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**February (1) 2008 issue of Balkan Energy NEWS, with limited data.**

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**In this issue:****Analysis:**

- » Comparing of energy situation in the second half of 2007 and in previous years in South Eastern Europe

**News headlines****Regional:**

- » RWE became sixth partner in Nabucco project
- » Trans-Adriatic pipeline deal sealed

**Albania:**

- » Bankers Petroleum shares rose by 14%
- » Bankers Petroleum bought 50% of Kucova oil field
- » Electricity price increase up to 70%
- » ARMO for sale

**Bosnia and Herzegovina:**

- » 40 % increase in natural gas prices by mid 2008
- » Iceland Energy Group willing to invest 1 billion euros in RS
- » Slovak J&T interested in construction of power plant Livno
- » Start of renewal in oil refinery in Brod
- » Joint venture for construction of HPP Buk Bijela to be established in February
- » Spain to fund the study on solar power potential
- » CEZ offered to buy minority stake in TPP Gacko, shareholders unsatisfied with the price
- » Parliament to discuss the procedure for selection of strategic partners in energy sector
- » Government approved concession contract for construction of TPP Stanari
- » EPS did not pay compensations for land flooding to municipalities in BIH

**Bulgaria:**

- » Spanish company Coener to invest 60 million euros in bio-refinery in Pleven
- » CEZ to buy coal from Ukraine for TPP Varna
- » Prime minister confirmed his support for restarting the units in NPP Kozloduy
- » Government announced establishment of new energy holding
- » Thermal power plants fined for pollution
- » Two referendums regarding construction of "Burgas-Alexandroupolis" pipeline

**Croatia:**

- » HEP facing financial and managerial problems
- » Janaf posted 5.4 million euros of profit in 2007

- » HEP claims its share in TPP Gacko
- » Government and MOL to sign new contract for management of INA
- » 120 million euros of profit for INA in 2007
- » Increase in natural gas transmission tariffs from March 1
- » Construction of three wind farms stalled due to power permits

### **Greece:**

- » Further development regarding PPC-RWE deal
- » Greece and Romania signed energy deal
- » Endesa Hellas to gain a license to sell electricity

### **Macedonia:**

- » MEPSO adopted investment program for 2008
- » TPP Oslomej produced over 440 GWh in 2007
- » MEPSO started to publish data on electricity consumption
- » High electricity consumption, new tender for electricity import could take place

### **Montenegro:**

- » 145 bids for construction of small HPPs
- » Coalmine Pljevlja unsatisfied with the new coal prices
- » Electrabel interested in private public partnership projects
- » 700 workers to be dismissed in EPCG
- » No privatization of EPCG in 2008
- » EPCG to submit a request for increase in electricity prices
- » TPP Pljevlja produced 150 GWh in January

### **Romania:**

- » 5.7 % reduction in profit for Transgaz in 2007
- » Unit 2 in NPP Cernavoda shutdown due to false alarm
- » Primary energy resources reduced by 0.9 % in 2007
- » Romgaz and Termoelectrica to establish a joint company
- » Rompetrol to invest 340 million dollars in 2008
- » 8.3 % reduction in income for Transelectrica in 2007
- » Iberdrola to acquire wind farm projects
- » Eviva Energy to build 50 MW in wind farms

### **Serbia:**

- » TPP Nikola Tesla B reported highest ever production in January
- » New management board of EPS
- » 2.8 million tons produced in Kolubara coalmine in January
- » MOL and OMV opened new petrol stations
- » Studies on wind power potential
- » Gazprom and NIS to discuss details of the sale contract
- » EBRD to support construction of new power plant
- » Electricity shortages in Kosovo

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



Albania, Bosnia and Herzegovina, Bulgaria, Croatia, Greece, Macedonia, Montenegro, Romania, Serbia, Slovenia, Turkey

## 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.

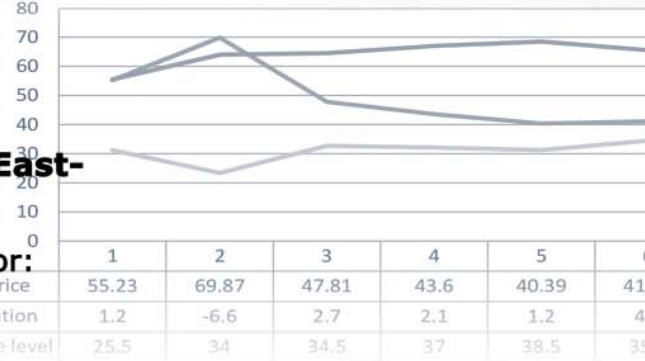
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06	1022	Slovenia	2008	1111	976	836	1111	976	836
48	1134		2010	12267	1083	991	1054	941	
81	1077		2011	12590	955	1051	1127	997	

OPCOM

Annual electricity consumption in GWh									
	12	Year	Sum	1	2	3	4	5	6
16	1120	2007	11182	1027	891	953	850		
95	1089	2008	11570	1094	998	1012	911		
51	1054	2009	10994	1099	932	963	816		
00	1156	2010	11722	1074	979	1016	910		
86	1157	2011	12186	1155	1038	1075	938		
05	3307	2008	34506	3307	3001	2960	2831		
87	3185	2009	32721	3185	3001	3196	2636		
70	3257	2010	31954	3486	3052	3021	2443		
47	3167	2011	33452	3475	3107	3097	2577		
15	1640	2008	17842	1680	1543	1570	1458		
63	1648	2009	17507	1625	1530	1551	1323		
77	1648	2010	17507	1625	1530	1551	1323		
53	1648	2011	17507	1625	1530	1551	1323		
71	1648	2011	17507	1625	1530	1551	1323		
39	4521	2008	53066	4915	4539	4269	4105		
11	4521	2009	53504	4652	4271	4401	3894		
94	4521	2010	53565	4666	4107	4327	3913		
73	4521	2011	53565	4666	4107	4327	3913		
52	4521	2011	53565	4666	4107	4327	3913		
40	4521	2011	53565	4666	4107	4327	3913		
14	4521	2011	53565	4666	4107	4327	3913		
94	4521	2011	53565	4666	4107	4327	3913		
38	4521	2011	53565	4666	4107	4327	3913		
64	4791	2009	50636	4736	4268	4473	3803		
82	5131	2010	53265	4874	4472	4727	4311		
70	5131	2011	53265	4874	4472	4727	4311		
58	5131	2011	53265	4874	4472	4727	4311		



## Country Reports on Energy Business in South Eastern Europe

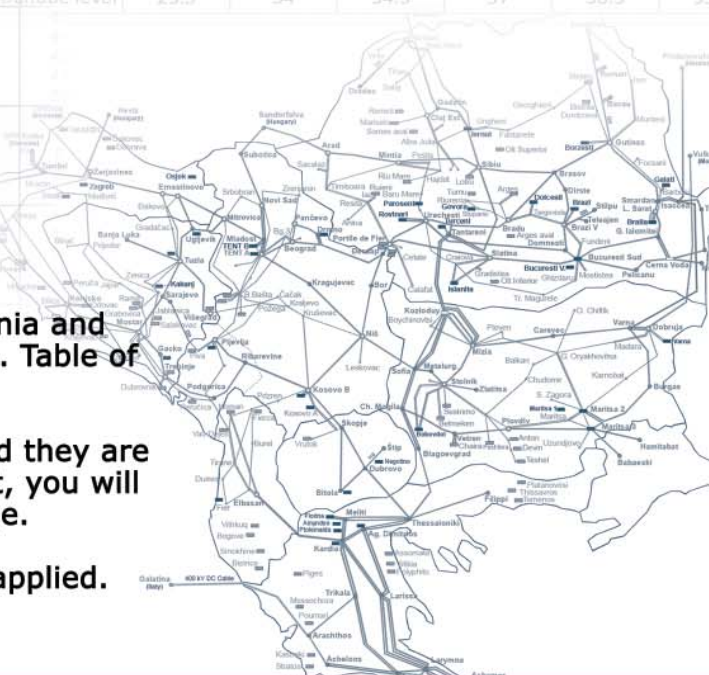
Country reports provide detailed overview of energy sector:

- 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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**Power exchanges data:**

**Bosnia and Herzegovina: Electricity production in last 15 days (MWh)**

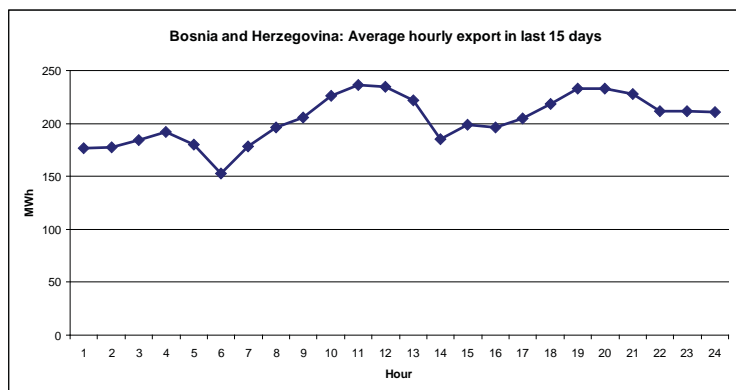
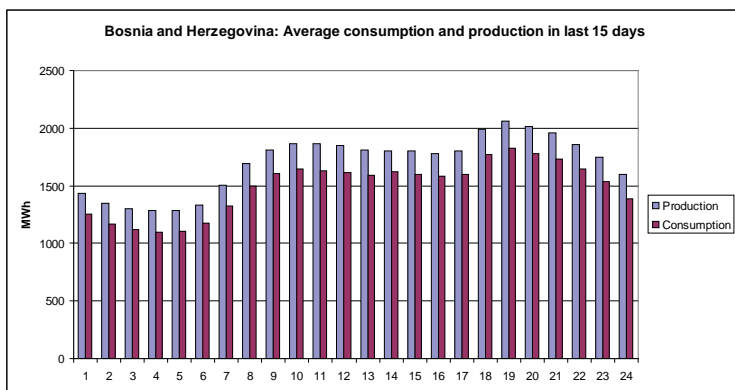
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1.2.2008	1490	1382	1306	1289	1265	1322	1564	1752	1866	1921	1906	1897	1836	1840	1837	1802	1833	2011	2080	2005	1936	1842	1717	1597
2.2.2008	1316	1243	1218	1205	1211	1248	1342	1504	1649	1704	1724	1699	1667	1659	1684	1675	1714	1856	1879	1820	1759	1678	1590	1455
3.2.2008	1319	1229	1200	1202	1209	1234	1250	1359	1495	1657	1709	1689	1662	1634	1628	1614	1667	1837	1906	1889	1836	1764	1610	1447
4.2.2008	1421	1340	1267	1271	1262	1264	1571	1755	1867	1879	1838	1815	1756	1728	1728	1702	1741	1954	1996	1934	1906	1829	1729	1555
5.2.2008	1433	1340	1279	1260	1263	1312	1518	1725	1855	1868	1850	1826	1785	1818	1799	1770	1809	1920	1993	1967	1904	1868	1766	1605
6.2.2008	1401	1327	1300	1285	1262	1262	1482	1694	1788	1827	1803	1809	1777	1713	1754	1770	1792	1992	2054	2033	1997	1931	1825	1645
7.2.2008	1415	1340	1322	1317	1314	1322	1583	1812	1901	2050	2038	2049	2001	1912	1901	1855	1856	2145	2194	2117	2101	1884	1791	1674
8.2.2008	1495	1424	1343	1338	1363	1396	1554	1815	1891	1917	1900	1897	1891	1864	1862	1851	1919	2072	2087	2078	2022	1921	1757	1602
9.2.2008	1550	1480	1414	1408	1390	1417	1520	1674	1832	1897	1893	1900	1905	1916	1899	1900	1885	2066	2101	2052	1969	1889	1799	1699
10.2.2008	1552	1464	1407	1343	1361	1381	1458	1512	1682	1803	1863	1869	1861	1835	1799	1758	1817	1968	2106	2062	2043	1939	1810	1607
11.2.2008	1292	1214	1175	1167	1182	1285	1470	1679	1760	1831	1804	1773	1780	1779	1797	1752	1732	1925	1982	1924	1881	1780	1679	1538
12.2.2008	1335	1230	1215	1225	1220	1312	1477	1638	1836	1873	1840	1816	1693	1695	1650	1639	1739	1992	2098	2018	1954	1743	1636	1522
13.2.2008	1422	1336	1343	1300	1304	1378	1541	1796	1846	1888	1873	1843	1873	1911	1873	1828	1819	2080	2215	2180	2104	1923	1833	1686
14.2.2008	1516	1418	1379	1349	1354	1402	1589	1798	1940	1937	1928	1880	1807	1860	1864	1849	1859	2019	2116	2081	1998	1943	1847	1682
15.2.2008	1499	1397	1382	1377	1377	1435	1647	1833	1948	1976	1980	1961	1908	1918	1940	1916	1890	2022	2078	2050	2016	1934	1814	1661
Average:	1430	1344	1303	1289	1289	1331	1504	1690	1810	1869	1863	1848	1813	1805	1801	1779	1805	1991	2059	2014	1962	1858	1747	1598

**Bosnia and Herzegovina: 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
1.2.2008	1288	1200	1133	1088	1078	1161	1336	1537	1625	1662	1626	1623	1596	1619	1595	1562	1588	1760	1800	1727	1676	1604	1498	1377
2.2.2008	1239	1168	1130	1116	1122	1171	1244	1391	1559	1622	1611	1590	1551	1583	1589	1586	1604	1741	1792	1718	1670	1577	1487	1362
3.2.2008	1232	1154	1114	1082	1082	1115	1154	1283	1428	1545	1580	1579	1552	1537	1515	1513	1561	1754	1801	1776	1723	1633	1498	1307
4.2.2008	1187	1103	1026	1008	1012	1132	1339	1538	1618	1615	1589	1562	1534	1555	1529	1490	1529	1743	1762	1701	1692	1605	1502	1325
5.2.2008	1214	1116	1067	1074	1090	1137	1336	1500	1618	1637	1613	1614	1585	1608	1587	1568	1563	1706	1763	1734	1676	1609	1508	1349
6.2.2008	1194	1089	1035	1010	1035	1105	1270	1458	1542	1549	1524	1490	1480	1476	1500	1509	1538	1739	1772	1750	1693	1615	1491	1333
7.2.2008	1217	1112	1090	1076	1096	1145	1328	1493	1602	1626	1664	1616	1612	1640	1630	1587	1594	1775	1828	1768	1744	1635	1544	1411
8.2.2008	1256	1200	1124	1127	1121	1205	1332	1534	1611	1628	1579	1596	1595	1623	1625	1618	1647	1781	1811	1772	1732	1637	1488	1362
9.2.2008	1285	1188	1140	1130	1120	1167	1261	1413	1568	1650	1635	1633	1630	1681	1660	1649	1647	1788	1837	1792	1704	1615	1523	1405
10.2.2008	1299	1200	1109	1067	1076	1093	1139	1253	1417	1510	1576	1586	1590	1561	1508	1490	1552	1753	1829	1793	1753	1666	1537	1363
11.2.2008	1209	1135	1085	1057	1102	1201	1398	1592	1689	1728	1681	1687	1686	1717	1701	1667	1666	1849	1864	1836	1797	1683	1557	1368
12.2.2008	1266	1153	1139	1136	1153	1240	1439	1583	1684	1710	1683	1638	1616	1662	1603	1571	1588	1779	1852	1784	1755	1665	1561	1440
13.2.2008	1297	1216	1193	1160	1179	1269	1458	1656	1718	1742	1713	1701	1646	1713	1655	1620	1630	1798	1915	1870	1820	1737	1626	1473
14.2.2008	1312	1239	1201	1166	1184	1275	1417	1565	1678	1669	1633	1609	1546	1625	1619	1612	1601	1789	1882	1861	1779	1706	1611	1466
15.2.2008	1307	1235	1205	1157	1183	1266	1439	1600	1710	1737	1695	1682	1653	1711	1713	1698	1689	1826	1877	1838	1794	1707	1599	1467
Average:	1253	1167	1119	1097	1109	1179	1326	1493	1604	1642	1627	1614	1591	1621	1602	1583	1600	1772	1826	1781	1734	1646	1535	1387

**Bosnia and Herzegovina: Electricity exports 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
1.2.2008	202	182	173	201	187	161	228	215	241	259	280	274	240	221	242	240	245	251	280	278	260	238	219	220
2.2.2008	77	75	88	89	89	77	98	113	90	82	113	109	116	76	95	89	110	115	87	102	89	101	103	93
3.2.2008	87	75	86	120	127	119	96	76	67	112	129	110	110	97	113	101	106	83	105	113	113	131	112	140
4.2.2008	234	237	241	263	250	132	232	217	249	264	249	253	222	173	199	212	212	211	234	233	214	224	227	230
5.2.2008	219	224	212	186	173	175	182	225	237	231	237	212	200	210	212	202	246	214	230	233	228	259	258	256
6.2.2008	207	238	265	275	227	157	212	236	246	278	279	319	297	237	254	261	254	253	282	283	304	316	334	312
7.2.2008	198	228	232	241	218	177	255	319	299	424	374	433	389	272	271	268	262	370	366	349	357	249	247	263
8.2.2008	239	224	219	211	242	191	222	281	280	289	321	301	296	241	237	233	272	291	276	306	290	284	269	240
9.2.2008	265	292	274	278	270	250	259	261	264	247	258	267	275	235	239	251	238	278	264	260	265	274	276	294
10.2.2008	253	264	298	276	285	288	319	259	265	293	287	283	271	274	291	268	265	215	277	269	290	273	273	244
11.2.2008	83	79	90	110	80	84	72	87	71	103	123	86	94	62	96	85	66	76	118	88	84	97	122	170
12.2.2008	69	77	76	89	67	72	38	55	152	163	157	178	77	33	47	68	151	213	246	234	199	78	75	82
13.2.2008	125	120	150	140	125	109	83	140	128	146	160	142	227	198	218	208	189	282	300	310	284	186	207	213
14.2.2008	204	179	178	183	170	127	172	233	262	268	295	271	261	235	245	237	258	230	234	220	219	237	236	216
15.2.2008	192	162	177	220	194	169	208	233	238	239	285	279	255	207	227	218	201	196	201	212	222	227	215	194
Average:	177	177	184	192	180	153	178	197	206	227	236	234	222	185	199	196	205	219	233	233	228	212	212	211





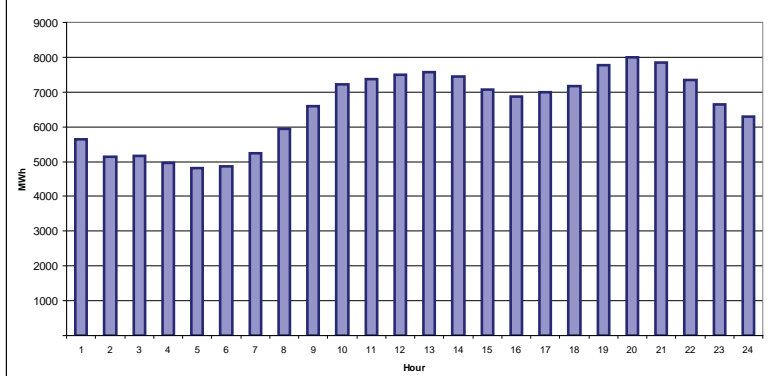
## Greece: Electricity consumption in last 15 days (MWh)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1.2.2008	5870	5300	5330	5130	5000	5070	5500	6330	7050	7550	7600	7620	7650	7550	7250	7070	7150	7350	8050	8250	8140	7650	6900	6530
2.2.2008	5690	5250	5250	5040	4870	4800	4950	5210	5950	6700	7000	7260	7350	7210	6750	6510	6650	6820	7700	7820	7320	7040	6400	6120
3.2.2008	5410	4980	4950	4720	4510	4440	4500	4540	4880	5390	5900	6300	6370	6100	5560	5400	5640	5920	6700	7000	6890	6650	6060	5850
4.2.2008	5200	4750	4780	4600	4450	4530	5080	6000	6600	7150	7150	7170	7180	7080	6830	6600	6700	6900	7500	7750	7600	7160	6440	6100
5.2.2008	5450	5000	4980	4810	4700	4770	5250	6070	6800	7380	7350	7300	7300	7230	6940	6800	6900	7190	7820	8060	7880	7300	6540	6190
6.2.2008	5540	5060	5040	4870	4740	4810	5300	6150	6840	7500	7500	7580	7650	7550	7240	6950	6970	7150	7700	7930	7790	7370	6640	6210
7.2.2008	5590	5150	5180	5000	4840	4940	5400	6250	6900	7500	7550	7600	7700	7600	7200	7000	7100	7300	7900	8180	7940	7360	6640	6250
8.2.2008	5620	5140	5150	4990	4870	4930	5430	6250	6940	7460	7550	7650	7700	7500	7250	7040	7150	7330	7930	8100	7980	7400	6700	6300
9.2.2008	5750	5300	5300	5100	4900	4830	5000	5300	5900	6660	7200	7380	7540	7500	7000	6700	6850	7000	7580	7880	7650	7100	6500	6300
10.2.2008	5730	5250	5250	4990	4850	4740	4780	4850	5230	5800	6360	6800	7000	6700	6200	6000	6250	6440	7040	7300	7250	6900	6380	6200
11.2.2008	5600	5080	5100	4950	4800	4800	5350	6300	7100	7750	7850	7900	8000	7900	7600	7340	7400	7550	8040	8250	8140	7650	6900	6540
12.2.2008	5800	5300	5330	5150	5000	5100	5580	6440	7200	7950	8000	8100	8200	8050	7700	7460	7550	7750	8200	8480	8300	7780	6950	6550
13.2.2008	5800	5240	5260	5070	4940	4970	5500	6300	7100	7750	7850	7900	7950	7900	7600	7330	7500	7540	7950	8180	8140	7600	6850	6400
14.2.2008	5620	5150	5100	5000	4900	5100	5500	6400	7150	7900	7870	7950	8050	8000	7600	7350	7480	7620	8240	8450	8300	7600	6850	6460
15.2.2008	5800	5300	5300	5120	4990	5100	5600	6600	7300	7950	7950	8000	8040	8000	7500	7300	7450	7800	8300	8450	8240	7600	6850	6500
Average:	<b>5631</b>	<b>5150</b>	<b>5153</b>	<b>4969</b>	<b>4824</b>	<b>4862</b>	<b>5248</b>	<b>5933</b>	<b>6596</b>	<b>7226</b>	<b>7379</b>	<b>7501</b>	<b>7579</b>	<b>7458</b>	<b>7081</b>	<b>6857</b>	<b>6983</b>	<b>7177</b>	<b>7777</b>	<b>8005</b>	<b>7837</b>	<b>7344</b>	<b>6640</b>	<b>6300</b>

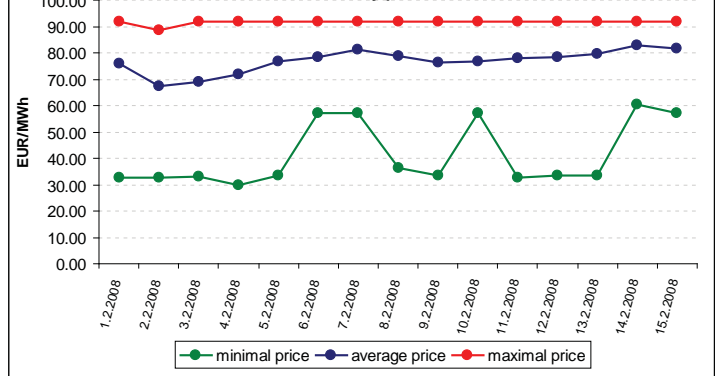
## Greece: System Marginal Prices in last 15 days

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1.2.2008	60.42	57.04	57.04	32.99	32.84	32.99	60.42	62.66	92.00	88.58	92.00	89.61	92.00	87.86	87.86	86.57	87.86	92.00	89.61	89.31	92.00	92.00	86.55	80.24
2.2.2008	57.09	33.65	33.65	33.65	32.99	32.84	32.84	57.09	62.72	88.30	86.55	88.30	86.57	86.57	80.32	80.32	85.40	86.55	88.66	86.55	86.55	88.30	62.73	62.72
3.2.2008	57.09	57.09	57.09	36.31	32.99	32.99	33.53	33.53	60.47	62.72	91.90	88.39	88.39	88.30	60.48	80.32	80.33	86.55	88.30	88.66	86.56	86.57	86.55	86.87
4.2.2008	60.47	32.84	33.53	29.93	29.80	31.27	60.47	62.72	88.39	88.66	88.66	88.66	88.66	86.55	86.55	80.34	86.55	91.90	88.39	91.90	88.39	86.56	86.55	62.72
5.2.2008	62.72	57.09	57.09	36.31	33.53	36.31	60.47	80.33	92.00	92.00	92.00	91.96	91.95	86.87	86.87	86.57	88.30	92.00	92.00	91.97	88.66	88.39	60.48	60.48
6.2.2008	62.72	60.47	60.47	57.10	57.09	57.09	60.47	62.72	88.30	92.00	91.95	91.96	92.00	86.57	86.87	86.55	86.55	92.00	91.95	91.95	91.95	88.30	86.55	60.48
7.2.2008	62.72	60.47	60.48	57.10	57.09	57.10	62.72	86.87	88.39	92.00	92.00	92.00	92.00	92.00	86.56	86.87	86.87	92.00	92.00	92.00	92.00	92.00	86.55	86.55
8.2.2008	60.48	60.48	60.48	60.47	36.31	57.09	62.72	86.55	88.39	92.00	91.96	91.97	91.96	88.30	88.30	86.57	88.30	92.00	91.97	91.97	91.97	88.66	62.73	80.32
9.2.2008	60.48	60.48	60.48	57.09	33.67	33.53	57.09	60.47	85.40	92.00	88.39	88.66	88.66	88.66	86.55	86.57	88.30	88.30	86.55	92.01	88.66	88.66	86.55	86.55
10.2.2008	62.73	60.47	60.47	62.72	57.10	57.09	57.09	57.09	60.47	86.87	91.90	88.39	91.90	91.90	80.32	80.33	88.30	86.55	88.39	88.66	88.39	88.66	86.87	80.34
11.2.2008	62.72	57.09	57.09	33.53	32.84	32.84	62.72	86.55	92.00	92.00	92.00	92.00	92.00	92.00	88.66	86.87	88.66	92.00	92.00	92.00	92.00	92.00	80.34	85.40
12.2.2008	62.72	57.09	60.47	33.65	33.53	57.09	60.48	85.30	92.00	92.01	92.01	92.01	92.01	92.00	92.00	88.30	92.00	92.00	92.00	92.00	92.00	92.00	86.87	62.73
13.2.2008	62.72	57.09	60.47	57.10	33.67	33.65	62.72	85.30	92.00	92.00	92.00	92.00	92.01	92.00	92.00	88.30	92.00	92.00	92.01	92.01	92.01	92.00	88.39	80.32
14.2.2008	62.72	62.72	62.72	62.72	62.72	62.72	60.48	85.40	92.00	92.01	92.01	92.01	92.01	92.01	92.00	92.00	92.00	92.00	92.01	92.01	92.01	92.01	88.30	85.30
15.2.2008	62.73	60.47	60.47	57.09	57.09	57.09	62.72	85.40	92.00	92.01	92.01	92.01	92.01	92.00	92.00	88.66	92.00	92.00	92.01	92.01	92.01	92.01	85.32	85.30
Average:	<b>61.37</b>	<b>55.64</b>	<b>56.13</b>	<b>47.18</b>	<b>41.55</b>	<b>44.78</b>	<b>57.13</b>	<b>71.87</b>	<b>84.44</b>	<b>89.01</b>	<b>91.16</b>	<b>90.66</b>	<b>90.94</b>	<b>89.57</b>	<b>85.82</b>	<b>85.68</b>	<b>88.23</b>	<b>90.66</b>	<b>90.52</b>	<b>91.00</b>	<b>90.56</b>	<b>89.89</b>	<b>83.28</b>	<b>76.42</b>

Greece: Average hourly consumption in last 15 days



Greece: Electricity prices, HTSO



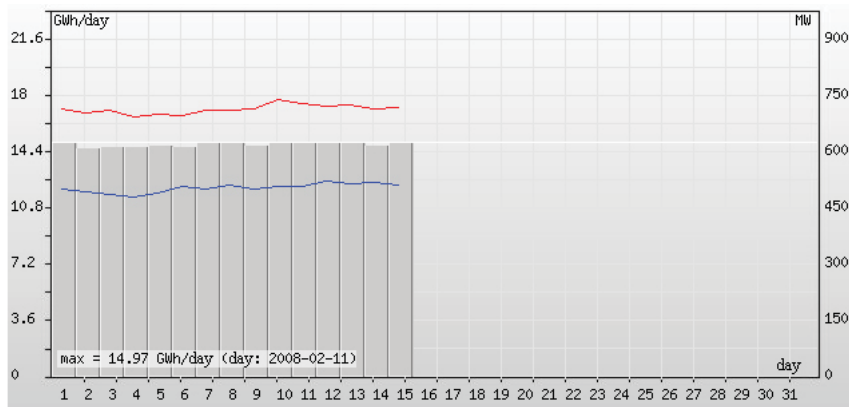
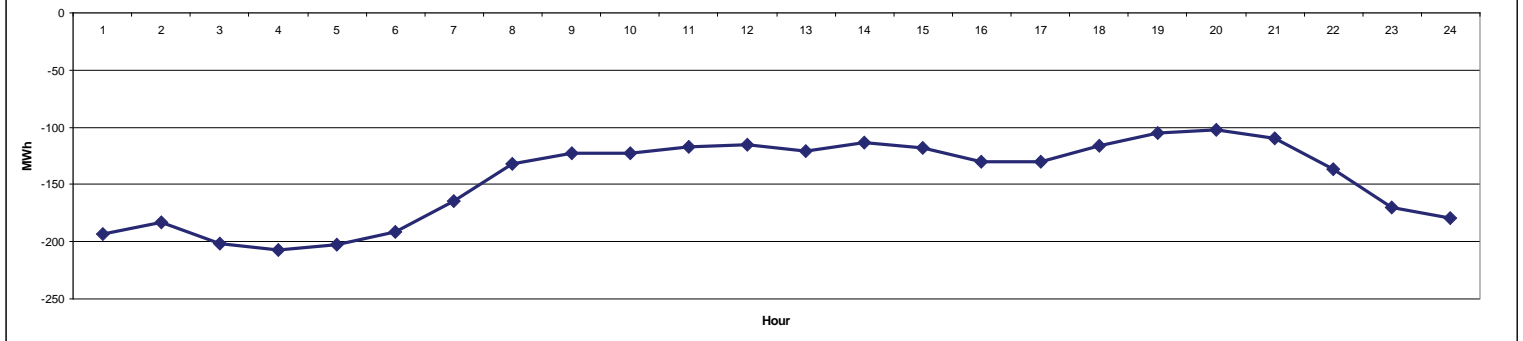
## Montenegro: Electricity exports in last 15 days per border (MWh)

	1.2.2008	2.2.2008	3.2.2008	4.2.2008	5.2.2008	6.2.2008	7.2.2008	8.2.2008	9.2.2008	10.2.2008	11.2.2008	12.2.2008	13.2.2008	14.2.2008	15.2.2008
Montenegro - Albania	2538	3217	2972	2940	3284	3903	3272	3650	3489	3382	3403	3820	3532	3300	3056
Montenegro - BiH	-7084	-9822	-9859	-7146	-5863	-5659	-3578	-5532	-6460	-8248	-6335	-5455	-5970	-6245	-7772
Montenegro - Serbia	-2600	-2091	-1734	-873	-50	1308	339	739	410	-500	1441	624	986	1707	-689
Total	<b>-7147</b>	<b>-8697</b>	<b>-8621</b>	<b>-5079</b>	<b>-2629</b>	<b>-447</b>	<b>33</b>	<b>-1143</b>	<b>-2561</b>	<b>-5366</b>	<b>-1491</b>	<b>-1011</b>	<b>-1453</b>	<b>-1238</b>	<b>-5405</b>

### 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
1.2.2008	-412	-379	-360	-351	-324	-332	-359	-292	-278	-278	-264	-246	-346	-369	-367	-363	-346	-140	-170	-189	-205	-389	-392	0
2.2.2008	-400	-363	-337	-319	-318	-314	-331	-343	-338	-350	-349	-368	-388	-381	-357	-364	-372	-378	-391	-316	-361	-397	-432	-431
3.2.2008	-403	-358	-330	-316	-306	-302	-322	-337	-340	-336	-349	-366	-365	-340	-352	-351	-329	-387	-393	-397	-386	-397	-434	-429
4.2.2008	-390	-346	-321	-306	-296	-299	-340	-314	-213	-180	-161	-159	-158	-165	-184	-220	-204	-162	-77	-87	-76	-85	-131	-207
5.2.2008	-303	-256	-253	-243	-239	-252	-88	-34	-52	-56	-38	-20	-10	3	6	-4	36	-56	-28	-18	-40	-178	-276	-230
6.2.2008	-186	-144	-142	-126	-121	-137	-78	70	112	120	113	7	1	60	3	-99	-127	-25	22	13	40	66	66	42
7.2.2008	79	117	-26	-141	-144	-51	124	113	72	42	8	41	-6	-10	-14	9	-7	-45	-40	-28	-25	-35	-11	12
8.2.2008	37	54	-165	-181	-177	-189	-73	1	-25	-58	-41	-44	-22	-10	-3	-4	-10	-17	-26	-24	-26	-14	-31	-98
9.2.2008	-142	-203	-234	-233	-232	-237	-189	-28	-18	-39	-49	-36	-36	-42	-30	-41	-36	-54	-42	-35	-36	-34	-144	-393
10.2.2008	-331	-313	-293	-266	-260	-261	-288	-323	-329	-331	-348	-339	-261	-223	-231	-225	-234	-110	-68	-62	-61	-60	-53	-95
11.2.2008	-69	-34	-88	-196	-196	-63	-59	-29	-22	-28	-28	-16	-28	-15	-30	-42	-49	-30	-54	-61	-50	-81	-120	-104
12.2.2008	-60	-47	-23	-24	-17	-10	-42	-50	-37	-40	-21	-13	-29	-31	-45	-36	-43	-53	-51	-48	-45	-56	-67	-123
13.2.2008	-110	-90	-65	-45	-48	-64	-50	-21	-32	-29	-32	-18	-23	-34	-36	-43	-50	-79	-81	-90	-95	-86	-109	-125
14.2.2008	-103	-55	-32	-16	-11	-19	-50	-42	-54	-53	-12	-22	-8	-6	1	-39	-31	-84	-98	-106	-118	-83	-71	-127
15.2.2008	-111	-323	-354	-349	-348	-346	-329	-352	-281	-227	-191	-136	-129	-140	-132	-126	-148	-120	-76	-87	-154	-220	-343	-387
Average	-194	-183	-201	-207	-202	-192	-165	-132	-122	-123	-117	-116	-120	-114	-118	-130	-130	-116	-105	-102	-109	-137	-170	-180

### Montenegro: Average Hourly exports in last 15 days



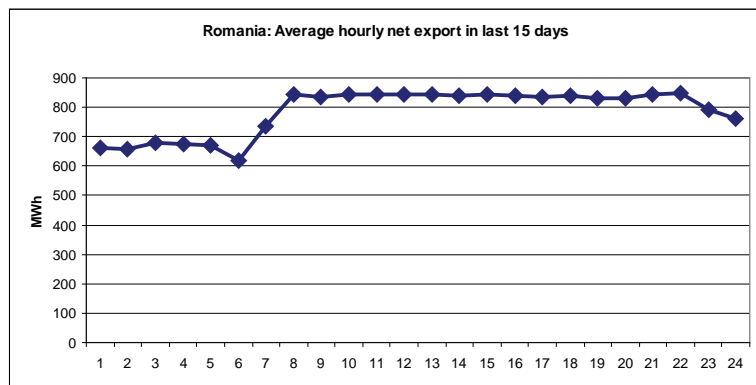
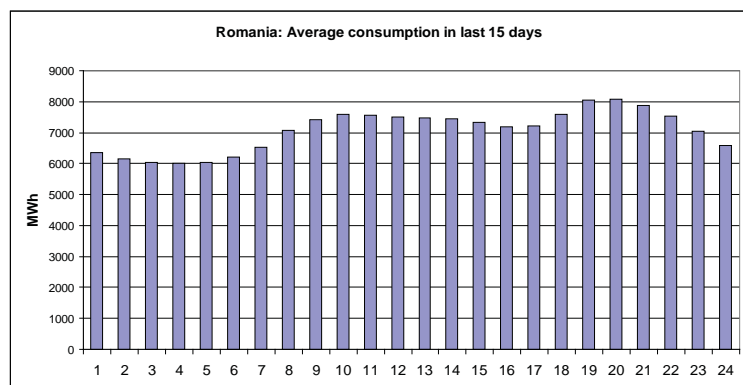
Gray block: Daily consumption (in GWh)  
 Red line: Maximal daily load (in MW)  
 Blue line: Minimal daily load (in MW)  
 (source: TSO EPCG)

### 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
1.2.2008	6573	6363	6244	6216	6275	6517	6963	7652	8033	8180	8129	8049	7950	7931	7729	7631	7621	8019	8385	8303	8187	7776	7228	6792
2.2.2008	6453	6286	6170	6081	6104	6170	6338	6569	6929	7203	7195	7137	7051	6960	6778	6687	6883	7427	7773	7706	7518	7235	6858	6473
3.2.2008	6229	6035	5835	5776	5756	5789	5766	5813	6007	6207	6246	6251	6243	6202	6127	6116	6227	6823	7183	7244	7132	6873	6496	6122
4.2.2008	6019	5785	5674	5629	5673	5919	6364	7269	7634	7804	7876	7797	7742	7762	7593	7403	7414	7809	8244	8276	8071	7637	7058	6605
5.2.2008	6296	6088	5999	5977	6018	6214	6636	7450	7763	7861	7834	7763	7710	7729	7633	7465	7467	7862	8318	8322	8064	7663	7059	6583
6.2.2008	6311	6168	6078	6059	6109	6257	6571	7142	7640	7802	7798	7742	7728	7784	7652	7415	7464	7849	8265	8304	8032	7568	7051	6567
7.2.2008	6392	6208	6104	6070	6106	6241	6583	7117	7598	7797	7823	7727	7732	7745	7617	7450	7409	7765	8195	8131	7936	7546	7167	6624
8.2.2008	6387	6175	6031	6023	6096	6253	6632	7248	7641	7866	7843	7809	7747	7714	7598	7428	7448	7707	8180	8174	8041	7705	7243	6724
9.2.2008	6455	6252	6085	6039	6060	6153	6298	6528	6859	7036	7024	6981	6929	6829	6683	6597	6692	7084	7635	7705	7505	7252	6832	6467
10.2.2008	6231	6000	5816	5758	5778	5770	5759	5834	5980	6142	6172	6134	6139	6111	6012	5999	6076	6574	7076	7150	7087	6805	6462	6156
11.2.2008	6041	5791	5699	5654	5717	5966	6442	7232	7647	7815	7882	7864	7812	7826	7710	7526	7563	7822	8291	8283	8069	7662	7139	6711
12.2.2008	6454	6279	6202	6157	6220	6363	6703	7429	7796	7931	7906	7876	7823	7853	7673	7515	7495	7804	8340	8349	8164	7714	7201	6733
13.2.2008	6397	6242	6154	6147	6185	6332	6754	7450	7804	7881	7810	7733	7722	7699	7612	7495	7468	7709	8257	8238	8086	7692	7157	6674
14.2.2008	6545	6364	6258	6187	6270	6501	6961	7589	7908	8050	7957	7865	7835	7837	7720	7612	7511	7710	8318	8380	8226	7810	7266	6783
15.2.2008	6620	6405	6329	6298	6327	6604	6972	7695	8011	8100	8092	7972	7961	7931	7822	7626	7559	7724	8390	8436	8265	7939	7461	6936
Average	6360	6163	6045	6005	6046	6203	6516	7068	7417	7578	7572	7513	7475	7461	7331	7198	7220	7579	8057	8067	7892	7525	7045	6597

## Romania: Electricity net 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
1.2.2008	649	640	679	677	675	619	756	850	865	865	866	867	857	840	843	843	839	838	833	834	849	856	793	768
2.2.2008	533	532	558	557	555	546	454	591	628	664	666	667	671	669	664	662	653	655	655	660	663	661	665	649
3.2.2008	534	526	570	563	560	587	555	603	582	611	612	613	612	619	619	616	606	617	613	597	600	615	665	655
4.2.2008	618	606	668	667	673	664	703	861	858	863	865	860	845	849	867	867	858	856	856	835	858	797	770	766
5.2.2008	649	617	655	652	650	523	778	876	817	827	819	821	821	825	825	797	819	817	803	788	844	840	755	662
6.2.2008	530	520	547	548	509	451	668	770	761	762	743	765	736	725	728	728	717	740	723	726	767	774	681	657
7.2.2008	634	636	647	645	642	579	718	843	826	818	805	808	833	827	831	830	814	809	811	813	841	845	749	710
8.2.2008	659	661	679	678	673	571	777	900	875	872	873	878	876	839	840	840	872	875	836	838	843	851	800	785
9.2.2008	666	663	664	663	661	662	612	749	780	805	806	813	813	816	817	813	807	804	803	805	796	799	793	793
10.2.2008	685	686	687	688	687	686	781	835	797	831	830	833	834	833	834	832	824	816	816	817	818	826	832	804
11.2.2008	663	665	694	689	660	589	694	890	887	882	884	886	883	886	890	892	887	886	886	889	893	902	794	760
12.2.2008	840	842	843	842	836	744	858	963	963	958	960	963	960	963	967	969	964	963	963	966	970	979	900	853
13.2.2008	773	776	778	777	771	716	885	963	963	958	960	963	960	963	967	969	964	963	963	966	970	979	862	838
14.2.2008	764	766	777	771	726	681	892	977	974	968	970	974	970	953	957	959	954	954	954	957	980	989	905	855
15.2.2008	754	734	753	752	758	695	907	973	976	970	972	976	972	975	979	981	975	975	975	978	981	990	897	862
Average:	<b>663</b>	<b>658</b>	<b>680</b>	<b>675</b>	<b>669</b>	<b>621</b>	<b>736</b>	<b>843</b>	<b>837</b>	<b>844</b>	<b>842</b>	<b>846</b>	<b>843</b>	<b>839</b>	<b>842</b>	<b>840</b>	<b>837</b>	<b>838</b>	<b>833</b>	<b>831</b>	<b>845</b>	<b>847</b>	<b>791</b>	<b>761</b>

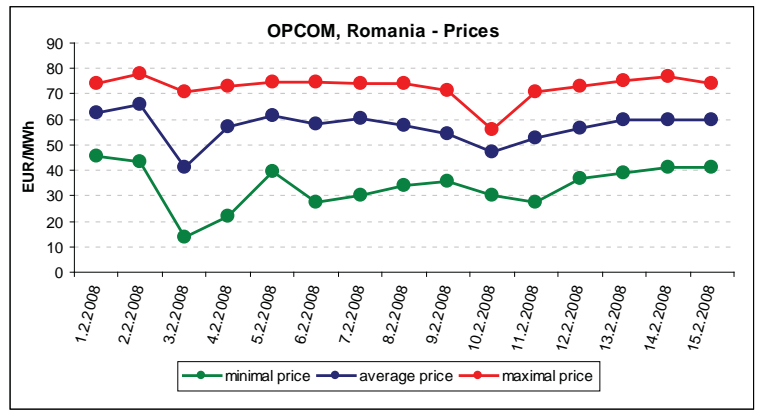
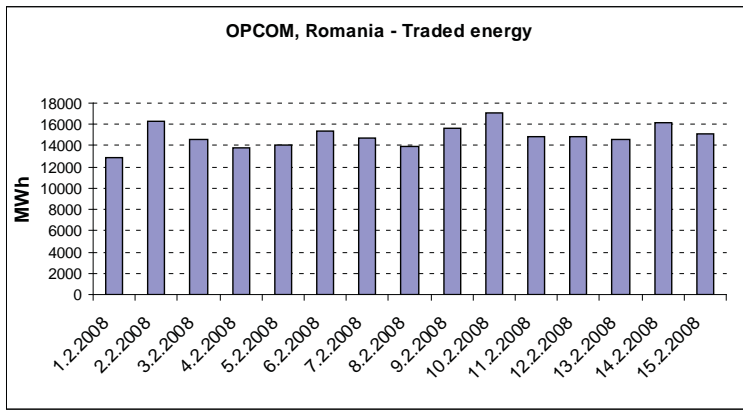


## Opcom, Romania: Traded energy in last 15 days (MWh)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1.2.2008	621	571	602	619	589	543	580	598	463	442	443	426	413	455	529	614	605	417	403	415	482	551	645	805
2.2.2008	706	743	757	728	731	773	757	956	732	637	605	601	644	693	735	783	758	607	478	462	477	616	644	689
3.2.2008	579	564	551	533	499	496	493	558	544	594	594	646	644	621	615	640	712	704	673	706	703	629	630	684
4.2.2008	666	619	635	551	550	552	678	730	521	477	506	501	503	536	567	597	610	543	483	490	517	586	647	771
5.2.2008	551	665	623	634	614	540	660	590	479	477	503	532	559	562	605	651	699	603	507	524	572	584	588	754
6.2.2008	612	610	609	611	584	513	602	689	597	570	601	649	656	670	726	751	758	728	587	603	631	678	657	738
7.2.2008	500	553	562	551	545	560	660	708	542	595	626	658	681	675	716	738	730	653	534	533	551	609	585	693
8.2.2008	550	530	574	587	563	513	677	649	529	531	567	585	594	605	648	679	663	578	434	435	477	589	616	784
9.2.2008	502	512	554	569	576	557	637	746	736	696	679	681	711	758	767	784	755	664	536	524	559	632	737	829
10.2.2008	618	607	665	666	647	643	642	667	765	804	803	858	853	736	835	828	863	693	550	540	563	654	735	855
11.2.2008	641	664	680	697	669	632	655	637	487	559	573	584	517	589	651	699	700	621	452	472	469	578	704	867
12.2.2008	641	664	680	697	669	632	655	637	487	559	573	584	517	589	651	699	700	621	452	472	469	578	704	867
13.2.2008	624	663	670	612	658	594	741	589	538	513	540	550	575	554	599	643	631	552	465	465	505	564	803	878
14.2.2008	624	677	711	724	670	652	730	677	615	560	644	752	756	668	697	827	740	667	462	453	489	585	774	981
15.2.2008	670	713	729	735	702	610	723	637	635	584	614	639	612	598	630	670	643	566	437	431	490	599	642	833
Average:	<b>607</b>	<b>624</b>	<b>640</b>	<b>634</b>	<b>618</b>	<b>587</b>	<b>659</b>	<b>671</b>	<b>578</b>	<b>573</b>	<b>591</b>	<b>616</b>	<b>616</b>	<b>621</b>	<b>665</b>	<b>707</b>	<b>704</b>	<b>614</b>	<b>497</b>	<b>502</b>	<b>530</b>	<b>602</b>	<b>674</b>	<b>802</b>

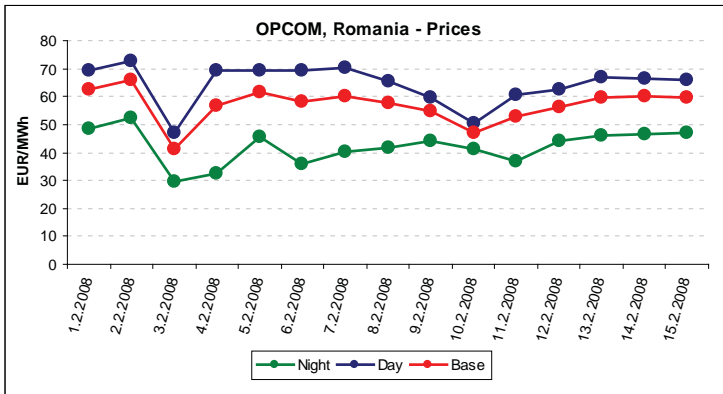
## Opcom, Romania: Prices in last 15 days

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1.2.2008	45.67	45.67	45.67	45.67	45.67	45.67	53.72	68.79	69.86	70.61	69.86	69.86	69.86	69.86	68.79	68.79	68.79	72.49	73.85	73.84	72.49	69.81	57.75	55.07
2.2.2008	75.11	52.42	49.99	48.64	48.63	54.04	68.09	71.07	75.65	75.92	78.08	75.65	75.65	71.60	71.20	69.22	68.90	72.95	75.65	75.65	72.68	68.93	45.66	43.23
3.2.2008	40.73	32.43	27.13	27.13	21.71	26.86	26.86	13.57	32.56	46.67	48.71	48.84	48.84	48.71	46.67	46.67	48.84	62.41	70.58	70.55	51.55	37.99	29.71	32.56
4.2.2008	29.85	27.00	21.71	21.71	21.71	27.13	50.74	69.19	69.52	69.52	69.52	69.52	69.52	69.52	69.52	69.52	69.52	72.77	72.99	72.99	72.77	69.22	58.37	51.28
5.2.2008	50.20	40.70	39.34	40.70	40.70	40.73	54.27	69.19	70.55	69.52	69.52	69.52	69.52	69.52	69.52	69.52	69.52	72.77	74.62	72.99	72.99	67.86	58.37	54.27
6.2.2008	41.56	27.70	27.70	27.70	27.70	27.70	41.56	70.65	70.92	70.95	70.95	70.95	70.95	70.65	69.26	69.26	69.54	72.03	74.53	74.30	74.30	69.29	55.41	52.36
7.2.2008	40.00	37.25	30.35	30.35	30.35	41.41	55.18	70.35	70.68	70.68	70.68	70.68	70.68	70.68	70.68	70.68	70.68	73.99	74.24	73.99	74.07	69.00	56.00	54.90
8.2.2008	41.01	35.57	35.57	35.57	34.18	41.01	54.40	57.44	70.18	70.04	70.07	70.53	70.04	70.04	57.44	57.44	57.44	69.71	73.82	73.27	69.71	57.44	54.70	54.68
9.2.2008	54.27	39.54	38.73	35.48	35.45	39.54	54																	



**Opcom, Romania: Prices in last 15 days**

	1.2.2008	2.2.2008	3.2.2008	4.2.2008	5.2.2008	6.2.2008	7.2.2008	8.2.2008	9.2.2008	10.2.2008	11.2.2008	12.2.2008	13.2.2008	14.2.2008	15.2.2008
Base Energy Price	62.42	66.03	41.18	56.88	61.49	58.25	60.31	57.55	54.56	47.22	52.88	56.40	59.75	59.90	59.74
Base energy quantity	12831	16311	14612	13835	14074	15429	14758	13956	15701	17090	14797	14797	14527	16137	15143
Day energy price	69.45	72.93	46.88	69.15	69.42	69.38	70.43	65.56	59.79	50.27	60.79	62.58	66.69	66.55	66.18
Day energy quantity	7836	10540	10077	8845	9107	10495	10209	9239	10864	11653	9243	9243	9025	10325	9508
Night energy price	48.36	52.22	29.78	32.34	45.63	35.98	40.08	41.54	44.11	41.12	37.07	44.05	45.87	46.58	46.86
Night energy quantity	4995	5771	4535	4990	4968	4933	4549	4717	4837	5436	5554	5554	5502	5812	5634



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

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

NOS BIH - Bosnia & Herzegovina						March 2008
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Croatia > BIH	-	-	400	-	100	01.-31.3.2008.
Montenegro > BIH	-	-	450	-	225	01.-31.3.2008.
Serbia > BIH	-	-	300	-	150	01.-31.3.2008.
EXPORT						
BIH > Croatia	-	-	450	-	225	01.-31.3.2008.
BIH > Montenegro	-	-	450	-	145	01.-31.3.2008.
BIH > Serbia	-	-	350	-	139	01.-31.3.2008.

MAVIR - Hungary						March 2008
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Croatia > Hungary	600	200	400	200	200	01.-31.3.2008.
Romania > Hungary	400	100	300	200	100	01.-31.3.2008.
Serbia > Hungary	550	100	450	275	175	01.-31.3.2008.
EXPORT						
Hungary > Croatia	1050	200	850	450	400	01.-31.3.2008.
Hungary > Romania	500	100	400	225	175	01.-31.3.2008.
Hungary > Serbia	550	100	450	250	194	01.-31.3.2008.

\* Common auction conducted by MAVIR

OPS HEP - Croatia						March 2008
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Hungary > Croatia	-	-	-	-	400*	01.-31.3.2008.
Slovenia > Croatia	-	-	-	-	75	01.-31.3.2008.
Serbia > Croatia	-	-	-	-	100	01.-31.3.2008.
BIH > Croatia	-	-	-	-	50	01.-31.3.2008.
EXPORT						
Croatia > Hungary	-	-	-	-	200*	01.-31.3.2008.
Croatia > Slovenia	-	-	-	-	150	01.-31.3.2008.
Croatia > Serbia	-	-	-	-	125	01.-31.3.2008.
Croatia > BIH	-	-	-	-	25	01.-31.3.2008.

MEPSO - Macedonia						March 2008
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Serbia > Macedonia	410	100	310	0	150	01.-31.3.2008.
Greece > Macedonia	220	100	120	0	0	01.-31.3.2008.
EXPORT						
Macedonia > Serbia	280	100	180	0	90	01.-31.3.2008.
Macedonia > Greece	200	100	100	0	0	01.-31.3.2008.



TSO EPCG - Montenegro						March 2008
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Albania > Montenegro	-	-	-	-	100	01.-31.3.2008.
BiH > Montenegro	-	-	-	-	115	01.-31.3.2008.
Serbia > Montenegro	-	-	-	-	85	01.-31.3.2008.
EXPORT						
Montenegro > Albania	-	-	-	-	50	01.-31.3.2008.
Montenegro > BiH	-	-	-	-	140	01.-31.3.2008.
Montenegro > Serbia	-	-	-	-	30	01.-31.3.2008.

Transelectrica - Romania						March 2008
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Bulgaria > Romania	200	100	50	50	0	01.-31.3.2008.
Serbia > Romania	300	100	100	50	50	01.-31.3.2008.
Hungary > Romania	500	100	200	25	175	01.-16.3.2008.
	400	100	150	25	125	17.-31.3.2008.
Ukraine > Romania	350	100	250	100	150	01.-31.3.2008.
EXPORT						
Romania > Bulgaria	550	100	225	50	175	01.-31.3.2008.
Romania > Serbia	500	100	200	50	150	01.-31.3.2008.
Romania > Hungary	400	100	150	50	100	01.-23.3.2008.
	300	100	100	50	50	24.-31.3.2008.
Romania > Ukraine	150	100	50	0	50	01.-23.3.2008.
	0	0	0	0	0	24.-31.3.2008.

EMS - Serbia.						March 2008
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Hungary > Serbia	-	-	-	-	225	01.-31.3.2008.
Romania > Serbia	-	-	-	-	200	01.-31.3.2008.
Bulgaria > Serbia	-	-	-	-	200	01.-31.3.2008.
Macedonia > Serbia	-	-	-	-	90	01.-31.3.2008.
Albania > Serbia	-	-	-	-	105	01.-31.3.2008.
Montenegro > Serbia	-	-	-	-	75	01.-31.3.2008.
BiH > Serbia	-	-	-	-	75	01.-31.3.2008.
Croatia > Serbia	-	-	-	-	175	01.-31.3.2008.
EXPORT						
Serbia > Hungary	-	-	-	-	225	01.-31.3.2008.
Serbia > Romania	-	-	-	-	100	01.-31.3.2008.
Serbia > Bulgaria	-	-	-	-	50	01.-31.3.2008.
Serbia > Macedonia	-	-	-	-	155	01.-31.3.2008.
Serbia > Albania	-	-	-	-	105	01.-31.3.2008.
Serbia > Montenegro	-	-	-	-	145	01.-31.3.2008.
Serbia > BiH	-	-	-	-	50	01.-31.3.2008.
Serbia > Croatia	-	-	-	-	150	01.-31.3.2008.

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

- 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)

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

relevant for:

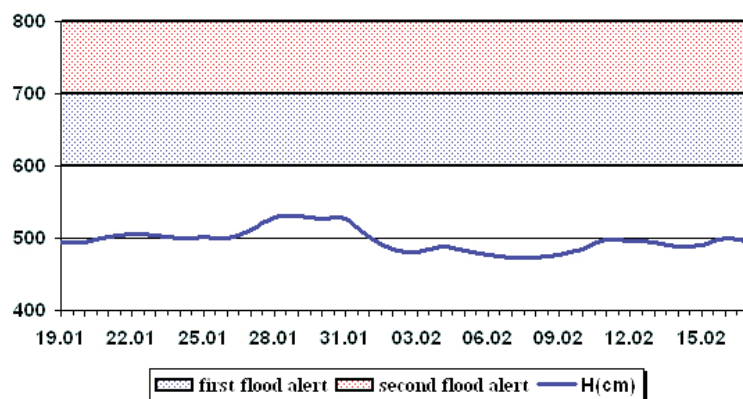
HPP Portile de Fier I, 1167 MW, Romania

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)



## Analysis:

### Comparing of energy situation in the second half of 2007 and in previous years in South Eastern Europe

This is the follow up of the analysis presented in the issue of Balkan Energy NEWS No. 2007 VIII/2 when the first four months of 2007 were compared with previous years. For the purpose of planning of energy business in 2008 and for the purpose of estimation of future trends in energy situation in Southeast Europe (SEE), comparing of 2007 to previous years can be very useful. Major factors that determined first part of 2007 are closure of 880 MW reactor in NPP Kozloduy in Bulgaria, very bad hydrological situation all over the region, and putting in operation second unit in NPP Cerna Voda in Romania in August.

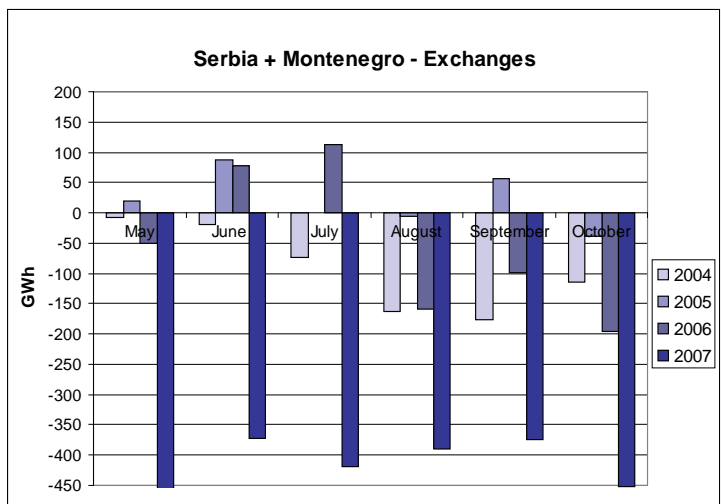
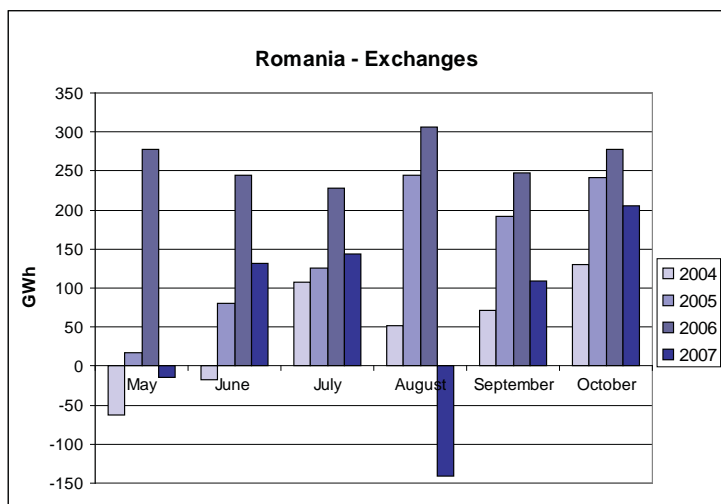
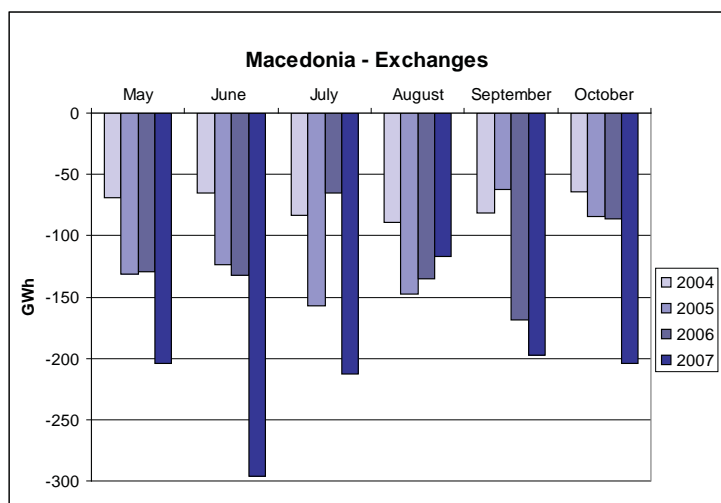
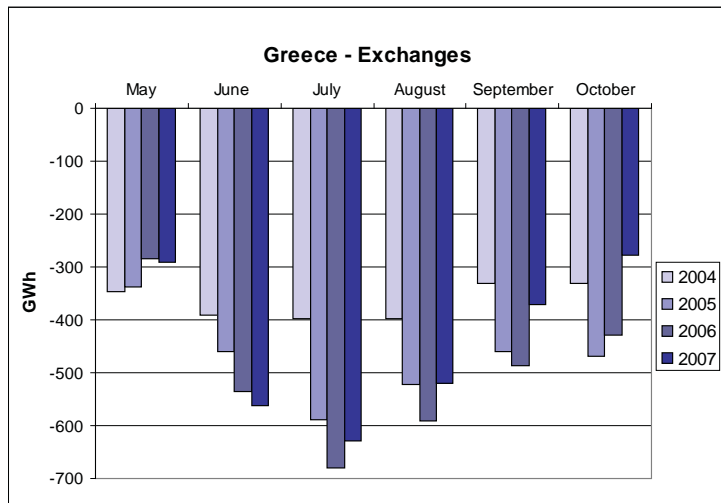
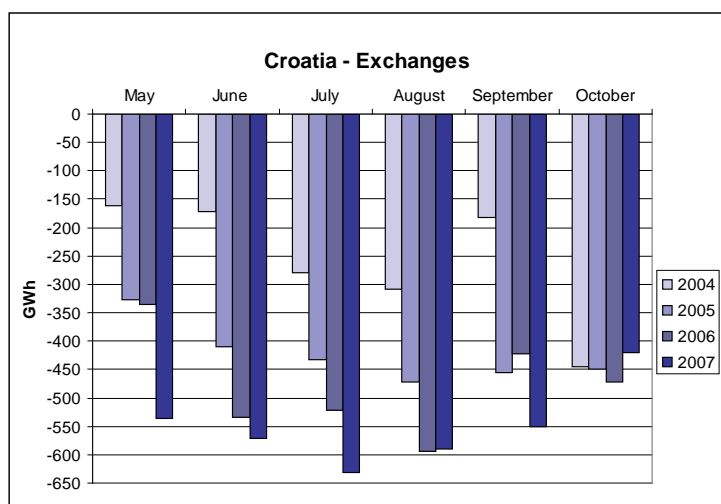
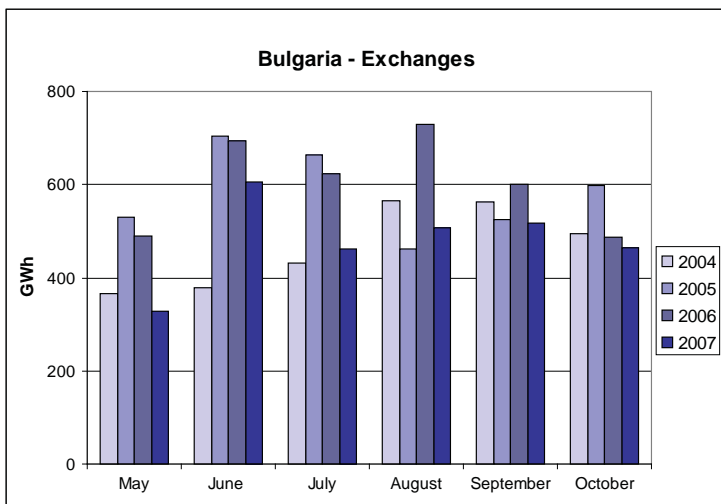
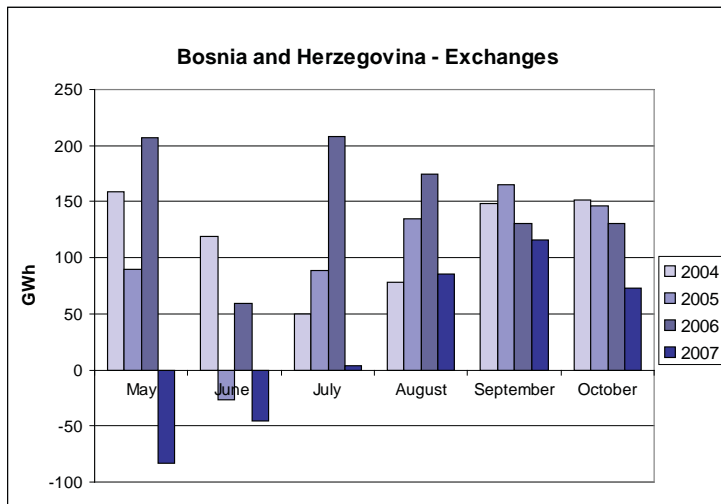
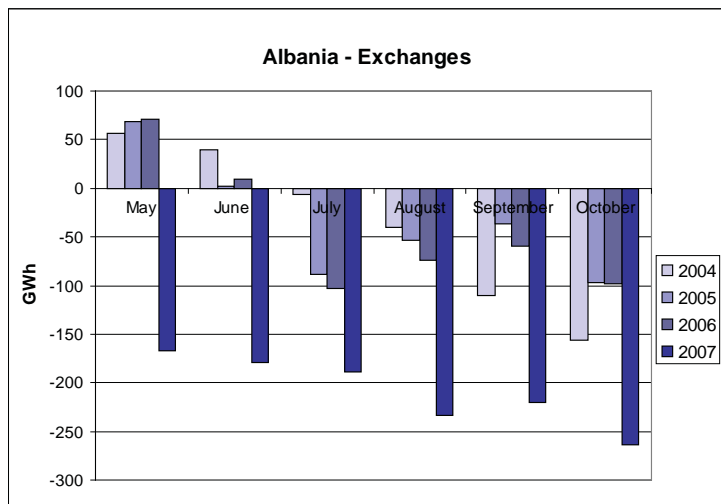
Major characteristics of the second half of 2007 comparing to previous years are:

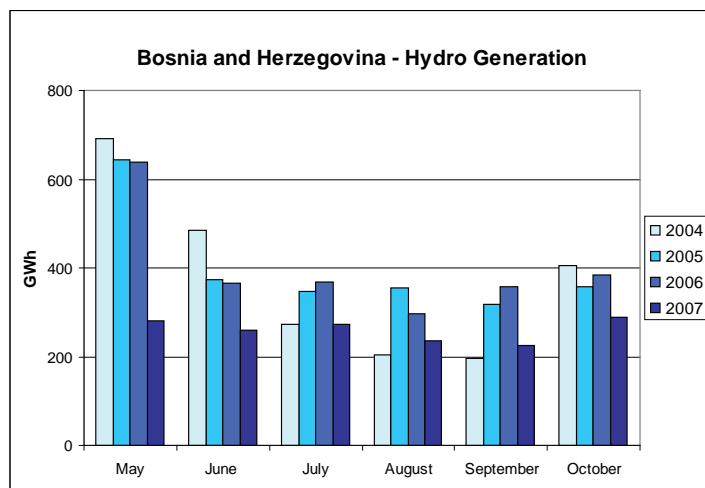
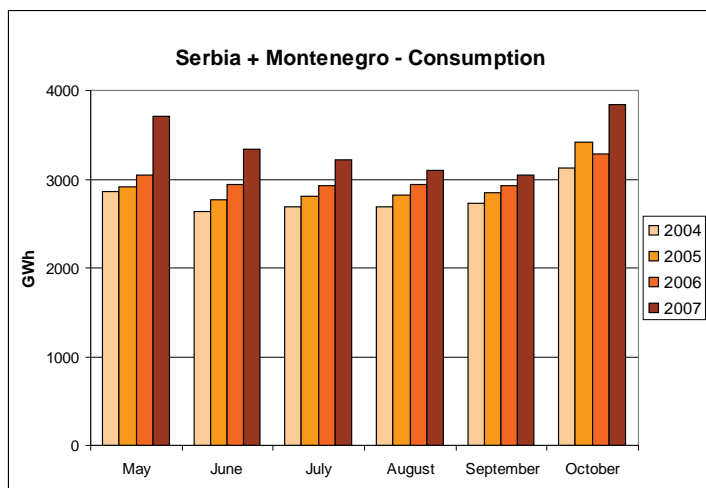
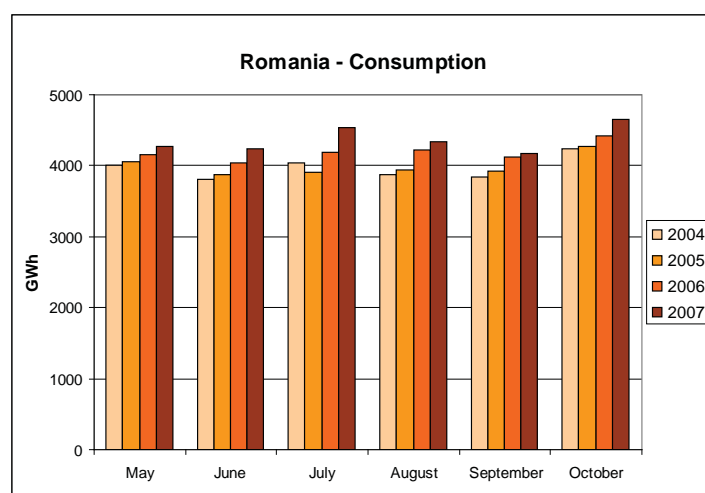
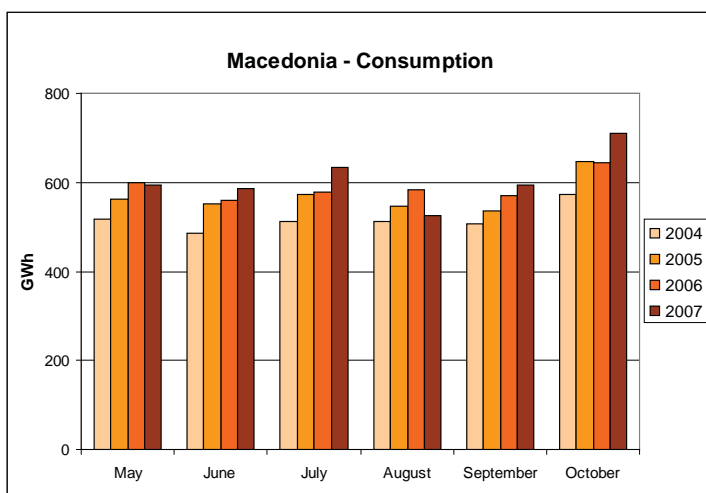
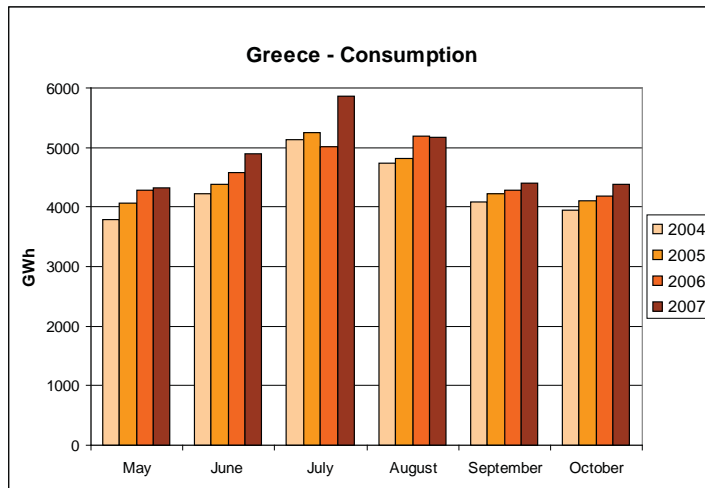
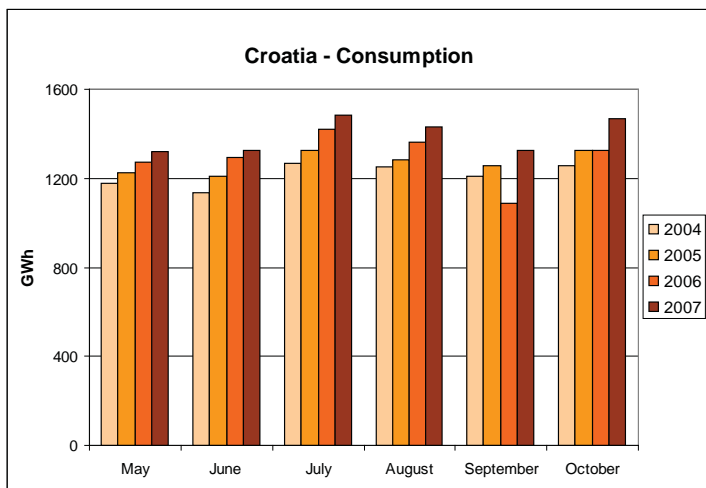
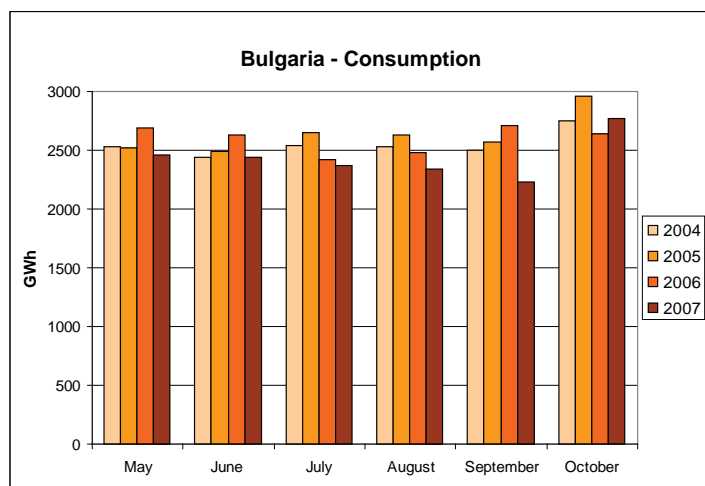
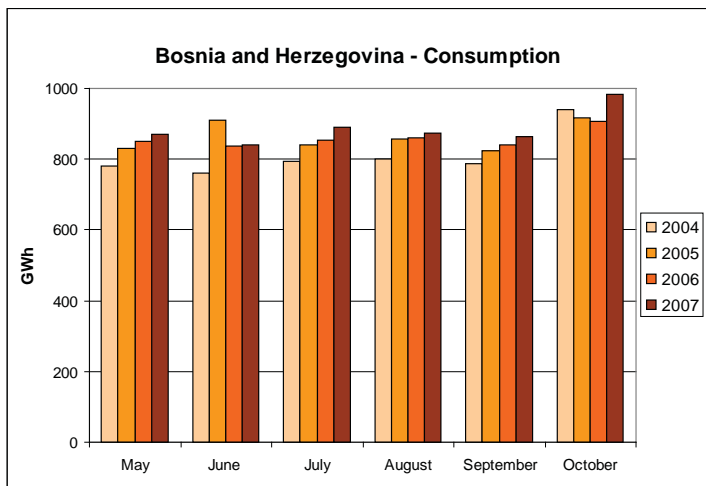
All countries had lower consumption in the first part of 2007 than usually in previous years due to higher winter temperatures in first part of the year, as shown in Analysis for Balkan Energy NEWS issue 2007 VIII/2. But in the second part of 2007, significant electricity consumption increase was very noticeable.

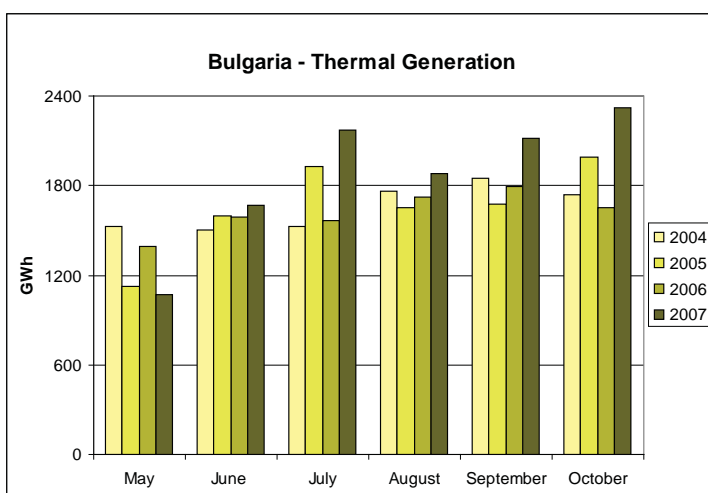
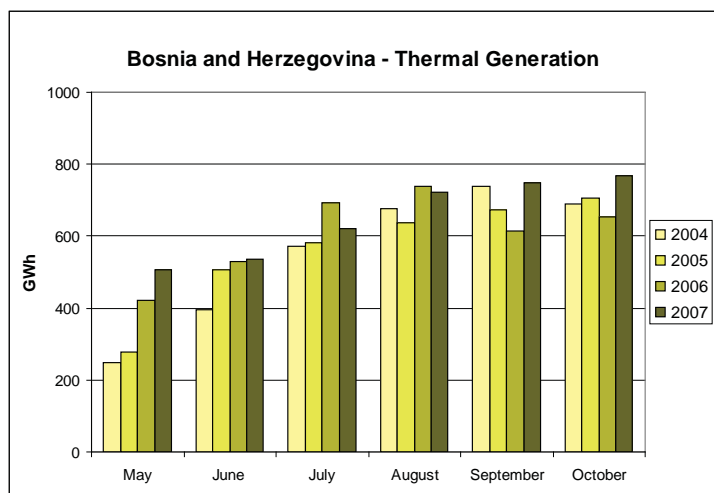
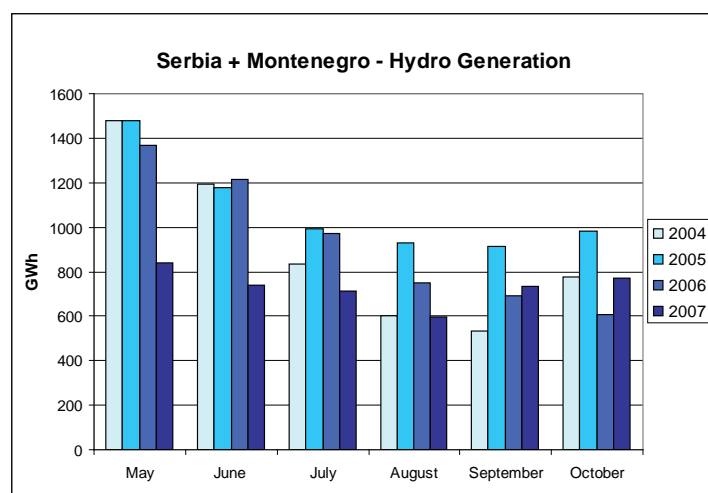
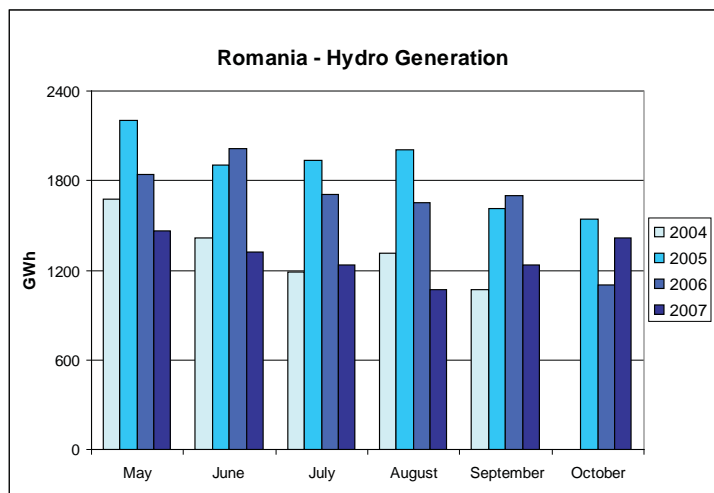
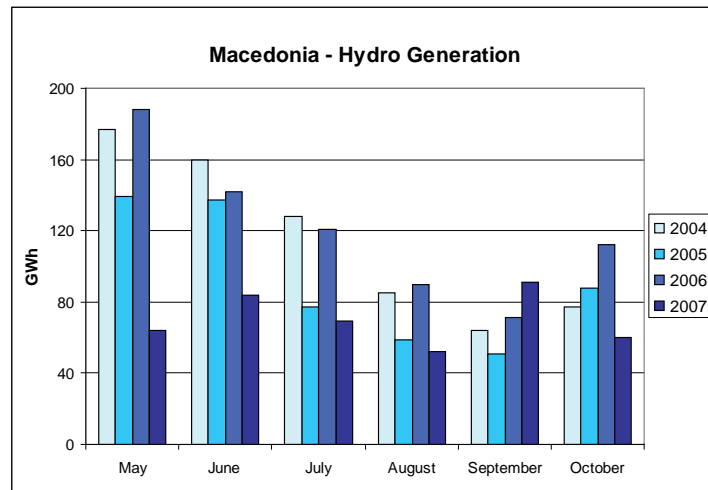
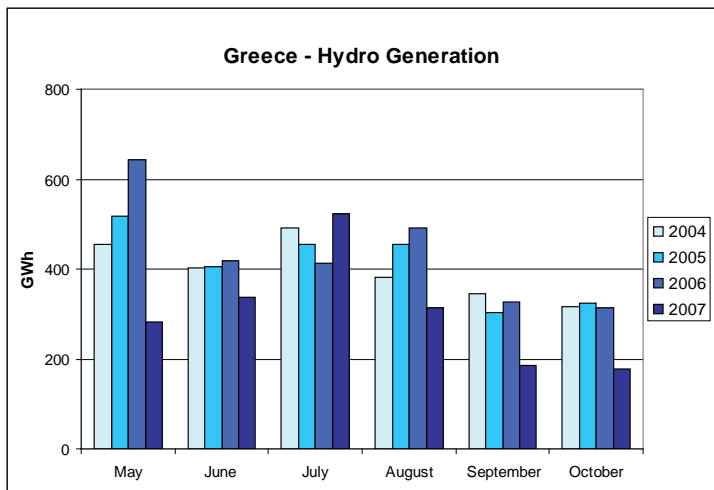
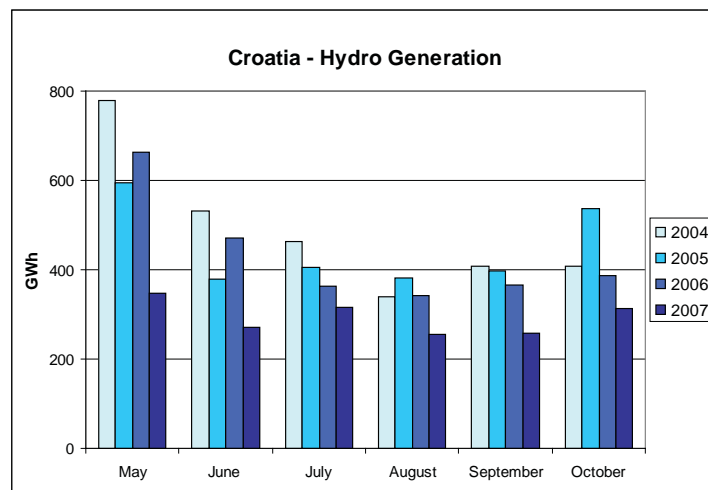
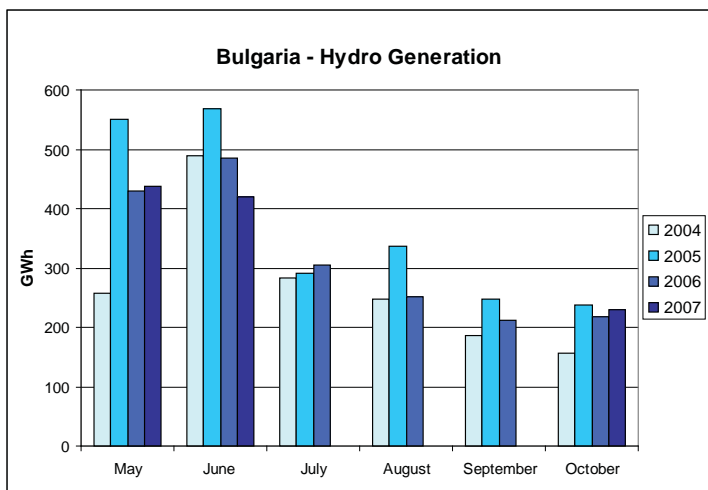
All countries had bad hydrology in the first part of 2007 and therefore much lower hydro generation than in previous years. Bad hydrological situation in the first part of 2007 had big influence on hydro generation in the second part of 2007 as well, and because of that countries with significant ratio of hydro generation had much lower hydro generation and higher import dependency (or lowered exports) than usually. But thermal generation was significantly increased all over the region in order to compensate poor hydrology. Also, Albania had significantly higher imports than in previous years due to bad hydrological situation.

Bulgaria had significantly lower nuclear generation due to closure of 880 WM reactor in NPP Kozloduy. But still Bulgaria kept its position as exporting country regardless to major expectations that exports of Bulgaria will be much lower.

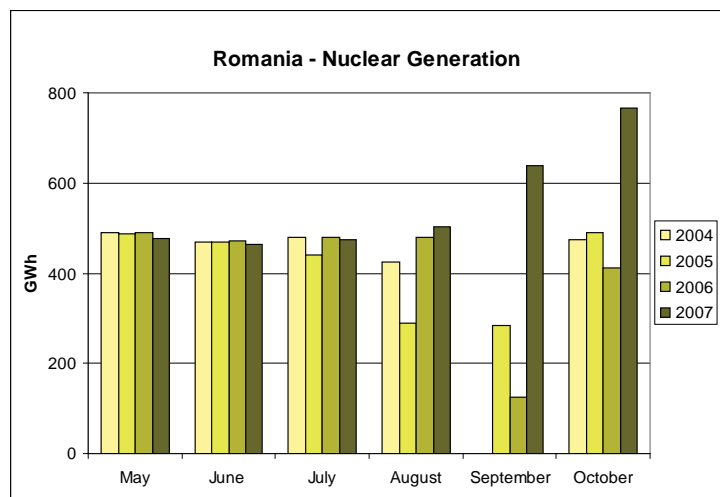
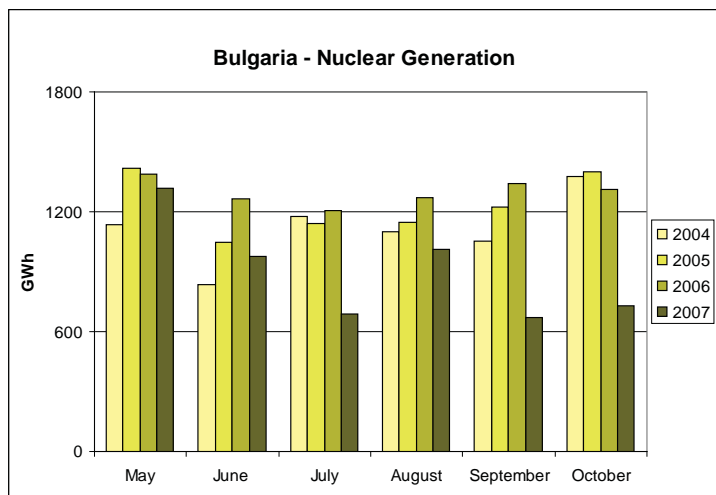
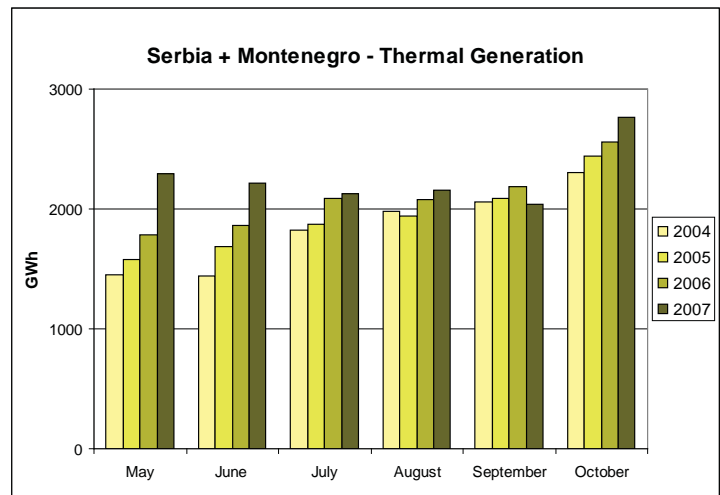
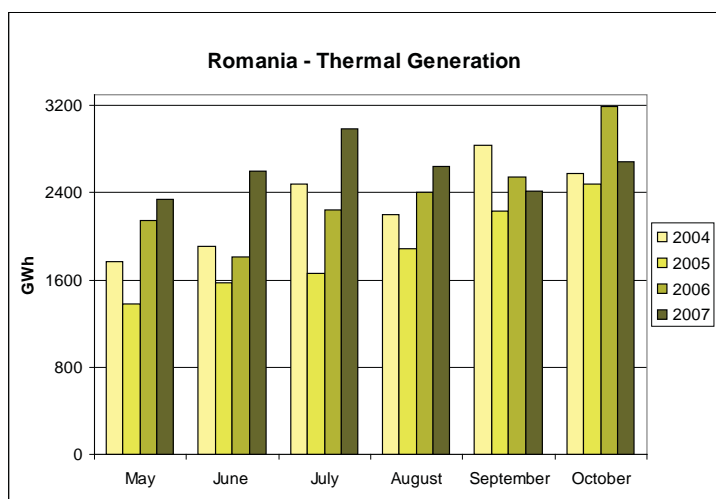
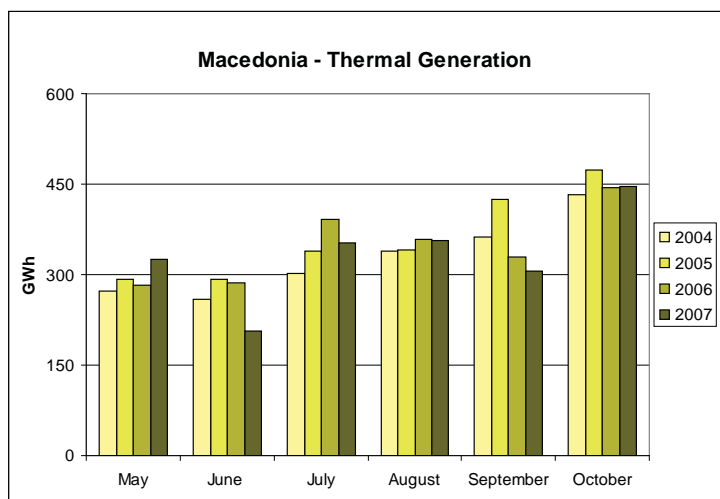
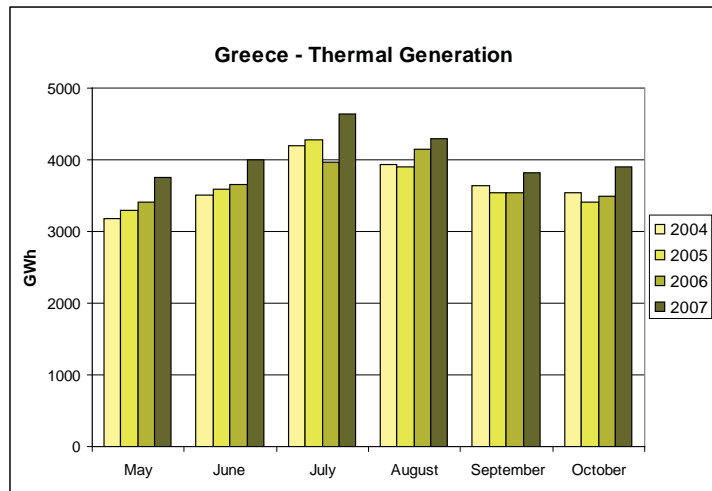
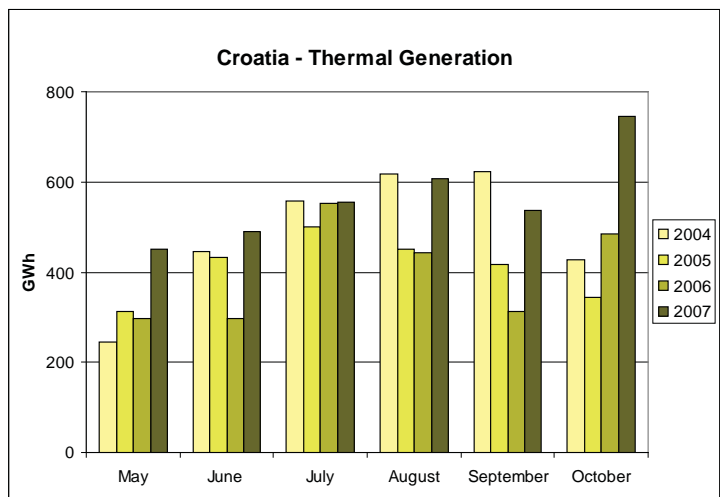
Diagrams which show comparative data in previous years are shown below.











**News:****RWE became sixth partner in Nabucco project (Region)**

The international consortium for construction of Nabucco natural gas pipeline got its sixth partner after RWE officially joined the consortium, which was established OMV, Transgaz, Bulgargaz, MOL and Botas.

The official contract was signed in the premises of the ministry of economy of Austria. The ceremony was attended by minister of economy of Austria, Martin Bartenstein, minister of energy of Turkey Hilmi Guler, minister of economy and finance of Romania Varujan Vosganian, minister of economy and energy of Bulgaria Petar Dimitrov, the secretary of state of Hungary and officials from German embassy in Vienna.

RWE's participation in the project should give additional impulse to the project, which was challenged by the Russia's plans and agreements for construction of South stream pipeline.

The cost of the construction of 3,300km long pipeline is estimated at 5 billion euros. One arm of the pipeline should have annual capacity of 30 billion cubic meters. The pipeline should be put in service in 2012, and it should transport natural gas from Azerbaijan, Turkmenistan and Iran. According to agreement, the pipeline will transport 5-10 bcm of gas per year to Turkey, 1 bcm to Bulgaria, 2 bcm to Hungary, while the rest should be delivered to Western Europe.

General manager of the project company, the Nabucco Pipeline International Ltd, Reinhard Mitschek, believes that second arm of the pipeline could be built by 2030, so that 60 billion cubic meters of gas per year could be delivered to Europe, which annual consumption should stand at 800 billion cubic meters of gas at the time, estimations said.

The members of consortium agreed to accept one more company (besides RWE) in the project. Bulgaria and Romania are in favor of Gaz de France, which expressed high interest for the project. On the other hand, Turkey is against French company due to political reasons.

In the same time, European commission, at the request of Austria and OMV approved special regulations for construction of Nabucco pipeline. By this decision, the pipeline would be excluded from common European market rules and antimonopoly laws so that Nabucco project would have more flexibility in selecting the partners.

On the other hand, EC will demand from Austria that entire construction works should not be given to single partner.

§ § §

**Trans-Adriatic pipeline deal sealed (Region)**

StatoilHydro and Swiss EGL Group signed an agreement setting up a 50-50 joint venture to develop, build and operate Trans-Adriatic Pipeline. This 1.5 billion EUR deal is to build a pipeline that will transport Caspian and gas from Middle East through Albania and under the Adriatic Sea to Italy.

In Greece, pipeline will be connected to existing Greek network (linked to Turkey). It will be 520 km long, while offshore length will be around 115 km, connecting Albania with Italian Puglia region. The pipeline should carry around 10 billion cubic meters of gas per year, with an option to expand for another 10 billion. It is expected that first phase (10 billion cubic meters) will be operational in 2011.

Trans Adriatic pipeline is still in the development phase and it is project of high priority, since it has been strongly backed up by EU. It is expected that this project will lower the EU dependency on Russian gas and rise security of gas supply. As a part of this project, there is a plan to build a liquefied gas storage facilities near city of Fier in Albania.

§ § §

**Bankers Petroleum shares rose by 14% (Albania)**

After presenting a report regarding their business in Albania, stocks of "Bankers Petroleum Ltd" rose for 14%. By this report, oil production increased by 12% in 2007, and for 24% in last quarter of 2007, compared to 2006, at the Patos-Marinza heavy oil field. Company has full rights to develop the Patos-Marinza oil field, which is estimated to 2 billion barrels of oil. It is the largest onshore oilfield in this part of Europe. Since 2004, "Banker Petroleum" has invested approximately 50 million EUR in this field.

§ § §

**Bankers Petroleum bought 50% of Kucova oil field (Albania)**

As announced before, "Bankers Petroleum Ltd" has received 50% of Kucova heavy oil field from "Privatco", and received exclusive right to evaluate and redevelop Kucova heavy oil field. Value of this deal is 40 million EUR, and company received 66,666,666 shares by price of 0.61 EUR. They also have an option to acquire remaining 50% by June 2008.

The Kucova oil field is located 30 kilometers northeast of the Patos-Marinza field, and it has estimated capacity of 500 million barrels of heavy oil. This field was discovered in 1928 and since then had over 1 700 wells drilled.

§ § §

**Electricity price increase up to 70% (Albania)**

Albanian Power Corporation (KESH) request for electricity price increase has been approved by Energy Regulatory Agency (ERE). ERE has announced that from 1st of March electricity prices for consumers using more than 300 kWh a month will go up from 7 leks (€0.058) per kWh to 12 leks (€0.099) per kWh.

In the last few years, Albania has faced continuous droughts, and since it is very dependent in hydro generated electricity, imports were around 40% of total country consumption. KESH has been paying more for imported electricity than it can charge for that electricity from customers. Old electricity grid with frequent electricity thefts and low collection rate were also in favor for this decision. The improvement of KESH's collection rates has become one of the prerequisites for the company to have the continued support of international creditors, such as the World Bank.

§ § §

### **ARMO for sale (Albania)**

Albanian officials have announced that a tender for privatization of oil company ARMO will be published soon. This privatization is part of a "large wave of privatization in 2007". KESH is also on that list. Tender will be opened on 15th of February. The company's main asset is the oil refinery in Ballsh, southern Albania.

76% shares of ARMO will be sold, and undefined number of shares will go to workers and land owners. ARMO was built in 1950, on a land that was taken from legal owners in communist process called "nationalization". According to officials, main criteria for this privatization will be further investments in development.

§ § §

### **40 % increase in natural gas prices by mid 2008 (Bosnia and Herzegovina)**

Director of natural gas company BH Gas, Almir Becarevic announced that natural gas prices in Bosnia and Herzegovina (BiH) should rise by 40 % by mid 2008. If this happens, the price of natural gas will be 0.5 euros/cubic meter.

Becarevic said that price of natural gas, which has been imported from Russia, was increased by 21 % in the beginning of year, while another price increase is expected to happen by mid 2008.

The prime minister of Federation of BiH (F BiH), Nedžad Branković, announced that increase in gas prices could happen in March. Branković reminded that import price has been calculated based on price of oil and oil derivatives on international markets during the period of nine months.

The prime minister also confirmed that the government has been negotiating with Russian supplier regarding the 104 million euros of debts of BiH toward Gazpromexport. The debt was related to delivery of natural gas during the recent war in BiH. The government offered several solutions to Russians, after which the supply contract was prolonged for a year. Two sides are expected to intensify negotiations regarding this issue.

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### **Iceland Energy Group willing to invest 1 billion euros in RS (Bosnia and Herzegovina)**

Director of Reykjavik based Iceland Energy Group (IEG), Arni Jensen, confirmed the company is willing to invest some 1 billion euros in energy sector in Republic of Srpska (RS). The pace of the potential cooperation solely depends on the RS, director said.

IEG

According to Jensen, IEG and the government of RS have been negotiating over IEG's participation in a project for construction of hydropower plant (HPP) Buk Bijela. HPP Buk Bijela should be built by RS and Serbia. Jensen believes that Bosnia and Herzegovina has potentials for construction of some 2,800 MW in new HPPs.

IEG has expressed satisfaction with the negotiations with RS so far. Jensen pointed out that the company could be involved in construction of both small and large HPPs in RS.

IEG is also involved in wind and solar electricity production.

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### **Slovak J&T interested in construction of power plant Livno County (Bosnia and Herzegovina)**

Minister of economy of Livno Country, Vlatko Zrilic, confirmed that Power utility of Herzeg Bosnia (EP HZBH) has been conducting researches related to construction of thermal power plants (TPPs) in the regions of Kongora (Duvno field) and Celebic (Livno field) for over a year.

According to the minister, there are several strategic partners interested for construction of TPP in Celebic, where the most serious offer came from Slovak J&T. Slovak company offered a contract, which would give them exclusive rights in the project, and after which the company would start the coal researches in Livno field. The worth of the research project is estimated at 6 million euros. J&T is ready to pay 1 million euros for purchase of lands from private owners in Livno field, the minister said.

Minister announced that future TPP in Celebic should be built in accordance to the highest European standards. The TPP should have two 370 MW units and it would employ 250 workers. The cost of the project is estimated at 1 billion euros, the minister said.

J&T Group was founded in Slovakia in 1994. The group is active in financial, real estate and energy sectors. In the end of 2006, the company employed 12,000 workers and overall assets stood at 2.6 billion euros.

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### **Start of renewal in oil refinery in Brod (Bosnia and Herzegovina)**

General manager of Oil refinery in Brod, Aleksandar Litvinenko, confirmed that the renewal of old oil processing line started on February 12. The capacity of this line is 1.2 million tons per year, and the renewal is in accordance to the privatization contract signed by government of Republic of Srpska (RS) and new owner, the Russian NefteGazInkor.

Experts from the refinery and experts from Russia would carry out the project, and the cost of the project is estimated at 40 million euros, Litvinenko said.

The renewal should be completed by the end of May, and in mid June, the refinery should be able to process oil after several years of standstill. The delivery of crude oil from Russia would start immediately after the end of the project, where the oil would be transported via Adriatic pipeline (Janaf).

The renewal of new oil processing line should be initiated by the end of the year, and after this project was completed, the refinery would be operating at full capacity, i.e. 5.2 million tons.

The oil derivatives to be produced in the refinery will be in line to EU standards and they could be sold on EU markets, general manager said. Russian company plans to export output from the refinery to Serbia, Croatia, Romania, Bulgaria and other European countries.

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### **Joint venture for construction of HPP Buk Bijela to be established in February (Bosnia and Herzegovina & Serbia)**

Minister of economy, energy and development of Republic of Srpska (RS) Rajko Ubiparip confirmed that RS and Serbia should establish joint venture that would be responsible for construction of hydropower plant (HPP) Buk Bijela by the end of the February.

The previous announcements said that the joint venture should have been established on February 1, which did not take place.

HPP Buk Bijela should have power output between 135 and 175 MW, while the annual production of the plant should reach 1.15 TWh. RS and Serbia also have plans for construction of several other HPPs on Drina River. Overall cost of the projects is estimated at 1 billion euros.

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### **Spain to fund the study on solar power potential (Bosnia and Herzegovina)**

Ambassador of Spain in Bosnia and Herzegovina (BiH), Jose Maria Castroviejo Bolibar and minister of energy of Federation of BiH, Vahid Heco, and minister of energy of Republic of Srpska (RS), Rajko Ubiparip, signed a cooperation protocol for starting the project called Study on potential usage and promoting the development of solar power in BiH.

The 204,000 worth project will be funded by the government of Spain and it would last for two years. The project will be implemented by International Management Group (IMG) in cooperation with Office for technical cooperation (OTC) with Balkans, which is the part of Spain's Agency for international cooperation and development (AECID).

Project includes analyses on existing solar, thermal and photovoltaic technology in BiH, analyses of institutional, regulatory and legal framework and potentials for financial support. The study should present the guidelines for the development of solar power and it should prepare educational program on solar technology. The project will include installation of pilot solar power facilities.

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### **CEZ offered to buy minority stake in TPP Gacko, shareholders unsatisfied with the price (Bosnia and Herzegovina)**

In the beginning of February, Czech CEZ submitted an improved bid for purchase of 12 % shares in TPP Gacko, which are owned by four investments funds. CEZ offered 0.9 euros/share, where overall worth of the stake would be 30.7 million euros.

The investments funds, which represent small shareholders, have filed a lawsuit against the government of Republic of Srpska (RS) and CEZ claiming they were damaged after the government and CEZ established a joint venture called the New power plants of RS and transferred the assets of the TPP Gacko into new company. The joint venture will be responsible for construction of second unit in the TPP.

The investment funds claim that share price should be 1.25 euros. The court hearing should take place on March 7. Small shareholders believe they should have their representatives in the management of TPP Gacko.

In the same time, the ministry of economy, energy and development RS announced a possibility for the extrajudicial settlement, where, according to the first option, CEZ could purchase shares from small shareholders, or the company should be recapitalized. The several funds were in favor of recapitalization of the company.

Minister of economy, energy and development Rajko Ubiparip believes that the dispute should be solved until March 31, when the project in TPP Gacko should officially start. The cost of the construction of new 600 MW unit (or two 300 MW units) is estimated at 1.4 billion euros.

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### **Parliament to discuss the procedure for selection of strategic partners in energy sector (Bosnia and Herzegovina)**

The government of Federation of Bosnia and Herzegovina (F BiH) decided that parliament of F BiH, before the reaching the final decision on selection of strategic partners in the projects for construction of eight power plants, should discuss and scrutinize the ongoing procedure.

For that purpose, the government should present necessary reports on the procedure from the very beginning. The ministry of energy confirmed it would prepare additional analyses related to the references and eligibility of the selected strategic partners.

The latest development was done at the request of the president of SDA party, Sulejman Tihic, which was approved by his coalition partner, minister of energy Vahid Heco (S BiH party). In the same time, Tihic pointed out he was in favor of construction of new power plants, where he called the project as the main project of this generation. On the other hand, SDA party only wants everything to be done in accordance to laws, Tihic said.

Minister Heco, who is in favor of the current selection procedure, believes that parliament's inquiry would remove all suspicions and false accusations, which threatened to affect partnership with selected companies.

The energy minister pointed out once again that, according to cooperation protocols, solely strategic partners should invest cash funds for the projects, the state will be majority owner of the power plants, and after the investments were repaid through delivery of electricity, the power plants would be entirely owned by the state.

As a reminder, the selection of strategic partners in the projects for construction of four hydropower plants (HPPs) and four thermal power plants (TPPs) became the top story in the country after several influential media and politicians accused the government that selection of strategic partner was done without proper tender procedure. In the same time, critics said that government allowed Austrian APET group to change its structure during the procedure. The government officials and ministry of energy responded that the media campaign was initiated by influential tycoons and electricity traders from Serbia.

In, November last year, the government of F BiH selected Austrian APET Group, German EnBW and KazTransGas from Kazakhstan to be the strategic partners.

APET Group will be involved in construction and operation of HPPs Ustikolina (3 x 22 MW), Vranduk (21 MW), and Vrilo (42 MW) and TPP Kongora (2x275 MW).



EnBW will be involved in construction and operation of unit 7 in thermal power plant (TPP) Tuzla (370 MW), TPP Bugojno (2x300 MW) and HPP Unac (2 x 36 MW). The KazTransGas will be strategic partner in project for construction of TPP Kakanj (250 MW). The cost of all projects is estimated at some 3.5 billion euros.

In the same time, the experts from Power utility of BiH (EP BiH) warned the public that the country could face electricity shortages already in 2015 if the projects for construction of new power plants were not approved soon.

Commenting the latest development and media campaign against the energy strategy and selection of strategic partners, the power company accused critics on being unaware of situation in electricity sector and potential consequences of not starting the construction of power plants.

EP BiH reminded that despite the investments and renewals carried out in the past, the most of the TPPs should be decommissioned by 2025, while unit 3 in the largest TPP, the TPP Tuzla, should be shut-down in 2013. The lack of electricity in F BiH in 2025 is estimated at some 4.5 TWh, official data said. The current installed power output in EP BiH of 1,677 MW soon would not be sufficient to cover the country's needs, the management of the EP BiH warned.

§ § §

### **Government approved concession contract for construction of TPP Stanari (Bosnia and Herzegovina)**

On February 14, the government of Republic of Srpska (RS) gave its approval for signing the Concession contract for construction and operation of thermal power plant (TPP) Stanari with EFT. By this, the government accepted offer of EFT regarding the concession for construction and operation of TPP Stanari (410 MW).

The future power plant should provide 3 TWh of electricity per year. The justification study showed that investments in new TPP should reach 670 million euros, while the estimated annual turnover of the plant should reach over 150 million euros.

By construction and operation of the TPP, the significant funds would be paid to the state budget, the government said. The annual concession fee should reach 5.4 million euros, while another 1.9 million euros will be paid for the tax and administrative purposes.

The DBOT (Design Build Operate Transfer) concession contract was signed for period of 30 years, with delay of 24 months. One-time concession fee is set at 1.9 million euros, while annual concession fee was set at 3.6 % of gross income from the electricity sales.

The EFT welcomed the government's decision saying this ended the first phase of the project. EFT announced that TPP Stanari should be put in service in 2012.

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### **EPS did not pay compensations for land flooding to municipalities in BiH (Bosnia and Herzegovina)**

The officials from Bosnia and Herzegovina (BiH) accused power utility of Serbia (EPS) for not paying the fees for flooding the land in municipalities of Visegrad, Rogatica and Srebrenica. The land was flooded during the construction of hydropower plant (HPP) Bajina Basta.

EPS stopped to pay compensation fees in 1992, while the debts amounted up to several million euros, Bosnian media said. In the same time, EPS has been regularly paying the same fees to municipalities in Serbia. EPS did not answer the request of the aforementioned municipalities, the officials said.

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### **Spanish company Coener to invest 60 million euros in bio-refinery in Pleven (Bulgaria)**

Spanish company Coener Group announced to invest over 60 million euros for construction of bio-refinery in city of Pleven. The refinery should produce fuel from industrial crops.

Executive director of Coener, Alejandro Lopez, has already negotiated with regional officials and discussed details related to the project.

The bio-refinery should be completed in 2009 and it will include bio-diesel refinery, installation for raw refined oil, a warehouse and new port on Danube River.

The 50 % of project's costs should be funded by Coener and the rest would be funded through loans. Spanish company plans to sell bio-fuel in Bulgaria, but also in Romania, Serbia, Germany and Austria.

In October last year, another Spanish company, the Green Fuel announced 50 million euros worth project for construction of bio-diesel plant in the Pleven area. At the time, Green Fuel said it had selected construction site and that construction works should start in February this year.

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### **CEZ to buy coal from Ukraine for TPP Varna (Bulgaria)**

In the end of January, the officials from CEZ, the owner of thermal power plant (TPP) Varna, visited Kiev and Doncek in order to try to sign contract for delivery of 1 million tons of coal. The particular coal has 1.2 % sulfur content. This was said by Ukrainian minister of industry, Viktor Poltavetz.

On the other hand, CEZ Bulgaria denied commenting the ongoing negotiations. CEZ admitted that coal reserves in the TPP reduced to 60,000 tons.

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### **Prime minister confirmed his support for restarting the units in NPP Kozloduy (Bulgaria)**

Prime minister Sergey Stanishev confirmed his support to the national campaign for restart of units 3 and 4 in nuclear power plant (NPP) Kozloduy. The large-scale campaign was launched in the second half of January, and it has been supported by large number of politicians, experts and media.

Stanishev said he would continue to support the campaign by using all possible means. On the other hand, he pointed out that the fight would not include isolation of Bulgaria from other EU states. Prime minister clearly said that Bulgaria would not restart the units without permission of EU.

Stanishev reminded that article 36 of Bulgaria's EU Accession agreement said that units could be temporarily restarted in case of electricity shortage in the country.

According to sources, British Nuclear Fuels plc (BNFL) and Atomic Energy of Canada Limited (AECL) could be interested for operating the reactors 3 and 4.

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### **Government announced establishment of new energy holding (Bulgaria)**

The government of Bulgaria announced to establish new large energy holding. The members of the holding will be natural gas company Bulgargaz, National electric company (NEK), nuclear power plant (NPP) Kozloduy, thermal power plant (TPP) Maritsa Iztok 2 and Maritsa mining company. The consolidation of five companies should be completed by the end of this year, and the new company will be named Bulgarian Energy Holding (BEH).

According to prime minister Sergey Stanishev, establishment of energy holding was necessary in order to be competitive and capable to invest in the region. The consolidation would also help construction of NPP Belene, the prime minister said.

The main aim of the consolidation is to restructure the management and the supervision of the companies, to prepare them for listing on local and international stock exchanges and to increase investments and credit ratings. In the same time, the government believes that BEH would have greater opportunities to undertake large-scale energy projects. In this moment, BEH will indirectly take part in construction of NPP Belene, South stream project and Bourgas-Alexandroupoulos project.

Overall capital of the future holding is estimated at 4 billion euros, while annual incomes are estimated at 1.8 billion euros. The state will own 100 % of shares in the holding. The ministry of economy and energy will own up to 75 % in each of the aforementioned companies, while the rest of the stakes will be transferred to the parent company.

The establishment of holding will be made in two phases. During the first phase, the financial holding will be established, while the companies will remain independent legal entities. During the second phase, operative holding will be established.

Critics, among them former CEO of Bulgargaz Vassil Filipov, said that establishment of BEH would imply cross subsidizing of state owned companies. Filipov even accused the government that the latest move was aimed to cover up frauds in the five companies.

In the same time, the representative of Bulgarian power industry and several experts demanded that government should abandon the establishment of energy holding saying that new structure would further complicate the problems related to the management of the companies.

The establishment of BEH came in time when European commission (EC) has been discussing plans for unbundling electricity production and distribution. Bulgaria has been supporting the alternative proposal submitted by France, Germany, Austria and Greece. This proposal implies that Electricity system operator (ESO) could remain the part of the National electric company (NEK).

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### **Thermal power plants fined for pollution (Bulgaria)**

The Director of the Regional Inspectorate on Environment and Waters in the Stara Zagora confirmed that three thermal power plants (TPP) in Maritsa Iztok coal basin should pay maximum possible fine for environmental pollution. Each TPP will be obliged to pay some 60,000 euros.

The measurements carried out in the beginning of February showed that emission of sulfur dioxide from three TPPs exceeded nine times the permitted values.

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### **Two referendums regarding construction of "Burgas-Alexandroupolis" pipeline (Bulgaria)**

City of Sozopol is going to hold a local referendum on the planned construction of the Burgas-Alexandroupolis oil pipeline. The decision was made by the town council of Sozopol. The council scheduled the referendum for 6th of April. The question that will be posed to the residents of Sozopol reads: "Do you approve the construction of the Burgas-Alexandroupolis oil pipeline?" Council also approved a declaration calling for the holding of a national referendum, which will be tabled to the president, the prime minister, the parliament, the national association of municipalities, and the political parties.

The local referendum on the construction of the oil pipeline in the city of Burgas has been scheduled for February 17. The residents of Burgas are going to answer to the question: "Do you approve the construction of the Burgas-Alexandroupolis oil pipeline with its route and installations located on the territory of Burgas Municipality?"

According to statement of Dimitri Evstatov, from the company management, results of the referendum would most probably not be taken in consideration.

The contract for construction of "Burgas-Alexandroupolis" oil pipeline was signed in January.

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### **HEP facing financial and managerial problems (Croatia)**

According to unofficial sources, the six members of the management board of Croatian power utility (HEP) offered their resignations to the government, after this was requested by the vice prime minister and minister of economy Damir Polancec.

Sources also said that, in 2007, HEP was forced to reduce investments and to cut expenses in order to achieve profit.

In the end of 2007, the management board of HEP requested from the government to approve at least 20 % increase in electricity prices. HEP said that estimated increase in expenses in 2008 should reach some 83 million euros, which is the main reason for the request. In the same time, HEP believes that the government could approve gradual prices increases during 2008 and 2009.

On the other hand, HEP responded to the aforementioned claims said in a daily press. According to management of HEP, on January 31, 2008, the management of HEP offered its resignations to the government having in mind that terms of office of the board is due to expire on February 29, 2008. This was done in cooperation with the government, HEP said.

HEP criticized catastrophic announcements in the press regarding the bankruptcy of national power company and resignation of the management.

Despite the fact that during the presidency of current management board electricity prices have been increased only once since 2005, HEP should post positive financial results in 2007, the management believes. The year 2007 was difficult for HEP having in mind that variable expenses, related to increase in fuel prices and increase in price of imported electricity, increased by 28 %. In the same time, due to drought, electricity production in hydropower plants (HPPs) was 30 % lower than planned.

HEP announced it secured safe electricity supply in this year, by providing the additional amount of fuel sources. In the same time, the company would continue large scale projects, the construction of 100 MW unit in combined heat and power plant Zagreb, construction of 42 MW HPP Lesce, construction of 250 MW unit in CHP Sisak and construction of 400kV interconnection power line toward Hungary, the management pointed out.

According to sources, the current chairman of the management board of HEP, Ivan Mravak, could be reappointed, having in mind that HEP managed to achieve profit during the difficult period for the company.

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### **Janaf posted 5.4 million euros of profit in 2007 (Croatia)**

According to the report published on Zagreb Stock Exchange, Adriatic pipeline (Janaf) has posted 5.4 million euros of profit in the last year, which was 7.6 % higher comparing to 2006. The gross profit was 6.9 million euros, which was 36.7 % higher comparing to 2006 and 143 % higher than planned.

Overall income of the company reached 49.5 million euros, which was 5.2% higher comparing to 2006 and 19.3 % higher than planned. The business income reached 45.16 million euros, which was 13.1 % higher comparing to 2006. The increase in business income was related to increase in transportation and storage income.

In 2007, Janaf transported 7.2 million tons of oil, which was 13.2 % higher comparing to 2006, but 2.9 % lower than planned. Transportation income reached 29.8 million euros, which was 10.1 % higher comparing to 2006, but 3.4 % lower than planned due to reduction in oil transport to oil refinery in Rijeka and Oil industry of Serbia (NIS).

The oil storage income increased by 50.2 % up to 8.7 million euros, and accounted to 20.2 % of overall income from core activities. The income from storage of oil derivatives was in accordance to plans and amounted to 10.5 % of overall income from core activities.

Overall expenses of the company in the last year were 42.64 million euros, which was 1.4 % higher comparing to 2006. Business expenses reached 38.82 million euros, which was 3 % higher comparing to 2006. Overall financial expenses stood at 3.8 million euros, which was 11.7 % lower comparing to 2006.

Janaf is the joint stock company that operates 610km long pipeline network as well as oil storage facilities. The majority owner of Janaf is the state of Croatia, where Pension fund owns 50.4 % of shares, the government owns 21.73 % of shares and Croatian oil industry (INA) owns 16 % of shares.

Janaf recently announced it would invest up to 55 million euros for modernization and environmental project in 2008.

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### **HEP claims its share in TPP Gacko (Croatia & Bosnia and Herzegovina)**

Croatian power utility (HEP) is ready to take a part in the project for construction of new unit in thermal power plant (TPP) Gacko if Republic of Srpska (RS) recognizes HEP's ownership over 33 % of shares in the TPP in accordance to the contract signed in 1986.

This was said in an interview by Jerolim Novak, the director of the Department of investments of HEP. HEP is interested in solving the dispute with ERS in this issue, where cooperation in construction of new unit could be acceptable solution for HEP, director said.

Novak said that HEP and Power utility of RS (ERS) have been unsuccessfully negotiating regarding the recognition of HEP's investments in TPP Gacko for the last ten years. HEP said their investments during the construction of TPP reached some 200 million euros.

If ERS denied HEP's claims, HEP announced it would join court procedure initiated by four investments funds against ERS and TPP Gacko regarding the cooperation agreement signed with Czech CEZ. HEP claimed that ERS could not sign the cooperation agreement with CEZ, without their approval. The court hearing was set for March 7 after which HEP could file its own lawsuit against ERS, HEP's official said.

Soon after the HEP's request, general manager of ERS, Branislava Milekic, said that HEP's claims were groundless. According to her, there is no evidence on HEP's investments or ERS's obligations toward HEP in company's books.

Milekic explained that, in accordance to the contract from 1986, TPP Gacko delivered one third of electricity produced in the TPP to HEP, but HEP was obliged to invest in maintenance of the TPP and to pay electricity at the price reduced by depreciation. It implied that HEP was not considered as the owner of the TPP Gacko, Milekic said.

Delivery of electricity to HEP was interrupted during the war in Bosnia and Herzegovina (BiH), but HEP also stopped to pay its obligations related to the loan arrangements toward the ERS.

If HEP sues ERS, ERS would challenge the lawsuit and it would start the counter lawsuit for compensation of the loss for undelivered electricity from hydropower plant (HPP) Dubrovnik. Milekic reminded that, in 1994, HEP has unilaterally changed the ownership of electricity produced in HPP Dubrovnik, which has been jointly operated by ERS and HEP.

General manager of ERS believes that two power companies have common interests in several issues, such as better utilization of Bileca Lake and distribution of electricity from HPP Dubrovnik, which would enable new investments in this HPP.

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### **Government and MOL to sign new contract for management of INA (Croatia)**

The government of Croatia decided that Croatian oil industry (INA) and strategic partner MOL should sign new shareholders contract as soon as possible. The prime minister Ivo Sanader believes that



new contract should preserve, as much as possible, managerial rights for the government.

Sander reminded that the government sold 25 % plus one share to MOL, 7 % of shares were transferred to war veteran's fund, while another 17 % and 7 % of shares were sold through IPO to Croatian citizens and employees in INA, respectively. After the IPO, INA got 76,000 of new shareholders.

The contract for sale of shares to MOL envisaged that the shareholders contract should be revised in a case when government's stake dropped below 50 %. In this moment, the government holds 44 % stake in national oil company.

MOL's officials welcomed the intention of the government. This was said by the MOL's CEO Gyorgy Mosonyi during a press conference.

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### **120 million euros of profit for INA in 2007 (Croatia)**

According to the preliminary financial reports, Croatian oil industry (INA) has posted 120 million euros of consolidated profit in 2007. The profit is 7 million euros higher comparing to 2006, while the final data on profit in 2007 should be published in March.

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### **Increase in natural gas transmission tariffs from March 1 (Croatia)**

Starting from March 1, the natural gas transmission fees will be increased, but the increase would not cause changes in natural gas prices for household customers. This was said both by the ministry of economy, labor and entrepreneurship and natural gas transporter Plinacro.

The overall natural gas consumption in the country in 2008 should reach 3.2 billion cubic meters (+5 % comparing to 2007). It implies that transmission tariffs should rise by 2.7 euros/1,000 cubic meters, which would not significantly affect final gas price, the head of Plinacro said.

According to new tariff system, transmission fee in months with high gas consumption (January, February, March, November and December) will be 688 euros/1,000 cubic meters per peak daily consumption in particular month. The transmission fee in months with medium gas consumption (March, April, May, June, September and October) is set at 575 euros/1,000 cubic meters per peak daily consumption in particular month, while transmission fee in months with base gas consumption (July and August) is set at 340 euros/1,000 cubic meters per peak daily consumption in particular month.

According to data from 2007, the average price for transmission of natural gas reached some 18 euros/1,000 cubic meters. For example, final natural gas price for households in capital Zagreb in 2007 stood at 287 euros/1,000 cubic meters.

The average price for transmission of natural gas in 2008 should reach 20 euros/1,000 cubic meters, which will cause rise in final natural gas price by 1 %, Croatian officials said.

The increase in transmission fees was explained by large investments in the last year (some 553 km of high-pressure natural gas

pipelines was put in service) and continuation of investments. The worth of investments is estimated at 443 million euros, where some 60 % of funds should be collected through transmission fees.

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### **Construction of three wind farms stalled due to power permits (Croatia)**

The construction of three large wind farms on sites Velika Glava, Crni vrh and Bubrig (all near city of Sibenik), which should have been started in the last year, has come in question, the investors, the GEP-AE company warned.

GEP-AE, the member of Austrian group Hydrocontracting, has planned to invest over 100 million euros in abovementioned wind farms, where the projects have been developed since 2002.

The problems have arisen after Croatian power utility (HEP), after two years of waiting, approved only connection of wind farm in Bubrig, where the maximum power output was set at only 15 MW. GEP-AE said they requested overall power output of 90 MW. After the HEP's decision, the company has been seriously considering to abandon the projects.

According to initial plans, the company should build 47 wind generators with overall power output of 80 MW on Velika Glava, Crni vrh and Bubrig. In the same time, GEP-AE wanted to build 10km long 110kV power line, which should connect wind farms to the distribution grid.

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### **Further development regarding PPC-RWE deal (Greece)**

Public Power Corporation (PPC) CEO Mr. Takis Athanassopoulos was called before a state committee to explain PPC reasons for strong decisions for cooperation with RWE. He stated that no tender is needed for cooperation agreement as that proposed to RWE.

"PPC discusses only cooperation proposals that contribute to the increase of the company's production base through new corporate schemes that will function autonomously, in parallel with PPC" Mr. Athanassopoulos said. He also said that PPC has no need for strategic investor and that it will continue the policy of autonomous expansion and development.

"The government is pursuing a suspicious, non-transparent policy which will lead to the privatization of the company," the socialist "Paskok" party said in tabling a question to the prime minister. Few days before, PPC BOD was forced to stop a meeting to discuss a MoU with RWE after unions blockaded company offices to protest at what they said is the first step in privatizing the former state monopoly. Unions have held strikes to protest against any potential deal and have said they will follow up with further 24-hour strikes. Union opposes the idea because lignite use allows PPC to keep electricity prices the lowest in the EU, and because it would involve job cuts.

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### **Greece and Romania signed energy deal (Greece)**

Greek Prime Minister Kostas Karamanlis and Romanian Prime Minister Calin Tariceanu signed an energy cooperation deal that would link the Greek-Romanian electricity, oil and gas sectors. This deal is supposed to increase security of electricity imports to Greece from Romania.

"The aim of the deal is to establish a framework to provide a base for cooperation between the two countries in the oil, natural gas and electricity sectors. The agreement shall also facilitate the sharing of experience in the energy sector and the development of transparency mechanisms to increase energy trade in the region" the Romanian officials said.

"The energy sector is very important, one of the crucial sectors for our two countries and for all EU states, and signing this deal symbolizes the collaboration between Romania and Greece" said Greek Prime Minister Kostas Karamanlis.

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### **Endesa Hellas to gain a license to sell electricity (Greece)**

According to sources, Greek Regulatory Authority for Energy is going to give a license to "Endesa Hellas" to sell electricity to the pool by the end of February. Currently, "Endesa Hellas" only have license to sell electricity to "Aluminum of Greece". There is a possibility that Regulatory Authority for Energy would ask "Aluminum of Greece" to pay the regular industrial tariffs for electricity, providing also the right for a negotiation between PPC and "Aluminum of Greece".

Regulatory Authority for Energy also approved Endesa Hellas to receive a co-producer license for the CHP plant (334MW) in Viotia. An approval by the ministry of development will follow.

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### **MEPSO adopted investment program for 2008 (Macedonia)**

State owned Macedonia's transmission system operator (MEPSO) announced it would invest 50 million euros in 2008.

The most of the funds, or 35.39 million euros, will be provided through loan arrangements with European bank for reconstruction and development (EBRD) (25.72 million euros), European investment bank (EIB) (3.19 million euros), World Bank (WB) (5.47 million euros), while another 1 million euros would be provided from other creditors.

The company should invest 5.5 million euros of its own funds, while 4 million euros should be provided after VAT return. The company still needs to provide some 5 million euros for planned investments, where this amount should be provided through loans or donations.

MEPSO plans to invest 42 million euros in new facilities, 4.3 million euros will be invested for upgrade of existing facilities, while 1.47 million euros will be invested for several studies. 1.53 million euros is allocated for purchase of fixed assets.

The most important project of MEPSO in this year will be completion and putting in operation of 400kV interconnection line Stip-Cervena Mogila (Bulgaria). The project includes construction of 400/110kV substation, which would be connected to substation in

Dubrovo. By this, the transmission network in that part of the country would be upgraded.

For the purpose of completion of this project, 23.95 million euros should be invested or almost 48 % of overall planned investments in 2008. MEPSO will provide 2.25 million euros, while 21.7 million euros will be provided by EIB. The new power line should be finished and put in operation in July this year. The future line has strategic significance for the country, having in mind that it would provide stable connection with Bulgaria by replacing existing 110kV connection, MEPSO said. Overall worth of the project is some 34.5 million euros.

In the same time, MEPSO plans to invest 1.15 million euros of its own funds for construction of 400kV power line Stip-Nis (Serbia). The length of the Macedonian part of the line is 70km.

The company will also invest funds for 110kV substations Petrovec, Skopje 4 and Tetovo 1. The construction works should be completed by the end of the year, and the cost of the projects is 1.46 million euros.

2.55 million euros should be invested for upgrade of double 110kV power line Vrutok-Tetovo, where 0.8 million euros was invested in this project so far.

In addition, 2.5 million euros would be spent for purchase of the high voltage equipment for existing 110kV substations. The project should be completed in April this year.

MEPSO reminded that, in June last year, the company put in trial operation 400kV power line from Bitola to Greek border. In this year, 0.32 million euros will be invested in this project, while 4.39 million euros was invested so far. The worth of the project is 4.71 million euros, where 1.5 million euros was provided by MEPSO, and 3.21 million euros was provided by WB.

§ § §

### **TPP Oslomej produced over 440 GWh in 2007 (Macedonia)**

In 2007, thermal power plant (TPP) Oslomej (125 MW) produced 441.4 GWh of electricity, which was the highest reported electricity production in the last six years, the director of TPP, Mile Kragueski said.

The high production took place in a year when TPP was out of service for five months due to dislocation of Temnica River (for the purpose of the enlargement of the coalmine). One of the unfavorable circumstances for the TPP was the fact that regular overhaul in 2006 was not carried out.

In 2008, the TPP should produce some 600 GWh or 10 % of overall production of Macedonian power plants (ELEM). In order to achieve planned production, the TPP should spent 1.15 million tons of coal, where 800,000 tons will be delivered from the new coalmine, Oslomej-West, and the rest from the coalmine Star Rudnik.

Director denied recent claims that TPP Oslomej has lack of coal saying that by finishing the dislocation of Temnica River, the problems in coal supply would be overcome.

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## **MEPSO started to publish data on electricity consumption (Macedonia)**

Starting from the beginning of January, Macedonia's transmission system operator (MEPSO) has started to publish reports on daily electricity consumption. The reports would be regularly published on company's website (<http://www.mepso.com.mk/>).

§ § §

## **High electricity consumption, new tender for electricity import could take place (Macedonia)**

Since the beginning of the year until mid February, electricity consumption in the country has been higher than planned. In the same time, electricity production has been lower than planned, Macedonia's transmission system operator (MEPSO) said.

Because of that, MEPSO demanded from electricity distributor ESM-EVN and electricity producer ELEM to submit new, revised plans related to electricity consumption and production in this year.

The main reason for lack of electricity production was the low inflows in hydropower plants (HPPs), MEPSO said.

During the aforementioned period, the production in HPPs was 52 GWh or 37 % lower comparing to plans. In the same time, electricity consumption was 28 GWh higher comparing to plans submitted by ESM-EVN.

Due to lack of electricity, in January, MEPSO was forced to put in service the most expensive unit, the fuel oil fired thermal power plant (TPP) Negotino (200 MW). The cost of the operation of the TPP Negotino was some 7.5 million euros.

After adjusted annual balance sheets were submitted, MEPSO and the government should decide whether to publish additional tender for electricity import or to put in service TPP Negotino in case of need.

The management of ESM-EVN explained that electricity consumption on monthly or annual basis could not be easily forecasted in countries such as Macedonia, where electricity consumption is highly depended on temperatures.

On the other hand, ELEM announced it should revise water inflows forecast and submit the revised plans of electricity production to MEPSO.

According to the original electricity balance sheet for 2008, overall electricity needs of the country are 10.095 TWh, where 3.206 TWh should be spent by households, 803 GWh by industrial customers connected to distribution grid and 914 GWh should be spent by other customers connected to distribution grid. The large industrial customers connected directly to transmission grid should spend 3.527 TWh of electricity.

In the same time, annual electricity production in the country should reach 6.178 TWh, where 1.254 TWh should be produced by large HPPs and 4.781 TWh should be produced by TPPs. In the same time, electricity import should reach 3.917 TWh. According to balance sheet, TPP Negotino should not be in operation during 2008.

According to the latest news, on February 15, MEPO started to import electricity from Greece. Greece will borrow electricity to Mac-

edonia until the February 25, while Macedonia would return the electricity during the summer.

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## **145 bids for construction of small HPPs (Montenegro)**

According to Montenegro's press, overall number of 38 companies submitted 145 bids for construction of small hydropower plants (HPPs) on 43 sites in the country.

As a reminder, in November last year, the ministry of economic development published the tender for construction of small HPPs. The tender includes rivers in confluences of rivers Piva (2 HPPs), Komarnica (3 HPPs), Lim (22 HPPs), Moraca (6 HPPs), Ibar (1 HPP), Tara (3 HPPs), Cehotina (2 HPPs), Zaslavnica (1 HPP), Zeta (1 HPP), Gracanica (1 HPP), and Grahovo Lake (1 HPP).

The contracts should include conduction of researches and, afterwards, the construction of small HPPs in accordance to DBOT (Design Build Operate and Transfer) agreements, by which the HPPs would be granted to future owners for period of 30 years.

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 impiantielettrici (Italy), Energje zotter bau and Web windenergie (both from Austria), and Elna Kabel (Croatia),

Norwegian Statkraft did not submit a bid, although Statkraft, in cooperation with government of Montenegro, has funded researches on 15 potential sites for construction of small HPPs.

The government should very soon decide which of the companies would enter the second stage of the tender.

§ § §

## **Coalmine Pljevlja unsatisfied with the new coal prices (Montenegro)**

Executive director of the coalmine Pljevlja, Vuk Rocen, said that the latest decision of the Regulatory energy agency (REA) to set the coal prices at 25.65 euros/ton would negatively affect the company. The coalmine demanded price of some 36 euros/ton.

Since 2002, the regulated price of coal have been increased by 20 %, while price of imported electricity have been increased by 200 %, Rocen pointed out.

The newest price of coal would disable the company to pay its obligations or to acquire loans for the projects, director said. The company has undertaken the activities for increase of production and reduction of expenses, where some 300 workers have been dismissed in the last year.

In the same time, the chairman of the management board of the coalmine, Djorjde Dzuverovic, said that, with the new coal prices, the company would not be able to provide funds for continuation of investments. The company has been missing some 20 million eu-

ros for its most important project, the dislocation of Cehotina River, Dzuverovic said. One of the reasons for problems in the company is the fact that Power utility of Montenegro (EPCG) owes some 36 million euros to the coalmine, the chairman said.

According to Dzuverovic, the company's restructuring strategy is in line to national energy strategy until 2025, which envisaged construction of second unit in thermal power plant Pljevlja, reconstruction of the coalmine, and investments in environmental projects.

Dzuverovic believes that decision of the government, reached in 2001, to reduce its stake in the coalmine from 75 % down to 31 %, was the crucial mistake. The official believes that large part of the company's problems in the past was related to unfavorable ownership structure, which was not efficient enough in reaching the important decisions.

In 2007, the coalmine Pljevlja produced 1.19 million tons of coal, where more than 1 million tons was delivered to TPP Pljevlja. In January this year, 160,000 tons of coal was produced, where 154,000 tons was delivered to the TPP, which was 18 % higher than planned.

The management believes that the company would deliver 365,000 tons of coal to the TPP until April 1, when the TPP will undergo regular annual overhaul. The officials in the coalmine warned that coal production after April 1, without providing funds for investments and continuation of project for dislocation of Cehotina River, would be highly uncertain.

According to energy balance sheet of Montenegro, the coalmine should produce 1.52 million tons of coal this year. The officials reminded that, during its operational life, the company did not meet annual plan only two times. The coal reserves in area of Pljevlja are estimated at 170 million tons.

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### **Electrabel interested in private public partnership projects (Montenegro)**

According to the sources quoted by Montenegro's press, Belgian's Electrabel is seriously interested for investment in energy sector in Montenegro through private public partnership (PPP).

During 2007 and in this year, Electrabel's officials have visited Montenegro and investigated potential sites for construction of hydro-power plants (HPPs).

In last year, Electrabel announced 1 billion euros investments in energy sector in Southeastern Europe. Electrabel took part in the tender for construction of HPP Boskov most in Macedonia.

Electrabel is one of the largest European electricity producers. The company's annual production stands at 130 TWh, while electricity sales reach 145 TWh. Overall installed power output is 29,000 MW, where company owns power plants also in Netherlands, France, Italy, Spain, Portugal, Poland and Hungary. Electrabel's annual turnover stands at 13 billion euros.

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### **700 workers to be dismissed in EPCG (Montenegro)**

Power utility of Montenegro (EPCG) has 700 of redundant workers say the studies prepared by international experts hired by the gov-

ernment of Montenegro. The research was done within the projects for restructuring of national power company.

The workers would be given opportunity to apply for voluntary dismissals by March 31, 2008. Those workers will be paid between 15,000 and 20,000 euros, estimations showed.

According to official data, in this moment there are 3,270 workplaces in EPCG, while there are some 3,180 of permanently employed workers. The optimal number of workers, depending on development scenario, is between 2,500 and 2,700.

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### **No privatization of EPCG in 2008 (Montenegro)**

Privatization council of Montenegro adopted the Draft privatization plan for 2008. The Draft did not envisage privatization of Power utility of Montenegro (EPCG). The government should review the proposal, and there is an option for some companies to be included in the plan afterwards. In the same time, the privatization programme envisaged privatization of small hydropower plants currently operated by EPCG.

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### **EPCG to submit a request for increase in electricity prices (Montenegro)**

The Power utility of Montenegro (EPCG) has prepared a request for increase in electricity prices and increase in regulated income in 2008. The request would be submitted to Regulatory energy agency (REA) very soon.

EPCG demanded from REA to approve annual regulated income of 250 million euros. REA is obliged to reconsider the request in period of three months. For 2007, REA approved to EPCG regulated income of 232.6 million euros.

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### **TPP Pljevlja produced 150 GWh in January (Montenegro)**

Thermal power plant (TPP) Pljevlja has been operating at full power since the beginning of the year. In January, TPP produced 150 GWh of electricity (20 % higher than planned), while during the first half of February, the electricity production stood at 55 GWh, director of the TPP Slavko Vukasinovic said. The electricity production in February should also reach 110 GWh.

The production reported in January was one of the highest in plant's history. The high production was the consequence of regular coal supply. The coal reserves in the plant stood at 50,000 tons in mid February.

§ § §

### **5.7 % reduction in profit for Transgaz in 2007 (Romania)**

According to preliminary data, Romania's natural gas transport company Transgaz reported overall incomes of 318.9 million euros, which was 8.34 % higher comparing to 2006. The company posted 311.1 million euros of sales incomes in 2007, which was 14.28 % higher comparing to 2006.

The overall expenses reached 238 million euros (+ 14.28 %). The salary expenses reached 52.5 million euros (24.03 %). In the last year, financial expenses of the company reached 0.6 million euros, comparing to 3.8 million euros of financial income in 2006.

The higher expenses were caused mostly due to 34 % increase in expenses related to upgrade and overhaul of natural gas transmission networks.

The company's net profit stood at 67.2 million euros (5.7 % lower comparing to 2006 and 7.93 % higher than planned). The capital expenditures reached 73.4 million euros (+7.41 %), where 14.5 million euros was the payment of the investment loans.

The business result was affected by 3-month delay in application of new transmission tariffs, which took place in October instead in July. The company expects that new tariffs, which should be approved by national regulator and imposed on July 1, 2008, will compensate the loss related to this delay.

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### **Unit 2 in NPP Cernavoda shutdown due to false alarm (Romania)**

In the end of January, the unit 2 (700 MW) in nuclear power plant (NPP) Cernavoda was disconnected from the power grid due to false alarm. This was said in a press release issued by the operator of the NPP, the Nuclearelectrica.

According to announcements, the unit should have been restarted in 40 hours. During the disturbance, there was no danger to employees or to population living near the NPP.

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### **Primary energy resources reduced by 0.9 % in 2007 (Romania)**

According to the data published by the National Institute of Statistics (INS), the primary energy resources in Romania in 2007 amounted to 41.266 million tons of oil equivalent (toe), which was 0.9 % lower comparing to 2006

In the same time, electrical energy resources reached 61.824 TWh, which was 2.2 % lower comparing to 2006. The reduction is mostly related to reduction in electricity production of 1.65 TWh (-2.7 %). The production in hydropower plants was lower by 2.439 TWh (-13.3 %), while production in thermal power plants was lower by 547.8 GWh (-1.4 %). In the same time, electricity production in nuclear power plants was higher by 1.355 TWh (+23.7 %).

In 2007, overall electricity consumption increased by 1.1 % comparing to 2006 up to 50.899 TWh, while electricity export was lower by 1.9 TWh (-36.2 %).

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### **Romgaz and Termoelectrica to establish a joint company (Romania)**

Natural gas producer, the Romgaz, and electricity and heat producer, the Termoelectrica, have been exploring the options for establishment of joint company, where Romgaz would be majority

shareholder. By this, Romgaz wants to become electricity producer. The news of negotiations between two companies was confirmed by general manager of Termoelectrica Ioan Ungureanu.

The details on cooperation should be decided soon, Ungureanu said. General manager of Romgaz, Iakob Alexa, also said that decision on cooperation should be reached in the incoming period.

According to the head of Termoelectrica, the cooperation would be beneficial for both parties, having in mind Romgaz's natural gas resources and available funds, and Termoelectrica's technology and problems in several less efficient power plants.

Termoelectrica agreed that Romgaz would have majority stake in the new company. According to Ungureanu, when two parties reach the cooperation model, they will submit it to the responsible bodies for approval.

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### **Rompetrol to invest 340 million dollars in 2008 (Romania)**

Oil group Rompetrol announced to invest some 340 million dollars in 2008. The funds will be invested for increase of capacities and development of petrol station network. CEO of Rompetrol, Dinu Patriciu said that some 400 petrol stations would be opened in rural areas this year.

The group's main company, the oil refinery Petromidia has posted preliminary financial results for 2007. The overall income of the refinery was 2.6 billion dollars (+24 % higher comparing to 2006). In the same time, the company posted 87.3 million dollars of losses comparing to 21.4 million dollars of losses in 2006.

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### **8.3 % reduction in income for Transelectrica in 2007 (Romania)**

Romania's transmission system operator Transelectrica posted preliminary financial report for 2007.

According to the data, overall income reached 716.8 million euros, which was 8.3 % lower comparing to previous year and 5.1 % lower than planned. In the same time, net profit of the company reached 15.1 million euros, which was 81.8 % lower comparing to 2006. In the same period, overall expenses amounted to 694.1 million euros, which was 1.1 % higher comparing to 2006. The payroll expenses were increased by 21.9 % up to 32.9 million euros.

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### **Iberdrola to acquire wind farm projects (Romania)**

Spanish Iberdrola announced it would acquire projects for construction of wind farms in Romania. The company's subsidiary, Iberdrola Renovables should sign contract for purchase of rights for construction of 50 wind farms in Eastern part of the country. The licenses for construction of wind farms should be purchased from Eolica Dobrogea, owned by Swiss technological group NEK, and Romanian company Rokura.

The worth of the contract should be 300 million euros, while the estimated power output in future wind farms is 1,600 MW. The



projects are in various stage of development, where the first wind farm should be put in service in 2009.

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### **Eviva Energy to build 50 MW in wind farms (Romania)**

Eviva Energy, the part of Portuguese energy group Martifer, should build wind farms with total capacity of 50 MW during this year. The wind farms should start to produce electricity in the last quarter of 2008.

The company plans to build wind farms in Romania with overall output of 400 MW until 2012, where the worth of the investment is estimated at 600 million euros.

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### **TPP Nikola Tesla B reported highest ever production in January (Serbia)**

Thermal power plant (TPP) Nikola Tesla B (2x600 MW) has produced 877 GWh of electricity in January, which was the TPP's highest ever electricity production reported in January.

The previous highest production in January of 872.3 GWh was reported in 1990. At the time, TPP Nikola Tesla B was the eighth ranked electricity producer in the World in terms of utilization rate, Power utility of Serbia (EPS) said.

Director of the TPP pointed out that the latest result was the consequence of large investments, overhauls, delivery of high quality coal, but foremost, the result was achieved due to skilled and responsible staff.

During its life span of 17 years, two units in TPP operated more than 100,000 hours each. The TPP produces some 7.5 TWh of electricity per year in average.

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### **New management board of EPS (Serbia)**

The new management board of Power utility of Serbia (EPS) held its first session on February 1. New chairman of the management board is Petar Knezevic.

The management board confirmed that, during the last year, the company reported highest ever electricity consumption and electricity production.

The overall electricity consumption in 2007, including technological consumption and consumption of pump storage hydro power plants (HPPs) stood at 41.24 TWh (+1.4 % higher than planned), while gross electricity consumption reached 37.78 TWh.

Overall electricity production reached 38.97 TWh (+2.4 % higher than planned). The electricity production in coal fired thermal power plants (TPPs) was 5.7 % higher than planned and 2.8 % higher comparing to 2006. In the same time, electricity production in storage HPPs was 20.6 % higher than planned.

In 2007, the electricity import was 792.2 GWh, which was 57 % lower than planned. Overall coal production reached 36.5 million tons, where 29.2 million tons (+5 % higher than planned) was produced in Kolubara coalmine, and 7.2 million tons (+1 % higher than planned) was produced in Kostolac coalmine. Both coalmines reported highest annual production in the last year.

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### **2.8 million tons produced in Kolubara coalmine in January (Serbia)**

The largest coalmine in the country, the Kolubara coalmine has produced 2.8 million tons of lignite in January. The coal from Kolubara has been used for production of some 50 % of overall electricity produced in Serbia.

The management believes that, in this year, the company would be able to beat last year's record production of 29.3 million tons of coal. The new record should be achieved after two large coal excavators were revitalized and repaired during this year.

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### **MOL and OMV opened new petrol stations (Serbia)**

MOL Group confirmed it had opened five new petrol stations with overall number of 60 employees. By this, MOL increased the number of petrol stations in Serbia at 22, while the company plans to open 10 more stations during 2008. MOL Group has been active in Serbia since December 2005, and it employs some 400 people

In the same time, Austrian OMV opened three new petrol stations in Serbia since the beginning of the year. The worth of the investments is 6 million euros, and OMV has 55 petrol stations in Serbia now. In the past couple of months, OMV opened overall number of eight petrol stations and employed 200 new workers. By the end of 2008, OMV should open four new stations. OMV has been active in Serbia since 2001. The company has 9 % market share and employs some 1,200 workers.

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### **Studies on wind power potential (Serbia)**

Director of Energy efficiency agency of Serbia, Bojan Kovacic, confirmed that Serbia, in cooperation with partners from Spain, would install wind measurement equipment near cities of Negotin, Titel and Veliko Gradiste.

After one-year long study, the most suitable sites for construction of wind farms should be selected. In the same time, feasibility study for construction of wind farms should be prepared. The director said that one of the problems for investments in wind farms is the lack of related legislation, which would set rules for construction of wind farms and the guaranteed price of electricity. In this moment, no wind farms are connected to national power grid in Serbia.

In the related news, in the first half of February, the governments of Serbia and Slovakia had a meeting, which marked the end of the first phase of the wind measurement study in the Vrsac County. The government Slovakia has provided 200,000 euros for this project, while the first results on the wind potential should be announced in a year.

Officials from the ministry of energy and mining of Serbia said during the occasion that preparation of the national strategy for research and development of renewable energy sources in Serbia is in progress. The deputy minister announced changes in Energy law, which would enable establishment of Fund for financing renewable energy sources projects.

The meeting in Vrsac was also attended by the ambassador of Romania in Serbia, having in mind that Romania is highly interested in wind energy projects.

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### **Gazprom and NIS to discuss details of the sale contract (Serbia)**

The general manager of Oil industry of Serbia (NIS) and newly appointed chairman of the management board of NIS, Srdjan Bosnjakovic said that representatives of Russian Gazprom should visit Serbia in February in order to discuss details of recently signed sale contract.

According to the Russian –Serbian energy contract, Gazprom should pay at least 400 million dollars for 51 % stake in NIS, while another 500 million dollars will be invested in NIS until 2012.

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### **EBRD to support construction of new power plant (Serbia, Kosovo)**

The minister of energy and mining in the government of Kosovo, Justina Pula and the director of EBRD for Western Balkans, Claudio Viezzoli had a meeting in Pristine.

Viezzoli confirmed that EBRD is ready to finance the project for construction of thermal power plant (TPP) Kosovo C.

Minister Pula informed EBRD's official on the government's new strategy in electricity and mining sectors.

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### **Electricity shortages in Kosovo (Serbia, Kosovo)**

In mid February, the government of Kosovo declared the state of energy crisis in the province and established special commission to deal the problem.

The head of the commission will be prime minister Hashim Taci, who said that the government would undertake measures against those who want to leave Kosovo without electricity just before the announced declaration of independence. Taci accused Kosovo energy corporation (KEK) on being incompetent and corrupted and said that energy crisis was the consequence of the sabotages in KEK.

KEK announced it would not be able to provide 24-hour electricity supply during the next period. This was earlier promised by the prime minister Taci. Spokeswomen of KEK said that province has been missing some 150 MWh/h. The malfunction of the unit 2 in thermal power plant (TPP) Kosovo B additionally worsened situation, she said.

Financial Times also said that the Kosovo has acute lack of electricity, which has raised the question on the international management of the province. The paper also believes that situation could be even worse since Serbia could impose restrictions to Kosovo after declaration of independence.

On the other hand, officials from Serbia said that declaration of independence could only bring restrictions in electricity supply to Serbian enclaves in the province.

Serbian officials and experts said that any kind of embargo imposed by Serbia would imply breaching international agreements. In the same time, disconnection of power lines could endanger electricity supply in the entire region, especially in Macedonia and Greece.

The officials from Serbia referred to the agreement signed by Serbian transmission system operator (EMS) and European transmission system operators (ETSO) in October last year. The agreement said that EMS would be only authorized electricity operator in Kosovo until the end of November 2009, which implies that EMS would be allowed to collect transit fees in Kosovo.

## **Tenders:**

### **Electricity**

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.</p> <p>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:	<p>Mrs. Nadya Ivanova; Enemona Utilities EAD          Balscha str. 1, bl. 5          1408 Sofia, Bulgaria          Tel: +359 2 80 54 746;          Fax: +359 2 91 79 873;          e-mail: n.georgieva@enemona.com</p>

Company / organization:	EBRD, related Romania
<b>Rehabilitation and Modernisation of thermal power plant</b>	
Content:	<p>S.C. Complexul Energetic Turceni S.A. has applied for a loan from the European Bank for Reconstruction and Development [the Bank] and intends to use the proceeds to finance the Rehabilitation and Modernisation of Units 3 and 6 at its coal fired thermal power plant located in Turceni, Gorj County, Romania. The proposed project, which has a total estimated cost of EUR 425 million (excluding VAT), will aim at the achievement of the following objectives:</p> <ul style="list-style-type: none"> <li>- increasing time and energy availability;</li> <li>- extending the unit operation period with 15 years;</li> <li>- improving technical-economic parameters;</li> <li>- improving environment conditions by reducing the noxes emissions to comply with the laws in force;</li> <li>- achieving technical conditions imposed by the interconnectivity to UCTE.</li> </ul> <p>through:</p> <ul style="list-style-type: none"> <li>-Rehabilitation and modernisation of the 1,035 t/h boiler and auxiliary plants;</li> <li>-Rehabilitation and modernisation of the 330 MW turbine and auxiliary plants;</li> <li>-Modernisation of the control, protection and regulating system within the UCTE norms.</li> <li>-Modernisation of the solid fuel settlement first phase.</li> </ul> <p>The tendering procedure for the above is expected to begin in the first quarter of 2008.</p> <p>The tendering procedure and the works 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 opened to firms from any country. The proceeds of the Bank's loan will not be used for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations or under a law of official regulation of the Purchaser's country.</p>
Deadline:	21 Dec 2008 at 00:0, Turceni time
Contact:	Cristea Dumitru S.C. Complexul Energetic Turceni S.A. Uzinei Street, 1, Turceni, Gorj County, Romania Tel: +40253 335 247 Fax: +40253 335 122

Company / organization:	EBRD, related Bulgaria
<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 E-mail: <a href="mailto:kpmu@npp.bg">kpmu@npp.bg</a>

Company / organization:	EPS, related Serbia
<b>OPGW CABLE WITH ASSOCIATED EQUIPMENT</b>	
Content:	<p>This public Invitation for Tenders is published in the Official Journal of the European Communities, in the Official Gazette of the Republic of Serbia, in the Politika daily newspaper and on the website: <a href="http://www.eps.co.yu/news">www.eps.co.yu/news</a>. This Invitation follows the General Procurement Notice for this project, which was published in Procurement Opportunities (European Bank for Reconstruction and Development EBRD website) The Electric Power Industry of Serbia (hereinafter referred to as "EPS" and the Purchaser) has received a loan from the European Investment Bank – EIB (hereinafter referred to as "the Bank") – towards the cost of the "Establishment of Telecommunications System". EPS now invites sealed tenders from suppliers for the following contract to be funded from part of the proceeds of the loan: Phase 3B; OPGW Cable with Associated Equipment. Tender no. 05/08/PT</p> <p>This contract will include:</p> <ul style="list-style-type: none"> <li>• Optical Ground Wire (OPGW) – app 560 km.</li> <li>• Necessary installation accessories and fittings.</li> <li>• Underground nonmetallic optical cable – app. 14 000 m.</li> <li>• All Dielectric Self Support Cable (ADSS) – app. 50 000 m</li> <li>• Pigtails with E 2 000 connectors – app 2 000 pcs.</li> <li>• Optical joint boxes – app 200 pcs.</li> <li>• Optical Distribution Frames (ODFs)– 15 pcs.</li> <li>• Inspection and Testing.</li> <li>• Operating and Maintenance manuals.</li> <li>• Training.</li> </ul>
Deadline:	4 March 2008 at 12:00 AM, Belgrade time
Contact:	Mr. Predrag Mitrovic, JP Elektroprivreda Srbije (EPS), Tel: +381 11 2628 627 Fax: +381 11 2628 992 email: <a href="mailto:predrag.mitrovic@eps.co.yu">predrag.mitrovic@eps.co.yu</a>

Company / organization:	EBRD, related Serbia
<b>Belgrade District Heating Rehabilitation Program</b>	
Content:	<p>The contract will comprise of the following:</p> <p>LOT I Supply and Installation of prefabricated substations on heating area of TO Cerak</p> <p>LOT II Supply and Installation of prefabricated substations on heating area of TO Banovo Brdo</p> <p>LOT III Supply and Installation of prefabricated substations on heating area of TO Miljakovac.</p> <p>Tenders are invited for one or more lots. Each lot must be priced separately.</p> <p>Tenders for more than one lot may offer discounts and such discounts will be considered in the comparison of tenders.</p> <p>The contracts include manufacturing, supply, installation and commissioning of total 782 prefabricated substations (Lot 1 – 337 substations, Lot 2 - 277 and Lot 3- 168), and also their integration with the existing equipment and systems.</p> <p>The contract conditions will be FIDIC "Conditions of Plant and Design-Built, First Edition 1999".</p>
Deadline:	14 March 2008 at 14:00, Belgrade time
Contact:	Mr. Goran Ajder Tel: +381 11 20 93 543; +381 64 89 98 015 Fax: +381 11 31 86 476 E-mail: <a href="mailto:tender@beoelektrane.co.yu">tender@beoelektrane.co.yu</a>

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.</p> <p>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> <p>The eligible countries as at 1 July 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:	22 Jan 2009 at 00:00, Varna time
Contact:	<p>Mr. Ilia Nikolaev          Toplofikatsia Varna, (Dalkia Varna)          Director of the board          Tel: +359 52 500 670          Fax: +359 52 750 358          e-mail: inikolaev@dalkia.bg</p>

Company / organization:	<b>EBRD, related Bosnia and Herzegovina</b>
<b>Power Distribution Reconstruction Project</b>	
Content:	<p>This Invitation for Tenders follows the General Procurement Notice for this project which was published on EBRD Procurement Opportunities on November 11th, 2005.</p> <p>JP ELEKTROPRIVREDA BOSNE I HERCEGOVINE – d.d. SARAJEVO hereinafter referred to as the Purchaser, intends using part of the proceeds of a loan from the European Bank for Reconstruction and Development (the Bank) towards the cost of Electrical meters, current associated transformers and PTSN modems. The Purchaser now invites sealed tenders from all interested Purchasers and/or Manufacturers for the following contract to be funded from part of the proceeds of the loan:</p> <p>The contract will cover supply of</p> <ul style="list-style-type: none"> <li>• Electrical meters for households – 33.230 (thirty three thousands and two hundred thirty) pcs,</li> <li>• Electrical meters for other categories of consumption – 1.117 (one thousand one hundred and seventeen) pcs,</li> <li>• Current transformers 0,4 kV - 711 (seven hundred and eleven) pcs, current transformers 10(20) kV - 9 (nine) pcs and</li> <li>• Communicator with PSTN modem – 24 (twenty four) pcs and 5 (five) portable working standard meters</li> </ul> <p>Tendering for contracts to be financed with the proceeds of a loan from the Bank is open to firms from any country.</p> <p>To be qualified for the award of a contract, Tenderers must meet the qualifying criteria; specified in Instruction to Tenderers.</p> <p>Tender documents may be obtained from the office at the address below, starting from 19.12.2007 upon payment of a non-refundable fee of 300 (three hundred) EUR or equivalent in a convertible Bosnian Marks (BAM) currency. Potential Tenderers upon request may receive by fast courier services the tender document against payment of additional 100 (one hundred) EUR or equivalent amount in BAM, to be paid on below mentioned manner. If requested, the documents will be promptly dispatched by courier, but no liability can be accepted for loss or late delivery.</p> <p>The Tender must be accompanied by a tender security of 30,000 € or its equivalent in BAM currency.</p>
Deadline:	19 Feb 2008 at 12:00, Sarajevo time
Contact:	<p>JP ELEKTROPRIVREDA BOSNE I HERCEGOVINE – d.d.          Sarajevo          Project Implementation Unit          Mr. Nedeljko Despotović, PIU Director          Vilsonovo šetalište 15          71000 Sarajevo          BOSNIA AND HERZEGOVINA          Tel.+387 33 751 030          Fax.+387 33 751 033          e-mail: n.despotovic@elektroprivreda.ba</p>



Company / organization:	EBRD, related Romania
<b>CFR Traction Energy Network Management LOT 1,2 - General</b>	
Content:	<p>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.</p> <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. Tendering for the above contracts is expected to begin in the fourth quarter of 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:	22 Oct 2008 at 00:00, Bucharest time
Contact:	Mr I Truica, Technical Director S.C. Electrificare SA, B-dul D Golescu nr.38 Bucharest, Romania Tel: + 40 213192512 Email: ionel.truica@cfr.ro

Company / organization:	<b>EPHZHB, related Bosnia and Herzegovina</b>
<b>Purchase of electrical energy</b>	
Content:	<p>LOT 1 From April to December, 41 MW (00-24h) (270641 MWh overall)</p> <p>LOT 2 From July to September, 40 MW (00-24h) (88320 MWh overall)</p> <p>LOT 3 July and August, 20 MW (00-24) (29760 MWh overall)</p> <p>Delivery point – BiH border.</p>
Deadline:	25.2.2008, 12:00, local time
Contact:	www.ephzhh.ba Ervin Leko Tel: +38736355230 Fax: +38736355261 ervin.leko@ephzhh.ba

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” 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” 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” 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:	Mrs. Ludmila Vitanova Head of Investment Department Natsionalna Elektriesheska Kompania 5, "Vesletz" str., 1040 Sofia BULGARIA Tel.: +359 2 9263 552 Fax: +359 2 986 12 88 E-mail: lvitanova@nek.bg

Company / organization:	EBRD, related Romania
<b>CFR Traction Energy Network Management LOT 1,2 - General</b>	
Content:	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.
Deadline:	22 Oct 2008 at 00:00, Bucharest time.
Contact:	Mr I Truica; Technical Director S.C. Electrificare SA B-dul D Golescu nr.38 Bucharest, Romania Tel: + 40 21 3192512; Email: ionel.truica@cfr.ro

Company / organization:	EBRD, related Romania
<b>Iasi District Heating Project</b>	
Content:	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. 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: - Supply and Installation of thermal modules (expected to be partly donor funded) - Supply and Installation of the equipment in the Central Sub-stations, including the automation equipment (expected to be partly donor funded) - Rehabilitation Works for the Central Sub-stations, including Buildings Rehabilitation - Rehabilitation Works for the Heat Distribution Network Tendering for the above is expected to start in the 1st quarter 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.
Deadline:	25 Apr 2008 at 24:00, Iasi time
Contact:	Centrala Electrica de Termoficare Iasi ( CET) SA Project Implementation Unit Contact name: Mrs. Buzea Doina Address: Calea Chisinaului Street, no. 25 Iasi; Postal code: 700265 Iasi, Romania Phone: +40-232-231675 Fax: +40-232-231675

Company / organization:	EBRD, Serbia
<b>Electric Power Industry of Serbia</b>	
Content:	This notice updates the General Procurement Notice for this project which was posted on the EBRD website on 19 November 2003. 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).  EPS has applied for an EBRD loan for the realization of the following parts of the new lignite mining system: • New Bucket Wheel Excavator • New Belt Conveyor system (co-financed by KfW) • New shifting devices  EPS has further applied for KfW loan for the following parts of the new system: • Parts of the new belt conveyor system • New power supply system • Spreader integrating new and available parts  Tendering 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.
Deadline:	12 June 2008 at 24:00, Beograd time
Contact:	Mr. Slobodan Mitrović or Mr. Aleksandar Gajić Tel. + 381-11-397-1926 Fax: + 391-11-397-1923 e-mail: slobodan.mitrovic@eps.co.yu or aleksandar.gajic@eps.co.yu

Company / organization:	EBRD, related Bulgaria
<b>Pernik District Heating Rehabilitation Project</b>	
Content:	Toplofikacia 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.  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.
Deadline:	12 June 2008 at 24:00, Pernik time
Contact:	eng. Gergana Koleva Moshino, CHP Plant Republika 2303 Pernik, Bulgaria Tel./Fax.: +359 (076) 670 675

Company / organization:	EBRD, related 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:	<p>Mr. Josip Jerkovic          PIU Director          Tel:+387 36 323 788          Fax:+387 36 322 831          Email: josip.jerkovic@epzhb.ba</p>

## Oil and Gas

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          Executive Director          Bulgartransgaz EAD          66, Pancho Vladigerov Blvd.          Sofia 1336          Bulgaria          Fax : + 359 29396462          e-mail: Silistra@bulgartransgaz.bg</p>