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# NEWS

Energy News in Southeast Europe  
twice in a month

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## Contact:

**Balkan Energy News office**  
www.NEWS.BalkanEnergy.com  
news@balkanenergy.com

**Subscriptions & info:**  
news@balkanenergy.com  
www.news.balkanenergy.com/request.php  
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## In this issue:

### Analysis:

- » Process of tender procedure for construction of NPP Belene

### News headlines

### Regional:

- » Seven natural gas companies to start feasibility study on regional gas company

### Albania:

- » Ashta HPP tender soon
- » Beginning of privatization of KESH
- » 15 companies interested in ARMO
- » 45% output drop in 2007

### Bosnia and Herzegovina:

- » Construction of TPP Stanari to start in May
- » The project for construction of units 2 in TPP Gacko on hold
- » Statkraft to build four HPPs on Vrbas River
- » Considerable reduction in profit for HPP Visegrad
- » Study of development of EP ZHB presented
- » The construction of small HPPs to start this spring
- » Government approved Draft energy strategy

### Bulgaria:

- » CEZ to build two 440 units in TPP Varna
- » Fuel distributor Petrol reported loss in 2007
- » Maritsa Iztok mining company demands increase in coal prices
- » RWE and Electrabel entered final stage in tender for NPP Belene
- » Bulgargaz demanded 32.07 % increase in natural gas prices
- » AES to start construction of wind park in Kavarna in this year
- » TPP Bobov Dol offered for sale once again
- » Bulgaria resumed electricity export in March
- » TPP Maritsa Iztok 3 continues installation of desulphurization equipment

### Croatia:

- » President of the state in favor of construction of nuclear power plants
- » Increase in electricity prices after July
- » INA reported 120 million euros of consolidated profit
- » INA to take over fuel distributor Krajinapetrol
- » INA to become a part of Adria LNG consortium
- » Dalekovod to build power line in Norway
- » Presidents Mesic and Dodik argue over TPP Gacko
- » New wind farm to be built near Knin

**Greece:**

- » Pressures from EU regarding lignite monopoly
- » French EDF to build 30 MW wind farm
- » Strike resulted powercuts across country

**Macedonia:**

- » TPP Negotino started with production
- » 9 companies applied on call for electricity import
- » Delays in AMBO pipeline
- » CHPP „Energetika“ tender announced
- » Cash penalty to EVN within next week
- » Electricity resumed to Silmak
- » Tender for estimation of lignite reserves soon

**Montenegro:**

- » Second phase of renewal of HPP Piva started
- » EPCG reduced losses to 22.76 %, 17.2 million euros of savings
- » Only ten bids accepted in tender for construction of small HPPs
- » Government approved privatization model for EPCG, 55 % stake to remain state owned
- » Regulator to reject request of EPCG for increase in electricity price

**Romania:**

- » Privatization of small HPPs to finish in 2008
- » Energy complex Craiova to deliver 1.85 TWh of electricity to Petrom
- » 25 % reduction in heat energy consumption in the last three years
- » Report on energy resources in January
- » Natural gas distributors announced increase in prices
- » ANRE granted electricity trading license to Distrigaz Sud
- » Government to select six companies to take part in construction of units 3 and 4 in NPP Cernavoda

**Serbia:**

- » Book value of EPS estimated at 6.7 billion euros
- » EPS to invest funds in joint venture HPP Gornja Drina
- » Energy minister announced continuation of South stream project. Russia expressed concerns
- » Tenders for new thermal power plants to be launched in March
- » Oil refinery in Pancevo and Petrochemical factory shutdown due to environmental pollution

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

## Balkan Energy NEWS publication

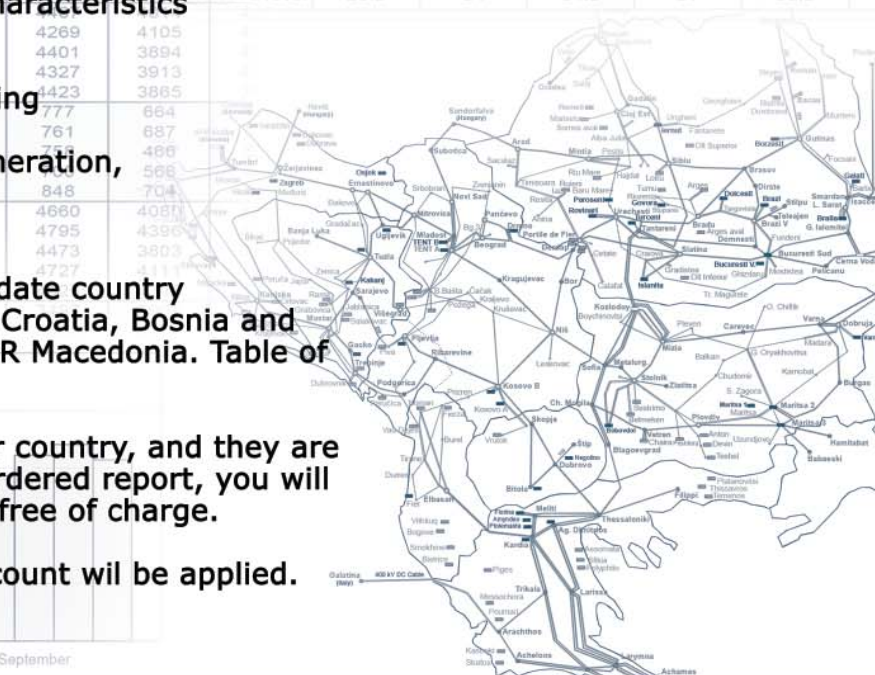
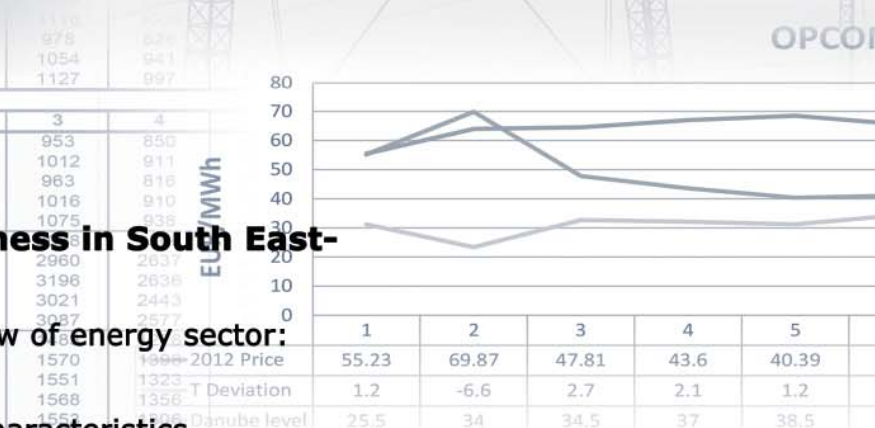
Balkan Energy NEWS service provides energy related news from countries of South East Europe. Covered countries are Albania, Bulgaria, Bosnia & Herzegovina, Croatia, Greece, FYR Macedonia, Montenegro, Romania, Serbia, Slovenia and Turkey. Besides all regional energy related news, we are giving you in 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.

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|    |      |          |      |       |      |      |      |     |
|----|------|----------|------|-------|------|------|------|-----|
| 06 | 1022 | Slovenia | 2009 | 12297 | 1083 | 991  | 1110 | 929 |
| 48 | 1134 |          | 2010 | 12287 | 1083 | 991  | 1054 | 941 |
| 81 | 1077 |          | 2011 | 12590 | 955  | 1051 | 1127 | 997 |

| Annual electricity consumption in GWh |      |      |       |
|---------------------------------------|------|------|-------|
|                                       | Year | Sum  |       |
| 16                                    | 1120 | 2007 | 11182 |
| 95                                    | 1089 | 2008 | 11570 |
| 51                                    | 1054 | 2009 | 10994 |
| 00                                    | 1156 | 2010 | 11722 |
| 86                                    | 1157 | 2011 | 12186 |



## Country Reports on Energy Business in South Eastern Europe

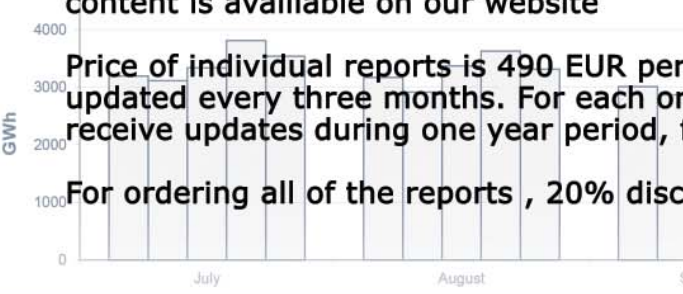
Country reports provide detailed overview of energy sector:

- 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

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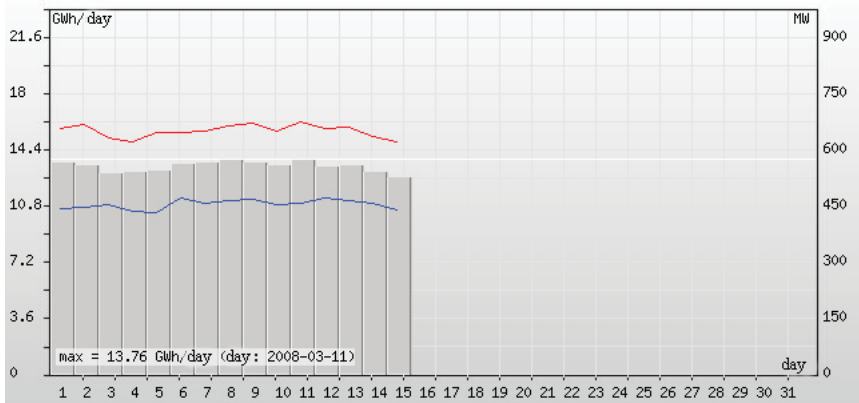
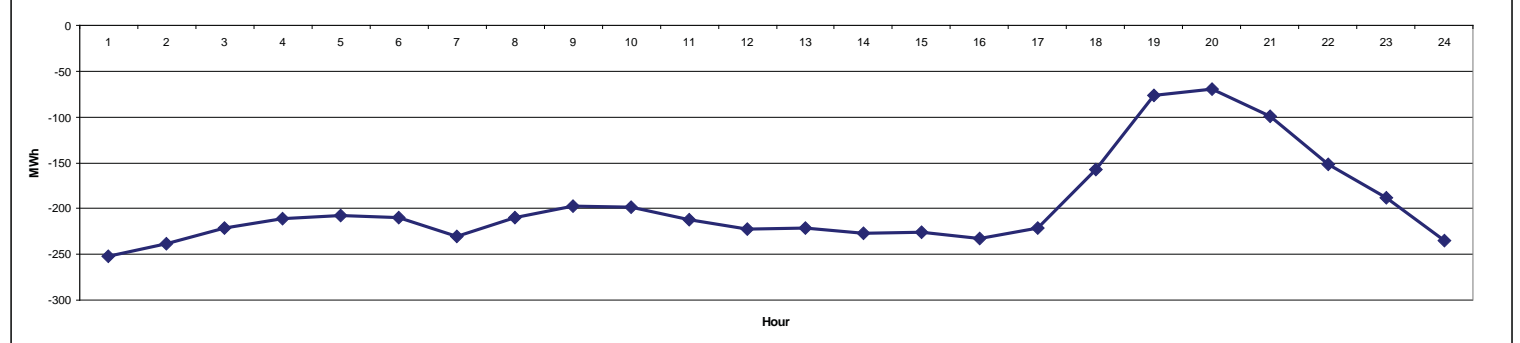




## Montenegro: Electricity export in last 15 days (MWh)

|           | 1    | 2    | 3    | 4    | 5    | 6    | 7    | 8    | 9    | 10   | 11   | 12   | 13   | 14   | 15   | 16   | 17   | 18   | 19   | 20   | 21   | 22   | 23   | 24   |
|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 1.3.2008  | -348 | -323 | -300 | -286 | -269 | -271 | -293 | -53  | -7   | -29  | -184 | -251 | -306 | -314 | -318 | -303 | -71  | -70  | -120 | -116 | -24  | -56  | -146 |      |
| 2.3.2008  | -185 | -247 | -302 | -294 | -279 | -266 | -299 | -317 | -225 | -153 | -132 | -146 | -157 | -136 | -154 | -234 | -252 | -95  | -56  | -54  | -42  | -60  | -78  | -172 |
| 3.3.2008  | -315 | -289 | -249 | -255 | -245 | -251 | -175 | -72  | -60  | -77  | -138 | -196 | -219 | -220 | -218 | -198 | -122 | -86  | -92  | -101 | -104 | -109 | -178 |      |
| 4.3.2008  | -218 | -314 | -281 | -262 | -255 | -269 | -283 | -282 | -291 | -316 | -310 | -307 | -309 | -318 | -308 | -332 | -319 | -233 | -70  | -81  | -125 | -298 | -313 | -338 |
| 5.3.2008  | -309 | -290 | -272 | -265 | -251 | -257 | -262 | -253 | -201 | -198 | -194 | -189 | -183 | -191 | -201 | -199 | -128 | -50  | -33  | -18  | -62  | -56  | -59  | -97  |
| 6.3.2008  | -207 | -235 | -271 | -246 | -244 | -231 | -188 | -110 | -81  | -95  | -60  | -78  | 9    | -46  | -21  | -26  | 5    | -18  | 2    | -17  | -20  | -12  | -112 | -269 |
| 7.3.2008  | -252 | -201 | -185 | -166 | -173 | -174 | -216 | -252 | -276 | -292 | -280 | -297 | -301 | -304 | -304 | -310 | -297 | -201 | -46  | -67  | -119 | -273 | -335 | -309 |
| 8.3.2008  | -264 | -235 | -204 | -198 | -191 | -190 | -219 | -247 | -262 | -245 | -241 | -243 | -263 | -273 | -299 | -302 | -295 | -318 | -232 | -202 | -290 | -317 | -284 | -255 |
| 9.3.2008  | -219 | -192 | -162 | -146 | -137 | -142 | -177 | -220 | -230 | -243 | -246 | -245 | -228 | -247 | -235 | -240 | -257 | -278 | -118 | -48  | -112 | -324 | -305 | -271 |
| 10.3.2008 | -226 | -182 | -149 | -148 | -143 | -154 | -211 | -250 | -261 | -242 | -265 | -247 | -267 | -271 | -251 | -258 | -261 | -244 | -163 | -190 | -228 | -299 | -301 | -284 |
| 11.3.2008 | -220 | -181 | -164 | -158 | -167 | -173 | -211 | -264 | -265 | -275 | -288 | -305 | -284 | -269 | -275 | -244 | -209 | -110 | 54   | -12  | -24  | -96  | -263 | -351 |
| 12.3.2008 | -308 | -280 | -257 | -244 | -232 | -241 | -285 | -316 | -330 | -334 | -298 | -249 | -274 | -271 | -267 | -275 | -287 | -321 | -147 | -116 | -163 | -117 | -204 | -346 |
| 13.3.2008 | -302 | -293 | -271 | -260 | -261 | -270 | -310 | -164 | -77  | -73  | -69  | -105 | -95  | -84  | -95  | -99  | -98  | -118 | -80  | -36  | 25   | -13  | -3   | -52  |
| 14.3.2008 | -185 | -138 | -103 | -99  | -109 | -108 | -155 | -138 | -145 | -149 | -208 | -214 | -185 | -187 | -194 | -207 | -197 | 55   | 6    | -10  | -16  | -16  | -130 | -173 |
| 15.3.2008 | -221 | -179 | -150 | -142 | -158 | -148 | -170 | -215 | -248 | -257 | -267 | -262 | -258 | -266 | -252 | -234 | -226 | -241 | -100 | 15   | -101 | -269 | -273 | -278 |
| Average:  | -252 | -238 | -221 | -211 | -208 | -210 | -230 | -210 | -197 | -199 | -212 | -222 | -222 | -226 | -226 | -233 | -222 | -158 | -76  | -70  | -100 | -152 | -188 | -235 |

## Montenegro: Average Hourly exports in last 15 days

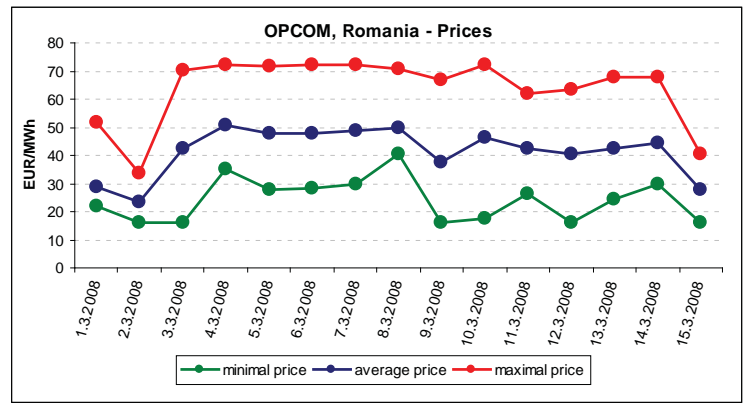
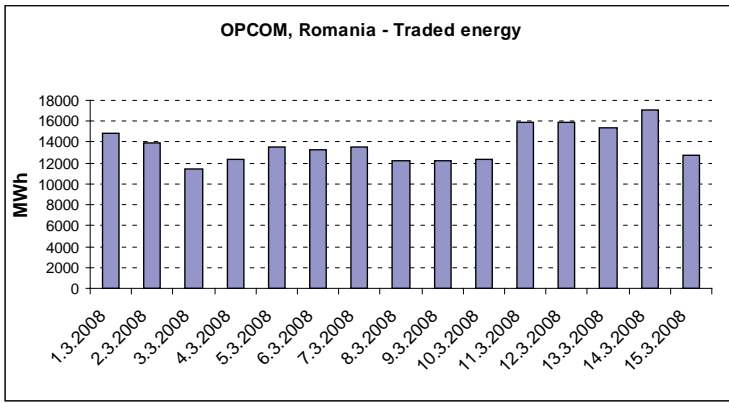


Gray block: Daily consumption (in GWh)  
 Red line: Maximal daily load (in MW)  
 Blue line: Minimal daily load (in MW)  
 (source: TSO EPCG)

## Romania: Electricity consumption in last 15 days (MWh)

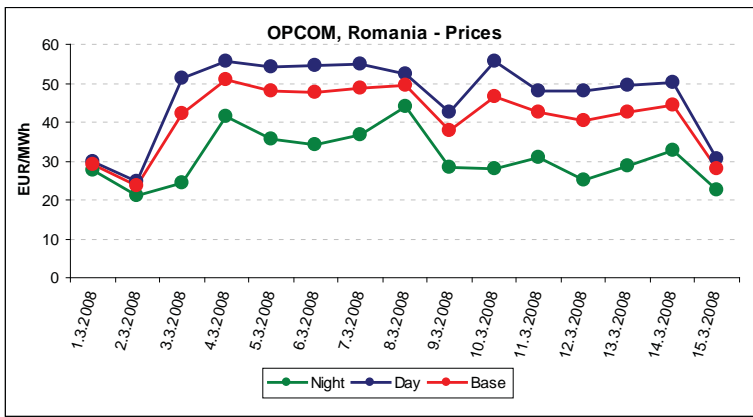
|           | 1    | 2    | 3    | 4    | 5    | 6    | 7    | 8    | 9    | 10   | 11   | 12   | 13   | 14   | 15   | 16   | 17   | 18   | 19   | 20   | 21   | 22   | 23   | 24   |
|-----------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| 1.3.2008  | 6010 | 5870 | 5735 | 5703 | 5744 | 5853 | 5956 | 6132 | 6388 | 6527 | 6584 | 6569 | 6515 | 6355 | 6276 | 6213 | 6221 | 6345 | 6847 | 7189 | 7179 | 6897 | 6534 | 6110 |
| 2.3.2008  | 5914 | 5713 | 5592 | 5546 | 5579 | 5614 | 5480 | 5498 | 5624 | 5663 | 5678 | 5650 | 5622 | 5646 | 5537 | 5546 | 5587 | 5841 | 6504 | 6827 | 6790 | 6537 | 6217 | 5835 |
| 3.3.2008  | 5618 | 5410 | 5339 | 5337 | 5381 | 5569 | 6089 | 6683 | 7006 | 7114 | 7096 | 6983 | 6927 | 6828 | 6701 | 6525 | 6516 | 6601 | 7209 | 7705 | 7650 | 7257 | 6757 | 6352 |
| 4.3.2008  | 5965 | 5750 | 5638 | 5629 | 5671 | 5792 | 6270 | 6757 | 7018 | 7083 | 7067 | 6998 | 6949 | 6950 | 6783 | 6588 | 6518 | 6546 | 7146 | 7704 | 7668 | 7298 | 6792 | 6355 |
| 5.3.2008  | 6047 | 5853 | 5759 | 5747 | 5779 | 6017 | 6488 | 6955 | 7326 | 7386 | 7344 | 7275 | 7224 | 7254 | 7121 | 6854 | 6757 | 6861 | 7456 | 7909 | 7812 | 7427 | 6935 | 6461 |
| 6.3.2008  | 6215 | 6108 | 6000 | 5917 | 5992 | 6186 | 6563 | 7119 | 7482 | 7632 | 7612 | 7550 | 7509 | 7550 | 7345 | 7183 | 7085 | 7150 | 7619 | 8046 | 7974 | 7586 | 7063 | 6628 |
| 7.3.2008  | 6256 | 5998 | 5839 | 5826 | 5855 | 6089 | 6463 | 6990 | 7362 | 7507 | 7446 | 7397 | 7338 | 7338 | 7147 | 6967 | 6939 | 7060 | 7378 | 7706 | 7716 | 7299 | 6808 | 6277 |
| 8.3.2008  | 6248 | 6064 | 5924 | 5832 | 5823 | 5974 | 5987 | 6010 | 6169 | 6312 | 6367 | 6342 | 6268 | 6235 | 6174 | 6184 | 6268 | 6513 | 6958 | 7194 | 7053 | 6723 | 6305 | 5944 |
| 9.3.2008  | 5809 | 5634 | 5554 | 5509 | 5484 | 5547 | 5411 | 5337 | 5559 | 5646 | 5697 | 5667 | 5671 | 5715 | 5634 | 5559 | 5650 | 5862 | 6505 | 6825 | 6788 | 6534 | 6149 | 5752 |
| 10.3.2008 | 5600 | 5394 | 5290 | 5240 | 5319 | 5488 | 6103 | 6659 | 7101 | 7208 | 7218 | 7129 | 7042 | 7023 | 6881 | 6676 | 6565 | 6644 | 7228 | 7724 | 7668 | 7277 | 6769 | 6361 |
| 11.3.2008 | 6086 | 5843 | 5745 | 5709 | 5714 | 5967 | 6360 | 6842 | 7182 | 7270 | 7235 | 7152 | 7105 | 7140 | 7014 | 6849 | 6808 | 6913 | 7321 | 7793 | 7727 | 7359 | 6840 | 6380 |
| 12.3.2008 | 6024 | 5818 | 5721 | 5681 | 5677 | 5883 | 6362 | 6823 | 7137 | 7136 | 7123 | 7080 | 6938 | 6894 | 6822 | 6621 | 6537 | 6660 | 7222 | 7726 | 7642 | 7203 | 6724 | 6141 |
| 13.3.2008 | 6015 | 5890 | 5774 | 5744 | 5770 | 5972 | 6403 | 6821 | 7161 | 7298 | 7255 | 7172 | 7116 | 7123 | 7021 | 6846 | 6760 | 6849 | 7237 | 7767 | 7720 | 7307 | 6817 | 6361 |
| 14.3.2008 | 6067 | 5908 | 5799 | 5779 | 5795 | 5940 | 6198 | 6729 | 7094 | 7236 | 7188 | 7165 | 7151 | 7124 | 6940 | 6841 | 6774 | 6866 | 7274 | 7790 | 7717 | 7359 | 6854 | 6445 |
| 15.3.2008 | 6025 | 5921 | 5783 | 5767 | 5828 | 5908 | 5886 | 6031 | 6274 | 6400 | 6394 | 6312 | 6275 | 6247 | 6159 | 6145 | 6102 | 6197 | 6734 | 7185 | 7056 | 6743 | 6343 | 5945 |
| Average:  | 5993 | 5812 | 5699 | 5665 | 5694 | 5853 | 6135 | 6492 | 6792 | 6894 | 6887 | 6829 | 6777 | 6762 | 6637 | 6506 | 6472 | 6594 | 7109 | 7539 | 7477 | 7120 | 6660 | 6223 |





Opcom, Romania: Prices in last 15 days

|                | 1.3.2008 | 2.3.2008 | 3.3.2008 | 4.3.2008 | 5.3.2008 | 6.3.2008 | 7.3.2008 | 8.3.2008 | 9.3.2008 | 10.3.2008 | 11.3.2008 | 12.3.2008 | 13.3.2008 | 14.3.2008 | 15.3.2008 |
|----------------|----------|----------|----------|----------|----------|----------|----------|----------|----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Base Price     | 29.00    | 23.65    | 42.32    | 50.87    | 47.91    | 47.67    | 48.78    | 49.59    | 37.66    | 46.47     | 42.36     | 40.32     | 42.57     | 44.38     | 27.86     |
| Base Quantity  | 14894    | 13979    | 11419    | 12308    | 13510    | 13287    | 13581    | 12235    | 12158    | 12414     | 15866     | 15866     | 15318     | 17063     | 12777     |
| Day Price      | 29.76    | 24.90    | 51.38    | 55.56    | 54.00    | 54.46    | 54.77    | 52.46    | 42.39    | 55.73     | 48.10     | 47.99     | 49.40     | 50.23     | 30.57     |
| Day Quantity   | 9872     | 9337     | 7714     | 8229     | 9245     | 9359     | 9336     | 8427     | 8484     | 8320      | 11270     | 11270     | 10815     | 11710     | 8579      |
| Night Price    | 27.50    | 21.14    | 24.19    | 41.47    | 35.72    | 34.09    | 36.81    | 43.84    | 28.20    | 27.96     | 30.90     | 24.99     | 28.90     | 32.66     | 22.44     |
| Night Quantity | 5022     | 4642     | 3705     | 4079     | 4265     | 3928     | 4245     | 3808     | 3675     | 4094      | 4596      | 4596      | 4503      | 5353      | 4197      |



Day Energy (06-22h)  
Base energy (00-24h)  
Night energy (22-06h)

Tables with offered Available Transfer Capacities (ATC) in Balkan region for April 2008

| NOS BIH - Bosnia & Herzegovina. |     |     |     |     |     | April 2008       |
|---------------------------------|-----|-----|-----|-----|-----|------------------|
| Border+Direction                | TTC | TRM | NTC | AAC | ATC | Validity period: |
| IMPORT                          |     |     |     |     |     |                  |
| Croatia > BIH                   | -   | -   | 500 | -   | 109 | 01.-30.4.2008.   |
| Montenegro > BIH                | -   | -   | 360 | -   | 180 | 01.-30.4.2008.   |
| Serbia > BIH                    | -   | -   | 250 | -   | 125 | 01.-30.4.2008.   |
| EXPORT                          |     |     |     |     |     |                  |
| BIH > Croatia                   | -   | -   | 550 | -   | 275 | 01.-30.4.2008.   |
| BIH > Montenegro                | -   | -   | 320 | -   | 100 | 01.-30.4.2008.   |
| BIH > Serbia                    | -   | -   | 300 | -   | 118 | 01.-30.4.2008.   |

| OPS HEP - Croatia  |     |     |     |     |      | April 2008       |
|--------------------|-----|-----|-----|-----|------|------------------|
| Border+Direction   | TTC | TRM | NTC | AAC | ATC  | Validity period: |
| IMPORT             |     |     |     |     |      |                  |
| Hungary > Croatia  | -   | -   | -   | -   | 300* | 01.-30.4.2008.   |
| Slovenia > Croatia | -   | -   | -   | -   | 150  | 01.-30.4.2008.   |
| Serbia > Croatia   | -   | -   | -   | -   | 75   | 01.-30.4.2008.   |
| BIH > Croatia      | -   | -   | -   | -   | 100  | 01.-30.4.2008.   |
| EXPORT             |     |     |     |     |      |                  |
| Croatia > Hungary  | -   | -   | -   | -   | 0*   | 01.-30.4.2008.   |
| Croatia > Slovenia | -   | -   | -   | -   | 150  | 01.-30.4.2008.   |
| Croatia > Serbia   | -   | -   | -   | -   | 100  | 01.-30.4.2008.   |
| Croatia > BIH      | -   | -   | -   | -   | 75   | 01.-30.4.2008.   |

\* Common auction conducted by MAVIR

| ESO - Bulgaria     |     |     |     |     |     | April 2008       |
|--------------------|-----|-----|-----|-----|-----|------------------|
| Border+Direction   | TTC | TRM | NTC | AAC | ATC | Validity period: |
| IMPORT             |     |     |     |     |     |                  |
| Serbia > Bulgaria  | -   | -   | 50  | -   | 50  | 01.-30.4.2008.   |
| Romania > Bulgaria | -   | -   | 300 | -   | 200 | 01.-17.4.2008.   |
|                    |     |     | 100 | -   | 0   | 18.-30.4.2008.   |
| Greece > Bulgaria  | -   | -   | 300 | -   | 300 | 01.-30.4.2008.   |
| EXPORT             |     |     |     |     |     |                  |
| Bulgaria > Serbia  | -   | -   | 500 | -   | 500 | 01.-17.4.2008.   |
|                    |     |     | 200 | -   | 200 | 18.-30.4.2008.   |
| Bulgaria > Romania | -   | -   | 200 | -   | 100 | 01.-30.4.2008.   |
| Bulgaria > Greece  | -   | -   | 400 | -   | 300 | 01.-21.4.2008.   |
|                    |     |     | 600 | -   | 500 | 22.-26.4.2008.   |
|                    |     |     | 400 | -   | 300 | 27.-30.4.2008.   |

| MAVIR - Hungary   |     |     |     |     |     | April 2008       |
|-------------------|-----|-----|-----|-----|-----|------------------|
| Border+Direction  | TTC | TRM | NTC | AAC | ATC | Validity period: |
| IMPORT            |     |     |     |     |     |                  |
| Croatia > Hungary | 400 | 200 | 200 | 200 | 0   | 01.-30.4.2008.   |
| Romania > Hungary | 400 | 100 | 300 | 200 | 100 | 01.-30.4.2008.   |
| Serbia > Hungary  | 400 | 100 | 300 | 200 | 100 | 01.-30.4.2008.   |
| EXPORT            |     |     |     |     |     |                  |
| Hungary > Croatia | 950 | 200 | 750 | 450 | 300 | 01.-30.4.2008.   |
| Hungary > Romania | 400 | 100 | 300 | 175 | 125 | 01.-30.4.2008.   |
| Hungary > Serbia  | 350 | 100 | 250 | 150 | 100 | 01.-30.4.2008.   |



| Transelectrica - Romania |     |     |     |     |     | April 2008       |
|--------------------------|-----|-----|-----|-----|-----|------------------|
| Border+Direction         | TTC | TRM | NTC | AAC | ATC | Validity period: |
| <b>IMPORT</b>            |     |     |     |     |     |                  |
| Bulgaria > Romania       | 300 | 100 | 100 | 50  | 50  | 01.-30.4.2008.   |
| Serbia > Romania         | 200 | 100 | 50  | 50  | 0   | 01.-30.4.2008.   |
| Hungary > Romania        | 400 | 100 | 150 | 25  | 125 | 01.-30.4.2008.   |
| Ukraine > Romania        | 250 | 100 | 150 | 100 | 50  | 01.-06.4.2008.   |
|                          | 0   | 0   | 0   | 0   | 0   | 07.-11.4.2008.   |
|                          | 250 | 100 | 150 | 100 | 50  | 12.-30.4.2008.   |
| <b>EXPORT</b>            |     |     |     |     |     |                  |
| Romania > Bulgaria       | 400 | 100 | 150 | 50  | 100 | 01.-17.4.2008.   |
|                          | 200 | 100 | 50  | 50  | 0   | 18.-30.4.2008.   |
| Romania > Serbia         | 600 | 100 | 250 | 50  | 200 | 01.-17.4.2008.   |
|                          | 300 | 100 | 100 | 50  | 50  | 18.-30.4.2008.   |
| Romania > Hungary        | 300 | 100 | 100 | 50  | 50  | 01.-06.4.2008.   |
|                          | 400 | 100 | 150 | 50  | 100 | 07.-17.4.2008.   |
|                          | 300 | 100 | 100 | 50  | 50  | 18.-30.4.2008.   |
| Romania > Ukraine        | 0   | 0   | 0   | 0   | 0   | 01.-30.4.2008.   |

| EMS - Serbia        |     |     |     |     |     | April 2008       |
|---------------------|-----|-----|-----|-----|-----|------------------|
| Border+Direction    | TTC | TRM | NTC | AAC | ATC | Validity period: |
| <b>IMPORT</b>       |     |     |     |     |     |                  |
| Hungary > Serbia    | -   | -   | -   | -   | 125 | 01.-30.4.2008.   |
| Romania > Serbia    | -   | -   | -   | -   | 175 | 01.-30.4.2008.   |
| Bulgaria > Serbia   | -   | -   | -   | -   | 175 | 01.-30.4.2008.   |
| Macedonia > Serbia  | -   | -   | -   | -   | 77  | 01.-30.4.2008.   |
| Albania > Serbia    | -   | -   | -   | -   | 105 | 01.-30.4.2008.   |
| Montenegro > Serbia | -   | -   | -   | -   | 150 | 01.-30.4.2008.   |
| BiH > Serbia        | -   | -   | -   | -   | 50  | 01.-30.4.2008.   |
| Croatia > Serbia    | -   | -   | -   | -   | 150 | 01.-30.4.2008.   |
| <b>EXPORT</b>       |     |     |     |     |     |                  |
| Serbia > Hungary    | -   | -   | -   | -   | 75  | 01.-30.4.2008.   |
| Serbia > Romania    | -   | -   | -   | -   | 50  | 01.-30.4.2008.   |
| Serbia > Bulgaria   | -   | -   | -   | -   | 25  | 01.-30.4.2008.   |
| Serbia > Macedonia  | -   | -   | -   | -   | 150 | 01.-30.4.2008.   |
| Serbia > Albania    | -   | -   | -   | -   | 90  | 01.-30.4.2008.   |
| Serbia > Montenegro | -   | -   | -   | -   | 125 | 01.-30.4.2008.   |
| Serbia > BiH        | -   | -   | -   | -   | 25  | 01.-30.4.2008.   |
| Serbia > Croatia    | -   | -   | -   | -   | 125 | 01.-30.4.2008.   |

- 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)

| MEPSO - Macedonia   |     |     |     |     |     | April 2008       |
|---|-----|-----|-----|-----|-----|------------------|
| Border+Direction  | TTC | TRM | NTC | AAC | ATC | Validity period: |
| <b>IMPORT</b>   |     |     |     |     |     |                  |
| Serbia > Macedonia  | 400 | 100 | 300 | 0   | 150 | 01.-30.4.2008.   |
| Greece > Macedonia  | 210 | 100 | 110 | 0   | 0   | 01.-30.4.2008.   |
| <b>EXPORT</b>   |     |     |     |     |     |                  |
| Macedonia > Serbia  | 254 | 100 | 154 | 0   | 77  | 01.-30.4.2008.   |
| Macedonia > Greece  | 200 | 100 | 100 | 0   | 0   | 01.-30.4.2008.   |
| Remark: No transparent allocation procedure on Greek and Bulgarian border |     |     |     |     |     |                  |
| TSO EPCG - Montenegro   |     |     |     |     |     | April 2008       |
| Border+Direction  | TTC | TRM | NTC | AAC | ATC | Validity period: |
| <b>IMPORT</b>   |     |     |     |     |     |                  |
| Albania > Montenegro  | -   | -   | -   | -   | 100 | 01.-20.4.2008.   |
|   | -   | -   | -   | -   | 50  | 21.-27.4.2008.   |
|   | -   | -   | -   | -   | 0   | 28.-30.4.2008.   |
| BiH > Montenegro  | -   | -   | -   | -   | 70  | 01.-30.4.2008.   |
| Serbia > Montenegro   | -   | -   | -   | -   | 90  | 01.-17.4.2008.   |
|   | -   | -   | -   | -   | 30  | 18.-30.4.2008.   |
| <b>EXPORT</b>   |     |     |     |     |     |                  |
| Montenegro > Albania  | -   | -   | -   | -   | 50  | 01.-20.4.2008.   |
|   | -   | -   | -   | -   | 0   | 21.-30.4.2008.   |
| Montenegro > BiH  | -   | -   | -   | -   | 100 | 01.-30.4.2008.   |
| Montenegro > Serbia   | -   | -   | -   | -   | 100 | 01.-30.4.2008.   |

### Danube water-level in cm for last 30 days

relevant for:

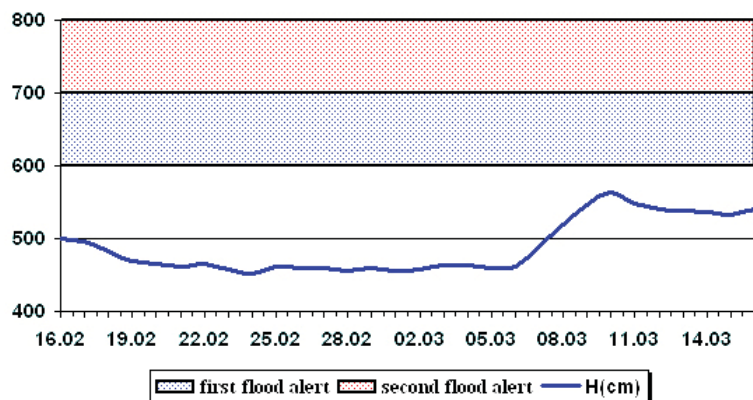
HPP Portile de Fier I, 1167 MW, Romania

HPP Portile de Fier II, 270 MW, Romania

HPP Djerdap I, 1058 MW, Serbia

HPP Djerdap II, 270 MW Serbia

(source: Republic Hydrometeorological Service of Serbia)



### Weather conditions for March

|  | 17.3.                         | 18.3.                        | 19.3.                          | 20.3.                        | 21.3.                           | 22.3.                         | 23.3.                         | 24.3.                         | 25.3.                       | March averages.   |
|--|-------------------------------|------------------------------|--------------------------------|------------------------------|---------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|---|
| <b>Albania</b><br><i>Tirana</i>                  | T: 7-17<br>W: SW 11<br>R: 9   | T: 4-14<br>W: SW 8<br>R: 8.3 | T: 4-12<br>W: NE 14<br>R: 10   | T: -2-10<br>W: NW 11<br>R: - | T: -1-9<br>W: SW 25<br>R: 41    | T: 1-17<br>W: NW 8<br>R: 20.2 | T: 7-18<br>W: E 11<br>R: YES  | T: 9-21<br>W: NW 16<br>R: -   | T: 11-22<br>W: S 8<br>R: -  | Temperature: 3-13<br>Amount of rain: 109<br>Number of rain days: -          |
| <b>Bosnia and Herzegovina</b><br><i>Sarajevo</i> | T: 4-13<br>W: L-V<br>R: 11    | T: 4-7<br>W: L-V<br>R: 18    | T: 3-3<br>W: L-V<br>S: 4.3     | T: -2-4<br>W: -<br>R: -      | T: -2-8<br>W: SW 8<br>R: 9.1    | T: 4-9<br>W: -<br>R: 1.5      | T: 3-11<br>W: -<br>R: YES     | T: 1-4<br>W: NW 4<br>R: YES   | T: -1-7<br>W: -<br>R: -     | Temperature: 0.7-10.4<br>Amount of rain: 70<br>Number of rain days: 10      |
| <b>Bulgaria</b><br><i>Sofia</i>                  | T: 6-19<br>W: SW 6<br>R: 3.5  | T: 8-14<br>W: NW 9<br>R: 6   | T: 5-11<br>W: N 8<br>R: 12     | T: 5-5<br>W: N 12<br>R: 7.6  | T: -2-12<br>W: S 12<br>R: -     | T: 4-13<br>W: W 9<br>R: 3.5   | T: 2-17<br>W: SE 12<br>R: YES | T: 7-12<br>W: NW 16<br>R: YES | T: 1-11<br>W: SE 4<br>R: -  | Temperature: 0.3-9.8<br>Amount of rain: 38<br>Number of rain days: 10       |
| <b>Croatia</b><br><i>Zagreb</i>                  | T: 8-18<br>W: W 9<br>R: 7     | T: 3-12<br>W: NE 9<br>R: 3.5 | T: 0-4<br>W: E 6<br>R: -       | T: -4-12<br>W: SW 14<br>R: - | T: 2-15<br>W: SW 11<br>R: 11    | T: 3-7<br>W: SW 8<br>S: 9     | T: 5-7<br>W: NE 11<br>R: YES  | T: 0-7<br>W: NW 16<br>R: -    | T: 0-10<br>W: S 9<br>R: YES | Temperature: 0.9-11.3<br>Amount of rain: 51.6<br>Number of rain days: 11    |
| <b>Greece</b><br><i>Athens</i>                   | T: 12-21<br>W: SW 14<br>R: -  | T: 12-21<br>W: SW 24<br>R: - | T: 11-21<br>W: SW 14<br>R: 2   | T: 12-23<br>W: W 27<br>R: 6  | T: 8-19<br>W: SW 16<br>R: -     | T: 12-22<br>W: SW 19<br>R: -  | T: 14-23<br>W: SE 24<br>R: -  | T: 14-17<br>W: SW 38<br>R: -  | T: 7-16<br>W: SW 8<br>R: -  | Temperature: 6.7- 15.7<br>Amount of rain: 40.7<br>Number of rain days: 10.2 |
| <b>Macedonia</b><br><i>Skopje</i>                | T: 4-18<br>W: W 9<br>R: 4.5   | T: 6-17<br>W: NW 6<br>R: 3.6 | T: 2-16<br>W: NE 11<br>R: 10.2 | T: 6-7<br>W: NW 11<br>R: 6.3 | T: -1-12<br>W: SW 17<br>R: 14.2 | T: 6-17<br>W: NW 6<br>R: 7.4  | T: 1-19<br>W: SE 14<br>R: -   | T: 5-11<br>W: NW 16<br>R: -   | T: -2-11<br>W: L-V<br>R: -  | Temperature: 1.9-13.6<br>Amount of rain: 40<br>Number of rain days: 10      |
| <b>Montenegro</b><br><i>Podgorica</i>            | T: 8-14<br>W: SW 11<br>R: 4.3 | T: 7-13<br>W: L-V<br>R: 17   | T: 7-14<br>W: NE 16<br>R: 12   | T: 6-10<br>W: NW 8<br>R: -   | T: 2-12<br>W: SW 24<br>R: 38    | T: 5-12<br>W: W 6<br>R: 21    | T: 4-18<br>W: E 9<br>R: YES   | T: 7-10<br>W: NW 16<br>R: YES | T: 2-12<br>W: S 8<br>R: -   | Temperature: 5.8-15.1<br>Amount of rain: 159<br>Number of rain days: 11     |
| <b>Romania</b><br><i>Bucharest</i>               | T: 8-20<br>W: SW 19<br>S: 9   | T: 9-16<br>W: NW 6<br>R: 12  | T: 3-9<br>W: NW 4<br>R: 6      | T: 3-3<br>W: N 9<br>R: -     | T: -2-6<br>W: S 16<br>R: 1      | T: 6-14<br>W: SW 9<br>R: -    | T: 3-9<br>W: SE 14<br>R: -    | T: 7-18<br>W: SW 9<br>R: -    | T: 3-12<br>W: SE 9<br>R: -  | Temperature: 0.3-10.5<br>Amount of rain: 38<br>Number of rain days: 6       |
| <b>Serbia</b><br><i>Belgrade</i>                 | T: 8-16<br>W: SW 19<br>R: 4.8 | T: 8-11<br>W: N 12<br>R: 3.9 | T: 4-4<br>W: N 4<br>R: -       | T: 1-8<br>W: W 8<br>R: -     | T: 1-13<br>W: S 49<br>R: -      | T: 8-9<br>W: W 11<br>R: -     | T: 5-13<br>W: SE 19<br>R: -   | T: 5-6<br>W: NW 46<br>R: YES  | T: 2-8<br>W: SE 19<br>R: -  | Temperature: 3.3-11.9<br>Amount of rain: 50<br>Number of rain days: 12      |

T: Temperature in celsius degrees

W: Wind speed in km/h, S – South, W – West, N – North, E – East and variables; “-” - no wind; “L-V” - Light and variable

R: Rain in mm

S: Snow in mm

### Analysis:

## Process of tender procedure for construction of NPP Belene

### Introduction

NPP Belene construction site is on the river Danube banks, 250 km northeast of Sofia and 7.5 km from Bulgarian-Romanian border.

The NPP should have two AES92 type pressurized water reactors, with overall capacity of 2,000 MW. The new reactors are based on VVER technology developed by Russian AtomStroyExport, which will be the main constructor of the plant. The main subcontractors will be Areva and Siemens. Comparing to old VVER 1000 reactors, AES92 have advanced security systems in line with European Utility Requirements (EUR) for Light Water Reactors, EC confirmed. EC believes that construction works could start in 2008, while the reactors could be operational in 2014-2015.

It has been decided that reactor will be AES-92 (VVER 1000/V-466). AES-92 presents updated VVER 1000/320, soviet-type pressurized light water reactor. There is no detailed information regarding this type of reactor, since there is no exactly the same reactor installed and operational. Similar, AES-91 (VVER-1000/V-428) was installed one year ago in Asia. It is also modification of VVER-1000/V-392, like AES-92. According to documentation, The AES reactor has more backup systems for safe shutdown and cooling the reactor than the old VVER 1000 version, and longer lifetime (60 years).

### Technical info regarding AES-92

Capacity:

-3000 MW (thermal)

-1068 MW (electrical)

-Lifetime: 60 years, operational 7900 hours/year

Primary coolant circuit:

-4 loops

-coolant flow rate through the reactor: 86000 m<sup>3</sup>/h

-pressure (operational) 15,7 MPa (max 17.6)

-coolant temperature: in 291°C, out 321 °C

reactor core:

-80t U

-fuel = VVER 1000

-average fuel burnup: 472 MWd/kgU (max 49.9)

-fuel cycle: 3 to 4 years

Secondary circuit:

-pressure: 6,28 MPa

Safety systems:

-active: HPSI, LPSI, SS, EFWS: 4\*100%

-passive: 2 systems, 4\*33% per system

**History:**

The project design of NPP Belene was carried out in the early 1980s jointly with Soviet Union. The construction started in 1987 with the following time schedule: unit 1 in 1995, unit 2 in 1997 and units 3&4 after 2000. Original plans were for two Soviet-design WWER-1000 pressurized water reactors with two more units to be added later.

Nevertheless, in August 1991, Bulgarian government suspended construction, mainly due to the lack of funds, environmentalists' protests and mounting concerns over the region's seismic stability. Since then only the preservation of the construction work and the equipment has been carried out. In the mid-1990s the reactor vessel for unit 1 (Skoda reactor of the Russian WWER type), which had been paid for several years earlier, was delivered to the site from Czechoslovakia. Construction works for unit 1 is up to 40% complete and for the second unit roughly about 10% complete. Nearly all major equipment, including circuitry, transformers and one Czech-made WWER-1000 reactor vessel, has already been delivered (from Skoda and others) and about of the 60% of the basic equipment on the site is usable. Bulgaria spent 1.3 billion € till now at Belene.

**Construction:**

Bulgarian government approved construction of NPP Belene in April 2005, and tender documentation for design, construction, commissioning, and putting into operation of units 1 and 2 was bought by only two companies, Russia's Atomstroyexport JSC and Czech's Consortium Skoda Alliance. Since June 2005 till October 2006, after long government struggle for bid improvements, Russia's Atomstroyexport JSC has been selected to be the constructor of nuclear power plant. Russian bid was considered better in terms of security and utilization of two units in NPP.

Atomstroyexport offered to produce electricity in new NPP at price below or equal 37 euros per MWh, while Skoda offered 40 to 43 euros. They also offered to build NPP for 3.997 billion euros, while Skoda offered price of 4.098 billion euros.

One of the demands of NEK was reduction of construction deadline from 10 to 6 years. The main reason for such request was the forecasted lack of power capacity in 2011th- 2012th. During October 2006, Czech Skoda has reduced construction period for the first unit from 10 to 4 years for unit1 and, for unit 2, from 10 to 7.5 years. Russian company offered similar timings, depending on usage of already delivered equipment, but better timing for unit 2.

In that moment (October of 2006) it was estimated that first unit in NPP could be put in operation in 2012th at the earliest.

According to contract signed by NEK and Russian company, 30 % of project should be granted to local companies, which should be equal to 1.2 billion euros. The future subcontractors should be selected through tender procedure. Over 100 Bulgarian companies submitted applications to AtomStroyExport in order to become subcontractors in Belene project.

Atomstroyexport is 49% owned by Gazprom. Other members of consortium for construction of NPP will be French Areva and German Siemens. Russian company will build two 1,000 MW blocks with B466 reactors. The blocks have operational life of 60 years and shall be constructed in accordance to EU standards.

In the middle of 2007, there were disputes between NEK and Atomstroyexport regarding usage and value of the equipment delivered by Skoda in 1990s. The AtomStroyExport believes that some parts of the equipment will not be compatible to the new design of NPP and it is ready to pay funds to NEK for disassembling the equipment.

NEK claims the equipment worth is 300 million euros, while AtomStroyexport was ready to pay some 100 million euros for it.

On January 18 in Sofia, NEK and AtomStroyExport signed the engineering, procurement and construction (EPC) contract for construction and commissioning of units 1 and 2 of NPP Belene.

The contract was signed by Lubomir Velkov, CEO of NEK, and by Sergey Shmatko, president of AtomStroyExport. The worth of the contract is 3.997 billion euros, while the cost of the entire project should reach 6 to 7 billion euros. The Russian company will install AES-92 type of nuclear reactors in the NPP. The technology, which has combination of active and passive safety and security systems, was approved by EU in December 2007.

The head of Russian nuclear agency (Rosatom), Sergey Kirienko said that AtomStroyExport expects to build two more units in NPP Belene in the future.

According to the contract, construction of the units should start in the second half of 2008, and the two units should be operational in 2014 and 2015. In October 2006, it was expected that first unit could be operational by the end of 2012.

**Environmental issues:**

In August 2005, Greenpeace announced battle against nuclear policy in Bulgaria in favor of improvement of energy efficiency. But Ministry of energy said that the Greenpeace claims could not be supported by any relevant facts he also added that Energy strategy in Bulgaria predicts active presence of nuclear energy, which should be in accordance to the key principles of safe operation of nuclear facilities. Again, in December 2007, Bulgarian green party issued a press release in which it repeated its standpoint against construction of NPP Belene and NPPs in general. The EC's approval of Belene project was also disapproved by Greenpeace and other environmental NGO's.

In December 2007, European commission officially supported technology that will be used in nuclear power plant (NPP) Belene and that the NPP Belene project was in accordance to articles 41 to 44 of Euroatom treaty. EC also confirmed that design of the plant includes various passive security systems and improved protection against external hazards, such as earthquakes and plain crashes. A month earlier, there was a confusion, since NEK issued official press release on November 6 in which it claimed that EU approved the project, which was denied by European commission, saying that final decision was not reached yet.

According to the study published by Bulgaria's Academy of Science, the construction site of nuclear power plant (NPP) Belene is located in the area with the lowest seismic activities in the country. The study has been conducted in the period of two years, and it showed that construction site is in accordance to the criteria of the International Atomic Energy Agency. On the other hand, anti-nuclear activists claimed the NPP Belene would be unsafe having in mind that earthquake in 1977 in the Vrancea region in Romania damaged Bulgarian town of Svishtov, near the future plant.

**Financing:**

On the 2nd half of January 2007, NEK has published an invitation for 250 million loan. The main purpose of the loan is to finance the project's design, supply of equipment and the construction works during the first year of the project. The French bank BNP Paribas has won in the tender for providing the 250 million euros bridge loan

In May 2007 NEK confirmed it has been negotiating with Euratom and European investment bank (among others) for funding the project. Later this year, a 300 million loan from Euratom has been granted. After long negotiations, government of Bulgaria has decided to grant 600 million euros of state guarantees to the project for construction of NPP Belene. The guarantees are related to the loans from Euroatom and European Investment Bank (should be granted in 2008).

Government of Bulgaria also decided to establish fund for financing the university training of staff for future NPP Belene. The main problem was the fact that Bulgarian universities do not produce enough nuclear engineers, which should be changed by new special fund.

A bank that will be a leader for arranging and providing the long-term, possibly 15-year loan, for the project has not been selected yet. After signing an agreement on 18th of January 2008, Russian president Vladimir Putin said that Russia is ready to fund the construction of NPP Belene and offered 3.8 billion euros loan to Bulgaria.

Some sources imply that NEK could take an export loan from Russian Roseximbank. On the other hand, the AtomStroyExport could also provide funds for the project, sources said. Till March 2008, only two banks applied for providing the loan for the project.

#### **Strategic partner:**

On 2nd of May 2007, NEK has published invitation of expression of interest for strategic partner for NPP Belene. NEK should control at least 51 % in the future joint venture called Power Company Belene (PCB). The PCB will be the owner and operator of the NPP Belene. In the same time, NEK obliged itself to purchase electricity from the NPP in the period of 15-years. The main criteria for selection of future partners will be the prior experience in construction and operation of NPPs, the experience in electricity export and the financial capacity to fund the project. It is expected that strategic partner would contribute some 2 billion euros in funding. In that moment, it was expected that final agreement would be signed by 2007, and construction would start in 2008.

The following companies have submitted bids: Enel (Italy), CEZ (Czech Republic), RWE, EON (Germany), EDF (France), ATEL, EGL (Switzerland), Endesa (Spain), Electrabel (Belgium) and local company Cumerio Med. The future strategic partner should invest some 2 billion euros and acquire 49 % of the shares in the project company Electro power Company Belene, the future owner and the operator of the plant.

The potential partner will be entitled to sign 15-year contract for purchase of NPP's output.

Two months later, NEK officials announced that potential investors are divided in two groups. The first group is made of the companies, which were invited in the second stage of the procedure and wanted to subscribe directly or through consortium model for up to 49 % of the shares BPC. The potential partner are Electrabel (Belgium), Enel (Italy), E. ON, RWE (both from Germany), EDF (France) and CEZ (Czech Republic). The second group of the bidders was made of companies willing to acquire up to 25 % of shares in the BPC and those were Endesa, EGL, Cumerio Med AD and ATEL. NEK confirmed the companies from the second group might be invited to submit initial offers, depending on the outcome of negotiations between NEK and companies from the first group.

After deadline of the tender for 49%, EDF (first group) did not submit the bid. The tender procedure included evaluation of bank guaran-

tees, the readiness to purchase electricity from new NPP in relation to the timeframe, quantity and destination of purchased electricity (i.e. to domestic or to customers abroad). Details regarding the bids were not revealed during that stage of the tender, and it was announced that final agreement will be signed by the end of 2007.

Later in December 2007, NEK invited qualified bidders in the tender for strategic partner to submit their improved offers for acquiring of 49 % stake in the project by January 9, 2008. The improvements were supposed to be about the future management of the plant and supervision of the project. NEK explained that initial bids of all candidates implied that bidders wanted majority managerial rights in the project company, what was unacceptable for Bulgaria.

All five potential strategic partners in the project submitted improved bids. Again, NEK did not want to reveal the details of the bids. NEK also expects that potential partners would offer a premium for the investments. This premium would be the one of the key parameters for evaluation of bids.

On March 11, National electric company (NEK) announced it selected German RWE and Belgian Electrabel to enter final stage in the tender for acquiring 49 % stake in the project for construction and operation of nuclear power plant (NPP) Belene. Apart from RWE and Electrabel, Italian Enel, Czech CEZ and German E.ON were selected during the previous stage of the tender as potential partners. NEK preserved the right to invite those companies to restart negotiations in case of need.

According to sources, RWE and Electrabel made the highest bids in the tender. Two companies will be given additional information on the project in order to carry out detail analyses before submitting the final bids. Bulgaria expects that strategic partner should offers signing the long-term electricity purchase agreement.

Officials said that NEK should decide by the end of March which companies would enter final stage of the tender for acquiring 49 % of the stake in future project. Also, it is announced that deadline for selection of the strategic investor would be set at mid 2008.

**News:****Seven natural gas companies to start feasibility study on regional gas company (Region)**

During the meeting held in Bucharest on March 13-14, the representatives of seven natural gas companies from the region agreed on starting the feasibility study on establishment of new regional gas company called New Europe Transmission System (NETS). The project was initiated by Hungarian MOL in December last year.

The meeting in Bucharest was attended by Transgaz (Romania), BH Gas (Bosnia and Herzegovina), Geoplin (Slovenia), MOL Natural gas transmission, OMV Gas (Austria), Plinacro (Croatia) and Srbijagas (Serbia).

Director of Transgaz Ioan Rusu said that the latest meeting was very successful and great step forward for NETS project.

Executive director of BH Gas Nadzida Ninkovic said the meeting was of great importance for Bosnia and Herzegovina (BiH), having in mind underdeveloped natural gas market in the country. BiH plans to increase natural gas usage up to 15 % compared to overall energy consumption.

General manager of Srbijagas, Sasa Ilic, confirmed that Serbian gas company would actively participate in the future activities related to NETS project. He believes that the project would increase efficiency of existing natural gas facilities and supply security in the region. Ilic believes that NETS project is feasible, but it would take great deal of time.

§ § §

**Ashta HPP tender soon (Albania)**

Albanian Ministry for Energy has announced that international tender for construction of Ashta hydro power plants will be published by the end of March. Ashta HPP will be build on river Drim, 4 km southeast from Skoder lake. It is expected to have 70 MW installed capacity and produce between 250 GWh and 270 GWh per year. There are already 3 HPPs on Drim: Vau I Dejes, Fuerze abd Koman.

Albanian Council of Minister approved the decision on selecting the defining authority for the concession of Ashta HPP in January. "We contracted the International Financial Corporation. The aforesaid corporation contracted a serious company for the environmental studies, which recommended the construction of Ashta hydro-power station", the Prime Minister Sali Berisha said in January.

Ashta HPP station is supposed to be constructed as joint venture. Albania is almost entirely dependent on hydro power.

§ § §

**Beginning of privatization of KESH (Albania)**

As announced, distribution unit of KESH, OSSH will be sold through open international tender. It has been decided that majority part of OSSH will be offered, between 51 and 76%. OSSH is first division of KESH that will be sold in government plan of privatization of KESH.

There is no information regarding date, but Albanian Energy Minister Genc Ruli stated that the privatization procedure will be called in April. In January 2007, Albania hired the International Finance Corporation to prepare a plan for the restructuring of OSSH.

§ § §

**15 companies interested in ARMO (Albania)**

Albanian Energy Minister, Genc Ruli said that 15 foreign companies have shown interest in ARMO privatization. He also noted that, during the past year, ARMO had financial improvement comparing to 2006 (almost 14 million euros). Tender for privatization of ARMO was opened in February, and deadline is scheduled for 21st of May.

85% of ARMO has been offered. Contenders are required to have at least 3 years experience in the oil and gas processing sector, revenues of at least 55 million euros and international production and quality certificates. Assessment will be made according to two criteria, price (75%) and business and investment plan (25%).

ARMO has one refinery at Ballsh, a smaller one at Fier and a small network of fuel stations selling motor oil and products. Some of the companies that expressed interest in ARMO are: Hungarian "MOL", Canadian-registered Bankers "Petroleum", American "Refinery Associates of Texas", Croatian "INA" (possible joint venture with MOL), Greek "Hellenic Petroleum".

§ § §

**45% output drop in 2007 (Albania)**

KESH official presented report regarding energy production in 2007. According to report, entire production in 2007 dropped by 45% (2 900 GWh) comparing to 2006 (5 451 GWh). Albanian imported 2 793 GWh of electricity in 2007, significantly more than 633 GWh in 2006. In 2007, 195 million euros was spent on electricity import. 30 million euros were spent for electricity import in 2006.

Main reason for decreased production is unpredicted draughts in 2006 and 2007. As a reminder, 95% of Albanian electricity generation is provided by HPPs. Due to reduced production and outdated distribution network, Albania is suffering constant blackouts.

§ § §

**Construction of TPP Stanari to start in May (Bosnia and Herzegovina)**

Communication director of EFT, Nenad Savic announced that construction works at the site of future thermal power plant (TPP) Stanari would start on May 16. The building the foundations of the first facility in the TPP Stanari will mark the beginning of second phase of the project, Savic said.

EFT, which recently signed 30-year concession contract with government of Republic of Srpska (RS) for construction and operation of TPP Stanari, said that the 420 MW plant should be completed in the second half of 2012. The project has been developing in accordance to plans, EFT said. The cost of the project is estimated at over 650 million euros.

§ § §

### **The project for construction of units 2 in TPP Gacko on hold (Bosnia and Herzegovina)**

The government of Republic of Srpska (RS) would not continue project for construction of unit 2 in thermal power plant (TPP) until the disputes between government and small shareholders and investments funds in TPP were resolved. This was said by the minister of economy, energy and development of RS Rajko Ubiparip.

The first court hearing in a lawsuit filed by the four investments funds against Power utility of RS (ERS) took place in Trebinje in the beginning of March. The funds claim they were damaged after the government and CEZ signed the agreement for new energy projects in coalmine and TPP Gacko.

During the past period, the government and CEZ have tried to reach out of the court settlement with investments funds, but negotiations failed.

Investments funds demand that agreement between the government and CEZ regarding establishment of joint venture should be cancelled. They also believe that appraisal of TPP and the coalmine should be revised.

In the same time, investments funds are not willing to accept request of Croatian power utility (HEP) to take part in the court procedure, since HEP's request is related to pre-war investments in TPP.

As a reminder, HEP demanded from the government of RS to recognize HEP's ownership over 33 % shares in TPP Gacko because of funds invested during the construction of the TPP back in 1986. RS rejected those demands and announced filing the counter lawsuit related to unfair usage of joint hydropower plant (HPP) Dubrovnik.

§ § §

### **Statkraft to build four HPPs on Vrbas River (Bosnia and Herzegovina)**

Norwegian Statkraft should invest some 100 million euros for construction of four hydropower plants (HPP) on Vrbas River. This was said during the meeting between local officials from Laktasi municipality and delegation of Statkraft led by director Ian Linerud.

The agreement for construction of new HPPs was recently signed by Statkraft and government of Republic of Srpska (RS). The agreement should be transferred to local municipalities and that is way Statkraft was trying to establish cooperation with local communities in order to complete the projects, Linerud said.

The complete blueprints for the project will be prepared by Serbian project company Energoprojekt in the next six months, director of Statkraft confirmed.

Besides providing electricity, the projects are also aimed to resolve long lasting problems related to building of riverbanks in order to prevent constant flooding of Vrbas River, to minimize damages to farmers and to build accumulation lakes that would be used for irrigation.

According to plans, overall power output of four HPPs on Vrbas River should be between 75 and 80 MW, while annual production should reach 450 GWh. The construction of HPPs should start in spring next year.

§ § §

### **Considerable reduction in profit for HPP Visegrad (Bosnia and Herzegovina)**

The hydropower plant (HPP) Visegrad (300 MW), located on Drina River, reported 457,000 euros of profit in the last year, which was 73 % lower compared to 2006.

In 2007, overall income reduced to 11.72 million euros (-19.1 %), while overall expenses stood at 11.14 million euros (-11.8 %).

HPP Visegrad is the part of Mixed holding of Power utility of Republic of Srpska (ERS) and it is majority owned by state. In the next two years, the company plans to invest 16.5 million euros in order to improve business results.

§ § §

### **Study of development of EP ZHB presented (Bosnia and Herzegovina)**

In mid March in Mostar, the Study of development of Power utility of Herceg Bosnia (EP HZHB) was presented. The study, which was prepared by Institute of energy from Zagreb, refers to period 2006-2010, with projection to 2020.

The study gave guidelines for priority development projects and proposed a plan of construction of power production and distribution facilities.

The study would be followed by series of round table debates, general manager of EP HZHB Vlado Maric said. The main aim of the company is to provide sufficient amount of electricity from domestic sources.

By construction of hydro power plant (HPP) Mostarsko blato in the beginning of next year, EP HZHB should considerably improve its position having in mind that company is currently importing more than 50 % of its needs.

Nevertheless, the main project of EP HZHB is construction of thermal power plant (TPP) Kongora, which should be operational in 2013 or in 2015 at the latest.

EP HZHB has also initiated several wind power projects. At the sites near Mostar, Tomislavgrad and Livno, wind measurement projects are in progress.

§ § §

### **The construction of small HPPs to start this spring (Bosnia and Herzegovina)**

The construction of the first out of nine small hydropower plants (HPPs) in the confluence of Bosnia River near cities Doboj and Modrica should start this spring. The particular small HPP should be built on Paklenica River near Doboj.

The HPP will be built by local company Elektro Doboj, which also signed concession contract for construction of two more small HPPs in the area.

The rest of six small HPPs will be built by Norwegian company Technor Energy, which should start works this summer. Technor Energy and the government of Republic of Srpska (RS) signed the agreement for construction of small HPPs in August last year. The small HPPs should be built through 30-year concession agreements.

Small HPPs have power output between 5 and 10 MW. The cost of construction of the HPPs is estimated at 152 million euros.

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### **Government approved Draft energy strategy (Bosnia and Herzegovina)**

Government of Federation of Bosnia and Herzegovina (F BiH) adopted a Draft strategy on the development of electrical energy sector in the country.

The main purpose of the Draft is to determine the needs and potentials for the development of electrical sector, and to remove delays in investments. According to the government, the new document was prepared at the request of parliament and the public in the country.

The Draft, prepared by the ministry of mining, industry and energy, envisaged preparation of new physical plans, environmental studies and adoption of several rules and regulations related to usage of electrical energy.

The Draft also implies that construction of new hydro power plants in the country should start as soon as possible, having in mind low utilization of hydro potential.

Energy minister Vahid Heco explained that new strategy do not imply that previous decisions of the government related to selection of strategic partners in projects for construction of 8 new power plants or any other decisions related to energy sector would be cancelled.

Minister announced set of public debates related to new energy strategy, after which the new study for development of entire energy sector would be made. Heco believes that study on development of energy sector in BiH prepared by Energy institute Hrvoje Pozar was catastrophic, partial and incomplete. The biggest remark of the ministry is that particular study did not foresee development of energy sector.

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### **CEZ to build two 440 units in TPP Varna (Bulgaria)**

Czech CEZ, the owner of thermal power plant (TPP) Varna, announced plans for construction of two 440 MW natural gas fired units. It was not yet decided whether the units would be built along the existing ones or whether they would be replacement capacity. The project would be the part of large-scale environmental program aimed to bring TPP in line to EU regulations.

The units should be operational by 2013, Jan Vavera, the head of CEZ Bulgaria said. The cost of the project should be known after selecting the contractor, and analyzing the costs for connection to natural gas and electricity grid. CEZ said it would take all financial risks in the project and it would not demand signing the long-term electricity purchase agreements.

Country manager, Lubos Pavlas, said that TPP Varna would be forced to increase electricity prices because of too strict greenhouse gases emission quotas. Because of that, the company will be forced to buy additional quotas.

TPP Varna has six 210 MW units. Three units operate under capacity reserve agreement signed with National electric company (NEK).

Two units deliver electricity to domestic market, while one unit has been producing electricity for foreign customers.

In the end of the last year, the company requested increase in electricity prices from 27.5 euros/MWh up to 36.2 euros/MWh, but the power regulator has not responded yet. In the meantime, the company's costs increased another 5 euros/MWh having in mind that price of coal on international markets increased at 85 euros/ton, head of CEZ Bulgaria pointed out.

In 2007, TPP Varna reported some 2.5 million euros of operational profit, which was 1 million lower comparing to previous year.

In the same time, CEZ Bulgaria, who also owns electricity distributors in Sofia and Pleven, reported overall operational profit of 38.3 million euros, which was 6.7 million euros lower comparing to previous year. In the same period, the number of customers increased up to 1.967 million (+1.4 %), the company said.

In 2008, CEZ Distribution announced it would invest some 36 million euros for construction of new substations and for the replacement of high, medium and low-voltage power lines. In the period of three years, CEZ invested 110 million euros in the electricity grid in Sofia and Pleven.

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### **Fuel distributor Petrol reported loss in 2007 (Bulgaria)**

The fuel distributor Petrol reported 180,000 euros of losses in 2007, comparing to 6.7 million euros of profit reported previous year.

The overall incomes increased by 9.66 % comparing to 2006 up to 740 million euros. Out of that amount, 716 million euros came from fuel sales (+7 %). On the other hand, overall expenses reached 685 million euros (+4.6 %).

The main reason for the business loss was the higher financial expenses, which amounted up to 57.3 million euros (+200 %). The last time the company posted losses was in 2004.

§ § §

### **Maritsa Iztok mining company demands increase in coal prices (Bulgaria)**

Maritsa Iztok mining company requested 16 % increase in coal prices. The State Energy and Water Regulatory Commission (SEWRC) said that rise in coal prices had been rejected so far in order not to affect electricity and water prices.

If the increase was approved, the price of electricity produced in the power plants in the Maritsa Iztok basin should be increased by 8 %.

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### **RWE and Electrabel entered final stage in tender for NPP Belene (Bulgaria)**

On March 11, National electric company (NEK) announced it selected German RWE and Belgian Electrabel to enter final stage in the tender for acquiring 49 % stake in the project for construction and operation of nuclear power plant (NPP) Belene.

Beside RWE and Electrabel, Italian Enel, Czech CEZ and German E.ON were selected during the previous stage of the tender as potential partners. NEK preserved the right to invite those companies to restart negotiations in case of need.

RWE and Electrabel made the highest bids in the tender. Two companies will be given additional information on the project in order to carry out detailed analysis before submitting the final bids. Bulgaria expects that strategic partner should offer signing the long-term electricity purchase agreement.

2,000 MW NPP on Danube River will be built by consortium led by Russian AtomStroyExport, where Areva and Siemens will be subcontractors. The plant should be operational in 2014-2015 and overall cost of the project is estimated at 6-7 billion euros. The construction works should start in the second half of the year.

According to latest announcements, some half of the personnel (some 2,000 people) that will build the NPP will come from Russia. The main reason for this is lack of experts in Bulgaria, Russian officials said.

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### **Bulgargaz demanded 32.07 % increase in natural gas prices (Bulgaria)**

Natural gas company Bulgargaz requested from State Energy and Water Regulatory Commission (SEWRC) to approve 32.07 % increase in natural gas prices starting from April 1. New price (no VAT included) should rise up to 247 euros/1,000 cbm.

The record high increase was explained by the low price of natural gas in the first quarter of this year, which was earlier approved by SEWRC, and by the increase in oil prices, Bulgargaz said.

In the end of the last year, Bulgargaz demanded 24.5 % increase in tariffs, while SEWRC approved 9.8 % increase. According to sources, new request of Bulgargaz would not be approved by SEWRC.

After the changes in the long-term supply contract between Gazprom and Bulgargaz, which took place in the last year, natural gas prices would be gradually increased up to the market prices by 2012.

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### **AES to start construction of wind park in Kavarna in this year (Bulgaria)**

US company AES International, i.e. its subsidiary AES Geo Energy, should start construction of wind farm near city of Kavarna by the end of 2008. The wind farm will have power output of 156 MW, and the equipment will be delivered by Danish Vestas.

General manager of AES Geo Energy, Teodor Bobochikov, said that power output of wind park should be increased up to 200 MW during the second phase of the project.

The cost of the project is estimated at 240 million euros. The wind park should produce 450 GWh of electricity per year, which will result in savings of 500,000 tons of CO<sub>2</sub> emissions. AES Geo Energy and National electric company (NEK) already signed agreement for connection of the wind park to the national electricity grid.

US company AES is also involved in construction of 670 MW replacement capacity in lignite fired thermal power plant (TPP) Maritsa Iztok 1.

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### **TPP Bobov Dol offered for sale once again (Bulgaria)**

On March 13, Bulgaria's Privatization agency (PA) published an auction for sale of 100 % of shares in thermal power plant (TPP) Bobov Dol.

The initial price for sale of 251 400 shares is set at 51 million euros, and the bidders will be allowed to place bids in increments of 250,000 euros.

The auction procedure will take place in three months. According to terms published by PA, the eligible candidates would be the companies with 5 TWh of annual electricity production and sales in the last three years and with capital of over 1 billion euros.

Also, the potential buyer could be the company that supplied at least 1.25 million tons of local coal in the past three years or the consortium which supplied at least 3 million tons of local coal in the last three years and which is majority owned by local company.

Local tycoon Hristo Kovachki recently announced plans for construction of two 200 MW units and investing of 100 million euros for desulphurization installation in the TPP Bobov Dol. Kovachki owns, under the concession contract, the coalmine that supplies coal to the TPP.

TPP Bobov Dol was initially sold for 105 million to Greece's Public power corporation (PPC) in 2005. The negotiations have lasted for two years and failed over the ecological permits and coal purchase agreements.

The power output of the TPP reduced to 420 MW after one 190 MW unit was decommissioned due to environmental reasons on January 1. The operational lives of two remaining units are due to expire in 2011 and 2014, respectively.

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### **Bulgaria resumed electricity export in March (Bulgaria)**

Deputy minister of economy and energy Yordan Dimov said in an interview that Bulgaria has resumed electricity export starting from March 1. The government imposed electricity export ban in January due to extremely cold weather and increased domestic consumption.

Dimov confirmed that Bulgaria has been exporting some 300 MWh/h towards Greece, 115 MWh/h toward Macedonia and 150 MWh/h toward Serbia. In the same time, some 270 MWh/h of electricity has been transited from Romania toward Serbia and Greece, Dimov said.

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### **TPP Maritsa Iztok 3 continues installation of desulphurization equipment (Bulgaria)**

Italian Enel, the operator of the thermal power plant (TPP) Maritsa Iztok 3, believes this TPP has become the cleanest TPP in Eastern Europe after desulphurization equipment was installed.



Director of Enel Operations Bulgaria, Mike Foster, said that TPP Maritsa Iztok 3 was the only plant in this part of Europe that has been using Flue Gas Desulphurization (FGD) systems and that has met EU ecological standards.

Enel invested 160 million euros for environmental projects so far. The overall costs for renewal of 840 MW plant should reach some 600 million euros, which should be one of the largest foreign investments in Bulgaria.

On March 10, unit 4 was shutdown due to start of renewal and the unit should be operational by the end of 2008. Two units in the TPP are in operation, while unit 3, which was connected to FGD system, is being tested.

TPP Maritsa Iztok 3 accounts for 7 % of overall power output in Bulgaria. The lignite-fired plant was one of the largest polluters in Bulgaria in the past. Enel said the management succeeded considerably to reduce pollution.

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### **President of the state in favor of construction of nuclear power plants (Croatia)**

Croatian president Stjepan Mesic believes that Croatia will certainly reconsider construction of nuclear power plants (NPPs) in the nearest future. The nuclear technology is safe today and it would be even safer when Croatia decides to build a NPP, Mesic said.

Croatian president said this while visiting the construction site of hydropower plant (HPP) Lesce, which is the first power plant that is being built since Croatia became independent state. HPP Lesce, as a peak power plant, will be very important for national power system, Mesic said.

According to Croatian experts, the country would be forced to build new NPP in order to meet rising electricity demand in the future. According to latest analyses, if no power plants were built in Croatia, the country could face electricity shortages already in 2014. The increase in electricity consumption is estimated at 3 % per year.

Sources imply that Croatia should have to build new NPP alone since Slovenia, which also wants to build new units in NPP Krsko, does not want to cooperate with Croatia in such project. In this moment, Croatia and Slovenia jointly operate NPP Krsko.

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### **Increase in electricity prices after July (Croatia)**

Chairman of the Supervisory board of Power utility of Croatia (HEP) Zeljko Tomsic confirmed that there would be no increase in electricity prices until July this year. He rejected to comment possible increases after that date.

Tomsic said that increase is necessary due to construction of new power plants by HEP. According to the Tomsic, HEP's expenses increased by 20-25 % in the recent period. Without price increase, HEP would suffer losses, especially in case of dry year, chairman concluded.

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### **INA reported 120 million euros of consolidated profit (Croatia)**

During the session in the first half of March, the management and supervisory board of Croatian oil industry (INA) confirmed that company reported 120 million euros of consolidated profit in 2007. The profit was 1.6 % lower comparing to 2006.

INA said that detailed financial report would be published on March 31.

It was expected that company's income in the last year would be higher comparing to 3 billion euros reported in 2006.

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### **INA to take over fuel distributor Krajinapetrol (Croatia)**

The government of Republic of Srpska (RS) proposed a sale of 42.3 % of state owned shares in fuel distributor Krajinapetrol to Croatian oil industry (INA). INA already owns 9.7 % shares in Krajinapetrol, the second largest fuel distributor in RS.

In case of takeover, INA would be obliged to keep head office of the company in Banja Luka, to keep all workers, and to withdraw all lawsuits against the company and compensation requests.

During past several years, INA has been involved in court procedure against Krajinapetrol claiming it is the legal owner of the company. Before the war, Krajinapetrol was part of INA.

Krajinapetrol operates 14 petrol stations, oil warehouse (4,600 tons capacity) and gas storage facility (210 tons).

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### **INA to become a part of Adria LNG consortium (Croatia)**

The representatives of Croatian oil industry (INA) and consortium Adria LNG had a meeting in Vienna in the first week of March. Two sides discussed open questions related to participation of INA in the project for construction of liquefied natural gas terminal (LNG) on Croatian shore. After the meeting, two sides confirmed that agreement should be reached in the nearest future.

Adria LNG consortium is established by E.ON Ruhrgas (31.15 %), OMV Gas International (25.58 %), Total (25.58 %), RWE (16.69 %) and Geoplin (1 %). The INA should be first Croatian company to join the consortium.

In the Mediterranean, there are plans for construction of several LNG terminals. Adria LNG believes that LNG in Croatia would be the most competitive solution.

In the last year, Croatian ministry of labor said that LNG terminal would not be built if Croatian companies did not take part in the Adria LNG consortium.

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### **Dalekovod to build power line in Norway (Croatia)**

According to press release sent to Zagreb Stock Exchange, Zagreb based company Dalekovod should sign contract for construction of

420 kV power line Nea-riksgrensen (27 km) in Norway. The contract should be signed in mid March, and the cost of the project is 5 million euros.

The project will be funded by Norwegian state owned company Statnet. Officials from Dalekovod reminded that this was the second contract signed in Norway, after they signed contract for construction of 420 kV Skareheia power line in August last year.

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### **Presidents Mesic and Dodik argue over TPP Gacko (Croatia)**

Commenting the plans of Croatian power utility (HEP) to reclaim its investments in Serbia (in TPP Nikola Tesla) and Republic of Srpska (RS) (in TPP Gacko), president Mesic said that issue of thermal power plant (TPP) Gacko should be discussed only with Bosnia and Herzegovina (BiH). Mesic said that RS was the result of ethnic cleansing and that it was not a republic in former Yugoslavia.

The prime minister of RS Milorad Dodik immediately responded to Mesic by saying that TPP Gacko is owned by RS and not by BiH, which is clearly explained by Dayton agreement. He said that, in the past, Croatia has been claiming return of investments in several energy projects, but the valid proofs have never been submitted. Dodik admits that Croatia invested certain funds in RS, but only through joint funds in former Yugoslavia. There were no commercial investments of Croatia in TPP Gacko, Dodik pointed out.

As a reminder, after the war, Croatia filed similar request for return of investments in TPP Kakanj, which belongs to Federation of BiH. In 2003, Power utility of BiH (EP BiH) agreed to sign out of the court settlement and to deliver electricity to Croatia in period of five years. EP BiH has been delivered electricity to Croatia under prices twice as lower comparing to market prices. Overall cost for EP BiH in this agreement reached some 130 million euros.

§ § §

### **New wind farm to be built near Knin (Croatia)**

The company CEMP should be granted a permit for construction of new wind park near city of Knin. The future wind park should have 55 wind turbines with total power output of 110 MW, while the annual production should reach 250 GWh of electricity.

The wind park, which should be spread on 18 million square meters, will be the largest in Croatia. The cost of the project is estimated at 100 million euros, while the construction works should start in the beginning of 2010.

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### **Pressures from EU regarding lignite monopoly (Greece)**

EU regulators asked Greek government to ease PPC's monopoly on lignite exploration rights in order to support competition in Greek electricity generation sector.

Currently PPC owns almost 90% of exploration rights, while the EU says that competitors should have access to at least 40% of reserves. 60% of PPC's generation is dependent on lignite. PPC is the 2nd

largest producer of lignite in Europe, with 62 million metric tons of output in 2006, according to the company reports.

Although electricity wholesale market is liberalized, PPC still holds more than 90% of market share in generation and almost 99% market share in the supply. According to EU officials, the reason for it is mostly cheap price of energy generated from lignite.

Competition commissioner Neelie Kroes said: "Customers are denied the benefits of competition in the electricity sector when one operator controls virtually all access to Greek lignite reserves, which currently represent the cheapest source of power generation in Greece."

Greece has two months to put forward proposals addressing the Commission's concerns and then six months to carry them out. The Greek government has the right to appeal the decision at the EU court.

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### **French EDF to build 30 MW wind farm (Greece)**

French EDF Energies Nouvelles has been commissioned to work on the 30 MW Imerovigli wind farm on Kefalonia. Wind farm, located in the Ionian Islands, has been developed by EEN Hellas, an EDF Energies Nouvelles' Greek subsidiary.

The wind farm will be made up of 10 wind turbines supplied by Danish manufacturer Vestas, 3 MW each. The facility is 90 percent owned by EEN Hellas.

With new wind farm, EDF Energies Nouvelles will own 137 MW of net capacity in Greece. Company aims to According to sources, company aims to 3 000 MW by 2012.

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### **Strike resulted powercuts across country (Greece)**

In the beginning of March, PPC's workers union (GENOP-DEH) announced 24hour strikes for the period of 3rd of March til 6th of March. Main reasons for this action are government's intention to have PPC's personnel pension fund absorbed by the main state pension fund and PPC-RWE deal.

As a result, 40% of generation capacities stopped with production, resulting general blackouts. Power cuts were controlled and reduced by emergency import and increased production from HPPs. Imports was helped by low consumption in neighboring countries. Usage of water reserves for this purpose reduced capacity of the system for summer peaks. "Electricity tonight or water in the summer" said PPC's manager of hydroelectric works Giorgos Leris. To make situation more serious, there are predictions of heat wave this summer.

Officials say the biggest danger is for the power stations to run out of lignite, which are running low. PPC mines its own lignite and the miners are participating in the strike.

Imports can offer no more than 1,000-1,200 MW in the best of cases, officials of DESMHE, the grid operator, say, due to insufficient connections. PPC's existing capacity is now about 12,000 MW. Independent producers account for a further 870 MW, and there is a projection for a total of 4,500 MW by 2012. 4 000 MW was out of

service during the strike, while 900 MW was out of service due to overhaul.

Greece is suffering blackouts, mostly in June and July, both on the mainland and in the islands. The main reason for the rising demand is new air conditioning units. Greece also has problems with low efficient buildings, which makes consumption in summer period even greater.

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### **TPP Negotino started with production (Macedonia)**

On 1st of March, TPP Negotino has started with production with 85 MW. TPP has 210 MW output. Heavy oil TPP is working periodically due to operational costs, mostly for Macedonian or Greece needs. In this case, TPP has been started in order to cover missing quantities of energy, resulted by reduced production of HPPs.

Government did not announce what would be the cost of 1 month operation of TPP Negotino. Government official Ivica Bocevski said that these potential expenses were included in Macedonian budget for 2008, and that there is an agreement with refinery OKTA, regarding price and oil reserves. In the half of 2006, government bought oil from OKTA, for 20 million euros. That was enough for 3 months operation. Since then, price of oil has almost doubled. Electricity produced in TPP Negotino has higher price than imported electricity.

TPP Negotino will be operational until missing quantities are secured from recently announced 300 GWh import.

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### **9 companies applied on call for electricity import (Macedonia)**

9 companies have applied on MEPSO call for urgent electricity import in Macedonia. Bids were received from GEN-I (Slovenia), EFT (Switzerland), EGL (Switzerland), Rudnap Group (Serbia), Korlea (Slovakia), Vivid Power EAD (Bulgaria), EZPADA and Re Trading (Czech republic) and Energy trading (Germany).

Offered price for day energy is between 67.75 to 119.4 EUR/MWh, and between 29.92 to 76.88 EUR/MWh for night energy. 300 GWh will be imported, for period from 16th March till 31 December 2008. Commission will evaluate bids and present official statement soon.

MEPSO demanded to import electricity in period March 16 until December 31, 2008. Electricity import in period March 16-31 will be 27.2 GWh, in April 10.2 GWh, in May 59.21 GWh, in June 69.0 GWh, in July 23.25 GWh, in August 23.25 GWh, in September 15.3 GWh, in October 22.5 GWh, in November 30.6 GWh, while in December, electricity import will be 21.08 GWh.

In this year, the national power producer, ELEM, should produce 5.5 TWh of electricity, comparing to 6.2 TWh in 2004, 6.47 TWh in 2005 and 6.33 TWh in 2006.

MEPSO already contracted import of 587.225 GWh of electricity in this year, for which it paid some 63 million euros.

Macedonia is experiencing lack of energy, due to reduced water flow to HPPs. Overall power production in February was down by 4.7%.

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### **Delays in AMBO pipeline (Macedonia)**

Ted Ferguson, president of AMBO corporation has said, in his recent visit to Macedonia, that AMBO oil pipeline will be completed in 2012, instead of 2011. The pipeline will transport Caspian oil from the Bulgarian port of Burgas to the Adriatic coast in Albania through the territory of Macedonia. The pipeline will cross the border at Gueshevo near the existing border checkpoint. The cost of building the 912-kilometer pipeline from the Black Sea coast to the Adriatic port of Vlora in Albania is estimated at about EUR 1.2 billion euros.

He also said that his visit to Macedonia is related to negotiations with Macedonian companies that would possibly be involved in construction of pipeline. He did not want to reveal names of the companies yet.

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### **CHPP „Energetika“ tender announced (Macedonia)**

ELEM has released a tender for finance, construction and exploitation of CHPP „Energetika“. ELEM is interested in joint venture construction. Power plant will be located in Skoplje, near existing TPP.

New gas power plant will have minimal output of 300 MW for electricity, and 150 MW for heating. Future plant should produce 2 TWh of electricity per year or some one third of current overall electricity production in the country. In the same time, CCGT unit should provide 500 GWh of heat energy per year. Power produced from CHPP will have to be offered to domestic consumers, and only if there is no interest, it will be exported.

Some of the tender conditions is that company has constructed at least 2 CHPP in last 10 years and annual income of 300 million EUR in last 5 years. Construction period must not be longer than 30 months. Deadline is scheduled for 2nd July, 2008. The cost of the project is estimated at 220-250 million euros. The work of the contractor will consist of the main project, construction, delivery, installation, testing and the start of the power plant. It is planned that a joint venture agreement will regulate management in the new company.

ELEM will organize site visit on 21-22 of April. Deadline for schedule of visit is 14th of April.

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### **Cash penalty to EVN within next week (Macedonia)**

EVN will receive penalty for "double accounting" in electricity bills. Anti Monopoly commission said that EVN has accounted fix expense (6 Macedonian denars) two times per each bill, earning 90 000 euros by month more.

It is still not known how high will the penalty be, but it is estimated to be between 1-10% of overall annual income (according to law regulations). EVN said that there will be no fix expenses in electricity bills from March, but they claim that bills were according to law.

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## Electricity resumed to Silmak (Macedonia)

Macedonia's transmission system operator stopped delivery of electricity to Silmak. MEPSO explained that, starting from January 1, Silmak was not tariff customer anymore, and since the company did not manage to purchase electricity on free market, MEPSO was forced to disconnect company from electricity grid. Prior this decision, MEPSO was granted approval from REC. Starting from January 1, MEPSO was not obliged anymore to provide electricity for industrial customers.

Director of Silmak, Zvonko Stojanovski, said that, in the past several months, the management warned the government that Silmak would not be able to purchase electricity on free market. The factory, which employs 700 people, was forced to stop production in the first week of January. Stojanovski said that any interruption in electricity supply causes some 1.5 to 2 million euros of expenses for the company.

In the end of February, agreement was reached. State-owned Macedonian power plants (ELEM) should deliver 30 MWh/h of electricity during night to Silmak. In the same time, Silmak promised to import missing 30 MWh/h of electricity during day. Stavrevski said that the latest agreement would not provide profit but also would not incur losses to national power company. Arranged price of electricity for night periods is 21.5 EUR/MWh.

On 13th of March, electricity has been resumed, and Silmak started heat up process. It is expected that production will be started 10 days later. 3 units of Silmak were resumed, and it is expected that 450 workers will be back on their jobs.

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## Tender for estimation of lignite reserves soon (Macedonia)

ELEM has announced their intentions for publishing international tender for the research of lignite deposits in Mariovo region. Earlier analysis shows that there are reserves of lignite on 3 regions: Manastir, Belcista and Vitolista. Current estimations show that there is around 110 million tons of lignite.

Currently, there are two possibilities. New TPP will be built near exploration location, or lignite will be transferred to existing TPPs, Bitola and Oslomej. Recent analysis showed that estimated coal deposits are of good quality, 97 tonnes are easily accessible and may secure operations of TPP for 30 years. It is proposed that a new TPP is built with a total capacity of 1400 GWh/year.

In the related news, government has expressed interest in further evaluation of oil, natural gas and lignite reserves. There are no additional informations, but tender could be expected.

§ § §

## Second phase of renewal of HPP Piva started (Montenegro)

In the beginning of March, the second phase of renewal and modernization of hydropower plant (HPP) Piva (3x 100 MW) started.

During this phase, the power output of all three units will be increased. The project should be completed by 2013, while the total cost of the project will be known after feasibility study and main project papers were prepared.

Director of the HPP Piva, Dragan Cizmovic said that 17 million euros would be invested for scrutinizing of all equipment in the HPP as well as the entire structure of the HPP. KfW bank provided 16 million euros for this part of the project, while 1 million euros will be provided through donations. The advisors in this project are Swiss company Kolenko and Serbian Energoprojekt, which were the best bidders in the tender.

During this stage of renewal, HPP will produce electricity according to plans, since the works will be carried out during the period of regular annual overhaul, director said. In this year, HPP Piva should produce 762 GWh of electricity, comparing to 520 GWh produced last year (32 % lower than planned).

The first phase of renewal of HPP Piva lasted four years. In that period, new exciting system of the generators were installed.

§ § §

## EPCG reduced losses to 22.76 %, 17.2 million euros of savings (Montenegro)

In 2007, Power utility of Montenegro (EPCG) managed to reduce losses from 29.07 % in 2006 down to 22.76 %. EPCG said that some 162.43 GWh of electricity or some 17.2 million euros was saved.

The savings related to collection of fines for illegal electricity consumption reached 716,000 euros. The overall savings in 2007, which was achieved by implementation of Strategy for loss reduction, reached 22.19 million euros, EPCG said. In the same period, expenses reached 2.3 million euros.

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## Only ten bids accepted in tender for construction of small HPPs (Montenegro)

Ministry of economic development said that only 10 bids submitted in the tender for exploration and construction of small hydropower plants (HPPs) were accepted. There were 20 bids for particular HPPs. The officials proposed that tender procedure for those construction sites should be continued.

The procedure for 29 out of 43 construction sites offered by the government of Montenegro was cancelled due to inadequate offers, while for four sites, there were no offers, the ministry said.

Deputy minister of economic development Miodrag Canovic announced that new tender for construction of small HPP should be launched soon.

In November last year, the state launched a tender for granting the concessions for conduction of researches and the construction of small HPPs in accordance to DBOT (Design Build Operate and Transfer) agreements. The concession contracts should be signed for period of 30 years.

38 companies submitted 145 bids in the tender. Among others, the bids in the tender were submitted by Power utility of Montenegro (EPCG), EFT, NTE Montenegro (joint venture of Norwegian power company and local company Zetogradnja) and local companies Normal company, Celebic, Fab live, Bast, PJ&N, LUC, Balkan Energy, Renewable energy Montenegro, Izomont, Hemera Kapital, and Hidroenergija Montenegro. The bids were also submitted by Poteza (Slovenia), Technor Energy (Norway), Caraglio impiantieletrici (Ita-

ly), Energie zotter bau and Web windenergie (both from Austria), and Elna Kabel (Croatia),

According to tender terms, the HPPs with power output up to 10 MW should be built on confluences of rivers Piva, Lim, Moraca, Ibar Tara, Cehotina, Zaslapanica, Zeta Gracanica and Grahovo Lake.

In this moment, the guaranteed price of electricity from small HPPs is some 6.9 eurocents/kWh. According to some analyses, the construction price of small HPPs in Montenegro is estimated at 1.5 million euros/MW, which is considerably higher comparing to average prices in the World due to high price of land.

§ § §

### **Government approved privatization model for EPCG, 55 % stake to remain state owned (Montenegro)**

In the first week of March, the government of Montenegro adopted privatization plan for 2008. According to this plan, minority stake in Power utility of Montenegro (EPCG) should be privatized, where at least 55 % stake should remain state owned, vice prime minister Vujica Lazovic said.

Lazovic believes that EPCG should be privatized through recapitalization or sale of minority stake in the company.

In the same time, the speaker of the parliament Ranko Krivokapic, who is Lazovic's party colleague, explained that preserving the majority stake in EPCG is in line with the national energy strategy. He said that EPCG's shares should be offered to some electricity producer from EU. Krivokapic also believes that Montenegro should build more hydropower plants, having in mind large unused hydro potential.

On the other hand, the association of minority shareholders in EPCG said that the latest announcements for privatization of EPCG were just empty words. Only the introduction of market electricity prices and listing the EPCG's shares in foreign stock exchanges could bring development to the company, minority shareholders concluded.

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### **Regulator to reject request of EPCG for increase in electricity price (Montenegro)**

Regulatory energy agency (REA) warned Power utility of Montenegro (EPCG) it would reject company's request for increase in prices if the company did not correct it by the end of March.

According to REA, EPCG's request was both incomplete and not clear enough. Officials said the expenses presented in the request were ambiguous and that request did not include efficiency programs.

EPCG submitted the request in the end of February claiming 250 million euros of expenses and another 56 million euros for return of investments in this year

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### **Privatization of small HPPs to finish in 2008 (Romania)**

Hydropower producer Hidroelectrica announced it should privatize remaining 86 state-owned small hydropower plants (HPPs) in this year. The small HPPs have power output of up to 10 MW.

31 small HPPs will be offered for sale in April this year, while the preparations for sale procedure will start in March. 48 small HPPs were sold in 2006.

According to company's press release, 16 small HPPs were sold in February for 11 million euros, twice as more compared to initial price. The HPPs were sold in an auction to Wienstrom Austria, Romenergo and the consortium of H&M Co. Negresti Oas and Les-caci Negresti Oas.

According to Accession agreement with EU, Romania is obliged to privatize all of 150 small HPPs.

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### **Energy complex Craiova to deliver 1.85 TWh of electricity to Petrom (Romania)**

Energy complex (EC) Craiova won in the tender for supply of 1.85 TWh of electricity to oil company Petrom in 2008. According to sources, the worth of contract is 116 million euros. EC Craiova outbid Enel, CEZ and E.ON.

General manager of EC Craiova Ion Dinculescu confirmed that company won in two auctions launched by Petrom. He did not want to reveal the worth of the contract due to confidentiality reasons.

According to contract, 1.15 TWh will be delivered to the exploration and production division of Petrom starting from April 1. 0.7 TWh will be delivered to Doljchim (chemical plant) and Arpechim (oil refinery) starting from July 1.

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### **25 % reduction in heat energy consumption in the last three years (Romania)**

Romania's Association of Thermal Power Metering Services Providers (ANPSC) said that average heat energy consumption in the country was reduced by 25 % during 2006 – 2007, compared with 2003 - 2004

In 2007, annual average consumption per apartment stood at 8 gigacalories, comparing to 10.84 gigacalories reported in 2003.

In capital Bucharest, average heat consumption per apartment in January this year reached 1.37 gigacalories, compared to 1.77 gigacalories in 2004. The weather conditions were similar.

Individual heat energy metering system in Romania was introduced in 1995. In this moment, some 42 % of overall households connected to central heating system are included in this system.

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## Report on energy resources in January (Romania)

According to National Institute of Statistics (INS), primary energy resources in January reached 3.5637 million tons of oil equivalent (toe), which was 4.2 % lower comparing to last year. The domestic production reached 2.191 million toe (+6.9 %), while import of primary energy resources reduced to 1.372 million toe (-17.8 %).

In the same time, electrical energy resources in January stood at 6.3 TWh (+13 %). The increase was the consequence of increased production by 677.1 GWh (+12.2 %) and increased import by 50.2 GWh (+125.8 %).

The production in thermal power plants (TPP) reduced by 341.6 GWh (-8.4 %). In the same time, the production in hydropower plants (HPPs) increased by 504 GWh (+52.8 %), while production in nuclear power plant (NPP) increased by 514.7 GWh (+97.2 %).

In January, electrical energy consumption reached 4.712 TWh (+6.2 %), while electricity export increased by 244.6 GWh (+73.5 %).

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## Natural gas distributors announced increase in prices (Romania)

Natural gas distributor Distrigaz Sud said that price of imported natural gas in the second quarter of this year should be increased from 370 dollars/1,000 cbm up to 420 dollars/1,000 cbm.

Deputy general manager of Distrigaz Sud, Marc Hirt explained that latest price increase of 8.5 %, which was imposed by National Energy Authority (ANRE) on February 1, was based on old price of imported gas. In the same time, Romania's national currency depreciated against US dollar, Hirt said.

If the new price increase were approved, the households supplied by Distrigaz Sud should pay 390 dollars/1,000 cbm, while households supplied by E.ON Romania should pay 387 dollars/1,000 cbm. During the same occasion, Distrigaz Sud confirmed it has been negotiating with Romgaz regarding three-year supply contract. Also, the company has been trying to sign longer term contract with Petrom.

In the same time, officials from E.ON Gaz Romania said that natural gas prices should rise by 12 % on April 1 and up to 20 % by the end of the year. If the price increase were not imposed, the company would report some 15 million euros of losses, official said.

Commenting the unofficial requests of Distrigaz Sud and E.ON Gaz Romania, ANRE representatives said that they did not receive official requests regarding the price increases. ANRE still did not reach the decision on increase in natural gas prices after April 1, director of ANRE, Gabriel Sarbu said. The final decision should be reached by the end of March.

In the same time, Petrom and Romgaz, two largest domestic natural gas producer, which provide up to two third of country's needs, have not demanded increase in domestic gas prices.

Minister of economy and finance, Varujan Vosganian said that there would be no large increase in natural gas prices, despite increase in international prices.

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## ANRE granted electricity trading license to Distrigaz Sud (Romania)

Romanian Energy Regulatory Authority (ANRE) granted electricity trading license to natural gas distributor Distrigaz Sud. This was said by the spokesperson of Distrigaz Sud, George Carpov.

The acquiring of the license will be the first step in providing the electricity for company's clients. Distrigaz Sud plans to provide both natural gas and electricity in Romania by 2010.

Distrigaz Sud, majority owned by Gaz de France since 2004, operates 14,500 km long pipeline network in 19 counties including capital Bucharest. The company announced to invest 80 million euros in 2008, mostly for upgrade of the gas distribution grid.

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## Government to select six companies to take part in construction of units 3 and 4 in NPP Cernavoda (Romania)

According to sources, ministry of economy and commerce should select Electrabel, Enel, Iberdrola, CEZ, Arcelor-Mittal and RWE to take a part in the construction of units 3 and 4 in nuclear power plant (NPP) Cernavoda. The future investors should have equal share of some 10 % in the project. The investors will be obliged to invest 30 % in cash for the project.

On the other hand, according to media in Czech Republic, CEZ, Electrabel, Enel and RWE could acquire 15 % stake in the project, while Iberdrola and Arcelor-Mittal should control 10 % each. The rest of 20 % of shares should be controlled by operator of existing units in NPP Cernavoda, Nuclearelectrica. Spokesperson of CEZ denied commenting abovementioned announcements before the agreement was signed and approved by all companies.

Negotiation commission confirmed it had completed preparation of association agreement as well as the charter of the project company on March 1 and handed them over to investors. The negotiation started in December last year. The final agreement should be approved both by the government and by the investors.

According to previous announcements, the project company should be established in May 2008. The units should be operational in 2014-2015, and the cost of the construction of two 700 MW units is estimated at 2.2 billion euros.

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## Book value of EPS estimated at 6.7 billion euros (Serbia)

According to the appraisal performed by Arthur D. Little, Entel and experts from Power utility of Serbia (EPS), the book value of Serbian power company stands at 6.7 billion euros. The amount is 44 % higher comparing to the worth of the company estimated in 2004.

During period of 10 months, experts have been estimating the worth of fixed assets and equipment of EPS and all of economic societies founded by EPS. The evaluation was made in accordance to international standards, where two methods were used in order to compare the results.

In its press release, EPS did not say how the worth of the company increased during past three years. General manager of EPS Vladimir

Djordjevic said that claims of the management of the company, said three years ago, that company is able to increase its worth without hasty privatization proved to be true. Djordjevic believes that EPS could become profitable and important company on regional market.

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### **EPS to invest funds in joint venture HPP Gornja Drina (Serbia)**

At the extraordinary session of the Management board of Power utility of Serbia (EPS), which took place in the beginning of March, the board reached decision for investing funds in the joint venture company Hydropower plants (HPPs) Gornja Drina Ltd.

The joint venture will be responsible for construction of HPP Buk Bijela on river Drina.

EPS will have 50 % in the joint venture, while equal shares will be owned by Mixed holding Power utility of Republic of Srpska (RS) and HPP Visegrad.

The abovementioned decision is in accordance to the cooperation protocol signed by three parties in the second half of March

The main capital of the new company will be 52,000 euros, where EPS will invest 26,000 euros, and the rest will be invested by ERS and HPP Visegrad.

The Management board of EPS accepted the text of the Foundation agreement for HPP Gornja Drina. The founders of the joint venture should increase the capital of the company through cash and non-cash contributions after the results of the feasibility study were presented. The partners should provide all necessary funds for construction of the new HPP and they would set the project deadlines.

The decision of the EPS's board will be submitted to the government of Serbia for approval, after which, EPS will be able to sign the Agreement.

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### **Energy minister announced continuation of South stream project. Russia expressed concerns (Serbia)**

Minister of energy and mining Aleksandar Popovic announced that joint project company that will be in charge for construction of South stream pipeline in Serbia would be established by May 24. Popovic confirmed that four out of six leading political parties in Serbian parliament approved the energy agreement signed by Serbia and Russia.

Minister Popovic also said that underground natural gas storage facility in Banatski Dvor should be built by the beginning of next winter.

The minister's statement came after several local experts said that future of the Serbian –Russian agreement would be rather uncertain after government of Serbia resigned and after early parliamentary elections were called.

According to sources from Kremlin quoted by Serbian press, Russian officials expressed serious concerns due to possibility that the energy agreement, which includes construction of natural gas pipeline, privatization of Serbian oil company and construction of

natural gas storage facility, would not be ratified on time due to political crisis in Serbia.

Russian officials expect that Serbia should meet its obligations. Russia is also concerned over the fact that government in Serbia is unstable and unreliable.

Sources also said that if the political parties, which were against of all or some of the terms in the energy agreement, won in the incoming elections, Serbia would be risking losing the energy project of the century.

Officials from Gazprom were even more concerned over the delays in the ratification, sources said. Gazprom believes that Serbia had enough time to finalize the agreement. According to Gazprom, Italy and Bulgaria, two other partners in South stream project, accepted that pipeline should pass across Serbia at the direct request of Russia.

On the other hand, Speaker of Serbian parliament Oliver Dulic explained that ratification of the agreement was not possible according to the constitution of Serbia, having in mind that government did not submit the agreement for approval on time.

In the related news, acting general manager of Serbia's gas company, Srbijagas, Sasa Ilica believes that South stream pipeline in Serbia would be built by 2014. By 2011, feasibility study for the project would be made and necessary licenses would be acquired. The length of the pipeline in Serbia should be 500 km, while annual capacity should reach 10 billion cbm. According the agreement between Russia and Serbia, Gazprom should control 51 % stake in the pipeline.

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### **Tenders for new thermal power plants to be launched in March (Serbia)**

Minister of energy and mining Aleksandar Popovic announced that the government could approve the request of Power utility of Serbia (EPS) for launching the tenders for construction of unit 3 in thermal power plant (TPP) Nikola Tesla B and finishing the construction of TPP Kolubara B.

The tenders could be launched in mid March. EPS is interested in reaching the strategic partnership with foreign respectable power companies, where EPS and partners would have equal shares in the projects.

According to estimations, the cost of construction of unit 3 in TPP Nikola Tesla B is some 900 million euros, while cost of completion of TPP Kolubara B is estimated at 700 million euros.

During the same occasion, the minister also announced plans for construction of 320 MW power plant near city of Sjenica. According to Popovic, the construction of new hydropower plant (HPP) on Drina River, which will be jointly built by Serbia and Republic of Srpska (RS), should start by the end of the next year.

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### **Oil refinery in Pancevo and Petrochemical factory shutdown due to environmental pollution (Serbia)**

The ministry of environment confirmed it demanded from oil refinery in Pancevo and Petrochemical factory in Pancevo to stop production due to high environmental pollution reported on March 10.

On that day, at the order of major of Pancevo, the sirens announced chemical danger in the city.

According to ministry, concentration of benzene in the air was 15 times as higher than allowed. The special commission should carry out technical analyses of the facilities and it should issue official report, ministry confirmed.

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**Tenders:****Electricity**

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| Company / organization:              | <b>EBRD, related Bulgaria</b>   |
| <b>Enemona CNG project - General</b> |   |
| Content:                             | <p>The project announced within this procurement notice will be financed from the Kozloduy International Decommissioning Support Fund, established in 2001 for supporting the decommissioning of units 1- 4 of the Kozloduy Nuclear Power Plant. One of the purposes of this Fund is to finance or co-finance the preparation and implementation of selected projects that aim the necessary restructuring, upgrading and modernisation in the energy sector and improving energy efficiency.</p> <p>This General Procurement Notice draws attention to the forthcoming tender for Supply and installation of equipment for five Compressed Natural Gas vehicles in Bulgaria. The purpose is the development of a natural gas supply system in towns Svilengrad and Kardjali in South-East Bulgaria. The project includes:</p> <ul style="list-style-type: none"> <li>• Design, supply and installation of 5 vehicles for transportation of the natural gas from the compressed natural gas terminal on the high pressure distribution network to the terminals in the low pressure consumer distribution system.</li> </ul> <p>Budget for the project: €650,000.</p> <p>The invitation for tenders for the implementation of the project is expected in the second quarter of 2008. The invitations will be open to firms that qualify under the Procurement Policies and Rules of the EBRD and the KIDSF.</p> |
| Deadline:                            | 13 Feb 2009 at 00:00, Sofia time  |
| Contact:                             | Mrs. Nadya Ivanova; Enemona Utilities EAD<br>Balscha str. 1, bl. 5<br>1408 Sofia, Bulgaria<br>Tel: +359 2 80 54 746; Fax: +359 2 91 79 873;<br>e-mail: n.georgieva@enemona.com  |

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| Company / organization:                       | <b>EBRD, related Bulgaria</b>   |
| <b>Kozloduy Nuclear Power Plant – General</b> |   |
| Content:                                      | <p>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.</p> <p>For more information, please visit <a href="http://www.ebrd.com/oppo/procure/opps/goods/general/070803a.htm">http://www.ebrd.com/oppo/procure/opps/goods/general/070803a.htm</a></p> |
| Deadline:                                     | 3 Aug 2008 at 24:00, Kozloduy time  |
| Contact:                                      | Mr. Daryll Jones Fax. + 359 973 7 4508<br>E-mail: kpmu@npp.bg   |

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| Company / organization:  | <b>EPS, related Serbia</b>   |
| <b>PUBLIC INVITATION TO THE BUYERS TO TENDER FOR ELECTRIC ENERGY WHICH IS TO BE SOLD IN THE PERIOD FROM 1ST APRIL 2008 TILL 30TH JUNE 2008</b> |  |
| Content:   | <p>LOT 1: 01.04.2008 – 30.04.2008, Monday – Sunday 00:00–24:00, except the period from 19 :00 till 22:00, (up to 100 MW, up to 12.000 MWh)</p> <p>LOT 2: 01.05.2008 – 31.05.2008, Monday – Sunday 00:00–24:00, (up to 100 MW, up to 12.000 MWh)</p> <p>LOT 3: 01.05.2008 – 31.05.2008, Monday – Sunday 00:00–24:00, except the period from 20 :00 till 22:00, (up to 100 MW, up to 12.000 MWh)</p> <p>LOT 4: 01.06.2008 – 30.06..2008, Monday – Sunday 00:00–24:00, (up to 100 MW, up to 12.000 MWh)</p> <p>LOT 5: 01.06. 2008 – 30.06.2008, Monday – Sunday 00:00–24:00, except the period from 21 :00 till 23:00, ( up to 100 MW, up to 12.000 MWh)</p> <p>More info on: <a href="http://www.eps.co.yu/news.htm">http://www.eps.co.yu/news.htm</a></p> |
| Deadline:  | 31st March 2008, at 17:00 (CET).   |
| Contact:   | Ivan Janković<br>Electricity Trade Department<br>Phone: +381 11 3973 051; Fax: +381 11 3973 760;<br>e-mail: ivan.jankovic@eps.co.yu  |

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| Company / organization:                      | <b>EBRD, related Bulgaria</b>  |
| <b>Sofia District Heating Rehabilitation</b> |  |
| Content:                                     | <p>The Kozloduy International Decommissioning Support Fund (KIDSF), administered by the European Bank for Reconstruction and Development (EBRD, was established in 2001 for the support of the decommissioning of Units 1-4 of the Kozloduy Nuclear Power Plant. One of the purposes of this Fund is to finance or co-finance preparation and implementation of selected projects that aim the necessary restructuring, upgrading and modernisation in various Bulgarian industry sectors consequential to final shutdown of Units 1 - 4 of the Kozloduy Nuclear Power Plant.</p> <p>Toplofikacia Sofia AD, the joint stock district heating company serving the city of Sofia is carrying out the rehabilitation of the centralized district heating system in the city. The District Heating Rehabilitation Project comprises modernization of district heating substations, replacement of pipelines, compensators, thermal insulation of over-ground pipelines, conversion to variable flow of the Sofia district heating network.</p> <p>Toplofikacia Sofia AD intends to us grant funds of the Kozloduy International Decommissioning Support Fund (KIDSF) and own financial sources for delivery, installation, testing and commissioning of individual heating substations units for space heating and domestic hot water including heat exchangers, circulation pumps, control valves and automation devices.</p> <p>The budget for the project, subject of this GPN is about €2.5 million.</p> |
| Deadline:                                    | 13 Mar 2009 at 00:00, Sofia time   |
| Contact:                                     | Mrs. Anastasiya Markova<br>PIU Manager<br>23 Jastrebetz St., 1680 Sofia, Bulgaria<br>Tel: +359 2 8593171<br>Fax:+359 2 8599124<br>E-mail: amarkova@toplo.bg  |



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| Company / organization:                                 | <b>EBRD, related Bulgaria</b>  |
| <b>Metamodul CNG for the Etropole gas supply system</b> |  |
| Content:  | <p>The Kozloduy International Decommissioning Support Fund (KIDSF), administered by the European Bank for Reconstruction and Development (EBRD, was established in 2001 for the support of the decommissioning of Units 1-4 of the Kozloduy Nuclear Power Plant. One of the purposes of this Fund is to finance or co-finance preparation and implementation of selected projects that aim the necessary restructuring, upgrading and modernisation in various Bulgarian industry sectors consequential to final shutdown of Units 1 - 4 of the Kozloduy Nuclear Power Plant.</p> <p>Metamodul Ltd intends to use grants from the Kozloduy International Decommissioning Support Fund for supply of sets of technology and equipment for compression of natural gas and refuelling of vehicles with compressed natural gas (CNG).</p> <p>The budget for the project is €1.28 million</p> <p>The tendering for the above contract is expected to begin in the second quarter of 2008.</p> |
| Deadline:   | 2 Mar 2009 at 00:00, Sofia time  |
| Contact:  | <p>Mr. Christo Petkov<br/>Tel. +359 2 818 00 10<br/>Fax: +359 2 818 00 20 [fax:]</p>   |

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| Company / organization:   | <b>EBRD, related Macedonia</b>   |
| <b>Transmission Interconnection Project, four substations - GPN</b> |  |
| Content:  | <p>. The Macedonian Transmission System Operator (AD MEPSO) has received a loan from the European Bank for Reconstruction and Development and intends to use a part of the proceeds to finance the Rehabilitation of four 400/110 kV Substations in the Power Transmission System of Macedonia in Skopje, Dubrovo and Bitola.</p> <p>The proposed project which has an estimated cost of EUR 5.65 million (excluding VAT) is intended to be implemented through three separate tender packages:</p> <ul style="list-style-type: none"> <li>• Package I:<br/>Lot 1: Replacement of eight 400 kV circuit breakers in substations 400/110 kV Skopje 4, Dubrovo and Bitola 2<br/>Lot 2: Replacement of the existing protection systems for two 400/110 kV power transformers and bus coupler bay in substation 400/110 kV Dubrovo and two 400/110 kV power transformers and bus coupler bay in substation 400/110 kV Skopje 4.</li> <li>• Package II:<br/>Rehabilitation of substations 400/110 kV Skopje 4 and Dubrovo with supply and installation of new bay control units in the substations</li> <li>• Package III:<br/>Lot1: Rehabilitation of substation 400/220/110 kV Skopje 1 with supply and installation of a new control system on 110 kV level and replacement of the existing 110 kV protection system<br/>Lot2: Rehabilitation of substation 400/110 kV Bitola 2 with supply and installation of a new control system and replacement of the existing 400 kV and 110 kV protection systems.</li> </ul> |
| Deadline:   | 31 Dec 2008 at 00:00, Skopje time  |
| Contact:  | <p>Sinisa Stancevski ; Project Manager<br/>AD MEPSO<br/>Tel: +389 2 3149 018<br/>Fax: +389 2 3238 687</p>  |

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| Company / organization:   | <b>EBRD, related Bosnia and Herzegovina</b>   |
| <b>Power Distribution Reconstruction-Substations 10(20)/0,4kV</b> |   |
| Content:  | <p>JP Elektroprivreda BiH d.d. Sarajevo (hereinafter referred to as the Purchaser) intends to use part of the proceeds of a loan from the European Bank for Reconstruction and Development (the Bank) towards the cost of Power Distribution Reconstruction Project. The Purchaser now invites sealed tenders from Supplier for the following contract(s) to be funded from part of the proceeds of the loan:</p> <p>Procurement of Substations 10(20)/0,4 kV<br/>Lot 1 Prefabricated Transformer Substations 10(20)/0,4 kV<br/>Lot 2 Distribution Transformers 10(20)/0,4 kV<br/>Lot 3 MV Switchgears and Apparatus<br/>Lot 4 LV Distribution Board, Cabinets, Equipment for Power Factor Correction and Fuses<br/>Lot 5 Earthing Equipment<br/>Lot 6 Telemetry and Radio Equipment<br/>Tenders are invited for one or more lots. Each lot must be priced separately..</p> |
| Deadline:   | 2 Mar 2009 at 00:00, Sofia time   |
| Contact:  | <p>Mr. Nedeljko Despotović, PIU Director<br/>Tel.+387 33 751 030<br/>Fax.+387 33 751 033<br/>e-mail: n.despotovic@elektroprivreda.ba</p>  |

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| Company / organization:                                | <b>EBRD, related Bulgaria</b>  |
| <b>Varna city heating network rehabilitation KIDSF</b> |  |
| Content:   | <p>The projects announced within this procurement notice will be partially financed from the Kozloduy International Decommissioning Support Fund, established in 2001 for supporting the decommissioning of units 1-4 of the Kozloduy Nuclear Power Plant. One of the purposes of this Fund is to finance or co-finance the preparation and implementation of selected projects that aim the necessary restructuring, upgrading and modernisation in the energy sector and improving energy efficiency.</p> <p>This General Procurement Notice draws attention to the forthcoming tenders for technical specification, supply of the materials and work installation. The purpose of the project is improvement of the energy efficiency by rehabilitation of the 1/3 of the heating pipelines network, reducing energy losses. This includes the replacement of 11 km of over 20 years old steel pipes, insulated with glass wadding and laid in concrete ducts with pre-insulated steel pipes for direct bedding. The pipeline replacement concerns about 1/3 of the heat distribution network of the district heating network for heat transmission and distribution pipelines of DN 50 to DN 500.</p> <p>The rehabilitation process will be provided over three years, during spring and summer periods, in order to minimize the heat supply interruption in Varna city. The first phase is planned to start in 2008, with the renewal of 4 km of pipelines, in the area of Mladost. The main area to be tendered under the EBRD PPR for the KIDSF financing is the supply of the pre-insulated pipe and additional material.</p> <p>Overall Budget for the project is €2.0 million, from which €0.4 million will be funded from the Kozloduy International Decommissioning Support Fund.</p> <p>The invitation for tenders are expected in the first quarter of 2008. The invitations will be open to firms that qualify under the Procurement Policies and Rules of the EBRD and the KIDSF.</p> |

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| Deadline: | 22 Jan 2009 at 00:00, Varna time   |
| Contact:  | Mr. Ilia Nikolaev Director of the board<br>Tel: +359 52 500 670<br>Fax: +359 52 750 358<br>e-mail: inikolaev@dalkia.bg |

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| Company / organization: | <b>EBRD, related Romania</b> |
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### Turceni Rehabilitation and Modernization Project

**Content:** This Invitation for Prequalification follows the General Procurement Notice for this project which was published in Procurement Opportunities, 5660-GPN-37696 / 21 Dec 2007 .

S.C. Complexul Energetic Turceni S.A. (the Employer) intends applying the proceeds of a loan from the European Bank for Reconstruction and Development [the Bank] towards the cost of The Rehabilitation and Modernisation of Power units 3 & 6 Project.

The Employer intends prequalifying firms and joint ventures to tender for the following contract to be funded from part of the proceeds of the loan:

- Contract for Plant and Design-Build for Electrical and Mechanical Plant, and for Building and Engineering Works, Designed by Contractor covering :

Rehabilitation and modernisation of the 1,035 t/h boiler and auxiliary plants for power units no 3 & 6 through increase time availability and efficiency ;  
Rehabilitation and modernisation of the 330 MW turbine and auxiliary plants for power units no 3 & 6 through reduction of net specific consumption heat;

Modernisation of the control, protection and regulating system within the UCTE norms for power units no 3 & 6;

Reduction of NO<sub>x</sub>, CO and dust emission  
Rehabilitation and Modernisation of the solid fuel settlement first phase, water handling and thermo-mechanical technologic systems for power units no 3 & 6 .

- Location : S.C. Complexul Energetic Turceni S.A., 1 Uzinei St., Turceni City, Gorj County, Romania, Postal Code 217520

- Estimated schedule : start-up in early 2009 , power unit 6 commissioning in late 2010 & power unit 3 commissioning in late 2012

Prequalification and tendering for contract to be financed with the proceeds of a loan from the Bank is open to firms and joint ventures of firms from any country.

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| Deadline: | 14 Apr 2008 at 12:00, Bucharest time |
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| Contact: | Popescu Adriana Luminita<br>UMIP Units 3 & 6<br>S.C. Complexul Energetic Turceni S.A.<br>1 Uzinei Street, Turceni City, Gorj County, Romania,<br>Postal Code 217520<br>Tel: +40 731 310 846<br>Fax: +40 253 335 122<br>Email: adriana_popescu@eturceni.ro |
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| Company / organization: | EBRD, related Romania |
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### CFR Traction Energy Network Management LOT 1,2 - General

**Content:** This notice updates the General Procurement Notice published on EBRD Website dated 22nd July 2005 under reference 5104-GPN-36043 and updated on 24 July 2006.

CFR Electrificare is a Beneficiary of a loan from the European Bank for Reconstruction and Development and intends to use its proceeds towards the cost of a project to continue modernisation and introduce cost-savings measures in management of its traction energy network. The proposed project, which has a total estimated cost of EUR 26 million equivalent (EUR 22m from the Bank and EUR 4m in VAT and other taxes), will require the procurement of the following goods, works and services:

Lot 1: Supply and Installation of equipment sets for the Upgrading and Rehabilitation of 12 traction substations 110/25kV and the associated sectioning/subsectioning posts and disconnectors remote control

Lot 2: Supply and Installation of equipment sets for the control and surveillance (SCADA) of four railway energy dispatchers: DEF Timisoara, DEF Caransebes, DEF Craiova and DEF Targu-Jiu. Tendering for the above contracts is expected to begin in the fourth quarter of 2007.

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.

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| Deadline: | 22 Oct 2008 at 00:00, Bucharest time |
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| Contact: | Mr I Truica, Technical Director<br>S.C. Electrificare SA, B-dul D Golescu nr.38<br>Bucharest, Romania<br>Tel: + 40 213192512<br>Email: ionel.truica@cfr.ro |
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| Company / organization:  | EBRD, related Bulgaria   |
| <b>Rehab and Extension of Power Transmission Network LOT 1,2,3</b> |  |
| Content:   | <p>The National Electric Company – NEK-EAD (the “Employer”) intends using the proceeds of the grant funds provided by the “Kozloduy International Decommissioning Support Fund” (the “KIDSF”), administered by the European Bank for Reconstruction and Development (the “Bank”) and of its own financial sources towards the cost of the “Rehabilitation and Extension of the Power Transmission Network Project - substations Tzarevetz, Burgas, Metalurgichna”.</p> <p>The project, which has a total estimated cost of EUR 14.6 million, includes the implementation of the following three projects:</p> <p>(i) Project „Rehabilitation and extension of s/s Tzarevetz 400/110/31,5 kV”<br/>Procurement of equipment for the replacement and the extension of the 400 kV switchyard (400/110/31,5 kV equipment, shunt reactors, relay protections, control system); design works, procurement of materials, installation and erection works (foundations, steel structures, roads, cable channels, fences, commissioning and training).</p> <p>(ii) Project „Rehabilitation and extension of s/s Burgas 400/110/31,5 kV”<br/>Procurement of equipment for the replacement and the extension of the 400 kV switchyard (400/110/31,5 kV equipment, shunt reactors, relay protections, control system); design works, procurement of materials, installation and erection works (foundations, steel structures, roads, cable channels, fences, commissioning and training).</p> <p>(iii) Project „Rehabilitation of s/s Metalurgichna 400/110/31,5 kV”<br/>Procurement of equipment for the replacement of the 400 kV switchyard (400/110/31,5 kV equipment, shunt reactors, relay protections, control system); design works, procurement of materials, installation and erection works (foundations, steel structures, roads, cable channels, fences, commissioning and training).</p> <p>The Contracts in reference shall be awarded in compliance with the EBRD Procurement Policies and Rules and will be open to firms that qualify under the Rules of the KIDS Fund: The eligible countries as at 1 November 2007 are: EU member states, Switzerland, all so-called PHARE countries and the EBRD’s Countries of Operations.</p> |
| Deadline:  | 13 Nov 2008 at 00:00, Sofia time   |
| Contact:   | <p>Mrs. Ludmila Vitanova<br/>Head of Investment Department<br/>Natsionalna Elektricheska Kompania<br/>5, “Vesletz” str.,<br/>1040 Sofia<br/>BULGARIA<br/>Tel.: +359 2 9263 552<br/>Fax: +359 2 986 12 88<br/>E-mail: lvitanova@nek.bg</p>  |

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| Company / organization:   | EBRD, related Romania  |
| <b>CFR Traction Energy Network Management LOT 1,2 - General</b> |  |
| Content:  | <p>CFR Electrificare is a Beneficiary of a loan from the European Bank for Reconstruction and Development and intends to use its proceeds towards the cost of a project to continue modernisation and introduce cost-savings measures in management of its traction energy network. The proposed project, which has a total estimated cost of EUR 26 million equivalent (EUR 22m from the Bank and EUR 4m in VAT and other taxes), will require the procurement of the following goods, works and services:</p> <p>Lot 1: Supply and Installation of equipment sets for the Upgrading and Rehabilitation of 12 traction substations 110/25kV and the associated sectioning/subsectioning posts and disconnectors remote control</p> <p>Lot 2: Supply and Installation of equipment sets for the control and surveillance (SCADA) of four railway energy dispatchers: DEF Timisoara, DEF Caransebes, DEF Craiova and DEF Targu-Jiu.</p> |
| Deadline:   | 22 Oct 2008 at 00:00, Bucharest time.  |
| Contact:  | <p>Mr I Truica; Technical Director<br/>S.C. Electrificare SA B-dul D Golescu nr.38<br/>Bucharest, Romania<br/>Tel: + 40 21 3192512; Email: ionel.truica@cfr.ro</p>   |

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| Company / organization:              | EBRD, related Romania  |
| <b>Iasi District Heating Project</b> |  |
| 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. 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"> <li>- Supply and Installation of thermal modules (expected to be partly donor funded)</li> <li>- Supply and Installation of the equipment in the Central Sub-stations, including the automation equipment (expected to be partly donor funded)</li> <li>- Rehabilitation Works for the Central Sub-stations, including Buildings Rehabilitation</li> <li>- Rehabilitation Works for the Heat Distribution Network</li> </ul> <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, of for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations or under a law of official regulation of the Purchaser’s country.</p> |
| Deadline:                            | 25 Apr 2008 at 24:00, Iasi time  |
| Contact:                             | <p>Centrala Electrica de Termoficare Iasi ( CET) SA Project Implementation Unit<br/>Contact name: Mrs. Buzea Doina<br/>Address: Calea Chisinaului Street, no. 25 Iasi; Postal code: 700265 Iasi, Romania Phone: +40-232-231675 Fax: +40-232-231675</p>   |

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| Company / organization:                  | EBRD, Serbia   |
| <b>Electric Power Industry of Serbia</b> |  |
| 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"> <li>• New Bucket Wheel Excavator</li> <li>• New Belt Conveyor system (co-financed by KfW)</li> <li>• New shifting devices</li> </ul> <p>EPS has further applied for KfW loan for the following parts of the new system:</p> <ul style="list-style-type: none"> <li>• Parts of the new belt conveyor system</li> <li>• New power supply system</li> <li>• Spreader integrating new and available parts</li> </ul> <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<br>Tel. + 381-11-397-1926<br>Fax: + 391-11-397-1923<br>e-mail: slobodan.mitrovic@eps.co.yu or aleksandar.gajic@eps.co.yu   |

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| Company / organization:                               | EBRD, related Bulgaria  |
| <b>Pernik District Heating Rehabilitation Project</b> |   |
| 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<br>Moshino, CHP Plant Republika<br>2303 Pernik, Bulgaria<br>Tel./Fax.: +359 (076) 670 675   |

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| Company / organization:                          | EBRD, related Bosnia and Herzegovina   |
| <b>Power Distribution Reconstruction Project</b> |  |
| 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 &amp; 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  |
| Contact:   | Mr. Josip Jerkovic<br>PIU Director<br>Tel:+387 36 323 788<br>Fax:+387 36 322 831<br>Email: josip.jerkovic@epzhb.ba   |

## Oil and Gas

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| Company / organization:                           | EBRD, related Bulgaria  |
| <b>Bulgartransgaz Silistra System Development</b> |   |
| Content:  | <p>Bulgartransgaz EAD intends to use the proceeds of the Grant funds provided by the Kozloduy International Decommissioning Support Fund, administered by the European Bank for Reconstruction and Development and its own resources to finance the cost and complete the Project for delivery and construction of high pressure gas pipeline to, and gas regulation station in Silistra. The Project, which has a total estimated cost of EUR 10.7 million, will require the following deliveries and construction services:</p> <p>A. Delivery of steel pipes and fittings for a gas pipeline. Delivery of about 80 km of steel pipes for high pressure gas pipeline (PN 64), most of which are DN 300 (14") and other pipes of smaller diameter as well as fittings, required for the construction of the gas pipeline.</p> <p>B. Delivery of gas valves. Delivery of gas valves for high pressure gas pipeline (PN 64), mainly DN 300 (14") and others of smaller diameter.</p> <p>C. Overall delivery, supervision and commissioning of technological equipment for the Unattended Gas Regulation Station (UGRS). Delivery, Supervision and Commissioning of one complete set of technological equipment for the Construction of an Unattended Gas Regulation Station. Gas Regulation Station is a facility for regulation of gas pressure, equipped with commercial metering devices.</p> <p>D. Construction of high pressure gas pipeline to, and gas regulation station in Silistra. Construction and Commissioning of about 80 km gas transmission pipeline, optical fiber cable line within the gas pipeline easement and an UGRS (including the value of the used equipment and materials, except the delivered under the above Delivery Contracts A, B and C). The construction includes:</p> <ul style="list-style-type: none"> <li>• Temporary construction and preparatory works;</li> <li>• Delivery of materials and equipment (except of those included in the Delivery Contracts (A, B and C) above);</li> <li>• Construction and installation;</li> <li>• Pre-commissioning and commissioning tests;</li> <li>• Getting Permission on Commissioning by the competent control authorities;</li> <li>• Remedy of defects within the warranty periods after the acceptance by the State Acceptance Commission and Permission for use of the constructed pipeline and UGRS.</li> </ul> <p>The Contracts in reference shall be awarded in compliance with the EBRD Procurement Policies and Rules and will be open to firms that qualify under the Rules of the KIDS Fund: The eligible countries as at 1 November 2007 are: EU member states, Switzerland, all so-called PHARE countries and the EBRD's Countries of Operations. The proceeds of the Grant shall 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:   | 3 Nov 2008 at 00:00, Sofia time.  |
| Contact:  | <p>Mr. Angel Semerdjiev<br/>         Executive Director<br/>         Bulgartransgaz EAD<br/>         66, Pancho Vladigerov Blvd.<br/>         Sofia 1336<br/>         Bulgaria<br/>         Fax : + 359 29396462<br/>         e-mail: Silistra@bulgartransgaz.bg</p>  |