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In this issue:**Analysis:**

- » Installed hydro power capacities in South East Europe

News headlines**Regional:**

- » CEZ to export electricity to Greece
- » UkrEnergo and Emfesz to deliver electricity

Albania:

- » 20 million euros for electricity import in October
- » Interest for construction of nuclear power plant
- » The tenders for construction of small HPPs to be published
- » Request for referendum regarding construction of TPP Vlora

Bosnia and Herzegovina:

- » Competition council approved joint venture between ERS and CEZ
- » Foreign minister met officials from General Electric
- » NefteGazInkor took over oil companies in Republic of Srpska, privatization contract to remain confidential
- » EBRD approved construction of TPP Stanari

Bulgaria:

- » Prolonging the tender for strategic investors in NPP Belene
- » Bulgargaz and Overgas Inc negotiate on joint venture
- » Increase in electricity and natural gas tariffs to occur in 2008
- » TPP Varna to sell 200 MW power output in a tender
- » NPP Kozloduy produced 10.9 TWh in nine-month period
- » NEK to reduce electricity export in 2007

Croatia:

- » Adria LNG company established, Croatian companies welcomed to join
- » HEP to get more involved in natural gas business
- » The annual overhaul of NPP Krsko started
- » HEP put in service new 110kV substation

Greece:

- » The government considers reducing stake in PPC
- » Restructuring of PPC into 6 subsidiaries
- » Hellenic Petroleum signed concession agreement in Egypt
- » PPC to replace polluting plant in Ptolemaida

Macedonia:

- » Reduction of electricity import, outage of TPP Bitola once again
- » Consultant Hanton and Williams proposed to postpone liberalization of electricity market until 2009
- » Signing the sale contract for TPP Negotino still delayed
- » Russian Tatneft offered 400 million euros of investments

Montenegro:

- » Energoprojekt to prepare general design for new HPP on Bileca Lake
- » EPCG launched tender for electricity import in 2008
- » Chinese companies interested for construction of unit 2 in TPP Pljevlja
- » Societe Generale Bank interested in construction of power plants
- » Kazakh company Samruk offered to invest 2 billion dollars in energy sector

Romania:

- » Report on energy resources in first 8 months
- » European commission against holdings energy company
- » Unit 2 in NPP Cernavoda officially inaugurated, announcements for construction of second nuclear power plant
- » 2.7 billion euros worth electricity could be saved
- » Verbund to abandon plans for privatization of thermal power plants
- » New CHP in Bucharest

Serbia:

- » Gazprom interested in NIS, natural gas pipeline and storage facilities
- » Management board of EPS approved new concept for corporate structure
- » Start of 28 million euros worth project in TPP Nikola Tesla B
- » EPS denied claims of being partner with Russian Mechel
- » Natural gas prices to rise by 10 % by the end of 2007

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

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.

On our website, you can find FREE SAMPLE issues and easily request FREE TRIAL issue.

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.

1072	Slovenia	2008	1083	974	978	829
1134		2010	12287	1083	991	1054
1077		2011	12590	955	1051	1127

Annual electricity consumption in GWh

Year	Sum	1	2	3	4
2007	11182	1027	891	953	850
2008	11570	1094	998	1012	911
2009	10994	1099	932	963	816
2010	11722	1074	979	1016	910
2011	12186	1155	1038	1075	938
2008	34506	3239	2960	2837	2637
2009	32723	3051	3196	2636	2443
2010	31954	3486	3052	3021	2443
2011	33452	3475	3107	3087	2577
2008	17842	1880	1543	1570	1398
2009	17507	1625	1530	1551	1323
2010	17507	1625	1530	1551	1323
2011	17507	1625	1530	1551	1323
2007	5306	4915	4539	4269	4105
2009	53504	4652	4271	4401	3894
2010	53565	4666	4107	4327	3913
2011	53565	4666	4107	4327	3913
2007	835	777	664	664	664
2009	835	777	664	664	664
2010	835	777	664	664	664
2011	835	777	664	664	664
2009	7576	862	747	755	466
2010	7576	862	747	755	466
2011	7576	862	747	755	466
2009	54131	4733	4418	4660	4080
2010	54131	4733	4418	4660	4080
2011	54131	4733	4418	4660	4080
2009	50636	4736	4268	4473	3803
2010	53365	4074	4472	4727	3803
2011	53365	4074	4472	4727	3803

Country Reports on Energy Business in South Eastern Europe

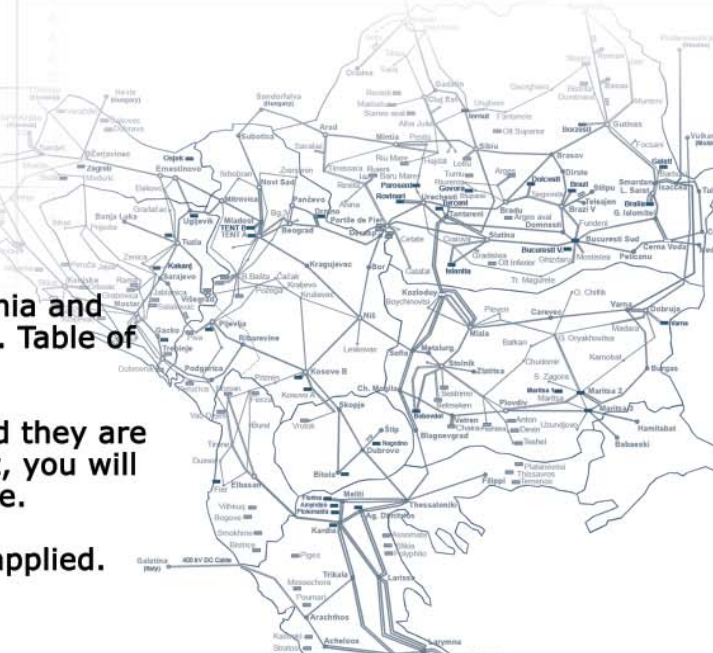
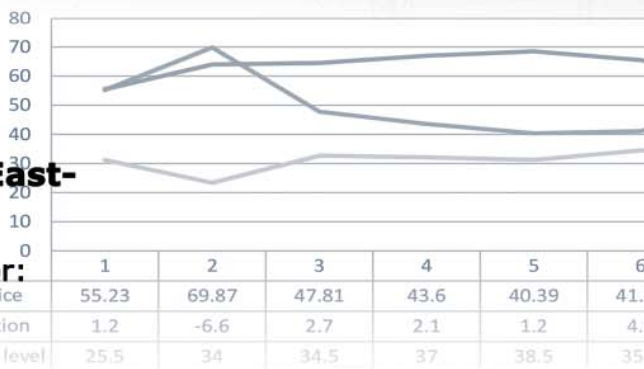
Country reports provide detailed overview of energy sector:

- 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

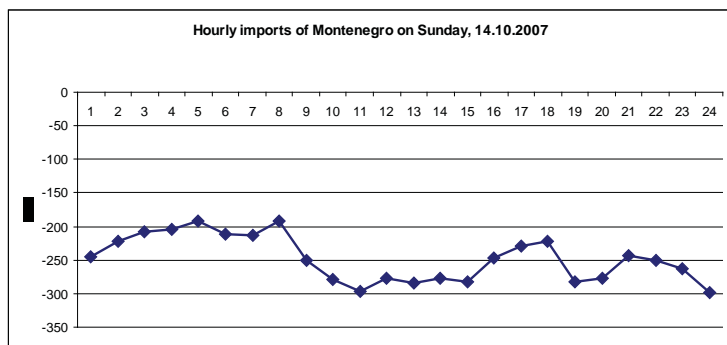
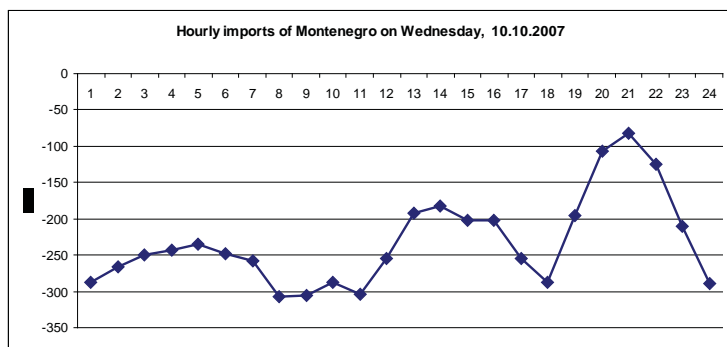
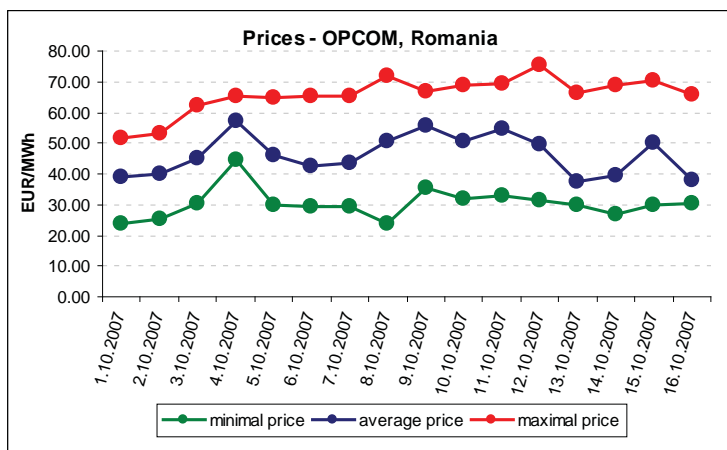
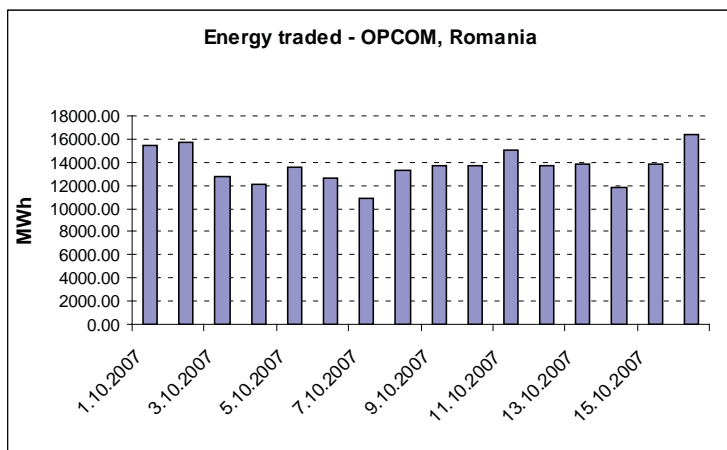
At the moment we have available up-to-date country reports for Bulgaria, Romania, Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, Serbia and FYR Macedonia. Table of content is available on our website

Price of individual reports is 490 EUR per country, and they are updated every three months. For each ordered report, you will receive updates during one year period, free of charge.

For ordering all of the reports, 20% discount will be applied.



Power exchanges data:



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

In the period from 1.10.2007 till 16.10.2007:

Montenegro maximum daily consumption: 12.13 GWh

Montenegro maximal hourly consumption: 570 MWh

Hour	Traded Volume [MWh/h]	MCP [EUR/MWh]
1	529.776	44.33
2	567.743	39.89
3	552.122	38.45
4	552.928	38.45
5	508.616	39.89
6	522.760	44.33
7	518.580	44.33
8	545.555	49.94
9	619.457	56.15
10	674.711	62.06
11	665.010	62.06
12	662.374	65.01
13	674.941	66.49
14	634.861	66.49
15	624.231	63.54
16	582.186	59.10
17	572.764	56.15
18	524.688	56.15
19	535.133	59.10
20	514.693	60.58
21	482.591	68.26
22	527.196	68.26
23	573.499	56.15
24	535.348	50.24
Total	13,701.763	

Opcom, Romania: Energy Traded on Wednesday, October 10, 2007

Hour	Traded Volume [MWh/h]	MCP [EUR/MWh]
1	437.381	60.84
2	422.864	47.95
3	409.674	37.31
4	464.787	32.97
5	438.750	32.97
6	480.959	32.82
7	521.179	29.97
8	517.084	26.97
9	564.058	26.97
10	594.590	29.97
11	540.931	29.97
12	526.146	32.97
13	525.329	32.97
14	530.865	29.97
15	524.091	31.77
16	484.629	32.97
17	445.417	31.77
18	414.510	43.31
19	436.513	43.31
20	526.542	65.97
21	560.459	68.63
22	546.907	65.94
23	510.365	52.45
24	464.477	32.97
Total	11,888.507	

Opcom, Romania: Energy Traded on Sunday, October 14, 2007

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

NOS BIH - Bosnia & Herzegovina							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Croatia > BIH	-	-	400	-	-	01.-30.11.2007.	
Montenegro > BIH	-	-	400	-	-	01.-30.11.2007.	
Serbia > BIH	-	-	300	-	-	01.-30.11.2007.	
EXPORT							
BIH > Croatia	-	-	640	-	-	01.-30.11.2007.	
BIH > Montenegro	-	-	360	-	-	01.-30.11.2007.	
BIH > Serbia	-	-	300	-	-	01.-30.11.2007.	

ESO - Bulgaria							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Serbia > Bulgaria	-	-	100	-	-	01.-30.11.2007.	
Romania > Bulgaria	-	-	200	-	-	01.-10.11.2007.	
Greece > Bulgaria	-	-	100	-	-	11.-30.11.2007.	
Greece > Bulgaria	-	-	350	-	-	01.-30.11.2007.	
EXPORT							
Bulgaria > Serbia	-	-	300	-	-	01.-30.11.2007.	
Bulgaria > Romania	-	-	200	-	-	01.-30.11.2007.	
Bulgaria > Greece	-	-	320	-	-	01.-30.11.2007.	

OPS HEP - Croatia							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Hungary > Croatia	-	-	-	-	250*	01.-30.11.2007.	
Slovenia > Croatia	-	-	-	-	300	01.-30.11.2007.	
Serbia > Croatia	-	-	-	-	125	01.-30.11.2007.	
BIH > Croatia	-	-	-	-	120	01.-30.11.2007.	
EXPORT							
Croatia > Hungary	-	-	-	-	200*	01.-30.11.2007.	
Croatia > Slovenia	-	-	-	-	200	01.-30.11.2007.	
Croatia > Serbia	-	-	-	-	150	01.-30.11.2007.	
Croatia > BIH	-	-	-	-	50	01.-30.11.2007.	

* Common auction conducted by MAVIR

HTSO - Greece							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Bulgaria > Greece *	-	-	-	-		01.-30.11.2007.	
Bulgaria > Greece *	-	-	-	-		01.-30.11.2007.	
Macedonia > Greece	-	-	-	-		01.-30.11.2007.	
Albania > Greece	-	-	-	-	0	01.-30.11.2007.	
EXPORT							
Greece > Bulgaria	-	-	-	-	0	01.-30.11.2007.	
Greece > Macedonia	-	-	-	-	0	01.-30.11.2007.	
Greece > Albania	-	-	-	-	0	01.-30.11.2007.	
Greece > Italy	-	-	-	-	/	01.-30.11.2007.	

*different products

MAVIR - Hungary							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Croatia > Hungary	500	200	300	100	200*	01.-30.11.2007.	
Romania > Hungary	400	100	300	50	100	01.-30.11.2007.	
Serbia > Hungary	500	100	400	50	150	01.-30.11.2007.	
EXPORT							
Hungary > Croatia	1050	200	850	173	252	01.-30.11.2007.	
Hungary > Romania	300	100	200	25	75	01.-30.11.2007.	
Hungary > Serbia	450	100	350	25	150	01.-30.09.2007.	

* Common auction conducted by MAVIR

MEPSO - Macedonia							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Serbia > Macedonia					0	01.-30.11.2007.	
Greece > Macedonia					0	01.-30.11.2007.	
Greece > Macedonia					0	01.-30.11.2007.	
EXPORT							
Macedonia > Serbia					0	01.-30.11.2007.	
Macedonia > Serbia					0	01.-30.11.2007.	
Macedonia > Greece					0	01.-30.11.2007.	
Macedonia > Greece					0	01.-30.11.2007.	

Remark: No transparent allocation procedure on Greek and Bulgarian border

TSO EPCG - Montenegro							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Albania > Montenegro	-	-	-	-	70	01.-30.11.2007.	
BIH > Montenegro	-	-	-	-	150	01.-30.11.2007.	
Serbia > Montenegro	-	-	-	-	100	01.-30.11.2007.	
EXPORT							
Montenegro > Albania	-	-	-	-	70	01.-30.11.2007.	
Montenegro > BIH	-	-	-	-	150	01.-30.11.2007.	
Montenegro > Serbia	-	-	-	-	75	01.-30.11.2007.	

Remark: Smaller part of ATC on some borders was left for daily allocation

Transelectrica - Romania							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Bulgaria > Romania	600	400	200	0	100	01.-30.11.2007.	
Serbia > Romania	500	400	100	50	0	01.-30.11.2007.	
Hungary > Romania	600	400	200	25	75	01.-30.11.2007.	
Ukraine > Romania	150	0	150	75	75	01-04.11.2007	
	100	0	100	75	25	05-12.11.2007	
	250	0	250	75	175	12-30.11.2008	
EXPORT							
Romania > Bulgaria	500	300	200	50	50	01.-10.11.2007.	
	400	300	100	50	0	11.-30.11.2007.	
Romania > Serbia	700	300	400	50	150	01.-30.11.2007.	
Romania > Hungary	600	300	300	50	100	01.-30.11.2007.	
Romania > Ukraine	50	0	50	0	50	01.-30.11.2007.	
	0	0	0	0	0	01.-30.11.2007.	
	50	0	50	0	50	01.-30.11.2007.	

EMS - Serbia							November 2007.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:	
IMPORT							
Hungary > Serbia	450	100	350	0	175	01.-30.11.2007.	
Romania > Serbia	500	100	400	163	37	01.-30.11.2007.	
Bulgaria > Serbia	400	100	300	0	150	01.-30.11.2007.	
Macedonia > Serbia	400	100	300	0	150	01.-30.11.2007.	
Albania > Serbia	260	50	210	0	105	01.-30.11.2007.	
Montenegro > Serbia	400	150	250	0	125	01.-30.11.2007.	
BIH > Serbia	400	100	300	100	50	01.-30.11.2007.	
Croatia > Serbia	400	100	300	0	150	01.-30.11.2007.	
EXPORT							
Serbia > Hungary	500	100	400	0	200	01.-30.11.2007.	
Serbia > Romania	200	100	100	0	50	01.-30.11.2007.	
Serbia > Bulgaria	200	100	100	0	50	01.-30.11.2007.	
Serbia > Macedonia	450	100	350	0	175	01.-30.11.2007.	
Serbia > Albania	260	50	210	0	105	01.-30.11.2007.	
Serbia > Montenegro	510	150	360	110	125	01.-30.11.2007.	
Serbia > BIH	400	100	300	100	50	01.-30.11.2007.	
Serbia > Croatia	350	100	250	0	125	01.-30.11.2007.	

* No price information available

General remark: Sign - in all tables means that data is not available

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

NOVEMBER 2007	Publication of ATC	Deadline for bid submission	Allocation results	Date of contract	Settlement report of allocation fee	Maturity date of allocation fee
OPS HEP	09.10.	16.10.	17.10.	22.10.	23.10.	-
MAVIR	10.10.	16.10.	17.10.	19.10.	20.10.	30.10.
EMS	15.10.	16.10.	18.10.	19.10.	22.10.	30.10.

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)

Weather conditions

	17.10.	18.10.	19.10.	20.10.	21.10.
Albania	T: 11-24	T: 12-25	T: 10-16	T: 1-15	T: 1-13
<i>Tirana</i>	W: - R: -	W: L-V R: -	W: NE 25 R: -	W: NE 27 R: -	W: NE 27 R: -
Bosnia and Herzegovina	T: 1-21	T: 1-17	T: 3-11	T: -4-5	T: 0-5
<i>Sarajevo</i>	W: - R: -	W: - S: 5	W: NE 14 R: -	W: NE 19 R: -	W: NE 16 R: -
Bulgaria	T: 2-21	T: 5-21	T: 6-15	T: 2-5	T: 0-5
<i>Sofia</i>	W: - R: -	W: - R: -	W: NE 14 R: 9 S: 4	W: NE 20 R: -	W: L-V R: -
Croatia	T: 3-21	T: 6-14	T: 0-10	T: 0-5	T: -3-7
<i>Zagreb</i>	W: SW 4 R: -	W: NE 8 R: 1	W: NE 8 R: -	W: NE 17 R: -	W: NE 19 R: -
Greece	T: 12-22	T: 14-23	T: 15-22	T: 18-21	T: 16-18
<i>Athens</i>	W: NE 12 R: -	W: N 4 R: -	W: SE 9 R: -	W: SW 16 R: -	W: SW 4 R: 8
Macedonia	T: 7-20	T: 7-19	T: 6-6	T: -5-6	T: -5-6
<i>Skopje</i>	W: - R: -	W: - R: -	W: NE 25 R: 4 S: 9	W: NE 30 R: -	W: NE 28 R: -
Montenegro	T: 9-25	T: 9-25	T: 12-22	T: 6-14	T: 7-12
<i>Podgorica</i>	W: - R: -	W: - R: -	W: NE 25 R: -	W: NE 28 R: -	W: NE 30 R: 26
Romania	T: 8-23	T: 7-23	T: 9-20	T: 5-7	T: 3-6
<i>Bucharest</i>	W: - R: -	W: SW 4 R: -	W: NW 8 R: -	W: NE 25 R: 4	W: NE 24 R: -
Serbia	T: 8-21	T: 8-18	T: 4-11	T: 1-7	T: 1-7
<i>Belgrade</i>	W: - R: -	W: NW 8 R: -	W: N 22 R: -	W: NE 25 R: -	W: NE 24 R: -

Average weather conditions for October

	Daily Minimum (°C)	Daily Maximum (°C)	Mean total rainfall	Mean number of rain days
Bosnia and Herzegovina	5.7	16.5	77.0	8.0
<i>Sarajevo</i>				
Bulgaria	5.7	16.6	35.0	7.0
<i>Sofia</i>				
Croatia	5.8	16.2	71.6	10.2
<i>Zagreb</i>				
Greece	13.4	23.3	52.6	7.2
<i>Athens</i>				
Macedonia	6.3	19.5	42.0	7.0
<i>Skopje</i>				
Montenegro	11.6	21.7	166.0	9.0
<i>Podgorica</i>				
Romania	5.7	18.0	32.0	5.0
<i>Bucharest</i>				
Serbia	8.3	18.1	40.0	8.0
<i>Belgrade</i>				

T: Ts in Celsius degrees.

W: Ws in km/h, S – South, W – West, N – North, E – East and variables; L-V - light and variable

R: Rain in mm

S: Snow in cm

Danube water-level

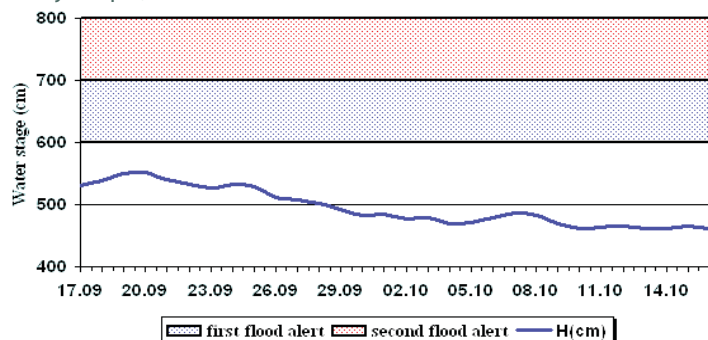
relevant for:

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



Analysis:

Installed hydro power capacities in South East Europe

HPP Name	Installed capacity (MW)
Albania	
HPP Vau Dejes	250
HPP Fierza	500
HPP Koman	600
Bosnia and Herzegovina	
HPP Čapljina	440
HPP Višegrad	315
HPP Salakovac	210
HPP Trebinje 1	180
HPP Rama	160
HPP Jablanica	155
HPP Grabovica	117
HPP Bočac	110
HPP Mostar	70
HPP Jajce 1	60
HPP Jajce 2	30
HPP Trebinje 2	8
Bulgaria	
Vacha Cascade	380
HPP Teshel	60
HPP Devin	80
HPP Orpheus	160
HPP Krichim	80
Arda Cascade	270
HPP Kurdzhali	105
HPP Studen Kladenets	60
HPP Ivailovgrad	104
Belmeken-Sestrimo-Chira cascade	1600
HPP Chaira Pumped-storage	865
HPP Belmeken	375
HPP Sestrimo	240
HPP Momina Klissura	120
Croatia	
HPP Zakučac	486
HPP Velebit	276
HPP Orlovac	237
HPP Senj	216
HPP Dubrovnik	216
HPP Vinodol	90
HPP Varaždin	86
HPP Dubrava	82
HPP Čakovec	82
HPP Gojak	48
HPP Kraljevac	46.5
HPP Peruča	41.5
HPP Djale	41
HPP Rijeka	36

HPP Miljacka	24
HPP Sklope	22.5
HPP CS Buško blato	11.5
HPP Jaruga	7
HPP Fužine	4
HPP Zavrelje	2
HPP Lepenica	1.4
Greece	
HPP Kremasta	437
HPP Thesavros	384
HPP Polifito	375
HPP Pournari	333
HPP Kastraki	320
HPP Sfikia	315
HPP Piges Aooy	210
HPP Stratos	156
HPP Plastiras	130
HPP Platanovrisi	116
HPP Asomata	108
HPP Ladonas	70
HPP Agras	50
HPP Edesseos	19
HPP Makrochori	11
HPP Louros	10
HPP Giona	8.5
HPP Glafkos	3.7
Macedonia	
HPP Vrutok	150
HPP Tikves	90
HPP Spilje	84
HPP Kozjak	80.5
HPP Globocica	42
HPP Raven	19
HPP Vrben	12.8
Montenegro	
HPP Perucica	307
HPP Piva	340
Romania	
HPP Ramnicu Valcea	1180
HPP Portile de Fier 1 and 2	1398
HPP Bistrita	667
HPP Curtea de Arges	635
HPP Cluj	565
HPP Hateg	488
HPP Slatina	379
HPP Sebes	358
HPP Targu Jiu	206
HPP Caransebes	164
HPP Sibiu	147
HPP Buzau	97

Serbia	
HPP Djerdap 1	1058
HPP Bajina Basta	615
HPP Bajina Basta	364
HPP Djerdap 2	243
HPP Bistrica	102
HPP Zvornik	92
HPP Pirot	80
HPP Potpeć	51
HPP Uvac	36
HPP Kokin Brod	22
HPP Vrla 1	51
HPP Vrla 2	24
HPP Vrla 3	29.5
HPP Vrla 4	25
HPP Lisina	28
HPP Međuvrsje	7
HPP Ovčar Banja	6

News:

CEZ to export electricity to Greece (Region)

On October 8, Czech CEZ started to export electricity to Greece via Bulgaria under the one-week contract. This is the first export contract of CEZ to Greece and its purpose is to test export abilities.

The spokesperson Eva Novakova of CEZ did not want to give any details regarding the contract. On the other hand, the trade director of CEZ, Alan Svoboda believes this contract would be the starting point for much larger deals with Greece. The electricity delivered to Greece was produced mostly in Romania and Hungary, CEZ confirmed.

§ § §

UkrEnergo and Emfesz to deliver electricity (Region)

Ukrainian authorities allowed to national power company UkrEnergo to establish joint venture with Hungarian electricity and natural gas supplier Emfesz. Two companies plans to restore 750kV line that connects nuclear power plant in South Ukraine with Isakca in Romania and Varna in Bulgaria in order to export electricity to Balkans.

According to Ukrainian press, Emfesz has business relations with RosUkrEnergo, the exclusive supplier of Russian natural gas to Ukraine.

The reconstruction of the power line should cost some 80 million euros, Ukrainian news agency said. Government of Ukraine earlier obliged fuel and energy ministry to start preparation for country's integration into the European electricity grid in 2008.

§ § §

20 million euros for electricity import in October (Albania)

Albanian power corporation (KESH) confirmed it would spend almost 20 million euros for import of 273 GWh of electricity in October.

KESH confirmed that 212.64 GWh will be delivered by EFT, EGL, Rudnap and GEN-I. The contracts were awarded through procedure of procurement with negotiation, without publication of contract notice. The EFT should deliver electricity at price of 62 euros /MWh, Rudnap will deliver electricity at 82 euros/MWh, EGL at 62 euros, while GEN-I will deliver electricity at 81.5 euros/MWh.

According to the latest news, government of Albania should grant additional funds to KESH in order to covers costs for electricity import, having in mind the national power company continued to import 60 -70 % of its needs.

In the related news, KESH said the thermal power plant (TPP) Fier was put in operation. KESH confirmed it provided sufficient amount of fuel oil so that TPP should produce some 750 MWh of electricity per day.

§ § §

Interest for construction of nuclear power plant (Albania)

According to local television station Top Channel, several investors sent the official request to the government of Albania regarding the construction of nuclear power plant (NPP).

Macedonian media said that the prime minister Sali Berisha confirmed that one of the most respectable companies involved in nuclear energy wants to build NPP near city of Drac. Prime minister did not reveal the name of the company.

Office of the prime minister confirmed that French Suez submitted the request for construction of NPP, as well as companies from USA and Asia. Comparing to other requests, the French offer is complete, but the government still did not adopt the final standpoint regarding this issue.

In the same time, environmental experts in Albania believe the country was not ready for construction of NPP.

§ § §

The tenders for construction of small HPPs to be published (Albania)

Ministry of economy and trade confirmed it would publish tenders for concession contracts for construction of small hydropower plants (HPPs) Stebleva and Martanesh in November.

The tender for HPP Martanesh was set at November 2, where this HPP should be built in the upper part of Mat River. The tender for HPP Stebleva will be published on November 16, where this HPP will be built on Zall River.

According to government's program, some 600 small HPPs should be built in the incoming period. Those HPP should produce some 25 % of overall electricity needs of the country.

§ § §

Request for referendum regarding construction of TPP Vlora (Albania)

Municipality of Vlora announced it would hold referendum in which citizens should vote for or against the construction of thermal power

plant (TPP) near this coastal city. The decision of the municipality should have been presented to Central election commission.

If the Commission gives the approval for the referendum, it will be the first time the citizens were allowed to decide on the future of one energy facility. The new TPP was considered as vital for energy development of the country, but in the same time, it could pollute one of the most important tourist resorts in Albania.

The loudest opponent to construction of the TPP is the Alliance for protection of environment, which sent the complaints to World Bank (the main investor in the project). In this moment, the preparation works for construction of TPP have started.

§ § §

Competition council approved joint venture between ERS and CEZ (Bosnia and Herzegovina)

Competition council (CC) of Bosnia and Herzegovina (BiH) issued an approval regarding the joint venture established by Power utility of Republic of Srpska (ERS) and CEZ.

The joint venture called New power plants of RS (NERS) will be involved in production and distribution of electrical energy on the basis of the long-term investment agreement. The agreement represents the continuation of the first phase of joint investment, which was previously approved by CC, where CEZ owns 51 % stake, and ERS the rest. The latest agreement has stipulated that thermal power plant (TPP) Gacko, as the subsidiary of ERS, would joint NERS by investing its assets and rights, while CEZ would invest cash capital. The funds are to be used for renewal of existing unit in TPP, the construction of TPP Gacko 2 and opening of new pit mine in Gacko basin. In the second phase of the project, NERS should continue to be involved in electricity production, but also in electricity trade.

§ § §

Foreign minister met officials from General Electric (Bosnia and Herzegovina)

During the visit to USA, foreign minister of Bosnia and Herzegovina (BiH), Sven Alkalaj, met high officials from General Electric. The main subject of the meeting was possibility for GE to invest in energy sector in BiH. GE is already in the middle of preliminary investigations regarding the participation in BiH market.

Minister pointed out that government of BiH would give high priority to construction of new hydro and thermal power plants. Two parties also discussed issues regarding the renewable energy sources (RES) market and agreed to continue consultations.

§ § §

NefteGazInkor took over oil companies in Republic of Srpska, privatization contract to remain confidential (Bosnia and Herzegovina)

In the beginning of October, after adoption of new statutes and appointment of new management and supervision board, Russian NefteGazInkor officially finished take over of Oil refinery in Brod, Motor oil refinery in Modrica and fuel distributor Petrol.

The previous majority owners of oil companies, the government of Republic of Srpska (RS) and Pension fund of RS, according to previous agreement, appointed exclusively representatives of new owners into the management and supervising boards.

The demands of minority shareholders for appointing one of its members into the supervising boards were rejected at the request of Russians. NefteGazInkor, which controls 80 % of shares in oil companies, believes such decision was fair since only they will invest funds and take over the company's obligations and investments risks.

During the shareholders assembly, new management decided to cover 15.95 million euros of losses of Petrol by reducing 7.6 million euros of nominal capital, by use 5 million euros of unallocated profit and by use of 3.32 million euros of company's reserves. The base capital of Petrol now stands at 2.04 million euros, while the uncovered loss of the company remained at 11 million euros.

As for Oil refinery in Brod, shareholders decided to cover 88 million euros of losses of the company by reducing nominal capital by 75.7 million euros and by using 12.3 million euros of reserves. The base nominal capital of the refinery now stands at 134.5 million euros.

As a reminder, Russian company paid overall amount of 125.8 million euros for state owned shares in three oil companies. They were obliged to pay 72.5 million euros of debts of the oil refinery in Brod, while overall investments in three companies should reach 979 million euros.

In the related news, prime minister of RS, Milorad Dodik confirmed that the NefteGazInkor insisted on the confidentiality of certain parts of sale contracts so that this part of the contract remained unpublished. Russians did not want to reveal its business policy, prime minister said. He added that each member of the parliament would be allowed to analyze the contract, but without an option to copy documents.

§ § §

EBRD approved construction of TPP Stanari (Bosnia and Herzegovina)

European bank for reconstruction and development (EBRD) approved the prequalification tender for construction of thermal power plant (TPP) Stanari near city of Doboj. Tender was published by on EBRD's website on behalf of investor, the EFT.

EFT invited interested companies to submit offers for construction of TPP through turnkey project. Communication director of EFT, Nenad Savic confirmed that nine companies expressed interest. After detailed analyses, the offer of Alstom was selected as the best, which was approved by EBRD also, Savic said. EFT believes that EBRD is very close to take part in financing the project. The exact cost of the project is yet to determine, but the initial estimations set costs at 600 million euros. EFT expects that EBRD will provide 25 % of the funds, the same as EFT. The rest of the funds should be provided by other partners and commercial banks, Savic said.

The new TPP should use modern technologies and it will be built near coalmine Stanari, owned by EFT.

§ § §

Prolonging the tender for strategic investors in NPP Belene (Bulgaria)

Bulgaria prolonged deadline for submitting the bids for 49 % stake in future nuclear power plant (NPP) Belene to October 15, the National electric company (NEK) said.

The deadline was prolonged by two weeks. NEK explained the extension was aimed to give investors more time to analyze large number of documents and to present data they have been required. The extension was allowed after several potential partners demanded extra time for preparing the bids. The NEK will own 51 % stake in future 2,000 MW plant.

As a reminder, NEK invited Enel, E.On, RWE, CEZ, EDF and Electrabel to submit bids for acquiring the minority stake in the NPP. NEK plans to select strategic partner by the end of this or in the beginning of the next year. As a reminder, ATEL, EGL, Endesa and Kumerio Med expressed interest for up to 25 % stake in NPP and they could be invited by NEK to submit bids in later stage of the process.

In the related news, German E.ON expressed interest in acquiring entire 49 % stake. E.ON is ready for different options for participation in the project. The company believes its best recommendation for partnership is the excellent history in safe operation of NPPs. E.ON gives the highest importance to safety of the new NPP, while company announced it would demand to have final say regarding the safety issues.

The E.ON's announcement came after European Commission said it would need more time to reach the final opinion regarding the Belene project. EU officials sent to NEK a list of questionnaires concerning the safety of NPP, spent fuel storage, waste management and environmental issues.

§ § §

Bulgargaz and Overgas Inc negotiate on joint venture (Bulgaria)

State-owned natural gas company Bulgargaz confirmed it has been negotiating with private gas company Overgas Inc regarding establishment of joint venture involved in distribution of natural gas. The news was also confirmed by Overgas Inc (50 % owned by Russian Gazprom).

The new joint venture is considered as the part of Bulgargaz development strategy. Bulgargaz plans to have majority stake in the venture, while the deal needs to be approved by the energy ministry.

New company should also apply for the gas distribution license. In this moment, the part of Bulgaria is zoned into eight gas distribution districts. The rest of the country, which does not belong to any of the zones, could be gasified only if some investor is willing to invest funds.

So far, the companies that were awarded gasification permits allocated only 55 million euros of for investments in this year, despite the ambitious plans. In the same time, the largest natural gas customers in the country remained the industrial users.

§ § §

Increase in electricity and natural gas tariffs to occur in 2008 (Bulgaria)

Head of the State Energy and Water Regulation Commission (SEWRC) Konstantin Shoushoulov announced that the Bulgaria would need to adjust energy tariffs in 2008 to those in the rest of EU. Shoushoulov gave the official report to the parliament regarding the energy tariffs forecasts in the next year.

As for price of electricity, Shoushoulov confirmed the price should rise by 7 % in the next year due to rise of fuel prices. The prices will be also affected by decommissioning of units 3 and 4 in nuclear power plant (NPP) Kozloduy.

Natural gas price should rise by 10 % in 2008, similar to the latest price increase imposed on October 1 this year. This increase should affect heating prices too, Shoushoulov concluded.

In the related news, SEWRC approved 9.2 % increase in natural gas prices starting from October 1, which was some 2.6 % lower comparing to the request of national gas company Bulgargaz. The new price of 1,000 cubic meters of gas will be some 179 euros.

Despite the small number of household's customers, the natural gas is the main fuel in heating plants and several power plants, so that government should resolve how to minimize the negative effects of price increase. Moreover, the price increase could cause problems for end users having in mind that incoming winter should be much colder comparing to the last season.

§ § §

TPP Varna to sell 200 MW power output in a tender (Bulgaria)

CEZ Trade Bulgaria invited interested parties to submit bids for purchase of 200 MW of power output in band, i.e. 1.756 TWh produced by thermal power plant (TPP) Varna in period of January 1-December 31 2008. TPP Varna is the subsidiary of parent company CEZ.

According to CEZ, the tender is in line with directives of EU regarding the energy trading, aiming to increase the transparency and liquidity of Bulgarian electricity market.

The bidders will be allowed to submit bids in several lots, where each lot could be 10 MW minimum or multiplies of 10 MW. The CEZ reserves the right to limit maximum capacity to particular bidder at 50 MW, if total requested capacity considerably exceeds the offered output. The bids are to be submitted by the October 22, while the main criteria will be the highest offered price. The final contracts should be signed by November 27.

Country manager of CEZ Lubos Pavlas confirmed the company did not ask for the approval for this arrangement from national power regulator, saying that was not necessary for this type of procedure. Pavlas also said that the export capacity won by the CEZ in the recent tender organized by Transmission system operator (ESO) would be used for transmission of electricity from Romania to Serbia. CEZ Trade confirmed it controls 10 % of the Bulgaria's wholesale electricity market at the moment.

§ § §

NPP Kozloduy produced 10.9 TWh in nine-month period (Bulgaria)

Nuclear power plant (NPP) Kozloduy, i.e. the remaining units 5 and 6, produced 10.9 TWh of electricity in the first nine months in this year, which was 8 % higher than planned. In the beginning of October, unit 6 was out of service due to regular overhaul.

§ § §

NEK to reduce electricity export in 2007 (Bulgaria)

National electricity company (NEK) plans to export overall amount of 3.6 TWh of electricity in this year. The electricity export in 2006 stood at 7.7 TWh.

The reduction of export is the direct consequence of decommissioning units 3 and 4 in nuclear power plant (NPP) Kozloduy. The initial plans of NEK estimated that electricity export in 2007 would be close to zero.

CEO of NEK, Luybomir Velkov, confirmed that the company exported some 3 TWh of electricity in the first three quarters of this year.

§ § §

Adria LNG company established, Croatian companies welcomed to join (Croatia)

In the beginning of Austrian OMV confirmed that company Adria LNG Ltd, with head office in Zagreb was established. The general manager of new founded company will be Michael Mertl, and the chairman of the management board will be Reinhard Mitschek.

The company would takeover activities that were carried out by project company Adria LNG Study Company in order to prepare detailed plans and phases of construction of liquefied natural gas (LNG) terminal in Croatia.

The new company was founded by OMV, which has 25.58 % stake, and the members are E.ON Ruhrgas (31.15 %), Total (25.58 %), RWE Transgas (16.69 %) and Geoplin from Slovenia (1 %). The surprise was the fact that Croatian companies, INA, HEP and Plinacro, which were the members of project company, did not become members of new company in the very beginning, which caused considerable confusion in Croatian public.

According to later news, INA (14 %), HEP (10 %) and Plinacro (1 %) will become shareholders in new company. The decision should be official in the second half of October.

The future LNG terminal should have initial capacity of 10 bcm (it should be increased at 15 bcm) and it should be capable to unload tankers with 265,000 cubic meters of capacity. The terminal on island of Krk (the exact location on the island yet to be decided), should be operational in 2012. OMV stated the entire region would benefit from the project, while Croatia would be more integrated in European natural gas network.

On the other hand, officials from environmental organizations Eko Kvarner believe the establishment of new company represents unfair pressure to local community and government of Croatia, which still needs to decide on the location of future LNG terminal. Officials from Croatian ministry of economy, labor and entrepreneurship warned that future LNG terminal would not be built without INA,

HEP and Plinacro, while exact location for the terminal is yet to be decided.

§ § §

HEP to get more involved in natural gas business (Croatia)

The chairman of the management board of Croatian power utility (HEP), Ivan Mravak, announced that, in the incoming period, the company would expand activities in natural gas sector. In this moment, distribution of natural gas represents 3 % of overall business activities of HEP, where HEP delivers natural gas only Slavonia province.

HEP plans to expand its presence in natural gas sector in entire Croatia, for which purpose the company would be restructured. The company also plans to build new 400 MW natural gas fired power plant at the location of existing CHP Osijek. The cost of the project is estimated at 300 million euros and the new plant should be built in 5 to 6 years.

In the end of the last year, there were some 515,000 natural gas customers in Croatia and 38 distribution companies. The HEP was the second largest natural gas distributor in the country. HEP's management believe that there will be only several natural gas distributors in the future and announced potential mergers and acquisitions.

§ § §

The annual overhaul of NPP Krsko started (Croatia)

The executive director of nuclear power plant (NPP) Krsko, Stane Rozman, announced a start of regular 31-day annual overhaul of NPP. The NPP should be out of service until November 6. During the latest fuel cycle, which started on May 14 last year, NPP was in service during record of 510 days. In that period, NPP produced 8.3 TWh (2 % higher than planned).

NPP Krsko is jointly operated by Slovenia and Croatia, where NPP provided 20 % of overall needs for Slovenia and 15 % for Croatia.

§ § §

HEP put in service new 110kV substation (Croatia)

Croatian power utility (HEP) has put in service 110/20/10kV substation, which will provide safe supply of city of Sisak. The cost of the substation was some 12 million euros.

Chairman of the management board said that HEP signed the contract for construction of new 230 MW CCGT in thermal power plant (TPP) Sisak. The cost of the project is estimated at 180 million euros. The unit should be operational in 2011.

§ § §

The government considers reducing stake in PPC (Greece)

New development minister, Mr. Folias said in a press conference that management of Public power corporation (PPC) and unions should reach maximum consent regarding the future restructuring of the company. According to earlier agreement, the two parties should discuss this issue until mid November.

Minister also announced the government could reduce its stake in PPC below 51 %. According to Folias, the main task of the state regarding PPC is to have healthy and competitive company. The stake reduction could happen in the next several years. The restructuring of PPC, the potential privatization and public service compensation was discussed by development and finance ministers.

§ § §

Restructuring of PPC into 6 subsidiaries (Greece)

According to latest statement, Public power corporation (PPC) should present new business plan on November 21. The sources confirmed that the main issues in new business plan of PPC would be the restructuring of the company into six subsidiaries, exercising the option for purchase of 30 % stake in Natural gas company (DEPA) and 3,200 MW capacity replacement program. In the same time, consultants Booz Allen Hamilton and McKinsey, which prepared the business plan, have proposed 22 % increase in electricity tariffs in the next four years.

The future subsidiaries should be responsible for mining, generation, transmission, distribution, retail, trading and renewable energy sources, respectively. In the later stage, the Hellenic transmission system operator (HTSO) should become independent company as contrary to present status where PPC controls 49 % stake.

Until 2014, PPC should replace 3,200 MW, where 1,200 MW should be in natural gas fired plants, 400 MW in lignite-fired plants and 1,600 MW in coal fired plants.

In the same time, PPC officially announced it would exercise its right to acquire 30 % stake in DEPA. The purchase price should be agreed with the government. European Commission should approve the involvement of PPC in natural gas monopoly.

The labor union of PPC, the Genop, accused the management of not discussing the plan, which would privatize and disintegrate the company, union believes. Genop strongly opposed the planned reduction of lignite-based production from current 60 % of overall capacity to 20 %. The Genop confirmed the new plan envisages transferring of workforce to the subsidiaries, while parent company should preserve only 10 % of current staff of PPC (some 26,000 at the moment). Genop announced to present its studies and proposals regarding company's future.

§ § §

Hellenic Petroleum signed concession agreement in Egypt (Greece)

The consortium of Hellenic Petroleum (HELPE), Melrose Resources and Oil Search signed the concession agreement for exploration and production of hydrocarbons in the Mesaha area in Egypt. The concession area spreads at 57,000 km².

The initial exploration period was set at four years and it could be extended at maximum 9 years. The HELPE holds 30 % stake in the project.

§ § §

PPC to replace polluting plant in Ptolemaida (Greece)

Public power corporation (PPC) announced it would replace polluting thermal power plant (TPP) in Ptolemaida with modern 400MW unit in the next several years. The measurements during summer showed that the emission of harmful gasses was six times more than allowed. PPC believe the TPP reached the end of its operational life.

During the meeting with local authorities, it was said that PPC would reduce usage of lignite from 62 % today down to 51 % in 2016. The reserves in Kozani-Ptolemaida basin are estimated to last until 2042. Local authorities expressed concerns that reduction of lignite use would led to unemployment in the area.

§ § §

Reduction of electricity import, outage of TPP Bitola once again (Macedonia)

Macedonian transmission system operator (MEPSO) confirmed that five companies that supposed to deliver electricity to Macedonia informed the MEPSO they were not able to deliver agreed amount in period October 1-10 due to regular annual overhaul of interconnection line between Serbia and Macedonia. In the same time, alternative import route from Bulgaria was congested. The reduction of electricity deliveries was announced by Pima, Ezpada, E.ON, EFT and Gen-I.

On the other hand, experts explained that overhaul of interconnection line was announced on time, so that all suppliers should have taken that fact in consideration, by which this inconvenience would have been avoided.

Additional problem for MEPSO was caused by continuing failures in the most important power plant in the country, the TPP Bitola. The unit 1 tripped in the end of September, and it was out of service in the beginning of October. In September, unit 3 was out of service two times due to malfunctions. The TPP Bitola provides over 70 % of country's electricity needs. Officials from Macedonian power plants (ELEM) announced that TPP Bitola should operate with full power after October 20, when the unit 2 should finish annual overhaul.

Due to aforementioned reasons, MEPSO was forced to import electricity from Serbia and to start TPP Negotino. Director of TPP Negotino confirmed the company purchased 80,000 tons of fuel oil through tender procedure, which should be sufficient for 4 to 5 months of service. According to unofficial information, price of electricity produced in TPP Negotino reaches some 90 euros/MWh at the moment.

The problems were also noticed in TPP Oslomej (125 MW). Experts concluded that due to malfunctions, the TPP should be out of service for two weeks. The TPP was forced to produce only two-third of its maximal power.

Despite the problems, vice prime minister Zoran Stavrevski believed the electricity supply in the country was stable.

§ § §

Consultant Hanton and Williams proposed to postpone liberalization of electricity market until 2009 (Macedonia)

The consultant company Hanton and Williams, which was hired by the government of Macedonia, proposed that liberalization of elec-

tricity market should be delayed until 2009. The main task of the consultant was to evaluate changes in new Energy law.

Minister of economy, Vera Rafajlovska, announced that the proposals of the consultant should be reconsidered by the workgroup made of representatives of the government, Regulatory energy commission (REC) and power companies. The workgroup should send its conclusions to the government.

The report presented by Hanton and Williams was totally opposite to the government's plans regarding liberalization of electricity market. The experts proposed that large industrial customers should purchase electricity on free market starting from January 1 2009 instead of January 1 2008. In 2010, the market should be liberalized for customers connected to 10kV and 20kV grid. In 2011, the market should be liberalized for companies connected to 0.4kV grid, while the households' customers will be allowed to choose its electricity supplier starting from March 2014. Rafajlovska said the government should decide whether it would accept the proposals. She pointed out that liberalization for households' customers would be certainly gradual.

The consultant also pointed out that liberalization should be also preceded by the action plan for conducting the Energy law, introduction of transparency in financial activities in Macedonian power plants (ELEM) and Transmission system operator (MEPSO), preparation of sub legal acts, fulfillment of technical conditions (replacement of electricity meters, increase of collection rate, introduction of new tariff methodology, etc). Without abovementioned requirements, Macedonian power system could become chaotic. The fast liberalization would particularly affect small companies, analyses showed.

The experts proposed that ELEM should sell electricity directly to Power utility of Macedonia –Distribution (ELEM), without intermediation of MEPSO, which should be in charge only for transmission of electricity.

The protection of underprivileged customers could be resolved in two ways, the consultant proposed. The first model implies introduction of single block-tariff, by which households under 300kWh monthly consumption should pay lower prices. The second model introduces both the block-tariff and subsidies.

Hanton and Williams believes the changes in Energy law, which were strongly supported by ELEM, could cause high inflation rate (even 20 %). The proposed Energy law would enable ELEM to become electricity trader, where sale price would be set by REC. The current sale price of ELEM is 21 euros/MWh.

The average annual production in Macedonia reaches some 6 TWh, where 50 % was delivered to households and the rest to industrial and business customers.

§ § §

Signing the sale contract for TPP Negotino still delayed (Macedonia)

Prime minister of Macedonia, Nikola Gruevski did not exclude an option for canceling the tender for sale of thermal power plant (TPP) Negotino to consortium led by Canadian Hatch. Gruevski said the sale should be finalized in the second half of October if everything was in accordance to law. If not, the government should react and cancel the procedure. Macedonian press said the latest statement of prime minister came after unofficial information regarding disputes between him and minister of economy.

As a reminder, minister of economy Vera Rafajlovska demanded from consortium to submit additional data, i.e. the latest reports from trade registry from countries of origin and to define the ownership share in consortium. The winning consortium submitted additional documents but, according to unofficial sources, they were not those required by minister of economy.

In the same time, according to sources, the District court of Skopje could put the temporary restraint for signing the sale contract with Hatch until the end of the appeal procedure initiated by second ranked bidder in the international tender, the Sencap. Some media even informed the public that restraint was reached, but there was no official confirmation both from the court and from the lawyers who represent Sencap in Macedonia. The government's spokesman also said such decision was not reached or even prepared to be reached, but if that happened, the government would certainly obey it.

The signing the sale contract with winning consortium was delayed for several times. Some newspapers even published news that Canadian company only "borrowed" its name to the consortium, without having plans for investments in Macedonia. According to those sources, the consortium is being actually led by Bulgarian company Finance engineering.

The winning consortium offered 61.7 million euros in cash for TPP Negotino and to build new 500 MW coal fired unit. Sencap offered highest price, but the government decided the Hatch's better business plan was decisive, despite the fact that, according to tender terms, the highest cash offer should bring the highest tender points.

The latest poll showed that the chief editors of 16 most important media companies in Macedonia consider the sale contract of TPP Negotino as the most suspicious one in the country in this moment. Editors believe that by allowing the extra time to Hatch to submit required documents, the government admitted it did not have valid documentation before reaching the decision on the winner in the tender.

The officials from Finance engineering did not want to comment the latest development. In the same time, the doubts over the sale contract were also raised by USA, EBRD and IFC. Opposition SDSM party accused the government that it was hiding who is the real buyer of the TPP, the Hatch or unknown Bulgarian company.

The vice prime minister Zoran Stavrevski, who is the chairman of the tender commission, and minister of economy argued over the issue who was responsible for finalizing the sale contract. The latest news imply that the government would authorize Stavrevski to sign the sale contract instead of minister Rafajlovska, who refuses to sign it in this moment, which raised suspicions regarding the sale procedure. Macedonian press accuses the government for not explaining why they selected the winner without having proper documents. Some sources imply the sale of TPP Negotino could have political background, since government did not want to sell the TPP to Greek company in order to limit Greek investments in Macedonia.

§ § §

Russian Tatneft offered 400 million euros of investments (Macedonia)

Russian company Tatneft (from Russian republic of Tatarstan) expressed readiness to invest 400 million euros in corridor 221 in Macedonia. Within the project, the Russian are willing to build the

natural gas pipeline and two hydropower plants (HPPs) on Vardar River.

Tatneft demanded from government of Macedonia to invest 10 % of funds in the future joint venture. The funds could be invested in physical assets, i.e. lands for construction of pipeline and HPPs. The Russians confirmed they submitted the official request to the government, yet they did not get any answers. The entire investment is supported by Belgian financial fund Aleks.

Tatneft is one of the five largest oil and gas producers in Russia. In 2006, the company produced 25.4 million tons of oil and 736 million cubic meters of natural gas.

§ § §

Energoprojekt to prepare general design for new HPP on Bileca Lake (Montenegro)

Ministry of economic development of Montenegro selected the Belgrade company Energoprojekt to be the winner in the tender for making the general design for utilization of energy potential of Bileca Lake, i.e. for construction of new hydropower plant (HPP).

Energoprojekt submitted the best bid among five companies that took part in the tender that was launched in July this year. Energoprojekt outbid Poyry Energy, IK Konsalting i projektovanje, consortium of Tei-Mont and Jaroslav Cerni institute, and Faculty of civil engineering from Podgorica. The lowest offered price for general design was 60,000 euros, the highest offer was 89,900 euros, while Energoprojekt demanded 82,500 euros.

Government of Montenegro believes that 40 % of energy potential in the Lake belongs to Montenegro. In this moment, the water potential of the lake was utilized in HPPs in Bosnia and Herzegovina and Croatia.

According to database of Power utility of Montenegro (EPCG), there are several options for utilization of energy potential of the Lake, where one of them is construction of HPP Boka. The first option for the HPP is to channel the water from Bileca to Grahovo lake and then to process the water in HPP Boka. The second option envisages digging the tunnel from Bileca Lake to Risan, while third option is to channel the water into the accumulation lake of HPP Perucica.

According to some sources, the most likely option for construction of new HPP will be private-public partnership. In the same time, the most likely partner could be Russian En Plus, local newspapers said.

§ § §

EPCG launched tender for electricity import in 2008 (Montenegro)

In the beginning of September, Power utility of Montenegro (EPCG) published the tender for import of 869.19 GWh of electricity in 2008, for which intends to pay 62.5 million euros. The planned electricity import in 2008 is 28 % lower comparing to import in this year. The import will be partly lower due to fact that electricity output of thermal power plant (TPP) Pljevlja should be increased by 200 GWh per year, as the consequence of the capital overhaul (which recently ended).

The tender will be opened by October 30, while the tender results should be published by November 30. The bidders are obliged to

submit bank guarantees equal to 2 % of the worth of particular bid, i.e. 5 % if they won in the tender. The only criteria in the tender will be the most favorable price.

The required electricity is divided in 12 lots, where EPCG requested import of 198.205 GWh of during night (from 00:00-07:00 CET) and 570.99 GWh of electricity during day (from 07:00-24:00 CET).

The lot 1 refers to import of 50 MW per hour in band during entire year or 439.200 GWh. The lot 2 refers to import of 70.68 GWh of electricity during January, lot 3 refers to import of 55.680 GWh in February, lot 4 refers to import of 31.62 GWh in March, lot 5 refers to import of 15.3 GWh in June, lot 6 refers to import of 29.76 GWh in July, lot 7 refers to import of 82.460 GWh in August, lot 8 refers to import of 30.6 GWh in September, lot 9 refers to import of 4.08 GWh in first half of October, lot 10 refers to import of 57.54 GWh in second half of October, lot 11 refers to import of 12.75 GWh in November and finally, lot 12 refers to import of 39.525 GWh of electricity during December. EPCG preserves the right to adjust import in particular lot on weekly level by +/- 20 %, except for lot 1. The bidders could submit offers for one, several or all lots, where minimal offered power is set at 5 MW.

In the same time, the largest industrial customer, the Aluminum factory (KAP) should also soon publish the tender for import of 671 GWh in the next year. According to privatization contract, KAP is obliged to import by itself 37 % of its annual needs, while the rest of 1.12 TWh would be delivered by EPCG at the price related to price of aluminum on the World stock exchanges.

§ § §

Chinese companies interested for construction of unit 2 in TPP Pljevlja (Montenegro)

Ministry of economic development confirmed that Chinese companies Gezhouba Group Co. Ltd and Dongfang Electric Corporation expressed interest for participation in project for financing, designing and construction of unit 2 in thermal power plant (TPP) Pljevlja. The Chinese submitted letters of intent, ministry said.

In the same time, minister Branimir Gvozdenovic had talks with representatives of aforementioned companies and secretary general of Chinese chamber of commerce for import and export of mechanical equipment. The companies' representatives presented to minister their abilities and potentials, particularly in field of production of electrical equipment and designing of energy facilities (thermal, hydro, wind, gas turbines and CHP plants).

§ § §

Societe Generale Bank interested in construction of power plants (Montenegro)

Ministry of economic development confirmed that French financial corporation, the Societe Generale (which owns Podgorica Bank), expressed serious interest for investment in energy sector in the country.

Deputy minister Miodrag Canovic, in charge for energy sector, confirmed that officials from French bank visited capital Podgorica and officially informed the government on their intentions. The bank is interested in investing funds in distribution and transmission network as well as in new power plants. The bank plans to invest funds through other private companies.

Canovic pointed out that Montenegro became interesting country for investing in energy sector for several reasons. In the last 25 years, no power plants were built in Montenegro, the country has utilized only 17 % of its hydro potential and it has constant electricity shortage, deputy said

§ § §

Kazakh company Samruk offered to invest 2 billion dollars in energy sector (Montenegro)

State owned holding company from Kazakhstan, the Samruk, expressed readiness to invest 2 billion dollars in energy sector in Montenegro. The officials from Samruk-Energo, the member of the holding, had a meeting with minister of economic development Branimir Gvozdenovic in September, Montenegro press reported.

According to press sources, Kazakhs have been intensified contacts with prime minister, vice prime minister and general manager of Power utility of Montenegro (EPCG).

Samruk is ready to invest in recapitalization of thermal power plant (TPP) Pljevlja and coalmine Pljevlja as well as to build unit 2 in TPP. By this, they would become majority owners of both companies, while 20 to 25 % would be owned by Power utility of EPCG.

Samruk-Energo is also ready to participate in privatization of EPCG, the construction of Adriatic-Ionian natural gas pipeline, to invest in central heating systems of large cities, to start oil explorations, to build cement factory in Pljevlja and to invest in tourism.

According to Ernst & Young, the market value of Samruk-Energo is some 30 billion dollars. The company already expressed interest for cooperation with governments of Romania and Bulgaria.

§ § §

Report on energy resources in first 8 months (Romania)

According to data presented by National statistic institute (INSSE), the main energy resources in the first eight months of 2007 reached 27.164 million tons of oil equivalent (toe). This was 2.8 % lower comparing to the same period last year.

The reduction was the consequence of 2.6 % drop of production (reached 15.789 million toe) and 3.2 % drop of import of energy resources (stood at 11.375 million toe).

In the same period, overall electricity resources reached 40.593 TWh, which was 2.7 % lower comparing to the last year.

The production of electricity reached 39.611 TWh (3.3 % reduction), where production in hydropower plants reduced by 3.323 TWh (-24.7 %), production in thermal power plants increased by 1.847 TWh (+7.8 %), while production in nuclear power plant increased by 0.103 TWh (+2.6 %).

The electricity consumption was 33.945 TWh, which was 2.3 % higher comparing to 2006. The public lightning consumption increased by 4.7 % and households' consumption increased by 6 %. The electricity export reduced by 1.471 TWh, which was 41 % lower comparing to the same period 2006.

§ § §

European commission against holdings energy company (Romania)

Andris Piebalgs European Commissioner for Energy criticized the intention of Romanian government concerning establishment of state-owned energy holdings company. Piebagls also said he had not been informed about the project at all. He believes the plans were surprising having in mind privatization of energy sector in Romania and Romania's support for unbundling of energy activities. Piebagls said the project was artificial, which could disturb market competition.

Prime minister Tariceanu said he would ask from energy commissioner to show good will and reconsider detailed information regarding the project. The information should be presented in a letter sent by the prime minister so that energy commissioner would have original information regarding the project before he speaks about it in the public. Tariceanu said he would not take any lessons, even if they came from Brussels.

As a reminder, Romania wants to establish holdings energy company comprising of thermal, hydropower plants, energy complexes and distribution networks. The future company should be similar to Enel or CEZ, Romanian officials earlier said.

§ § §

Unit 2 in NPP Cernavoda officially inaugurated, announcements for construction of second nuclear power plant (Romania)

On October 5, Prime minister of Romania, Calin Popescu – Tariceanu, officially inaugurated unit 2 (700 MW) in nuclear power plant (NPP) Cernavoda. The unit was in trial operation in past several months and started to produce electricity in August. The ceremony was attended by minister of economy and finance, speaker of the parliament, ambassadors of Italy and Canada, and the head of European Commission Delegation in Romania.

Unit 2, as well as unit 1, was built by consortium of AECL (Canada) and Ansaldo (Italy). With new unit in operation, nuclear energy would provide 18 % of overall electricity production in the country.

Romania's nuclear program continues, since on October 10, deadline for purchase of documentation for construction of units 3 and 4 in NPP Cernavoda expired. 32 companies purchased tender documentation, while the final bids are expected until October 25.

President of Romanian Nuclear Energy Association said the documentation was acquired by seven energy producers, six large energy customers, ten power distribution companies and five potential goods and service contractors. Among the others, the interest was expressed by Energy Holding, Rompetrol, Alro Slatina, Lafarge, ArcelorMittal, ENEL Silcotub, CEZ, EON AFEN, Ansaldo, Tescoflex Iasi, EGL, BNP Paribas and RWE.

Romania plans to invest 2.2 billion euros for units 3 and 4, if they were constructed simultaneously. If the two units were built separately, the costs could reach between 2.4 and 2.6 billion euros, the analyses of ministry of economy and finances showed. The NPP Cernavoda was designed to have five reactors according to original plans, but the plant should have four units due to insufficient technical capacity, Romanian officials said.

In the same time, prime minister Tariceanu confirmed it had asked from ministry of economy to look for suitable location for construction of second NPP in Romania. Prime minister believes the country must develop its power production facilities in order to avoid dependence on energy import. According to previous analyses, the potential construction sites for new NPP could be along Olt River, in Fagaras or in Moldova.

The same support for use of nuclear energy was expressed by president of the state Traian Basescu during the Conference on energy security held in Vilnius. He called for usage of safe technology and high security standards. President pointed out that Romania is the country with complete nuclear cycle and uranium reserves.

§ § §

2.7 billion euros worth electricity could be saved (Romania)

According to data presented by Romanian fund for energy efficiency (FREE), Romania has potential to save 2.7 billion euros worth electricity or some 30 -40 % of overall consumption through the energy efficiency projects.

In this moment, overall worth of the projects, conducted in cooperation with FREE, reached over 18 million dollars. The fund plans to invest up to 50 million dollars in the incoming years. FREE manages funds from the Global Environment Fund and funds granted to Romania by the International Bank for Reconstruction and Development.

§ § §

Verbund to abandon plans for privatization of thermal power plants (Romania)

Austrian Verbund announced it would abandon plans for privatization of coal-fired power plants in Romania, including the large energy complexes. The main obstacles for Verbund are the high costs required for environmental protection.

The company will continue to analyze the options for production of electricity from renewable energy sources, Verbund's representative in Romania Ovidiu Pop said.

According to earlier statements of minister of economy and finances, Varujan Vosganian, the environmental upgrades in power complexes in Craiova, Turceni and Rovinari could amount to some 2 billion euros. The investments are necessary in order not to shutdown the units, the minister said.

§ § §

New CHP in Bucharest (Romania)

Societatea Electrocentrale Bucuresti (Elcen), the state-owned electricity and heat energy producer announced it would put in service new unit in combined heat power plant (CHP) Bucharest West in the last quarter of 2008.

The output of new CHP should be 190 MW and 170 gigacalories per hour. The cost of the project is 135 million euros and the contract was awarded to Siemens. The new unit should provide 20 % of Bucharest energy production. The company conducts similar projects in CHP Sud, CHP Palas Constanta and CHP Grozavesti.

Electrocentrale Bucuresti provides some 13 percent of Romania's electricity consumption and one third of the national heat energy consumption. The company operates five plants in Bucharest, one in Mures and one in Constanta. In 2006, company's incomes stood at 615 million euros, while net profit reached 8 million euros.

§ § §

Gazprom interested in NIS, natural gas pipeline and storage facilities (Serbia)

President of Serbia, Boris Tadic, and prime minister of Serbia, Vojislav Kostunica, had a meeting with chairman of the management board of Gazprom, Aleksey Miler, who visited Serbia in the first half of October. The meeting was also attended by minister of energy and mining of Serbia, Aleksandar Popovic and Russian ambassador Aleksandar Alekseev.

Press office of Serbian president said that participants in the meeting discussed potential construction of extension of South stream pipeline across Serbia. Two parties agreed that the new pipeline would provide stably natural gas supply for Serbia. Prime minister Kostunica pointed out the significance of the Memorandum of understanding signed by Gazprom and Serbia in the last year. He believes that Serbia has interest for strategic partnership with Gazprom.

The high officials discussed various energy projects, where participants concluded that Serbia could become regional leader in energy sector. It was agreed that Gazprom and Serbia would have regular meetings in order to further develop cooperation.

Gazprom's officials confirmed they have been considering participating in privatization of Oil industry of Serbia (NIS), construction of natural gas pipeline and underground storage facilities in Serbia. Miler pointed that Gazprom considered abovementioned projects as single complex project, having in mind their timetables. These complex projects could be the part of strategic partnership with Serbia, Gazprom said.

Miler believes that Gazprom will have great chances to win in a tender for privatization of NIS, having in mind Gazprom's production capacities and ability to deliver oil to Serbian refineries. High official of Gazprom believes that natural gas supply, natural gas storage and oil supply are mutually dependant and concurrent. Miller reminded that in 2006, Gazprom delivered 2 billion cubic meters of natural gas to Serbia.

On the other hand, Serbian energy minister said that abovementioned project are entirely different, but he also agreed that the projects could be related by the fact that their future would be decided almost at the same time. Some analyst warned that Serbia must not endanger market principles due to potential Russian support regarding political crises in Kosovo. Minister confirmed that market principles would not be endangered saying there would not be privileged companies in the tenders. Minister Popovic believes that claims that Gazpromneft (the part of Gazprom) wants to acquire majority stake in NIS are just speculations, because that would be against adopted privatization strategy.

According to several analysts in Serbia, Gazprom expects support from Belgrade to enter European energy market. Analysts believe that main topic for Gazprom was to persuade Tadic and Kostunica to sell majority stake in NIS. For Serbia, the main interest is to build natural gas pipeline and underground storage facility in Banatski Dvor. Gazprom could be also interested for construction of hydro-power plants in Serbia, sources said.

Vice president of government of Serbia, Bozidar Djelic, reminded that it was earlier agreed that privatization of NIS must be approved by the parliament in a form of law. He was in favor of gradual privatization of NIS, where Serbia and interested parties, which want to acquire majority stake, should find compromise.

§ § §

Management board of EPS approved new concept for corporate structure (Serbia)

In the beginning of October, the management of Power utility of Serbia (EPS) and directors of all subsidiaries of EPS unanimously supported new concept for future corporate structure of the company. The model was prepared by local consultants company Faktis.

The consultants believe that there are no legal obstacles for EPS to change its status from public company to some other form, which would enable EPS to obey market principles and to have simpler relations with business partners.

The management concluded that, in the first phase, EPS should be closed type joint stock company, which would be the main interest of the state and other potential shareholders. The EPS should become open type joint stock company after increasing the company's worth. The management of EPS should prepare all necessary documents for government to approve changes in company's structure.

General manager of EPS, Vladimir Djordjevic, believes that EPS should be transformed into the open type joint stock company after company's worth reaches at least 8 billion euros. If that was not the case, EPS could be sold for small amount of money, general manager believes. The transformation of EPS into joint stock company does not imply privatization of the company nor distribution of free shares. During the first phase, the state should own 100 % of shares in EPS. The model would be similar to that applied in Oil industry of Serbia, Djordjevic said.

During the same session of management board, Djordjevic said the business plan for period 2008-2102 was being prepared. Djordjevic also confirmed that the tenders for strategic partners for construction of new power plants would be launched as soon as the government issues the approval.

The main priorities for EPS are construction of hydropower plant (HPP) Buk Bijela (in cooperation with Republic of Srpska), the thermal power plant (TPP) Kolubara B and unit 3 in TPP Nikola Tesla B. Also, Power utility of Montenegro (EPCG) expressed interest for cooperation in preparing the study for HPP Komarnica.

§ § §

Start of 28 million euros worth project in TPP Nikola Tesla B (Serbia)

In the beginning of October, the upgrade of coal ash transport system started in thermal power plant (TPP) Nikola Tesla B thanks to 28 million euros donation of EU. The project is the part of EU project for improvement of environmental protection.

New transport system will use ten times less water during the process and it should prevent underground waters from pollution. The works will be carried out by Sarajevo company Energoinvest and it should be completed in the second half of 2008.

The inauguration ceremony was attended by minister of mining and energy, Aleksandar Popovic, who reminded that all power plants in Serbia are obliged to introduce environmental protection standards in accordance to EU legislation until 2015.

The head of delegation of European Commission in Serbia, Josep Lloveras, pointed out that importance of this project for Serbia lies also in EU integration. He reminded that this was the largest project funded by EU in Serbia at the moment. Lloveras confirmed that EU would continue to support Serbia in integration to EU through environmental projects in energy sector.

General manager of Power utility of Serbia (EPS), Vladimir Djordjevic said the EPS was the largest beneficiary of EU's projects in Serbia in the last seven years during which EU invested overall amount of 450 million euros. During the next phase of environmental projects in TENT B, the attention will be on solving the problems of sulfur and nitrogen pollution and problems of ash disposal. Djordjevic confirmed that EPS needs overall funds of 1 billion euros for solving all environmental problems, which should be done in the next 8 to 10 years.

§ § §

EPS denied claims of being partner with Russian Mechel (Serbia)

Chief of cabinet of general manager of Power utility of Serbia (EPS), Dejan Jovanovic, denied news brought by some media that Russian Mechel was one of the most interested partners in project for reconstruction of combined heat power plant (CHP) Novi Sad. Jovanovic denied any contacts between EPS and Mechel.

The management board of EPS recently adopted strategy for attracting the strategic partners for reconstruction of CHP Novi Sad. The cost of the project is estimated between 120 and 160 million euros. One option for the reconstruction envisaged construction of additional turbine, while the second option envisages construction of entirely new CCGT unit with power output of 350-400 MW.

§ § §

Natural gas prices to rise by 10 % by the end of 2007 (Serbia)

General manager of Serbian natural gas company Srbijagas, Milos Milankovic announced increase in natural gas prices by the end of the year. His announcement was based on the announcements of Russian suppliers.

According to Milankovic, the prices should rise by 10 % in this year, and another 10 % or more in the first quarter of 2008. Head of Srbijagas believes the price increase could affect gasification projects in the country, having in mind that, in this moment, use of electricity for heating purposes is more favorable than use of natural gas.

§ § §

Tenders:

Electricity

Company / organization:

EBRD, related Bulgaria

Kozloduy Nuclear Power Plant – General

Content:

The following notice refers to goods, works and services to be procured through open tendering for projects financed by the Kozloduy International Decommissioning Support Fund which is administered by the European Bank for Reconstruction and Development.

For more information, please visit <http://www.ebrd.com/oppo/procure/opps/goods/general/070803a.htm>

Deadline:

3 Aug 2008 at 24:00, Kozloduy time

Contact:

Mr. Daryll Jones
Fax. + 359 973 7 4508
E-mail: kpmu@npp.bg

Company / organization:

EAR, related Serbia

Construction of 400 kV Electricity Transmission Line from Nis – Leskovac

Content:

The project purpose is the implementation of works for the construction of the 1st phase of the Serbian part of the HV transmission line Niš – Skopje 400 kV transmission line, to be implemented in two phases. Phase 1 will be the construction of the line from Niš 2 substation to Leskovac.

The works project will include: manufacturing, constructing and erecting towers, stringing lines and civil works

Deadline:

19 November 2007, 12 hrs, Belgrade time

Contact:

Ana.Milenic@ear.europa.eu

Company / organization:

EBRD, related Bulgaria

Kozloduy - Evaporator Concentrate Tanks

Content:

Kozloduy Nuclear Power Plant (KNPP), hereinafter referred to as the Employer, intends using a grant received from the Kozloduy International Decommissioning Support Fund, administered by the European Bank for Reconstruction and Development (the Bank) towards the cost of a facility for retrieval and processing of the solidified phase from evaporator concentrate tanks.

Deadline:

3 Dec 2007 at 16:00, Kozloduy time.

Contact:

Kozloduy Nuclear Power Plant Plc, KPMU,
3321 Kozloduy
Bulgaria
Attention: Daryll Jones
Office tel.: +359 973 7 64 22
Fax: +359 973 7 45 08;
E-mail: kpmu@npp.bg

Company / organization:	EBRD, related Bosnia and Herzegovina
Stanari Thermal Power Plant Project	
Content:	<p>EFT-Thermal Power Plant Stanari" Ltd., member of Energy Financing Team Group, is considering applying in its own name or through a joint-venture to be established with a strategic partner, to the European Bank for Reconstruction and Development (EBRD) for a loan towards the co-financing of the construction of 420 MW lignite fired Power Thermal Plant Stanari.</p> <p>The power plant will be located near the town of Stanari, 70 km east of the city of Banja Luka. The new plant will be fuelled by lignite from the nearby Stanari lignite mine.</p> <p>The proposed power plant will require engineering, procurement and construction of a supercritical, single unit lignite fired power plant of 420 MW nominal capacity, pursuant to a "turnkey" engineering, procurement and construction ("EPC") contract.</p> <p>The plant shall be equipped with all necessary facilities including a complete flue gas treatment system, indirect dry cooling system, process water and water management system, coal storage and handling system, ash disposal system and ancillaries.</p> <p>The power plant shall be designed to fulfill the following objectives:</p> <ul style="list-style-type: none"> • Gross efficiency of at least 43% • High level of availability • Automated to a high degree, including flexible operating characteristics • Compliance with National and European Union environmental requirements. <p>Tendering for the EPC contract is expected to begin in September 2007 with pre-qualification of applicants. Procurement of services, supply, installation and works will be carried out following the results of a tender process.</p> <p>Contracts to be financed with loans from the EBRD will be subject to its Procurement Policies and Rules. The proceeds of the EBRD's loan will not be used for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations or under a law or official regulation of the purchaser's country.</p>
Deadline:	27 July 2008 at 24:00, Belgrade time
Contact:	<p>Danilo Milosevic Chief Mechanical Engineer Energy Financing Team Ltd. Bulevar Mihaila Pupina 10b/II Belgrade, Serbia Tel: +381 11 3011 061 Fax: +381 11 3011 053 email: danilo.milosevic@eft-group.net</p>

Company / organization:	EBRD, related Romania
Iasi District Heating Project	
Content:	<p>This General Procurement Notice (GPN) updates the first GPN for this project published in Procurement Opportunities, on 6 February 2006 with the Ref: 5189-GPN -35162.</p> <p>S.C. Centrala Electrică de Termoficare (CET).Iași S.A. has received a loan from the European Bank of Reconstruction and Development and intends using the proceeds for refurbishment of the city district heating.</p> <p>The Project, which has a total estimated cost of about €31.8 million, proposed to be financed by the Bank, the Swiss Government and S.C.CET Iasi S.A, will require the procurement of the following goods and works:</p> <ul style="list-style-type: none"> - Supply and Installation of thermal modules (expected to be partly donor funded) - Supply and Installation of the equipment in the Central Sub-stations, including the automation equipment (expected to be partly donor funded) - Rehabilitation Works for the Central Sub-stations, including Buildings Rehabilitation - Rehabilitation Works for the Heat Distribution Network <p>Tendering for the above is expected to start in the 1st quarter 2007.</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. The proceeds of the Bank's loan will not be used for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations or under a law of official regulation of the Purchaser's country.</p>
Deadline:	25 Apr 2008 at 24:00, Iasi time
Contact:	<p>Centrala Electrica de Termoficare Iasi (CET) SA Project Implementation Unit Contact name: Mrs. Buzea Doina Address: Calea Chisinaului Street, no. 25 Iasi; Postal code: 700265 Iasi, Romania Phone: +40-232-231675 Fax: +40-232-231675</p>

Company / organization:	EAR, related Serbia
Construction of 400 kV Electricity Transmission Line from Nis – Leskovac	
Content:	<p>The project purpose is the implementation of works for the construction of the 1st phase of the Serbian part of the HV transmission line Niš – Skopje 400 kV transmission line, to be implemented in two phases. Phase 1 will be the construction of the line from Niš 2 substation to Leskovac.</p> <p>The works project will include: manufacturing, constructing and erecting towers, stringing lines and civil works.</p>
Deadline:	19 November 2007, 12:00 hrs local time
Contact:	<p>Ana.Milenic@ear.europa.eu Procurement Unit; European Agency for Reconstruction Vasina 2-4, 11000 Belgrade, Serbia</p>

Company / organization:	EBRD, Serbia
Electric Power Industry of Serbia	
Content:	<p>This notice updates the General Procurement Notice for this project which was posted on the EBRD website on 19 November 2003.</p> <p>Electric Power Industry of Serbia (EPS) is constructing and conducting an installation of a reliable overburden removal system at Tamnava West lignite mine financed from a loan from the European Bank for Reconstruction and Development (EBRD) and the Kreditanstalt fuer Wiederaufbau (KfW).</p> <p>EPS has applied for an EBRD loan for the realization of the following parts of the new lignite mining system:</p> <ul style="list-style-type: none"> • New Bucket Wheel Excavator • New Belt Conveyor system (co-financed by KfW) • New shifting devices <p>EPS has further applied for KfW loan for the following parts of the new system:</p> <ul style="list-style-type: none"> • Parts of the new belt conveyor system • New power supply system • Spreader integrating new and available parts <p>Tendering process is completed and contract realization for the above goods and services is ongoing and project completion is planned for the second quarter of 2009.</p>
Deadline:	12 June 2008 at 24:00, Beograd time
Contact:	Mr. Slobodan Mitrović or Mr. Aleksandar Gajić Tel.: + 381-11-397-1926 Fax: + 391-11-397-1923 e-mail: slobodan.mitrovic@eps.co.yu or aleksandar.gajic@eps.co.yu

Company / organization:	EBRD, related Bulgaria
Pernik District Heating Rehabilitation Project	
Content:	<p>Toplofikacija Pernik EAD, hereinafter referred to as "The Employer", intends using part of the proceeds of a Grant from the Kozloduy International Decommissioning Support Fund (KIDSF) administered by the European Bank for Reconstruction and Development (the Bank) towards the cost of "Pernik District Heating Rehabilitation Project". The project has accumulated savings of €180,000 which is intended to be used for Construction and Installation Works (CIW) needed for the rehabilitation of the heat transmission network.</p> <p>Contracts to be financed with the KIDSF grant will be subject to the Bank's Procurement Policies and Rules. Tendering for contracts to be financed with the proceeds of a grant administered by the Bank is now open to firms from Austria, Belgium, Bulgaria, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxemburg, Portugal, Spain, Sweden, Switzerland, UK, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, the Netherlands, Poland, Romania, Slovakia, Slovenia, all the so called PHARE and countries of EBRD operations.</p>
Deadline:	12 June 2008 at 24:00, Pernik time
Contact:	eng. Gergana Koleva Moshino, CHP Plant Republika 2303 Pernik, Bulgaria Tel./Fax.: +359 (076) 670 675

Company / organization:	EBRD, related Bulgaria
Engineer to TPP Maritza East 2	
Content:	<p>The objective of the assignment is to provide consulting services to TPP "Maritza East 2" EAD during the implementation of two projects, both co-financed through the KIDS Fund, namely:</p> <ol style="list-style-type: none"> 1. The contract for "Construction (Supply and Installation of Plant and Equipment) of Gypsum Dewatering Plant at Units 1 to 6 FGD Plants of TPP "Maritza East 2" EAD, Bulgaria", and 2. The contract for "Reconstruction (Supply and Installation of Plant and Equipment) of Cooling Pump Station at Units 1 to 4 of TPP "Maritza East 2" EAD, Bulgaria". <p>Assessment of Contractor's designs for compliance with the requirements of the Bulgarian Law, implementation of construction supervision until of the issuance of the Operation Permit for both facilities; performance of the duties of the "Engineer" under FIDIC Conditions of Contract for Plant and Design-Build (Yellow Book).</p> <p>Tasks</p> <p>A. Consultant shall act as the "Consultant under Bulgarian Law on Spatial Planning" during the implementation of both contracts. It includes (but not limited to):</p> <ol style="list-style-type: none"> 1. Assessment of the compliance of the Contractors' designs (Basic and/or Detailed designs) with the substantial requirements of the Bulgarian Law on Spatial Planning; 2. Construction supervision until of the issuance of the Operation Permit for both facilities in compliance with the Bulgarian Law on Spatial Planning. <p>B. Consultant shall act as the "Engineer" under FIDIC - Yellow Book during the implementation of both contracts. It includes (but not limited to):</p> <ol style="list-style-type: none"> 1. Preparation of the technical part of the Tender Documents for both projects; 2. Supervision of the works for both projects in line with the provisions of FIDIC - Yellow Book; 3. Assistance during the Defects Notification Period for both facilities. <p>C. The Consultant shall provide technical assistance to the Employer during the implementation of both projects.</p> <p>Consultant Profile</p> <p>The Consultant shall demonstrate experience and expertise in implementation of similar projects. Participation in construction of gypsum dewatering plants and/or facilities applying wet limestone/gypsum SO₂ removal technologies as well as in rehabilitation of power plant systems will be assessed as an advantage. While the working language is English, the knowledge of Bulgarian will be an advantage.</p> <p>The assignment is expected to start on 01st February, 2008 and the contract implementation period is expected to be approximately 50 months.</p> <p>TPP Maritza East 2 will provide adequate office space cost free at the Maritza East 2 plant site.</p> <p>The maximum budget available for the contract in reference is € 1'200'000</p>
Deadline:	22 Oct 2007 at 14:00, Kozloduy time..
Contact:	<p>http://www.ebrd.com/oppo/procure/opps/consult/070924a.htm</p> <p>Mr. Todor Michaylov Executive Director TPP "Maritza East 2" EAD 6265 Kovachevo Stara Zagora distr. Bulgaria Fax : + 359 42 662 000 Email: tec2@tpp2.com</p>

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 Corporative Commercial Bank AD.
Contact:	Yulian Kiossev, tel. (+3592) 9263490 ykiossev@nek.bg.

Contact:	Mr. Josip Jerkovic PIU Director Tel:+387 36 323 788 Fax:+387 36 322 831 Email: josip.jerkovic@epzhb.ba
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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>
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Company / organization:	EBRD, related Bosnia and Herzegovina
Power Distribution Reconstruction Project	
Content:	<p>This GPN updates the notice published on the EBRD website on 11 November 2005. Bosnia and Herzegovina has applied for a loan from the European Bank for Reconstruction and Development ("The Bank") towards the cost of reconstructing and modernising the electricity distribution infrastructure in Bosnia and Herzegovina, enabling the three local power utilities (Elektroprivreda Bosne Hercegovine ("EPBIH"); Elektroprivreda Republike Srpske ("EPRS") and Elektroprivreda Hrvatske Zajednice Herceg Bosne ("EPHZHB")) to improve reliability and quality of electricity supply, reduce losses and improve energy efficiency.</p> <p>The proposed project has a total estimated cost of Euro 55 million, proposed to be financed by the EBRD, and will require the procurement of the following goods, works and services for:</p> <p>(a) Goods and related Services for purchasing of metering equipment for residential consumption and Low and Medium Voltage substations, Low and Medium Voltage transformers, cables and auxiliary equipment for Low and Medium Voltage lines, machinery and equipment for the installation of the aforementioned items;</p> <p>(b) Works for the installation of the aforementioned items;</p> <p>(c) Consulting services to support the three Project Implementation Units established by the three power utilities.</p> <p>Tendering for contracts under (c) above was completed in June 2006. Procurement for goods & services and works under (a) and (b) above has started and should be completed by December 2007.</p>
Deadline:	2 June 2008 at 24:00, Mostar time

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