Turkey, Bulgaria, across Serbia and toward Croatia, Slovenia and Northern Italy. Serbia expects to earn some 200 million dollars per year from transits fees, but also to increase current number or 190,000 natural gas customers by 250,000.

Hripunov said that Russian companies, after purchase of oil refineries in Brod and Modrica, were interested for participation in the projects for renewal of power plants in Kosovo, as well for purchase of thermal power plant Pljevlja in Montenegro.

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Report on electricity production and consumption in February (Serbia)

According to data presented by officials from Electricity trade department of Power utility of Serbia (EPS), overall electricity production in Serbia reached 3.215 TWh, which was 8.1 % lower than planned and 10 % lower comparing to the last year.

The gross consumption in Serbia (without Kosovo) in February reached 2.892 TWh, which was 371 GWh or 11.4 % lower than planned and 9.2 % lower comparing to last year.

After four-month lasting drought, run of the river hydropower plants (HPPs) have produced 50 GWh of electricity higher than planned. Storage type HPPs produced 46 % lower amount of electricity than planned or some 57 % lower comparing to the last year.

Thermal power plants (TPPs) (without Kosovo) produced 1.899 TWh, which was 8.7 % lower than planned and 13.9 % lower comparing to the last year.

Due to warm temperatures and favourable hydrology, in the end of February, the coal reserves reached 1.87 million tons (85 % of maximum amount) or some 400,000 tons higher than planned. The electrical energy stored in accumulation lakes reached 752 GWh (59 % of maximum amount) or 316 GWh higher than planned.

Due to favourable situation, electricity import in March should be lower than planned, EPS's official said.

Due to lower electricity consumption in January and February, which was 744 GWh lower than planned, the electricity import was 230 GWh lower than planned, EPS said.

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Revitalization of 100 MW unit in TPP Kostolac to be finished in March (Serbia)

Although capital renewal of unit 1 (100 MW) in thermal power plant (TPP) Kostolac A is slightly behind the schedule, the unit should be operational by the end of March, officials from the TPP confirmed.

Local company Gosa has delivered renewed turbine rotor (its installation is underway), and recently, the part of equipment from Russia has been delivered to the TPP. Official from the TPP confirmed that the rest of the equipment from Russia should be delivered very soon. The unit 1 will produce both electrical and heating energy (for cities Kostolac and Pozarevac).

Some 20 million euros was invested in the capital renewal of unit 1, which should prolong its lifespan by 15 years. After unit 1 was put in service, TPPs Kostolac A and B will have four units with overall power output of 900 MW and estimated annual production of 4.5 TWh.

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HEP interested for construction of TPPs in Kosovo (Serbia, Kosovo)

In mid-March, Prime minister of interim government of Kosovo, Agim Ceku, and UNMIK invited Croatian businessmen to discuss the potential cooperation in Kosovo. Croatian delegation will be led by minister of economy, while Croatian power utility (HEP) has already expressed interest for cooperation.

Chairman of the management board of HEP, Ivan Mravak, announced that HEP wants to participate in the large-scale projects for construction of power plants in Kosovo. Also, HEP is interested for projects related to distribution and transmission networks in Kosovo.

United Nations Mission in Kosovo (UNMIK) has initiated tender for construction of 2,100 MW thermal power plant, where Sencap, RWE, the consortium of CEZ and AES, and consortium of EnBW and Washington Group International were selected to enter second phase of the tender. The coal reserves in Kosovo are estimated at 15 billion tons.

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World Bank granted 5.5 million euros loan for removal of coal ash (Serbia, Kosovo)

The World Bank (WB) has granted 5.5 million euros loan to Kosovo energy corporation (KEK) for removal of some 30 tons of coal ash from thermal power plants (TPP) Kosovo A and Kosovo B. After the project was finished, the coal ash deposits will be turned into farmable land.

The project will be carried out in three phases. The first phase is related to disposing the ash, the second part will deal with removing of existing ash, while the third part of the project will deal with the land.

WB will supervise the project for two years, after which period the project should be taken over by KEK.

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Tenders:

Electricity

Company / organization:

EAR, related Kosovo

Assignment of Engineer for Major Overhaul of Overburden System for Sibovc South West Mine (Re-launch)

Content:

The aim of this project is to assume the function of Engineer as set out in FIDIC, "Conditions of contract for Plant and Design-Build", during the implementation of the project for the major overhaul of one overburden system (including bucket wheel excavator, conveyor line and the spreader) for Sibovc South West Mine. The scope of the services to be provided comprises three phases: coordination and supervision prior to construction, coordination and supervision of construction, commissioning services and testing activities at site and coordination and supervision during one year defect liability period.

Direct beneficiary is Kosovo Electrical Corporation, Joint Stock Company (Korporata Energjetike e Kosoves – KEK)

Indirect beneficiary is Ministry of Energy and Mining

Maximum budget
€ 830,000

Scope for additional services
Additional services related to the activities covered by the above mentioned description may be requested in compliance with and up to the limits as given in the current version of the PRAG, subject to budget availability and requirements

Deadline:

22 March 2007, 17:00 hrs, CET

Contact:

European Agency for Reconstruction
Operational Centre Pristina - Procurement Section
No 1, Kosovo Street
Pristina, Kosovo UNMIK
Phone: ++381 38 51 31 200
Fax: ++ 381 38 51 31 308

Company / organization:

EPS, related Serbia

Preliminary Site visits for potential strategic partners interested in investments into the 700MWe Kolubara Lignite-fired power plant

Content:

The selection of advisors was concluded in summer 2006 and is followed by a premarketing phase including preliminary site visits allowing strategic partners, upon signing a non-disclosure agreement access to the potential site of the power plant. Electric Power Industry of Serbia is interested in receiving feedback from potential strategic partners on the optimal location of the power plant before announcement of a public tender.

Contact:

Gudrun Kuffner, Project Manager, EPIC Vienna, Austria; Tel: +43 1 5011957; Fax: +43 501199, email: gudrun.kuffner@epicinvest.com;
Jasmina Nestic, Project Manager, EPIC Belgrade d.o.o., Belgrade, Serbia; Tel: +381 11 2633290; Fax: +381 11 2628975; email: jasmina.nestic@epicinvest.com

Company / organization:	NEK, related Bulgaria
Bridge Financing for the Belene NPP Project	
Content:	Natsionalna Elektricheska Kompania EAD has announced a tender to raise debt financing in the amount of MEUR250. This credit facility will be used to finance the design, procurement of equipment and civil works (construction and erection works) under the Project for Construction of NPP Belene during the first year of its implementation. This period is planned for implementation of the first phase of the Project that mainly covers design and preparatory works and within this period of 1 year NEK in its capacity as the company responsible for the development of the Project will complete the process of its structuring. The purpose of this credit facility will be to play the role of bridge financing until the required financial resources are provided for the complete implementation of the Project for construction of NPP Belene. Therefore NEK EAD as Borrower intends to repay entirely the credit immediately after the financial close of the Project is achieved or to keep the credit on its balance sheet with option for long term repayment. The announcement is published on the page of the Public Procurement Agency http://www.aop.bg and in the Supplement to the Official Journal of the European Union http://ted.europa.eu . The documents for participation in the public procurement procedure may be obtained at the Head Office of NEK EAD or via e-mail upon submission of a document evidencing payment of the documentation fee of 500 Euro. The payment may be made either at the pay-office of NEK EAD or by bank transfer to the NEK account: IBAN: BG35KORP92201400534102, BIC: KORPBGSF in Corporate Commercial Bank AD.
Contact:	Yulian Kiossev, tel. (+3592) 9263490 ykiossev@nek.bg .

Company / organization:	EBRD, related Bosnia and Herzegovina
PROCUREMENT OF ELECTRICAL METERS, ASSOCIATED CURRENT TRANSFORMERS AND PSTN MODEMS	
Content:	This Invitation for Tenders follows the General Procurement Notice for this project which was published on EBRD Procurement Opportunities on November 11th, 2005. JP ELEKTROPRIVREDA BOSNE I HERCEGOVINE – d.d. SARAJEVO 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 Electrical meters, current associated transformers and PSTN modems. The Purchaser now invites sealed tenders from all interested Suppliers and/or Manufacturers for the following contract to be funded from part of the proceeds of the loan: Supply of electrical meters for households – 23.100 (twenty three thousands and one hundred) pieces, electrical meters for other consumption – 1.117 (one thousand one hundred and seventeen) pieces, current transformers 0.4 kV -711 (seven hundred and eleven) pieces, current transformers 10(20)kV-9 (nine) pieces and Communicator with PSTN modem – 24 (twenty four) pieces. Tendering for contracts to be financed with the proceeds of a loan from the Bank is open to firms from any country.

Deadline:	11 May 2007 at 12:00, Sarajevo time
Contact:	Mr. Nedeljko Despotović, PIU Director Tel.+387 33 751 030 Fax.+387 33 751 033 e-mail: n.despotovic@elektroprivreda.ba

Company / organization:	EAR, related Bulgaria
Plovdiv – Svilengrad Railway Electrification and Upgrading of Corridors IV and IX; Signalling, Telecommunication and SCADA Systems Works for the Whole Line	
Content:	The scope of the contract includes the design, supply, installation, testing and commissioning of the signalling and telecommunication systems works including the provision of SCADA, of the whole railway line Plovdiv - Svilengrad – Turkish/Greek borders. The contract will be in accordance with FIDIC Conditions of Contract for Plant and Design-Build for Electrical and Mechanical Plant, and for Building and Engineering Works designed by the Contractor, first edition 1999 (FIDIC Yellow Book).
Deadline:	12:00 Local Bulgarian Time on 11th April 2007
Contact:	Mrs. Nelly Yordanova Head of Co-ordination of Programmes and Projects Directorate Ministry of Transport 9 Diakon Ignatii Street, 1000 Sofia, Bulgaria Fax No.: (+359 2) 9409-795

Company / organization:	EAR, related Serbia
Capacity Allocation System	
Content:	The objective of this tender is to provide the additional IT platform (software as well as hardware) to enable EMS to automatically manage the management of the capacity allocation process and the interfaces of this additional platform with the existing IT platform. The contract involves the detailed design, system engineering, delivery, commissioning, and the integration with the EMS existing IT system. The interfaces with existing IT systems are to be managed by the Tenderer. The scope of the contract shall include the delivery of all equipment, software, procedures, databases and data files and the provision of all services that are required to implement an operational system. Beneficiary: Elektromreza Srbija (EMS).
Deadline:	16 April 2007 at 12:00 CET
Contact:	European Agency for Reconstruction Head of Procurement Unit Vasina 2-4 11000 Belgrade Serbia and Montenegro Fax: +381 11 30 23 466

Company / organization:	EPS, related Serbia
Rehabilitation of Hydropower Plant Bajina Basta	
Content:	<p>The Electric Power Industry of Serbia (EPS) has received a development loan from KfW (provided on behalf of the German Government) toward the cost of the Rehabilitation of Hydropower Plant Bajina Basta project. Part of the proceeds of this development loan is intended for payments under the Work Contract(s) for which this Invitation for Bids is issued.</p> <p>The EPS now invites sealed bids from eligible bidders for the for supply and works project Rehabilitation of Hydropower Plant Bajina Basta, a run-off-river plant with Francis-type turbines of an installed capacity of 4x93 MW with the first generating unit having been commissioned in 1966</p> <p>The general scope of the Works and Supply shall cover the four (4) turbine-generating units and appurtenant equipment and shall include, but not be limited to, the following: plant and equipment data acquisition and pretesting of existing equipment, dismantling of existing equipment, its temporary site storage (disposal), preparation and transport to factories (local and abroad) for reconstruction and rehabilitation, Design of equipment (for reconstruction, rehabilitation, upgrading and production of new one), Procurement of materials and equipment, Reconstruction, rehabilitation, production and testing of the equipment at factories (locally and abroad), Packing, transport and storage to the Site, Insurance of the Works and Supplies, Erection of the equipment, commissioning and handing over of the plant.</p>
Deadline:	30.03.2007, 14:00 hours local time
Contact:	Mr. Dejan Ostojic email: dejan.ostojic@eps.co.yu

Company / organization:	EBRD, related Romania
Timisoara District Heating - Works and Consultancy	
Content:	<p>CLT Colterm S.A. ("Colterm" or the "Company"), the district heating company owned by the City of Timisoara, has applied for a loan from the European Bank for Reconstruction and Development (the "Bank") for the modernisation of the municipal district heating system. The Company intends using the proceeds of the loan for the installation of new gas turbine units of 20 MW gross electricity production with a 29 MW thermal output and for district heating and corporate management consultants. Colterm will be the implementing agency.</p> <p>The proposed project, which has a total estimated cost of EURO 22.5 million, will require the procurement of works and services for the following components:</p> <p>(a) supply and installation of gas turbine units; (b) procurement and implementation supervision; (c) corporate development programme (donor financed)</p> <p>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</p>
Deadline:	21 Aug 2007 at 24:00, Timisoara time
Contact:	Aurel Matei , Deputy General Manager Colterm S.A. Str. Ep. Joseph Lonovici nr. 4 300092, Timisoara Romania Tel: 0040 256 434 614 Fax: 0040 256 434 616 Email: aurel.matei@colterm.ro

Company / organization:	EBRD, related Bulgaria
Kozloduy International Decommissioning Support Fund	
Content:	<p>The Kozloduy International Decommissioning Support Fund (KIDSF) has been established and administered by the European Bank for Reconstruction and Development (EBRD). The purposes of this Fund is to finance or co-finance the preparation and implementation of selected projects and the provision of technical assistance necessary to support the decommissioning of Units 1-4 of the Kozloduy NPP; measures in the energy sector which are consequential to the decommissioning; and assist the necessary restructuring and modernisation of the energy production, transmission and distribution sectors and improve energy efficiency.</p> <p>The objective of this General Procurement Notice is to give note on a forthcoming Project Management Consultancy Service assignment for site selection, design, safety assessment, construction and commissioning of National Radioactive Waste Disposal Facility, and for carrying out associated engineering, procurement and other services.</p> <p>The process for construction of the National Radioactive Waste Disposal Facility in Bulgaria formally started on 25.07.2005, by the Decision 683 of the Bulgarian Council of Ministers. This decision empowers State Enterprise "Radioactive Waste" to construct and commission National Radioactive Waste Disposal Facility by the end of year 2015.</p> <p>On 05.05.2006, State Enterprise "Radioactive Waste" obtained Permission for site selection of the facility.</p> <p>The invitation for Expression of Interest for the consultancy service is expected in May 2007. Firms from eligible countries, which qualify under the Procurement Policies and Rules of the EBRD and the KIDSF will be invited for submission of proposals.</p> <p>The eligible countries as at 1 February 2007 are: the European Union member states, Switzerland and the EBRD's countries of operations.</p>
Contact:	Mr Nikolay Lambev Project Manager State Enterprise "Radioactive Waste" 51 James Brouchier blvd, Floor 18 1407 Sofia Bulgaria Tel.: +359 2 962 49 48 Fax: +359 2 962 50 78 E-mail: npl@dprao.bg

Company / organization:	EBRD, related Romania
Design, Construction and Commissioning of the 390 Km Agadyr-YuKGRES Section of 500 KV Second Transmission Line of Kazakhstan North-South Transit Consulting Services Loan: Management and Monitoring Of Construction Contract Implementation Progress	
Content:	<p>The Kazakhstan Electricity Grid Operating Company (KEGOC) has received a loan from the European Bank for Reconstruction and Development, and it intends to use part of the proceeds of the loan for payments under the contract for consulting services for Management and Monitoring of Construction Contract implementation process. The assignment is expected to be carried out in three Phases as described below.</p> <p>Phase I</p> <p>1.1 Supervision of quality assurance by Contractor and PIU during implementation of survey work and design estimates.</p> <p>1.2 Quality and the accepted technical solutions assessment during elaboration of design estimates.</p> <p>1.3 Final review and approval of the made up design estimates for the construction of 500 kV OTL 500 kV Agadyr SS– 500 kV YuKGRES SS.</p> <p>Phase II</p> <p>2.1 Managerial and monitoring support during contracting.</p> <p>2.2 Analyses of the results of the tests performance for the quality conformance of the equipment and materials supplied under the project to the quality and technical characteristics operated together with KEGOC JSC specialists. Tests results evaluation.</p> <p>2.3 Quality assurance surveillance by the Contractor and PIU during implementation of the construction and erection works.</p> <p>2.4 Environmental measures monitoring during implementation of the construction and erection works.</p> <p>2.5 Verification of implementation according to the PIP and review of any changes to the PIP.</p> <p>2.6 Verification of the proper use of available funds.</p> <p>2.7 Submit periodic activity reports as may be requested from time to time by KEGOC.</p> <p>Phase III</p> <p>3.1 Confirmation of the Project Completion in accordance with the PIP and preparation of a Project Completion Report</p>

Company / organization:	EBRD, related Romania
CFR TRACTION ENERGY NETWORK MANAGEMENT PROJECT	
Content:	<p>This notice updates the General Procurement Notice published on Ebrd Website dated 22nd July 2005 under reference 5104-GPN-36043.</p> <p>CFR SA and its subsidiary CFR Electrificare have received 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;</p> <p>1. Supply and installation of equipment sets consisting of traction substations, switching equipment, railway station distance control equipment, and central dispatching equipment and communication facilities;</p> <p>2. Supply of catenary maintenance vehicles; and</p> <p>3. Consultancy services for contract supervision.</p> <p>Tendering for the above contracts started in the second half of 2006.</p>
Deadline:	24 Jul 2007 at 24:00, Bucharest time
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

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Coal, Gas and Oil

Company / organization:	INA, related Croatia
Non Lubricated Ball Valve 20", 1 piece	
Deadline:	March 13, 2007., 11,00 hrs local time
Contact:	INA Industrija nafte d.d.; Procurement Sector, Avenija Većeslava Holjevca 10, 2nd floor, 10000 Zagreb, (Miss A. Čičerić, tel: +385-1- 64 51 048, fax +385-1-64 52 048) every working day from 10 to 12 a.m., local time
Company / organization:	INA, related Croatia
gasket centrifugal pumps	
Deadline:	March 16, 2007., 12,00 hrs local time
Contact:	Mrs. Ljubica Šupe fax: +385 1 6452048; phone: +385 1 6451 007

Company / organization:	PPC, related Greece
SUMMARY INQUIRY DYKPP-904702	
Content:	<p>Public Power Corporation S.A. launches Inquiry No DYKPP-904702 concerning the supply of 300.000 metric tons of steam coal, to be delivered at the facilities of Steam Power Plant (SES) of Kardia in the Kozani - Ptolemais area at a monthly rate of 25.000 metric tons.</p> <p>Unsealing of Tenders shall take place on Tuesday, April the 17th, 2007, at 11:00 a.m. at the offices of the Generation Materials - Fuel and Purchasing Department, 56, Solomou Street, 10682 Athens, GREECE (6th floor).</p> <p>Copies of Inquiry DYKPP-904702 are available in greek language , free of charge, between 08:00 and 13:00 on working days, at the offices of Generation Materials - Fuel and Purchasing Department, 56, Solomou Street, 106 82 Athens, GREECE (5th floor), tel. +30-210-3323800 / +30-210-3323767.</p>
Company / organization:	EAR, related Greece
Information System for the Gas Market Operator	
Content:	<p>The purpose of this project is the manufacture (detail design and development of customised elements related to the application software), delivery (of software, hardware, communication equipments and documentation), installation (including cable laying and connections), commissioning (including all necessary activities related to the upgrading, interfacing, integration, checking, testing, supervision, experimental operation) and training by the Contractor of the required goods</p>
Deadline:	3 May 2007, 13.00 hours local time
Contact:	<p>Central Finance and Contracts Unit, Ministry of Public Finance Blvd. Mircea Voda, no. 44, intr. B, sector 3, Bucharest Fax : +40 21 – 326.87.30/ 326 87 09 Phone : +40 21 – 326 55 55 (switchboard)</p>