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NEWS

Energy News in Southeast Europe
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Main focus of Balkan Energy NEWS is energy related news from countries of South East Europe. Countries involved are: Albania, Bulgaria, Bosnia and Herzegovina, Croatia, Greece, FYR Macedonia, Montenegro, Romania, and Serbia. 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 relevant power exchanges.

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In this issue:

Actual data

- » Power sector operational and market data for the period of 01.04.-15.04.2008
- » Forecasted weather conditions for the following period

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Analysis:

- » Statistical data of energy sector in Southeast Europe for 2005, 2006 and 2007

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News headlines

Regional:

- » Slovenia to join South stream project
- » Hristo Kovachki to build power plant in Serbia
- » MOL calls for political support for Nabucco project
- » Interstate meeting over PEOB delayed once again

Albania:

- » Italian politician in favor of construction of NPPs in Albania and Montenegro
- » Tender for KESH expected this month

Bosnia and Herzegovina:

- » Republic of Srpska considering abandoning construction of HPP Dubrovnik II
- » ERS and Inter RAO signed cooperation protocol
- » Brod refinery to start oil production in July
- » German EnBW visited EP BiH
- » Parliament approved Strategy for development of energy sector
- » Potential construction of 150 MW wind farm near Bosanski Petrovac
- » EP BiH to sell electricity on regional power exchanges
- » EP HZHB started pilot project for remote management of electricity consumption
- » Study of energy sector presented, 6 billion euros of investments needed
- » TPP Gacko met production target

- » EP BiH prepares for construction of new power plants
- » Republic of Srpska could withdraw from joint electricity transmission company

Bulgaria:

- » Petrol posted 11.8 million euros of losses in 2007
- » Unit 3 in TPP Maritsa Iztok 3 put in service
- » Court officially approved canceling the sale of TPP Bobov Dol to PPC
- » NPP Kozloduy produced 4.5 TWh of electricity
- » E.ON to launch large-scale disconnections of non-paying customers
- » CEZ to start quarterly reading of electricity meters
- » 6.3 million tons of coal produced in Maritsa Iztok mines in the first quarter of 2008
- » NEK started final negotiations with RWE and Electrabel in Belene project
- » Increase in central heating prices on July 1
- » Sofia heating company expects business loss in this year
- » Government to launch a tender for hydropower project Gorna Arda
- » TPP Maritsa Iztok 2 produced 2 TWh of electricity in first quarter of 2008
- » Enemona established new subsidiary

Croatia:

- » Increase in electricity prices after liberalization of market
- » INA to start oil exploration in Iran
- » INA to pay 20.5 million euros of dividends
- » Petrochemical factory to sign long-term natural gas supply contract
- » MOL to enter Adria LNG consortium, construction of natural gas pipeline toward Hungary announced
- » HEP will not renounce its share in TPP Gacko

Greece:

- » MoU between PPC and Halyvourgiki signed
- » Greece to become part of South Stream project
- » Two bids for bioethanol units
- » Greece will adopt EU directive regarding energy efficiency
- » Power cuts might be expected in May
- » Changes in RES framework

Macedonia:

- » 2 TPPs stopped with production
- » Further developments regarding unpaid electricity debts
- » "Group of investors in SHPP" founded
- » Government retreated from lawsuit to Makpetrol?
- » Malfunction in HPP Vrutok
- » Tender for coal import canceled
- » Increase in natural gas price
- » Energy trade license granted to EVN
- » Changes in tender regarding construction of HPPs "Cebren" and "Galiste"

Montenegro:

- » Lukoil paid 26.5 million euros for Roksped petrol stations
- » TPP Pljevlja started annual maintenance works
- » EFT interested in renewable energy sources
- » Shareholders approved sale of 15 % of shares in EPCG
- » Up to 2 million euros of losses of the coalmine Pljevlja in 2007
- » High losses of Aluminum factory due to high electricity prices, rumors on potential closure
- » Prime Minister in favor of construction of large HPPs
- » Income reduction of 17.2 million euros for EPCG

Romania:

- » Petrom to build 860 MW power plant
- » No increase in natural gas prices in April
- » Lukoil announced expansion projects
- » Electricity trade on OPCOM doubled in the first quarter
- » 38 million euros for upgrade of Lacul Sarat substation
- » State to increase share capital in Electrica through contribution of stakes in electricity producers Hidroelectrica, Turceni and Rovinari
- » E.ON demands 19 % increase in natural gas price from July
- » Report on primary energy resources in January and February
- » President Basescu to discuss signing the direct supply agreement with Gazprom
- » Rompetrol interested in investments in region
- » Hidroelectrica to sell 17 small HPPs in June
- » Project for construction of TPP Braila approved
- » General Electric to carry on renewal of unit 1 NPP Cernavoda

Serbia:

- » EPS needs 9 billion euros of investments until 2015
- » 7.5 million euros for construction of 400kV power line toward Macedonia
- » Canadian company REV wants to build two HPPs
- » EPS and Inter RAO EES signed cooperation protocol
- » Gazpromneft called for ratification of energy agreement as soon as possible
- » Natural gas warehouse Banatski Dvor operational by winter
- » 900 potential construction sites for small HPPs
- » CEZ still interested in construction of TPPs
- » The sale of NIS still needs to be clarified
- » EPS to reduce investments by 20 % in 2008
- » EPS to increase output in power plants
- » Privatization of KEK announced

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

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

Balkan Energy NEWS publication

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

Country	Year	Sum	1	2	3	4
Slovenia	2007	11182	1027	891	953	850
	2008	11570	1094	998	1012	911
	2009	10994	1099	932	963	816
Bosnia and Herzegovina	2007	11722	1074	979	1016	910
	2008	12186	1155	1038	1075	935
	2009	34506	3333	3299	2960	2637
Bulgaria	2007	32722	3301	3196	3196	2636
	2008	31954	3486	3052	3021	2443
	2009	33452	3475	3107	3237	2677
Croatia	2007	17842	1880	1543	1570	1494
	2008	17507	1625	1530	1551	1323
	2009	1536	1536	1568	1358	1358
Greece	2007	4915	4539	4289	4105	4105
	2008	4652	4271	4401	3894	3894
	2009	53504	4652	4271	4327	3913
Romania	2007	4233	4233	3865	684	684
	2008	933	795	761	687	687
	2009	7576	862	737	466	466
Serbia	2007	4735	4418	4660	4020	4020
	2008	5170	4801	4795	4306	4306
	2009	50636	4736	4288	4473	3803
Montenegro	2007	4874	4472	4727	4111	4111
	2008	4735	4418	4660	4020	4020
	2009	5170	4801	4795	4306	4306

Country Reports on Energy Business in South Eastern Europe

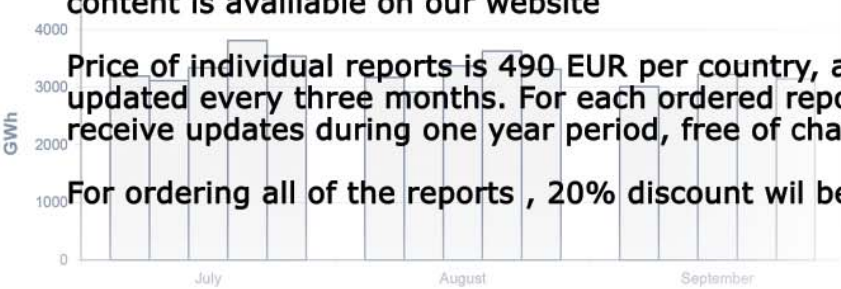
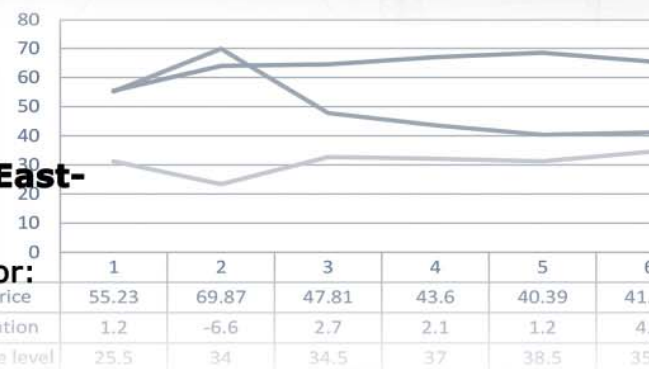
Country reports provide detailed overview of energy sector:

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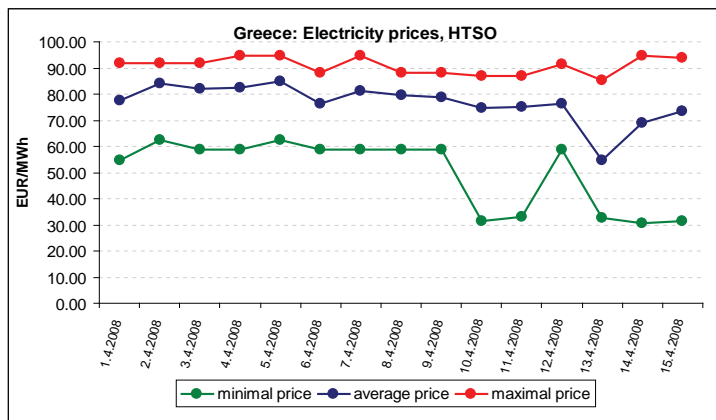
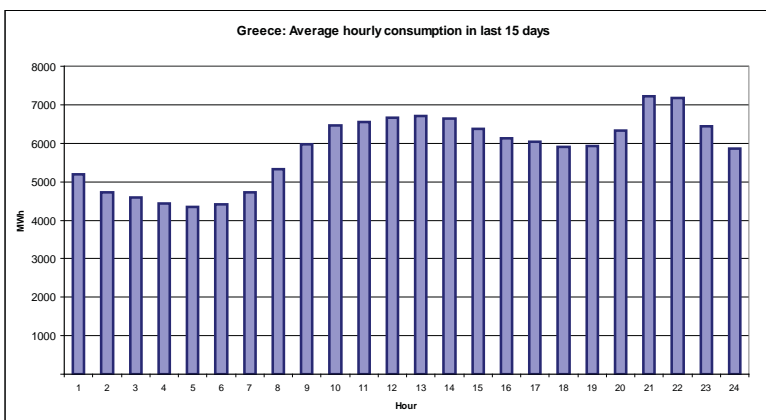
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Greece: Electricity consumption in last 15 days (MWh)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1.4.2008	5240	4740	4650	4530	4440	4530	4950	5800	6500	7000	7000	7000	7030	6950	6640	6400	6350	6280	6330	6900	7700	7400	6450	5960
2.4.2008	5370	4870	4740	4600	4510	4610	5000	5750	6500	7000	7000	7130	7200	7000	6730	6470	6400	6200	6190	6500	7580	7550	6780	6200
3.4.2008	5370	4850	4760	4600	4500	4600	5020	5750	6430	6930	6920	7000	7040	6950	6700	6400	6300	6200	6300	6700	7700	7580	6700	6100
4.4.2008	5500	5000	4960	4720	4630	4710	5200	5940	6600	7100	7100	7200	7160	7160	7050	6750	6700	6550	6550	7050	7750	7700	6830	6230
5.4.2008	5450	4980	4830	4680	4540	4530	4600	4900	5600	6220	6650	6740	6900	6800	6450	6250	6220	6120	6100	6480	7300	7200	6450	5930
6.4.2008	5250	4800	4660	4450	4330	4260	4260	4250	4550	4950	5400	5850	6060	5920	5410	5220	5240	5060	5150	5700	6630	6700	6230	5800
7.4.2008	5050	4560	4430	4270	4200	4320	4800	5530	6300	6820	6800	6800	6800	6800	6640	6350	6200	6030	6000	6400	7260	7230	6500	5960
8.4.2008	5130	4650	4520	4380	4300	4430	4900	5580	6350	6830	6800	6800	6800	6770	6500	6270	6200	6100	6180	6530	7300	7270	6500	5920
9.4.2008	5190	4700	4540	4420	4370	4400	4840	5600	6250	6650	6640	6650	6660	6650	6420	6150	6030	5930	5830	6130	7030	7150	6350	5780
10.4.2008	5150	4690	4520	4380	4320	4420	4800	5550	6200	6630	6650	6720	6780	6730	6430	6220	6130	6070	6140	6480	7200	7150	6400	5840
11.4.2008	5120	4620	4500	4360	4300	4420	4850	5600	6210	6640	6550	6630	6640	6610	6480	6220	6080	6000	6080	6440	7260	7150	6330	5780
12.4.2008	5170	4750	4550	4360	4260	4220	4350	4650	5300	5900	6250	6400	6440	6400	6100	5800	5650	5500	5630	6250	6900	6750	6180	5600
13.4.2008	5100	4600	4400	4200	4080	4040	4000	4490	5000	5440	5800	5900	5950	5650	5180	4850	4880	4820	4900	5270	6200	6360	5860	5450
14.4.2008	4800	4360	4220	4080	3960	4110	4530	5320	6100	6550	6500	6500	6550	6550	6450	6150	6000	5800	5650	6000	7150	7220	6500	5730
15.4.2008	5100	4700	4540	4380	4360	4490	4900	5600	6230	6670	6670	6720	6720	6750	6520	6270	6180	6080	5980	6240	7200	7160	6380	5780
Average:	5199	4725	4588	4427	4340	4406	4733	5327	5974	6459	6558	6663	6712	6646	6380	6118	6037	5916	5934	6338	7211	7171	6429	5871

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
1.4.2008	60.10	60.10	57.95	54.71	54.71	54.71	60.10	84.81	92.00	84.85	87.25	84.85	87.25	84.92	87.16	84.82	84.91	84.85	84.85	84.91	87.16	85.75	84.92	84.81
2.4.2008	87.10	83.44	64.78	64.78	62.45	64.78	64.78	87.10	91.59	91.59	91.59	92.00	92.00	88.28	91.59	88.28	88.28	87.11	87.10	88.23	92.01	92.01	92.00	87.10
3.4.2008	83.43	64.78	62.45	58.95	58.95	58.95	64.78	83.43	92.00	88.23	91.59	88.23	88.28	87.12	91.59	88.23	91.59	91.59	88.23	92.00	88.23	92.00	88.28	87.10
4.4.2008	64.78	64.78	62.45	58.96	58.95	58.95	85.30	86.80	88.28	88.23	88.28	91.59	88.23	91.59	91.59	88.28	91.59	88.23	88.20	88.23	94.50	94.00	88.28	88.20
5.4.2008	85.30	86.80	86.80	83.44	64.78	64.78	62.45	83.44	86.80	88.20	91.59	88.20	88.28	88.22	88.20	88.20	88.20	88.20	88.20	88.20	94.50	88.20	88.20	88.23
6.4.2008	83.44	85.25	85.25	83.44	62.45	62.45	62.45	58.95	64.78	64.78	85.30	85.30	88.23	85.30	83.43	64.78	64.78	58.96	64.78	88.20	85.30	88.28	88.23	83.44
7.4.2008	85.25	58.96	58.95	58.95	58.95	58.95	64.78	83.44	94.50	88.22	91.59	88.23	88.28	88.28	88.23	88.23	88.21	88.21	88.22	88.20	91.59	88.23	88.28	85.30
8.4.2008	64.78	62.45	62.45	62.45	58.95	62.45	64.78	64.78	85.30	88.28	88.20	88.21	88.20	88.21	88.20	88.20	88.20	88.20	88.20	88.20	88.21	88.21	86.80	85.25
9.4.2008	64.78	64.78	62.45	58.96	58.96	58.96	62.46	64.78	86.80	86.80	88.20	88.20	88.20	88.20	88.20	88.20	88.20	88.20	86.80	88.20	85.30	88.20	85.25	83.44
10.4.2008	64.78	62.45	58.96	58.96	31.34	33.53	58.96	64.78	85.30	85.30	86.79	86.79	86.77	86.79	86.77	86.77	86.77	86.77	86.77	86.77	86.77	86.77	86.79	64.78
11.4.2008	64.78	62.45	58.96	33.05	58.96	58.96	62.45	82.96	86.80	83.44	86.78	86.77	86.77	86.77	86.77	86.77	86.77	86.77	64.79	82.96	64.79	86.77	86.77	64.79
12.4.2008	85.30	82.96	62.46	62.45	58.96	58.96	58.96	64.78	64.78	86.80	88.23	86.80	86.80	85.30	86.80	83.44	64.78	64.78	64.78	86.80	85.30	91.59	85.30	83.45
13.4.2008	64.78	33.65	33.05	33.31	33.31	33.05	32.84	32.84	58.96	62.45	64.78	64.78	62.46	64.78	62.45	62.45	58.96	58.96	58.96	62.45	62.45	85.30	64.78	64.78
14.4.2008	58.96	32.84	32.84	30.98	30.67	32.84	58.96	58.96	91.59	83.44	88.28	85.30	88.23	85.30	86.80	83.44	83.44	64.79	82.96	62.46	94.50	83.44	91.59	62.45
15.4.2008	62.45	58.96	58.96	31.34	31.44	33.65	62.45	64.78	88.23	86.80	86.80	85.30	86.80	86.80	86.80	86.80	86.80	86.80	82.96	83.44	85.30	94.00	83.44	64.79
Average:	72.00	64.31	60.58	55.65	52.26	53.06	61.77	71.11	83.85	83.83	87.02	86.14	86.22	85.72	86.31	83.79	82.77	80.83	80.39	83.95	85.73	88.85	85.93	78.53

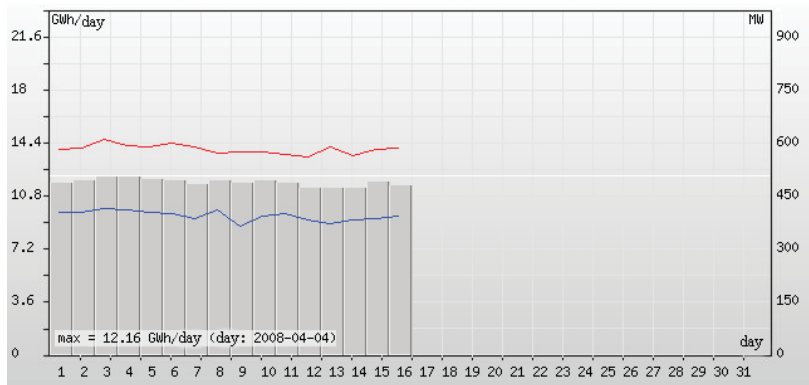
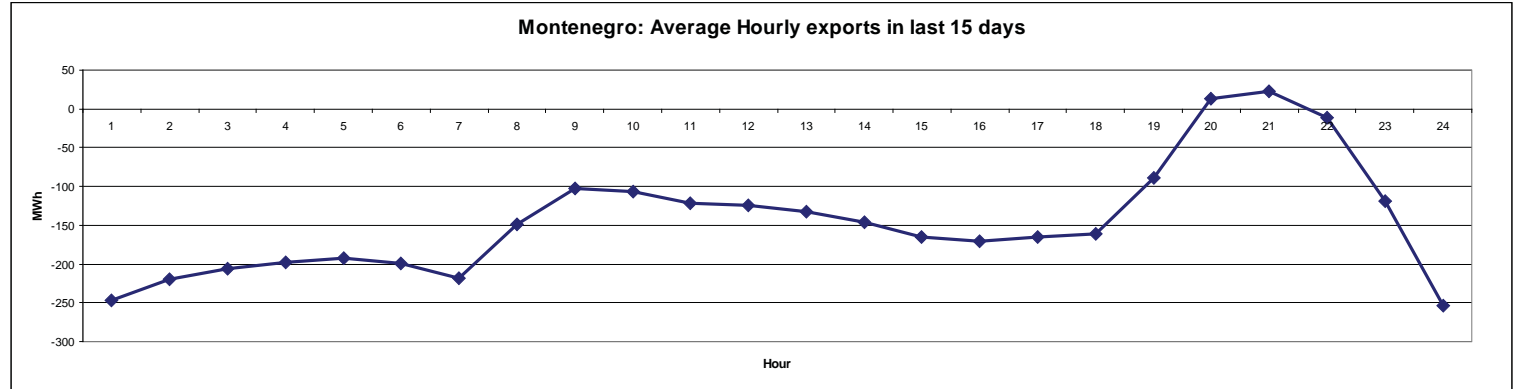


Montenegro: Electricity exports in last 15 days per border (MWh)

	1.4.2008	2.4.2008	3.4.2008	4.4.2008	5.4.2008	6.4.2008	7.4.2008	8.4.2008	9.4.2008	10.4.2008	11.4.2008	12.4.2008	13.4.2008	14.4.2008	15.4.2008
Montenegro - Albania	2763	2149	2513	2638	2398	2375	2485	2248	1950	1987	2234	2489	1314	1407	1542
Montenegro - BiH	-2453	-2342	-4213	-3493	-1281	-2506	-1783	-1721	-2001	-1885	-2820	-2511	-2877	-1040	406
Montenegro - Serbia	-2399	-2578	-3033	-3400	-1242	-2377	-2318	-1903	-2888	-3340	-4780	-4589	-4720	-6060	-6308
Total	-2089	-2771	-4732	-4254	-125	-2509	-1616	-1376	-2938	-3239	-5366	-4610	-6282	-5694	-4361

Montenegro: Electricity export in last 15 days (MWh)

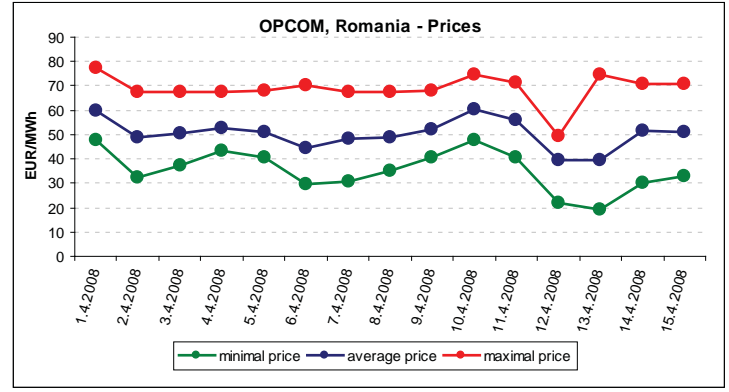
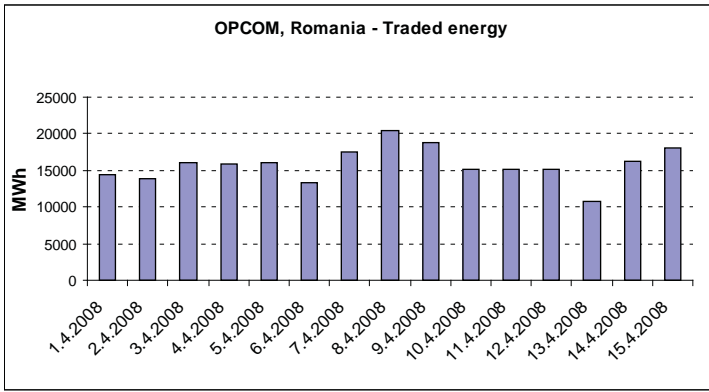
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1.4.2008	-140	-102	-87	-74	-69	-77	-116	-45	21	-110	-135	-155	-160	-155	-135	-136	-159	-144	-158	106	125	60	-85	-161
2.4.2008	-152	-145	-144	-134	-84	-110	-157	15	42	18	-164	-171	-161	-189	-172	-152	-147	-140	132	92	-112	-243	-322	-172
3.4.2008	-270	-282	-265	-254	-270	-260	-292	-169	-69	-66	-168	-239	-235	-231	-208	-226	-219	-200	-154	-7	-53	-96	-217	-280
4.4.2008	-331	-302	-310	-301	-291	-307	-331	-269	-249	-213	-244	-195	-170	-164	-135	-151	-163	-167	104	129	135	-5	-139	-189
5.4.2008	-172	-177	-164	-129	-136	-136	-131	-132	-58	21	123	130	138	122	81	75	80	61	114	82	114	96	59	-187
6.4.2008	-209	-187	-159	-166	-171	-158	-159	-152	-183	-147	-45	-1	5	-23	-142	-176	-172	-169	-183	59	105	99	18	-194
7.4.2008	-199	-175	-152	-123	-129	-153	-152	26	108	51	22	48	-90	-93	-143	-139	-135	-178	-156	69	132	90	1	-145
8.4.2008	-207	-182	-178	-176	-176	-177	-161	93	37	38	56	149	60	19	-78	-136	-118	-132	-135	75	128	144	-83	-237
9.4.2008	-229	-178	-173	-176	-150	-157	-142	-123	-135	-121	-128	-130	-131	-121	-129	-126	-125	-93	-98	-59	52	35	-104	-200
10.4.2008	-195	-170	-159	-144	-141	-158	-193	-173	-123	-124	-154	-138	-107	-101	-154	-168	-165	-163	-69	9	54	-4	-153	-344
11.4.2008	-328	-283	-259	-260	-258	-267	-301	-251	-132	-165	-209	-283	-290	-289	-284	-294	-288	-275	-146	-15	-40	-33	-77	-339
12.4.2008	-318	-290	-281	-258	-262	-260	-282	-263	-278	-278	-199	-184	-79	-114	-136	-147	-134	-131	-111	-42	-70	-101	-84	-309
13.4.2008	-310	-279	-250	-257	-255	-257	-283	-294	-285	-308	-292	-298	-304	-291	-290	-292	-284	-312	-299	-169	-80	-65	-183	-347
14.4.2008	-331	-262	-247	-248	-238	-248	-290	-216	-105	-130	-219	-274	-295	-289	-294	-296	-295	-289	-218	-120	-97	-102	-244	-348
15.4.2008	-311	-293	-266	-260	-255	-272	-294	-275	-127	-72	-71	-127	-173	-280	-254	-197	-151	-95	37	-8	-56	-42	-165	-355
Average:	-247	-220	-206	-197	-192	-200	-219	-149	-102	-107	-122	-125	-133	-147	-165	-171	-165	-162	-89	13	22	-11	-118	-254



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

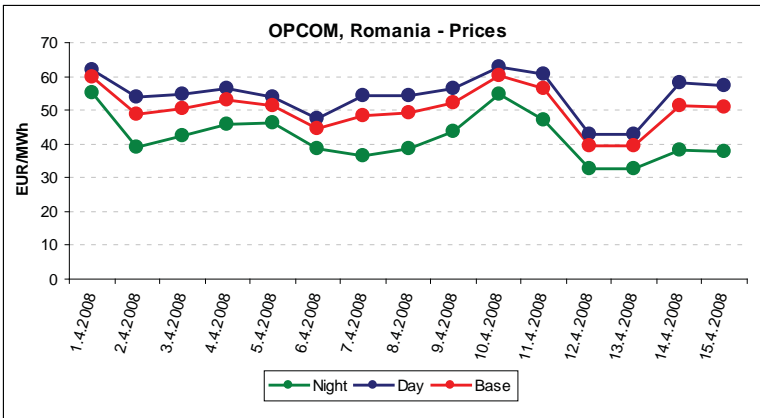
Romania: Electricity consumption in last 15 days (MWh)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
1.4.2008	5924	5761	5687	5636	5735	5859	6216	6751	7042	7170	7221	7183	7163	7189	7055	6914	6783	6776	6841	7205	7766	7719	7170	6743
2.4.2008	6241	5968	5850	5828	5888	6030	6356	6854	7232	7392	7360	7312	7265	7295	7172	7048	6887	6866	6938	7176	7763	7650	7067	6461
3.4.2008	6318	6014	5869	5790	5829	5985	6261	6757	7196	7375	7341	7257	7184	7179	7045	6867	6807	6772	6822	7144	7810	7606	7027	6462
4.4.2008	6174	5969	5849	5831	5896	6030	6323	6886	7257	7397	7341	7234	7165	7190	7039	6870	6783	6749	6726	7063	7650	7543	6980	6464
5.4.2008	6144	5903	5773	5721	5743	5785	5796	5951	6217	6425	6394	6293	6213	6182	6043	5927	5991	5948	5949	6313	7031	7053	6651	6178
6.4.2008	5827	5704	5509	5387	5431	5472	5387	5307	5432	5491	5511	5558	5513	5422	5397	5388	5371	5356	5347	5735	6522	6683	6395	5895
7.4.2008	5541	5368	5241	5170	5237	5507	5958	6564	6864	7015	7096	7083	7043	7052	6929	6747	6647	6650	6619	6987	7595	7506	6904	6389
8.4.2008	6227	5929	5803	5780	5825	5949	6271	6769	7137	7278	7204	7109	7083	7092	6932	6804	6748	6789	6770	7073	7682	7489	6937	6396
9.4.2008	6015	5814	5687	5640	5693	5865	6139	6627	7040	7178	7146	7014	6926	6922	6813	6698	6571	6538	6501	6776	7396	7505	6964	6364
10.4.2008	5911	5684	5557	5548	5580	5708	5977	6397	6714	6853	6835	6766	6698	6711	6621	6434	6305	6234	6241	6442	7228	7306	6747	6162
11.4.2008	5916	5745	5641	5562	5570	5732	5965	6451	6791	6918	6902	6809	6723	6761	6657	6467	6339	6353	6376	6562	7215	7246	6763	6156
12.4.2008	5941	5725	5630	5542	5534	5626	5608	5836	6156	6348	6343	6243	6210	6149	6019	5941	5935	5952	6013	6289	6959	6952	6537	6045
13.4.2008	5661	5487	5361	5286	5279	5288	5246	5279	5472	5524	5543	5597	5563	5432	5413	5428	5447	5515	5639	6024	6523	6683	6413	5918
14.4.2008	5619	5420	5289	5186	5269	5532	5978	6562	6890	7044	7115	7094	7065	7074	6949	6844	6680	6642	6566	6716	7400	7450	6965	6336
15.4.2008	5829	5608	5507	5498	5568	5754	6142	6609	6993	7101	7062	6951	6904	6909	6779	6592	6489	6405	6413	6529	7207	7260	6736	6200
Average:	5952	5740	5617	5560	5605	5741	5975	6373	6695	6834	6828	6767	6715	6704	6591	6465	6385	6370	6384	6669	7316	7310	6817	6278



Opcom, Romania: Prices in last 15 days (EUR/MWh)

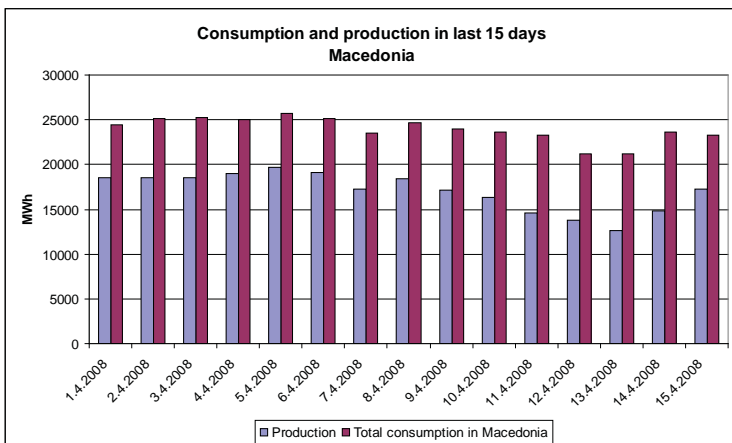
	1.4.2008	2.4.2008	3.4.2008	4.4.2008	5.4.2008	6.4.2008	7.4.2008	8.4.2008	9.4.2008	10.4.2008	11.4.2008	12.4.2008	13.4.2008	14.4.2008	15.4.2008
Base Price	59.75	48.86	50.53	52.92	51.22	44.46	48.26	49.12	52.16	60.10	56.22	39.49	39.56	51.46	50.89
Base Quantity	14345	13790	15987	15790	16072	13298	17461	20478	18829	15223	15142	15142	10844	16235	18068
Day Price	62.02	53.83	54.61	56.46	53.80	47.34	54.18	54.42	56.43	62.78	60.68	43.01	42.92	58.14	57.47
Day Quantity	9419	10025	11573	11178	11468	9166	13270	14416	12611	10099	10359	10359	7317	11543	12575
Night Price	55.21	38.93	42.38	45.84	46.04	38.71	36.41	38.50	43.62	54.74	47.30	32.46	32.83	38.10	37.73
Night Quantity	4926	3766	4414	4612	4604	4132	4191	6062	6217	5124	4783	4783	3527	4692	5493



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

Mepso, Macedonia (MWh)

	1.4.2008	2.4.2008	3.4.2008	4.4.2008	5.4.2008	6.4.2008	7.4.2008	8.4.2008	9.4.2008	10.4.2008	11.4.2008	12.4.2008	13.4.2008	14.4.2008	15.4.2008
Production	18478	18589	18486	19043	19728	19068	17215	18459	17103	16337	14614	13804	12609	14817	17294
Import	5963	6551	6709	5987	6033	6059	6342	6190	6854	7254	8695	7404	8623	8760	5940
Total consumption in Macedonia	24441	25140	25195	25030	25761	25127	23557	24649	23957	23591	23309	21208	21232	23577	23234



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

NOS BIH - Bosnia & Herzegovina						May 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Croatia > BIH	-	-	500	-	109	01.-31.5.2008.
Montenegro > BIH	-	-	350	-	175	01.-31.5.2008.
Serbia > BIH	-	-	100	-	50	01.-31.5.2008.
EXPORT						
BIH > Croatia	-	-	560	-	280	01.-31.5.2008.
BIH > Montenegro	-	-	300	-	100	01.-31.5.2008.
BIH > Serbia	-	-	300	-	105	01.-31.5.2008.

ESO - Bulgaria						May 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Serbia > Bulgaria	-	-	100	-	100	01.-31.5.2008.
Romania > Bulgaria	-	-	200	-	100	01.-11.5.2008.
	-	-	100	-	0	12.-22.5.2008.
	-	-	200	-	100	23.-31.5.2008.
Greece > Bulgaria	-	-	300	-	300	01.-11.5.2008.
	-	-	0	-	0	12.-22.5.2008.
	-	-	300	-	300	23.-31.5.2008.
EXPORT						
Bulgaria > Serbia	-	-	300	-	300	01.-31.5.2008.
Bulgaria > Romania	-	-	200	-	100	01.-31.5.2008.
Bulgaria > Greece	-	-	500	-	400	01.-11.5.2008.
	-	-	0	-	0	12.-22.5.2008.
	-	-	500	-	400	23.-31.5.2008.

OPS HEP - Croatia						May 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Hungary > Croatia	-	-	-	-	500*	01.-31.5.2008.
Slovenia > Croatia	-	-	-	-	150	01.-31.5.2008.
Serbia > Croatia	-	-	-	-	0	01.-31.5.2008.
BIH > Croatia	-	-	-	-	105	01.-31.5.2008.
EXPORT						
Croatia > Hungary	-	-	-	-	0*	01.-31.5.2008.
Croatia > Slovenia	-	-	-	-	150	01.-31.5.2008.
Croatia > Serbia	-	-	-	-	100	01.-31.5.2008.
Croatia > BIH	-	-	-	-	75	01.-31.5.2008.

* Common auction conducted by MAVIR

MAVIR - Hungary						May 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Croatia > Hungary	400	200	200	200	0	01.-31.5.2008.
Romania > Hungary	400	100	300	200	100	01.-31.5.2008.
Serbia > Hungary	200	100	100	100	0	01.-31.5.2008.
EXPORT						
Hungary > Croatia	1150	200	950	450	500	01.-31.5.2008.
Hungary > Romania	400	100	300	175	125	01.-31.5.2008.
Hungary > Serbia	400	100	300	175	125	01.-31.5.2008.

TSO EPCG - Montenegro						May 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Albania > Montenegro	-	-	-	-	100	01.-31.5.2008.
BIH > Montenegro	-	-	-	-	100	01.-31.5.2008.
Serbia > Montenegro	-	-	-	-	40	01.-31.5.2008.
EXPORT						
Montenegro > Albania	-	-	-	-	50	01.-31.5.2008.
Montenegro > BIH	-	-	-	-	100	01.-31.5.2008.
Montenegro > Serbia	-	-	-	-	100	01.-31.5.2008.

MEPSO - Macedonia						May 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Serbia > Macedonia	400	100	300	36	114	01.-11.5.2008.
	300	100	200	0	100	12.-22.5.2008.
	400	100	300	36	114	23.-31.5.2008.
Greece > Macedonia	330	100	230	0	0	01.-11.5.2008.
	270	100	170	0	0	12.-22.5.2008.
	330	100	230	0	0	23.-31.5.2008.
EXPORT						
Macedonia > Serbia	360	100	260	70	60	01.-11.5.2008.
	200	100	100	50	0	12.-22.5.2008.
	360	100	260	70	60	23.-31.5.2008.
Macedonia > Greece	140	100	40	0	0	01.-11.5.2008.
	100	100	0	0	0	12.-22.5.2008.
	140	100	40	0	0	23.-31.5.2008.

Remark: No transparent allocation procedure on Greek and Bulgarian border

Transelectrica - Romania						May 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Bulgaria > Romania	300	100	100	50	50	01.-31.5.2008.
Serbia > Romania	200	100	50	50	0	01.-31.5.2008.
Hungary > Romania	400	100	150	25	125	01.-31.5.2008.
Ukraine > Romania	250	100	150	100	50	01.-11.5.2008.
	400	100	300	100	200	12.-22.5.2008.
	300	100	200	100	100	23.-31.5.2008.
EXPORT						
Romania > Bulgaria	300	100	100	50	50	01.-11.5.2008.
	200	100	50	50	0	12.-22.5.2008.
	300	100	100	50	50	23.-31.5.2008.
Romania > Serbia	400	100	150	50	100	01.-31.5.2008.
Romania > Hungary	400	100	150	50	100	01.-22.5.2008.
	300	100	100	50	50	23.-31.5.2008.
Romania > Ukraine	0	0	50	0	50	01.-11.5.2008.
	0	0	0	0	0	12.-31.5.2008.

EMS - Serbia						May 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	Validity period:
IMPORT						
Hungary > Serbia	-	-	-	-	150	01.-31.5.2008.
Romania > Serbia	-	-	-	-	150	01.-31.5.2008.
Bulgaria > Serbia	-	-	-	-	150	01.-31.5.2008.
Macedonia > Serbia	-	-	-	-	130	01.-11.5.2008.
	-	-	-	-	50	12.-22.5.2008.
	-	-	-	-	130	23.-31.5.2008.
Albania > Serbia	-	-	-	-	105	01.-25.5.2008.
	-	-	-	-	75	26.-31.5.2008.
Montenegro > Serbia	-	-	-	-	150	01.-31.5.2008.
BiH > Serbia	-	-	-	-	150	01.-31.5.2008.
Croatia > Serbia	-	-	-	-	150	01.-31.5.2008.
EXPORT						
Serbia > Hungary	-	-	-	-	50	01.-31.5.2008.
Serbia > Romania	-	-	-	-	50	01.-31.5.2008.
Serbia > Bulgaria	-	-	-	-	50	01.-31.5.2008.
Serbia > Macedonia	-	-	-	-	150	01.-11.5.2008.
	-	-	-	-	100	12.-22.5.2008.
	-	-	-	-	150	23.-31.5.2008.
Serbia > Albania	-	-	-	-	105	01.-11.5.2008.
	-	-	-	-	25	12.-31.5.2008.
Serbia > Montenegro	-	-	-	-	146	01.-04.5.2008.
	-	-	-	-	101	05.-31.5.2008.
Serbia > BiH	-	-	-	-	50	01.-31.5.2008.
Serbia > Croatia	-	-	-	-	50	01.-31.5.2008.

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

Danube water-level in cm for last 30 days

- 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)

relevant for:

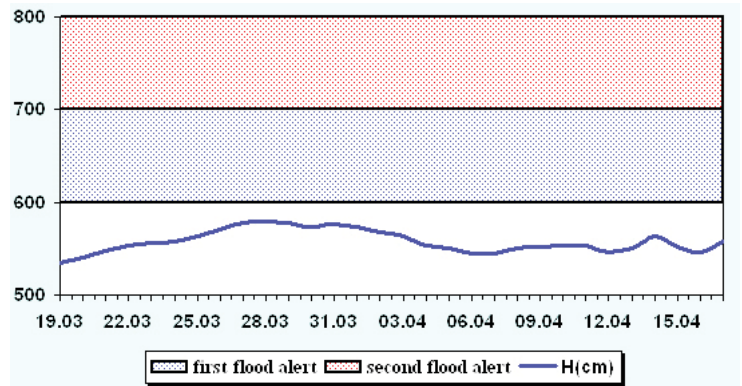
HPP Portile de Fier I, 1167 MW, Romania

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)



Forecasted weather conditions for the following period

	18.4.	19.4.	20.4.	21.4.	22.4.	23.4.	24.4.	25.4.	26.4.	April averages.
Albania	T: 6-19	T: 8-22	T: 13-28	T: 17-28	T: 14-24	T: 10-22	T: 8-21	T: 8-22	T: 9-24	Temperature: 8-18
<i>Tirana</i>	W: SW 10	W: SW 11	W: S 14	W: SW 12	W: W 9	W: NW 11	W: N 14	W: N 12	W: N12	Amount of rain: 145
	R: -	R: -	R: -	R: -	R: -	R: -	R: -	R: -	R: -	Number of rain days: -
Bosnia and Herzegovina	T: 7-17	T: 5-22	T: 7-25	T: 5-24	T: 5-20	T: 6-16	T: 3-12	T: 3-12	T: 1-16	Temperature: 4.4-15
<i>Sarajevo</i>	W: L-V	W: L-V	W: -	W: L-V	W: L-V	W: -	W: L-V	W: -	W: -	Amount of rain: 74
	R: -	R: -	R: -	R: -	R: -	R: 5	R: -	R: -	R: -	Number of rain days: 11
Bulgaria	T: 8-22	T: 8-22	T: 10-25	T: 8-26	T: 10-22	T: 11-20	T: 6-15	T: 7-12	T: 6-17	Temperature: 4.8-15.7
<i>Sofia</i>	W: SW 9	W: SW 9	W: SW 7	W: S 11	W: W 5	W: NW 9	W: N 12	W: N 11	W: NE 4	Amount of rain: 51
	R: -	R: -	R: -	R: -	R: -	R: -	R: 5	R: -	R: -	Number of rain days: 12
Croatia	T: 8-22	T: 9-23	T: 13-20	T: 12-25	T: 11-21	T: 8-17	T: 6-18	T: 3-18	T: 4-22	Temperature: 4.9-16.4
<i>Zagreb</i>	W: SW 11	W: SW 8	W: -	W: SW 13	W: W 10	W: NW 6	W: NE 8	W: NE 5	W: NE 5	Amount of rain: 61.5
	R: 1	R: -	R: -	R: -	R: 2	R: -	R: -	R: -	R: -	Number of rain days: 12
Greece	T: 12-20	T: 13-21	T: 14-23	T: 14-28	T: 20-28	T: 18-26	T: 14-21	T: 12-19	T: 12-18	Temperature: 9.7- 20.1
<i>Athens</i>	W: E 14	W: L-V	W: SE 12	W: S 18	W: SW 8	W: NW 11	W: NW 17	W: NW 13	W: NW 9	Amount of rain: 30
	R: -	R: -	R: -	R: -	R: -	R: -	R: -	R: -	R: -	Number of rain days: 8
Macedonia	T: 6-22	T: 6-23	T: 8-28	T: 8-28	T: 9-23	T: 7-22	T: 7-16	T: 6-16	T: 4-20	Temperature: 5.4-18.6
<i>Skopje</i>	W: SW 8	W: SW 10	W: SW 9	W: SW 11	W: W 7	W: NW 11	W: N 12	W: N 9	W: NE 4	Amount of rain: 40
	R: -	R: -	R: -	R: -	R: 14.2	R: -	R: 4	R: -	R: -	Number of rain days: 10
Montenegro	T: 9-17	T: 12-21	T: 14-25	T: 13-24	T: 14-22	T: 10-22	T: 10-21	T: 9-22	T: 9-23	Temperature: 9-19
<i>Podgorica</i>	W: SW 12	W: SW 10	W: S 10	W: SW 11	W: W 7	W: N 9	W: N 11	W: N 12	W: N 8	Amount of rain: 144
	R: -	R: -	R: -	R: -	R: -	R: -	R: -	R: -	R: -	Number of rain days: 12
Romania	T: 9-21	T: 10-22	T: 12-25	T: 13-26	T: 14-27	T: 12-22	T: 10-18	T: 10-14	T: 8-17	Temperature: 5.6-18
<i>Bucharest</i>	W: S 8	W: SW 12	W: SW 7	W: SE 20	W: L-V	W: NW 10	W: NW 16	W: N 19	W: N 6	Amount of rain: 46
	R: -	R: -	R: -	R: 2	R: -	R: -	R: 3	R: -	R: -	Number of rain days: 7
Serbia	T: 10-21	T: 11-27	T: 13-27	T: 13-28	T: 13-24	T: 8-15	T: 7-13	T: 7-15	T: 6-18	Temperature: 7.8-17.5
<i>Belgrade</i>	W: S 10	W: SW 19	W: -	W: SW 12	W: SW 11	W: NW 12	W: N 20	W: NE 14	W: N 7	Amount of rain: 59
	R: -	R: -	R: -	R: -	R: -	R: -	R: -	R: -	R: -	Number of rain days: 13

T: Temperature in celsius degrees

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

R: Rain in mm

S: Snow in mm

Analysis:

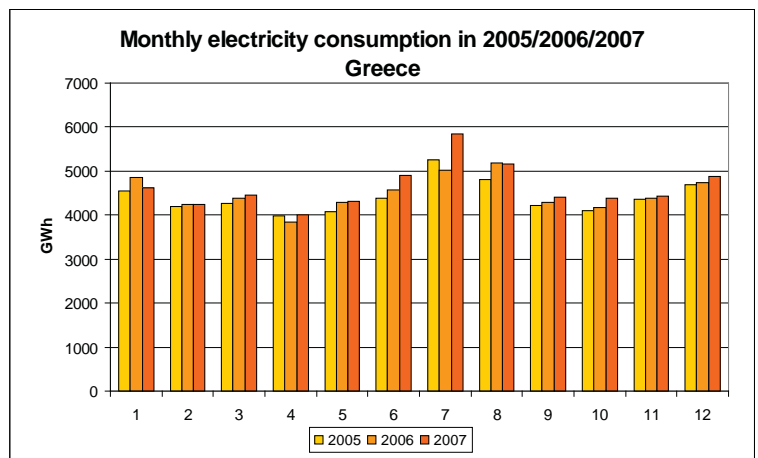
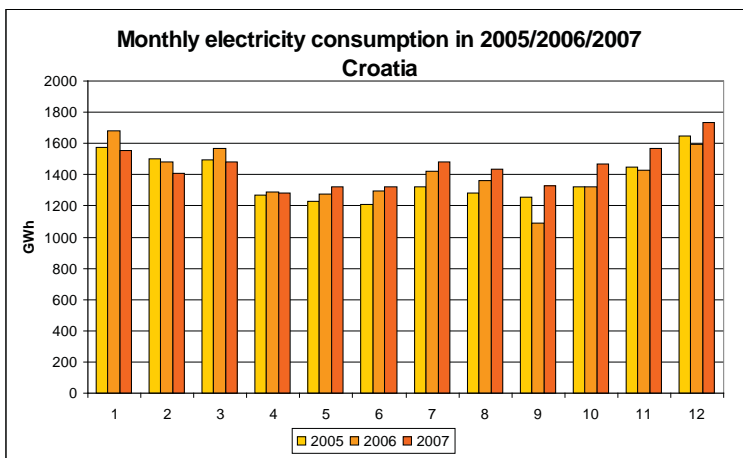
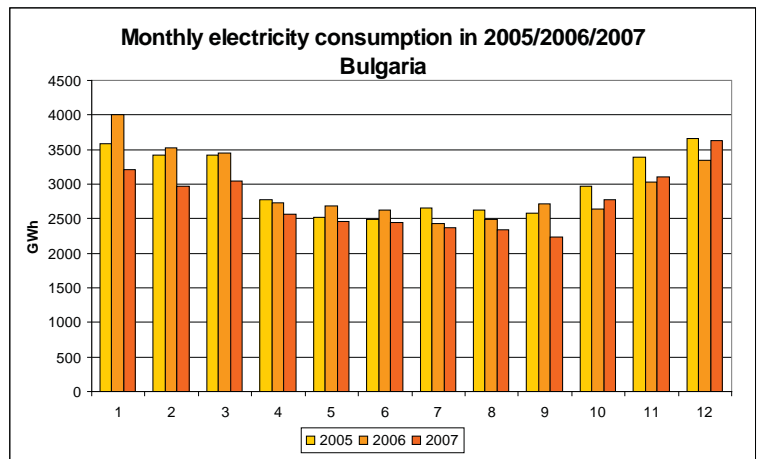
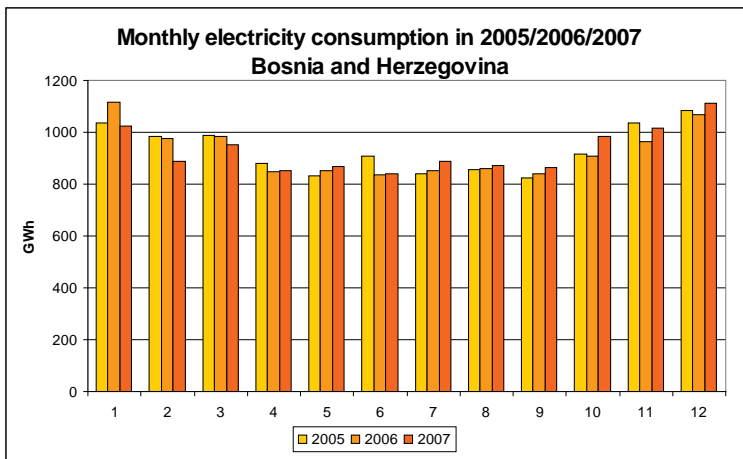
Statistical data of energy sector in Southeast Europe for 2005, 2006 and 2007

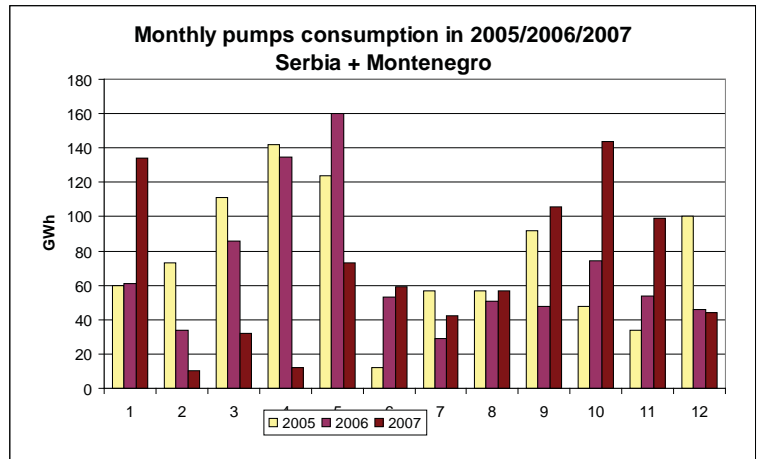
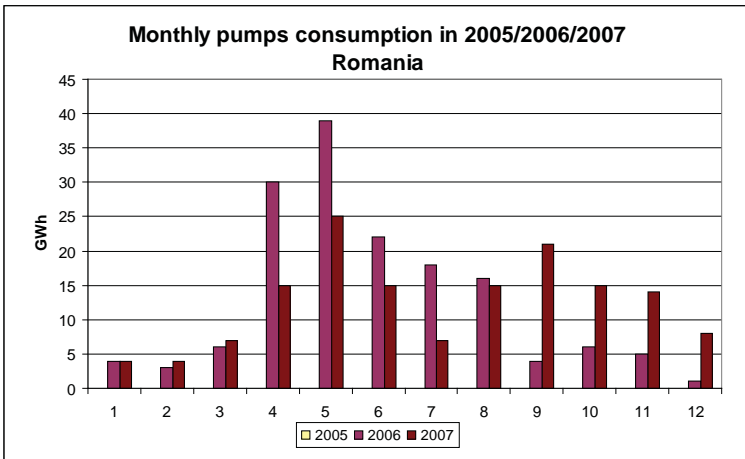
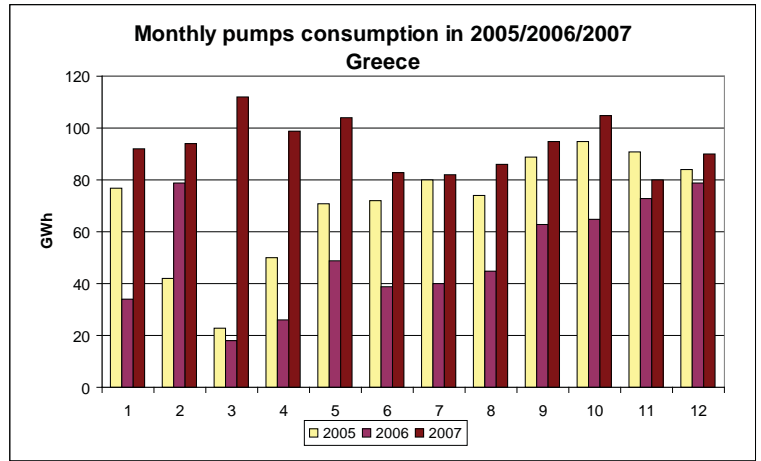
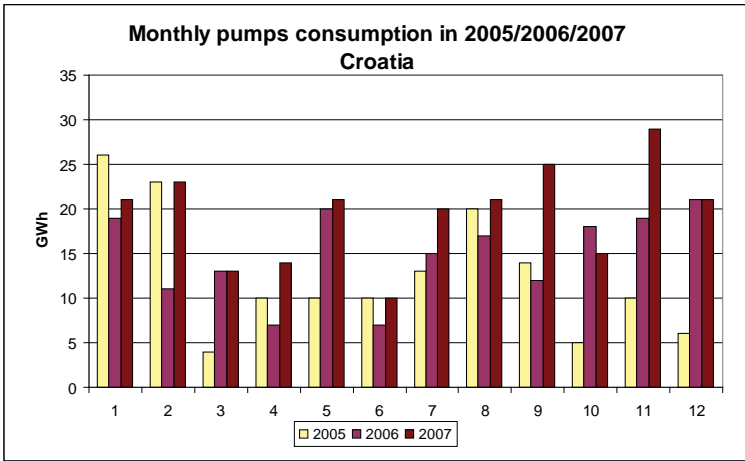
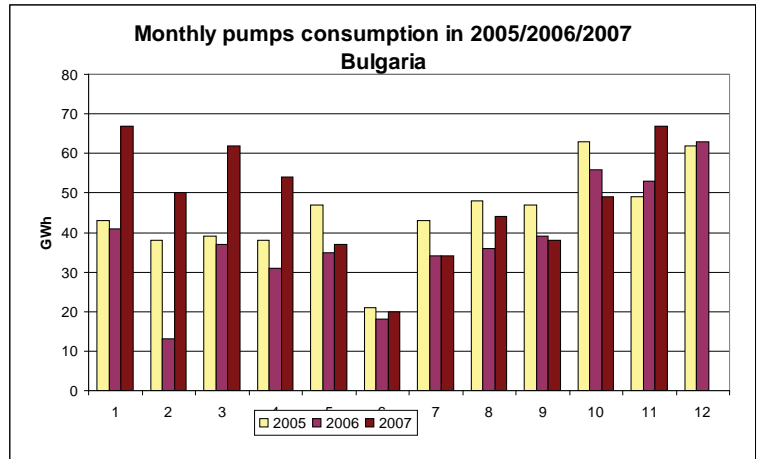
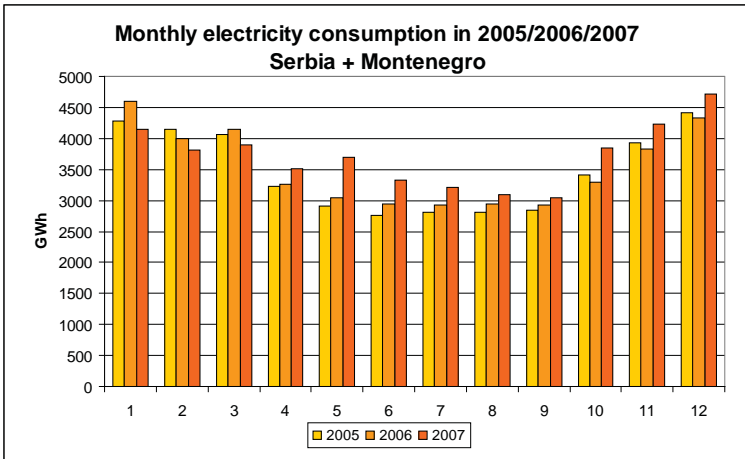
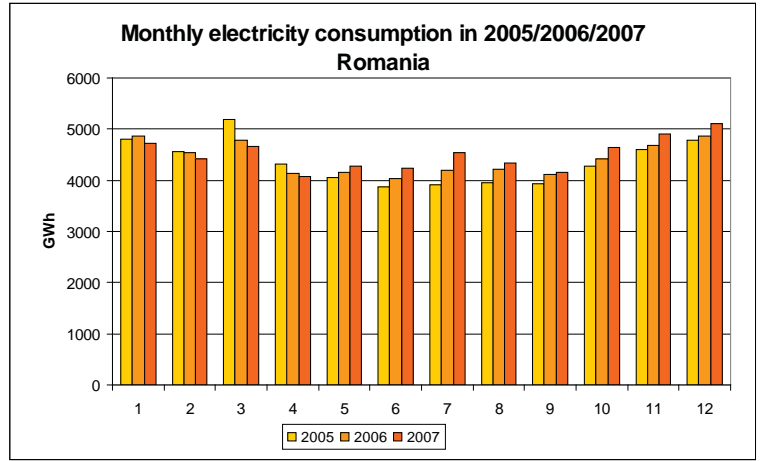
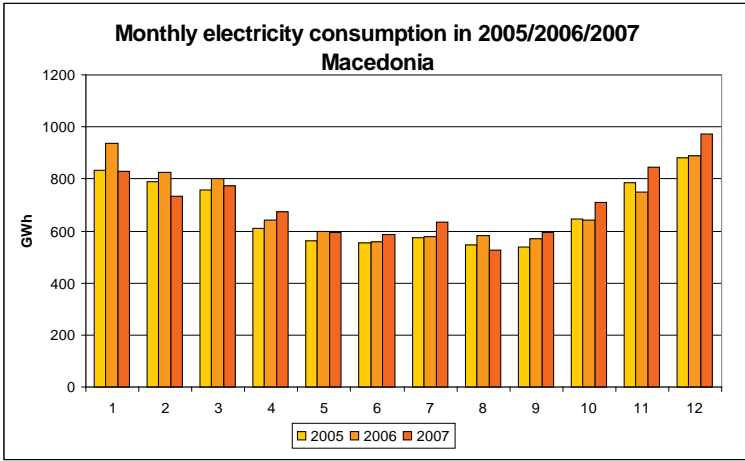
Dear readers, in the analysis of this issue of Balkan Energy NEWS we present statistical data of energy sector in Southeast Europe for years 2005, 2006, and 2007.

Monthly data for electricity generation, consumption, imports and exports are comparatively shown in tables and diagrams.

Monthly electricity consumption (In GWh)

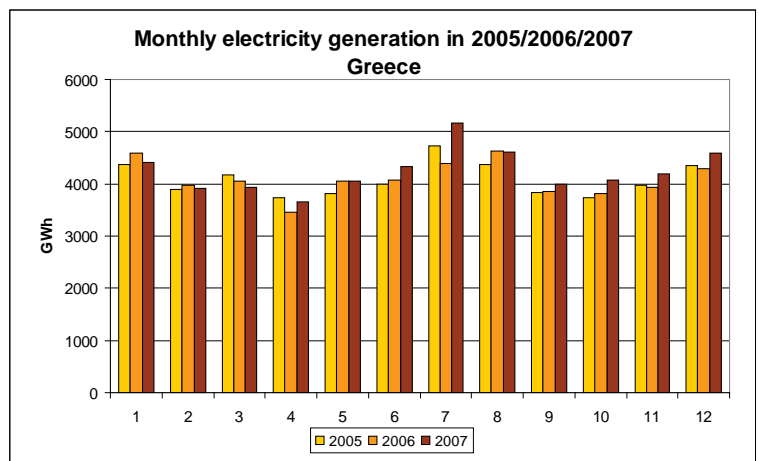
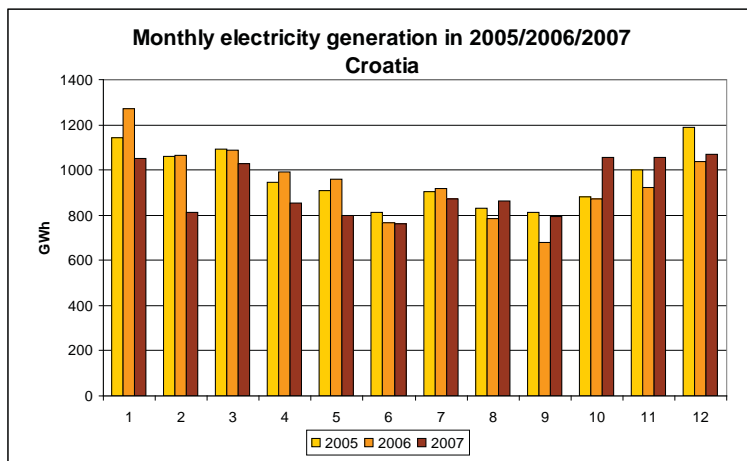
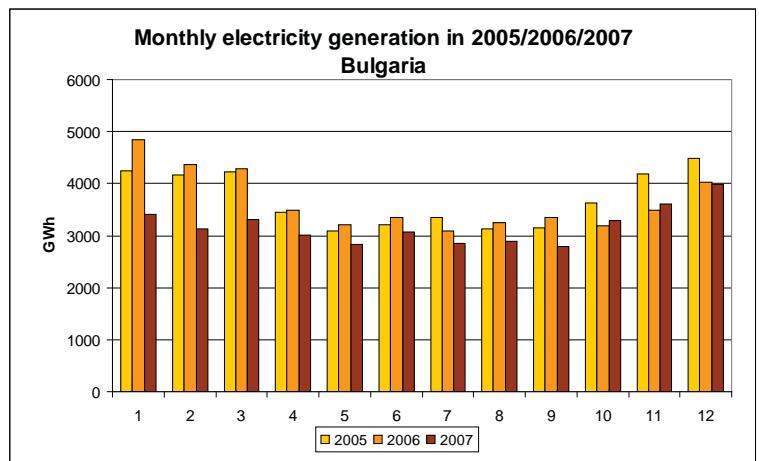
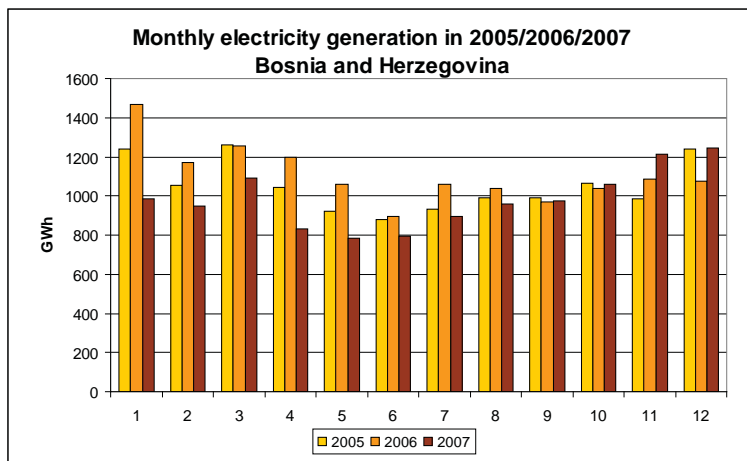
	month	1	2	3	4	5	6	7	8	9	10	11	12	Sum
Bosnia and Herzegovina	2005	1037	983	988	882	832	909	841	856	824	917	1037	1085	11191
	2006	1118	976	986	847	852	837	853	861	840	907	963	1069	11109
	2007	1024	890	952	851	869	842	889	874	865	985	1016	1114	11171
Bulgaria	2005	3584	3420	3418	2780	2517	2492	2652	2629	2574	2964	3386	3667	36083
	2006	3999	3530	3447	2735	2686	2630	2424	2485	2708	2642	3035	3351	35672
	2007	3204	2971	3052	2562	2464	2438	2366	2339	2233	2768	3100	3635	33132
Croatia	2005	1576	1500	1497	1267	1226	1210	1324	1283	1255	1325	1446	1648	16557
	2006	1682	1485	1566	1289	1273	1294	1423	1361	1089	1324	1431	1593	16810
	2007	1555	1406	1485	1280	1319	1323	1485	1433	1326	1466	1570	1732	17380
Greece	2005	4546	4197	4272	3987	4074	4379	5246	4813	4214	4109	4350	4690	52877
	2006	4853	4248	4373	3833	4281	4573	5021	5181	4286	4176	4383	4744	53952
	2007	4621	4244	4465	4016	4320	4893	5855	5170	4397	4380	4439	4882	55682
Macedonia	2005	833	790	756	611	562	553	573	547	537	646	784	882	8074
	2006	936	826	802	640	600	560	577	584	570	643	751	888	8377
	2007	829	733	774	672	594	587	634	525	593	710	844	972	8467
Romania	2005	4802	4570	5183	4313	4052	3867	3903	3943	3932	4267	4604	4789	52225
	2006	4857	4537	4786	4137	4159	4040	4188	4216	4115	4422	4691	4868	53016
	2007	4733	4417	4659	4078	4272	4241	4541	4342	4164	4646	4912	5113	54118
Serbia + Montenegro	2005	4283	4147	4063	3227	2912	2762	2810	2816	2850	3415	3931	4416	41632
	2006	4594	3992	4148	3253	3041	2947	2921	2939	2933	3289	3837	4332	42226
	2007	4143	3817	3904	3504	3703	3335	3212	3097	3042	3845	4238	4721	44561

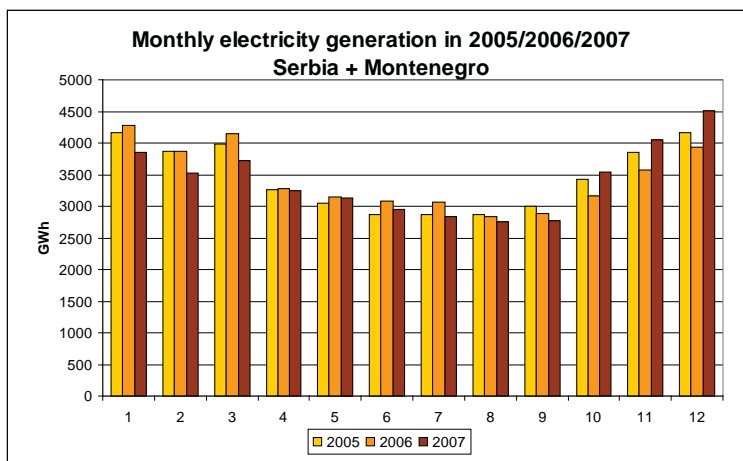
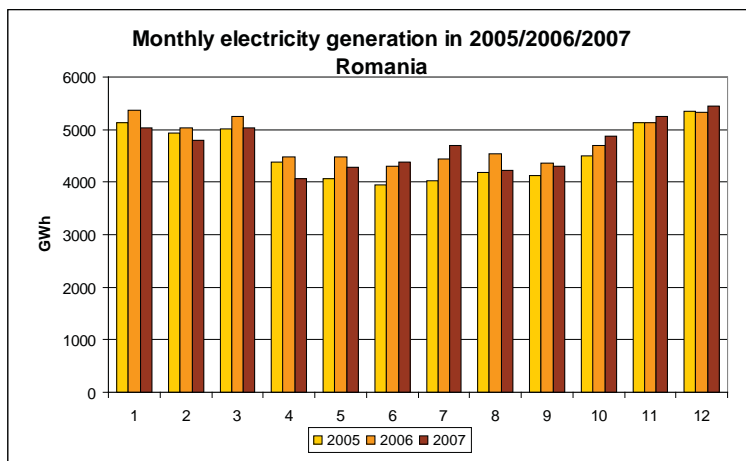
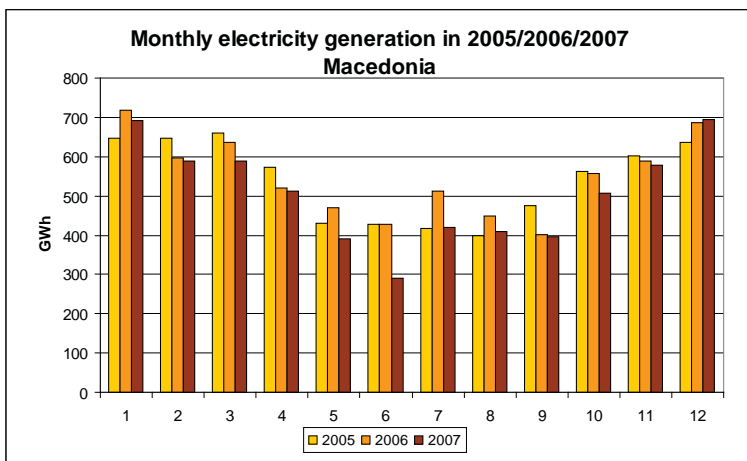




Electricity generation (In GWh)

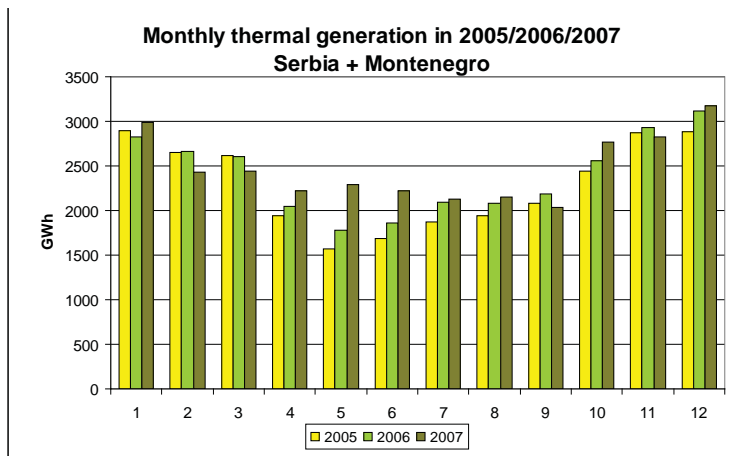
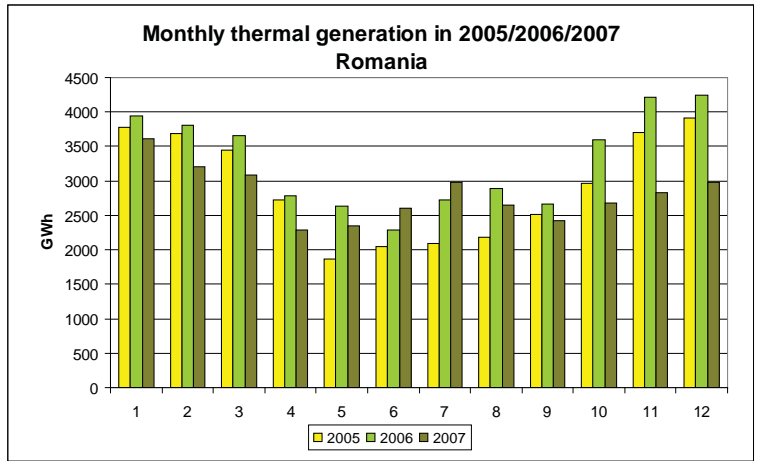
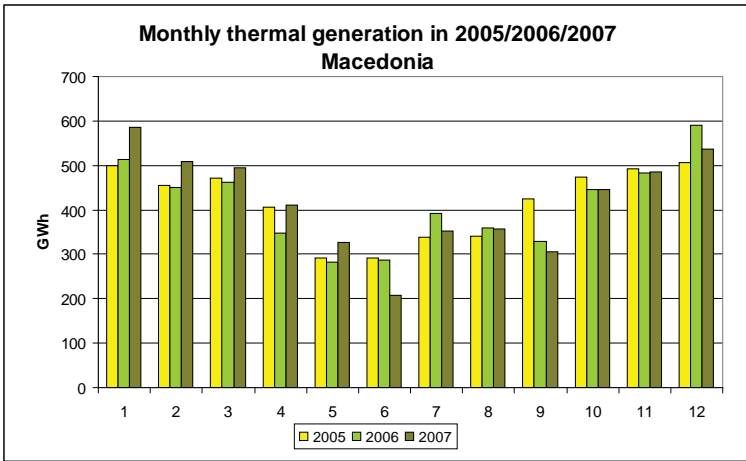
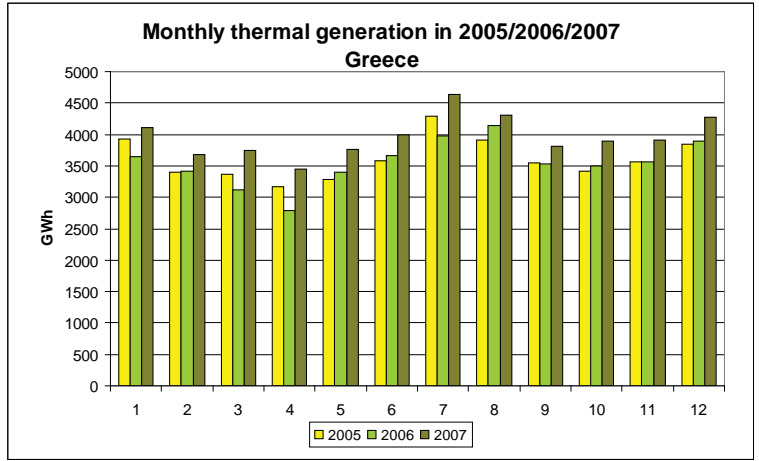
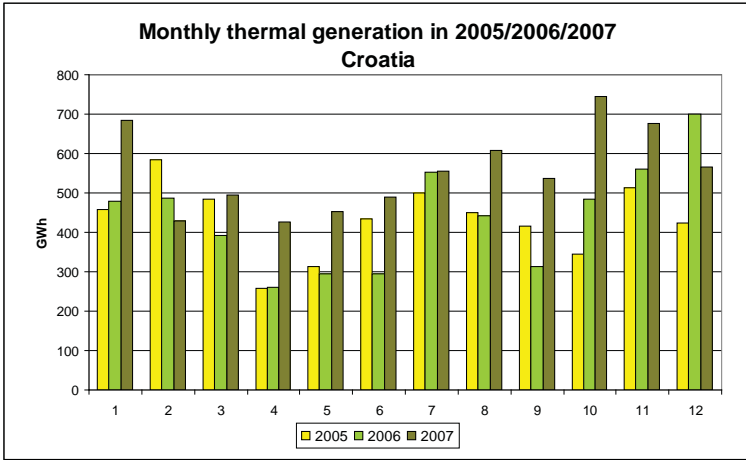
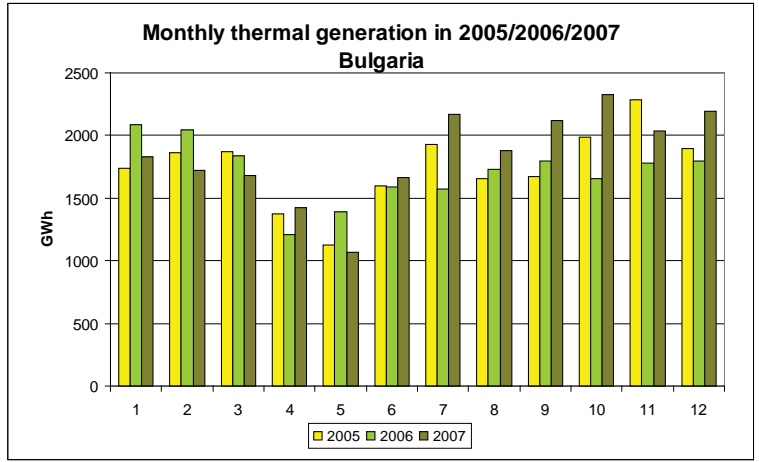
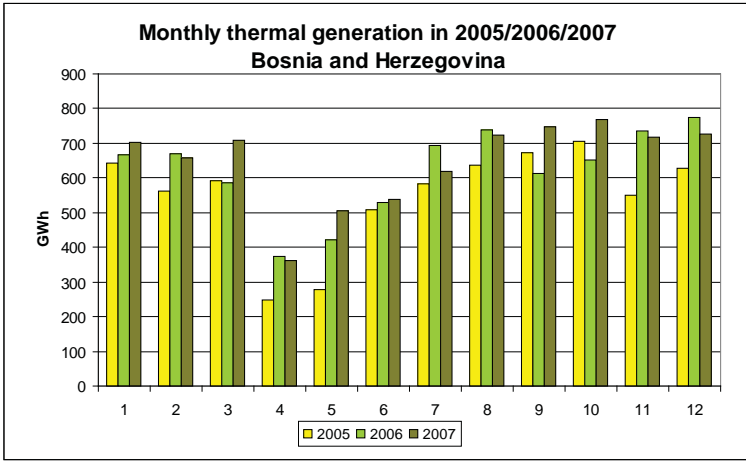
	month	1	2	3	4	5	6	7	8	9	10	11	12	Sum
Bosnia and Herzegovina	2005	1242	1052	1262	1044	922	882	930	991	989	1063	985	1240	12602
	2006	1465	1171	1255	1200	1059	896	1061	1036	971	1038	1084	1073	13309
	2007	987	948	1091	832	786	796	893	960	975	1058	1214	1243	11783
Bulgaria	2005	4244	4171	4218	3439	3094	3216	3358	3138	3145	3624	4179	4478	44304
	2006	4848	4363	4290	3491	3211	3341	3081	3251	3348	3185	3492	4033	43934
	2007	3405	3139	3317	3017	2828	3063	2855	2891	2789	2789	3281	3605	3991
Croatia	2005	1143	1059	1092	945	908	811	904	832	813	881	1000	1188	11576
	2006	1272	1064	1088	991	958	766	917	783	678	871	921	1037	11346
	2007	1053	814	1030	854	800	760	871	862	796	1057	1056	1071	11024
Greece	2005	4376	3887	4171	3739	3808	3990	4737	4365	3844	3735	3970	4344	48966
	2006	4583	3966	4061	3457	4046	4076	4382	4634	3863	3813	3932	4289	49102
	2007	4417	3921	3938	3661	4045	4334	5159	4618	3997	4077	4192	4585	50944
Macedonia	2005	647	648	659	573	431	429	416	399	475	562	601	635	6475
	2006	717	597	636	521	471	428	512	449	401	557	589	686	6564
	2007	691	589	589	512	390	291	421	408	396	506	579	694	6066
Romania	2005	5123	4933	5013	4389	4069	3948	4028	4187	4124	4508	5131	5351	54804
	2006	5369	5040	5259	4472	4476	4306	4434	4538	4367	4706	5130	5325	57422
	2007	5034	4791	5036	4065	4282	4387	4692	4216	4294	4867	5259	5444	56367
Serbia + Montenegro	2005	4157	3870	3983	3255	3055	2862	2867	2868	2998	3425	3851	4156	41347
	2006	4284	3876	4142	3272	3150	3078	3062	2831	2882	3167	3571	3934	41249
	2007	3845	3526	3715	3248	3131	2959	2836	2747	2774	3537	4046	4509	40873





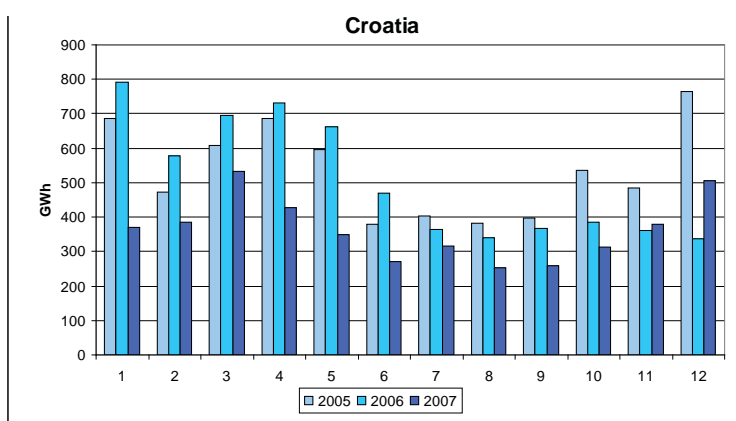
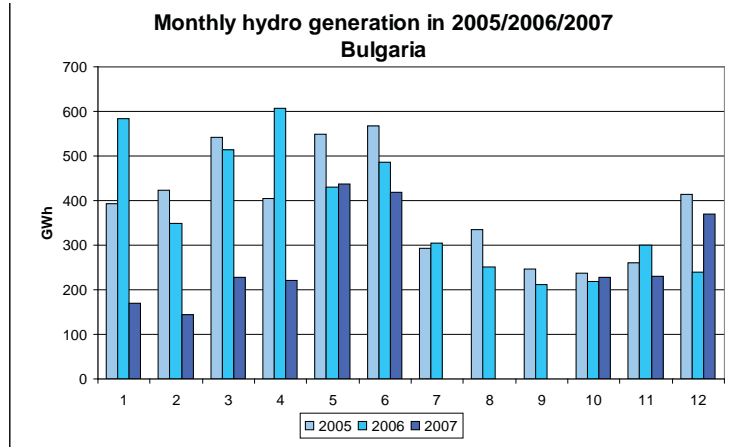
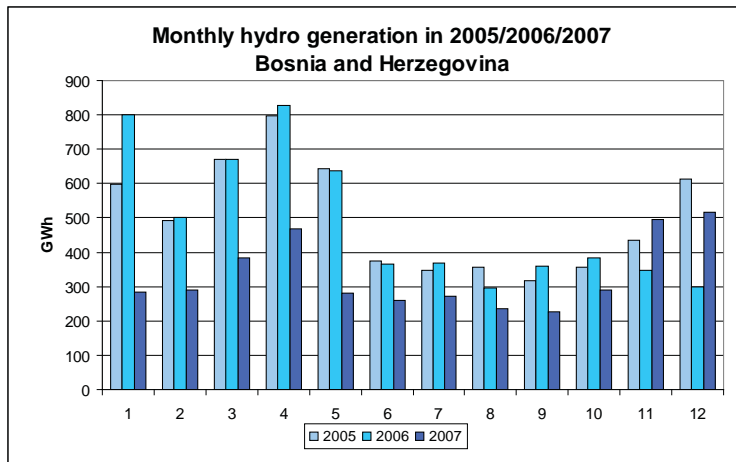
Thermal electricity generation (In GWh)

	month	1	2	3	4	5	6	7	8	9	10	11	12	Sum
Bosnia and Herzegovina	2005	643	561	592	248	278	508	583	636	672	706	549	628	6604
	2006	666	669	585	373	421	530	694	739	613	653	736	773	7452
	2007	704	658	708	363	506	537	620	723	749	768	719	727	7782
Bulgaria	2005	1735	1859	1873	1371	1128	1599	1925	1656	1673	1989	2284	1892	20984
	2006	2086	2046	1838	1208	1392	1589	1569	1727	1793	1654	1781	1797	20480
	2007	1831	1724	1681	1427	1072	1667	2168	1878	2118	2325	2038	2193	22122
Croatia	2005	457	585	483	258	313	433	500	451	416	344	514	423	5177
	2006	479	486	393	261	296	296	553	442	312	485	561	700	5264
	2007	684	429	496	427	452	489	555	608	537	745	676	565	6663
Greece	2005	3921	3407	3369	3175	3291	3586	4283	3909	3542	3412	3568	3841	43304
	2006	3644	3423	3125	2790	3403	3657	3969	4143	3535	3498	3564	3902	42653
	2007	4104	3683	3745	3453	3762	3998	4636	4303	3812	3898	3914	4269	47577
Macedonia	2005	499	456	472	406	292	292	339	340	424	474	493	507	4994
	2006	514	451	462	347	283	286	391	359	330	445	482	590	4940
	2007	585	508	495	410	326	207	352	356	305	446	486	537	5013
Romania	2005	3773	3683	3453	2723	1865	2042	2096	2178	2511	2967	3697	3908	34896
	2006	3937	3805	3662	2779	2634	2288	2724	2884	2666	3603	4217	4241	39440
	2007	3612	3208	3088	2293	2342	2602	2982	2642	2419	2684	2833	2987	33692
Serbia + Montenegro	2005	2891	2655	2622	1944	1574	1687	1876	1939	2087	2444	2868	2881	27468
	2006	2826	2660	2609	2044	1781	1861	2088	2083	2189	2562	2934	3118	28755
	2007	2986	2429	2438	2224	2294	2218	2124	2152	2039	2767	2821	3179	29671

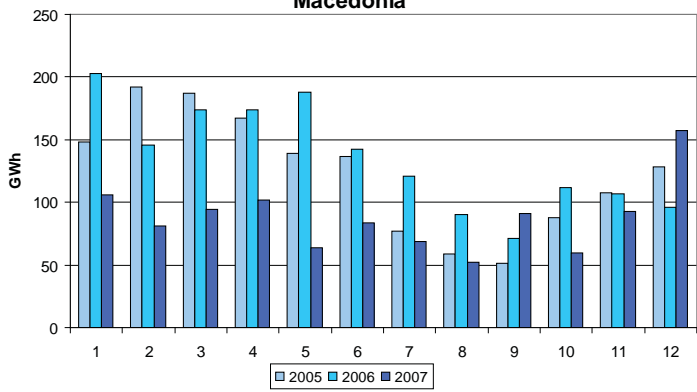


Hydro electricity generation (In GWh)

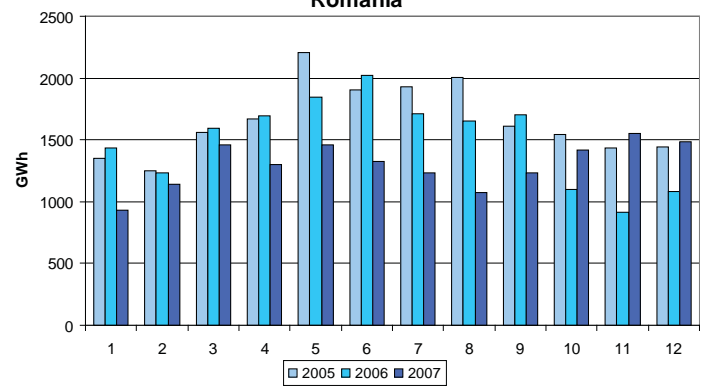
	month	1	2	3	4	5	6	7	8	9	10	11	12	Sum
Bosnia and Herzegovina	2005	599	491	670	796	644	374	347	355	317	357	436	612	5998
	2006	799	502	670	827	638	366	367	297	358	385	348	300	5857
	2007	283	290	383	469	280	259	273	237	226	290	495	516	4001
Bulgaria	2005	393	423	541	404	550	568	292	336	247	237	260	413	4664
	2006	584	350	515	606	430	486	305	252	212	218	300	239	4497
	2007	169	144	227	221	437	419	0	0	0	229	231	369	2446
Croatia	2005	686	474	609	687	595	378	404	381	397	537	486	765	6399
	2006	793	578	695	730	662	470	364	341	366	386	360	337	6082
	2007	369	385	534	427	348	271	316	254	259	312	380	506	4361
Greece	2005	455	480	802	564	517	404	454	456	302	323	402	503	5662
	2006	939	543	936	667	643	419	413	491	328	315	368	387	6449
	2007	313	238	193	208	283	336	523	315	185	179	278	316	3367
Macedonia	2005	148	192	187	167	139	137	77	59	51	88	108	128	1481
	2006	203	146	174	174	188	142	121	90	71	112	107	96	1624
	2007	106	81	94	102	64	84	69	52	91	60	93	157	1053
Romania	2005	1350	1250	1560	1666	2204	1906	1932	2009	1613	1541	1434	1443	19908
	2006	1432	1235	1597	1693	1842	2018	1710	1654	1701	1103	913	1084	17982
	2007	933	1141	1460	1298	1462	1322	1237	1072	1236	1417	1556	1488	15622
Serbia + Montenegro	2005	1266	1215	1361	1311	1481	1175	991	929	911	981	983	1275	13879
	2006	1458	1216	1533	1228	1369	1217	974	748	693	605	637	816	12494
	2007	859	1097	1277	1024	837	741	712	595	735	770	1225	1330	11202



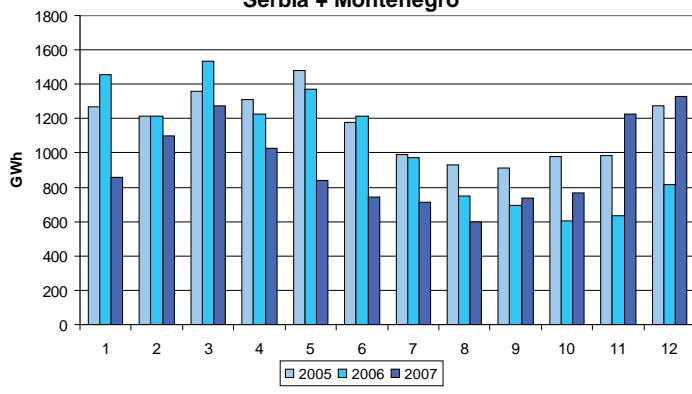
**Monthly hydro generation in 2005/2006/2007
Macedonia**



**Monthly hydro generation in 2005/2006/2007
Romania**



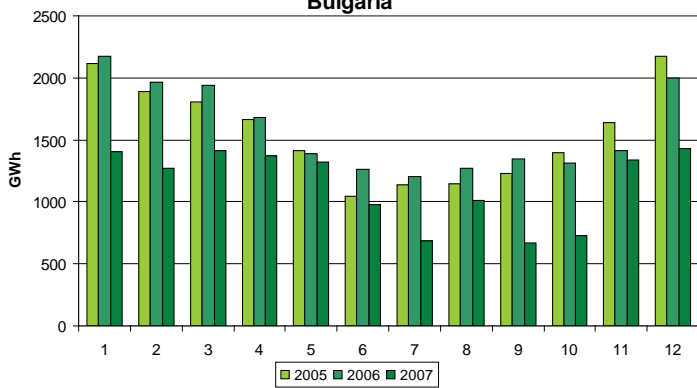
**Monthly hydro generation in 2005/2006/2007
Serbia + Montenegro**



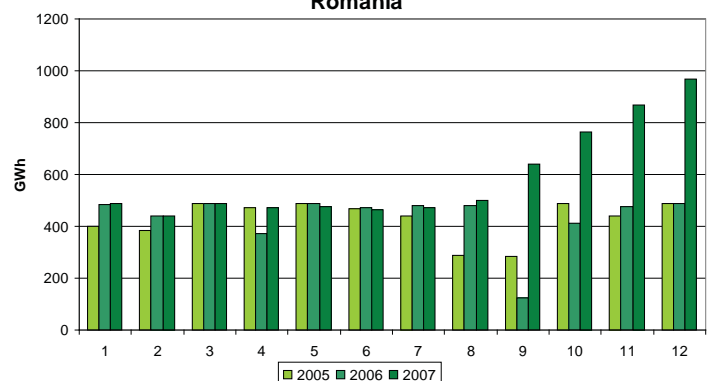
Nuclear electricity generation (In GWh)

	month	1	2	3	4	5	6	7	8	9	10	11	12	Sum
Bulgaria	2005	2116	1889	1804	1664	1416	1049	1141	1146	1225	1398	1635	2173	18656
	2006	2178	1967	1937	1677	1389	1266	1207	1272	1343	1313	1411	1997	18957
	2007	1405	1271	1409	1369	1319	977	687	1013	671	727	1336	1429	13613
Romania	2005	402	383	487	474	487	468	440	289	283	490	440	489	5132
	2006	486	440	487	372	489	471	479	479	124	413	475	489	5204
	2007	489	442	488	474	478	463	473	502	639	766	870	969	7053

**Monthly nuclear generation in 2005/2006/2007
Bulgaria**

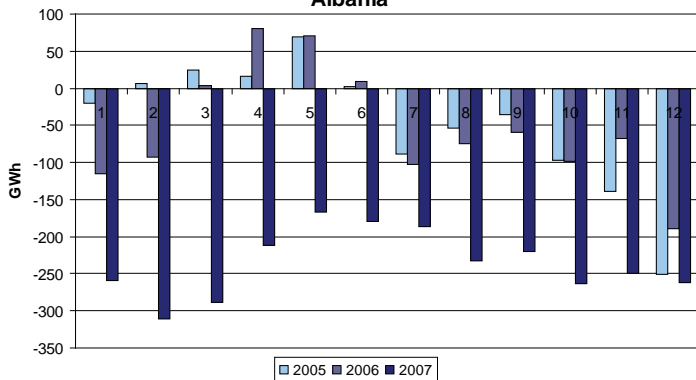
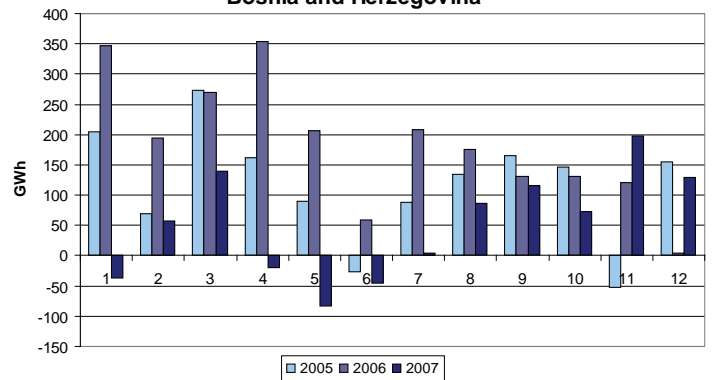
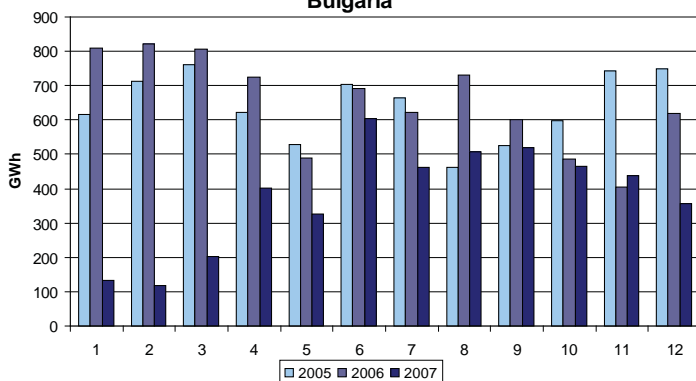
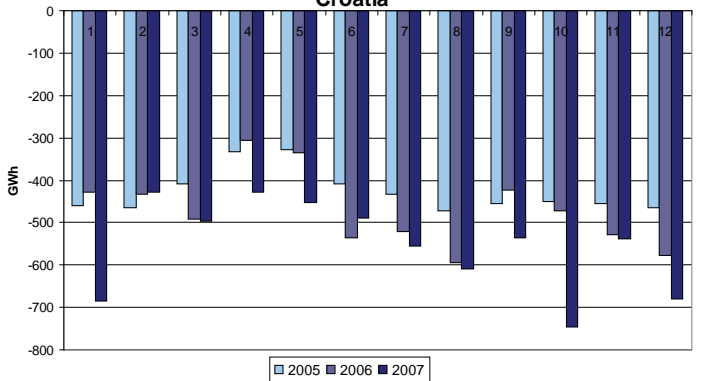


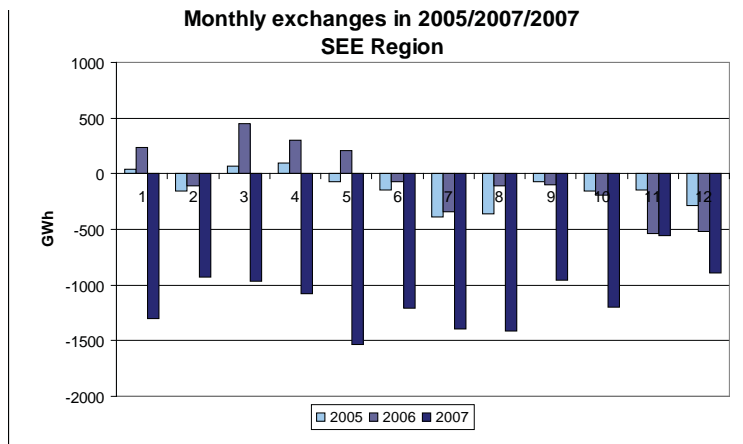
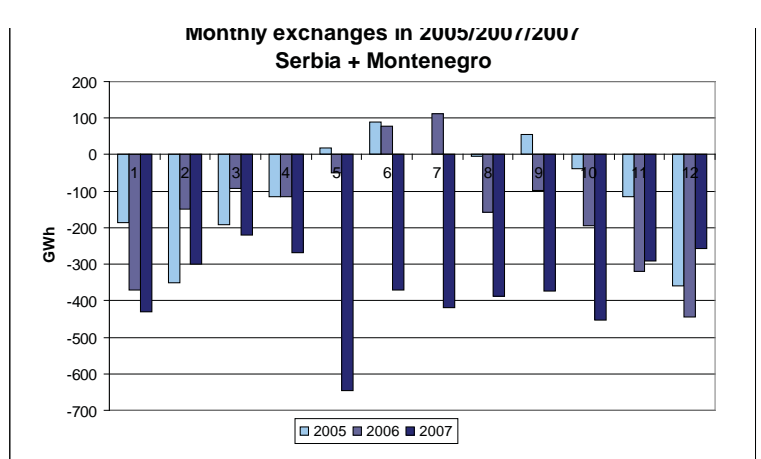
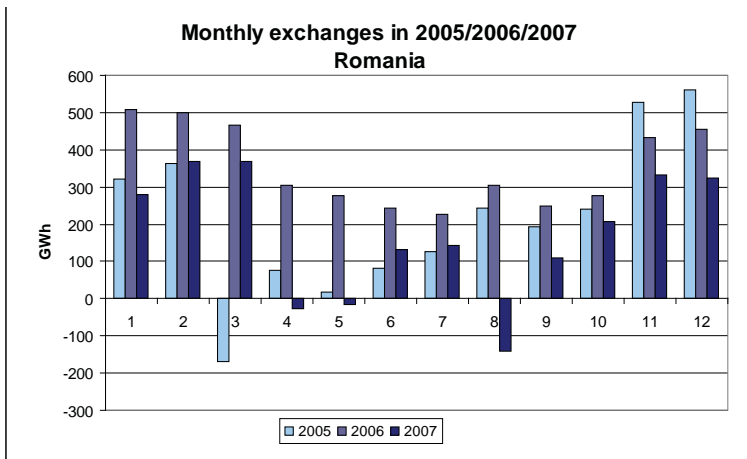
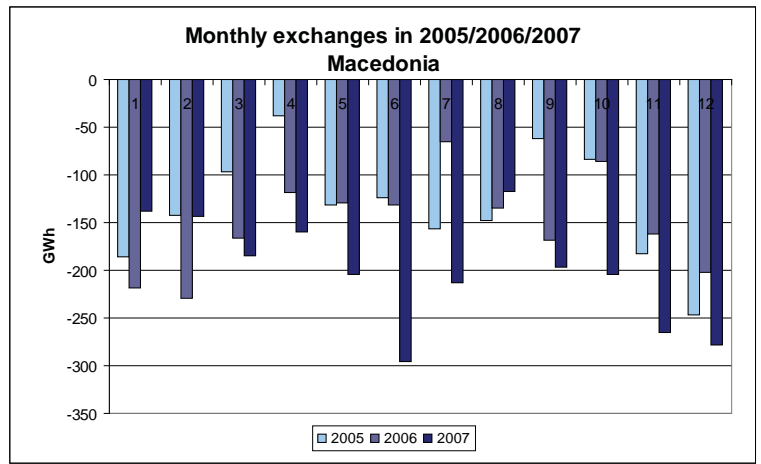
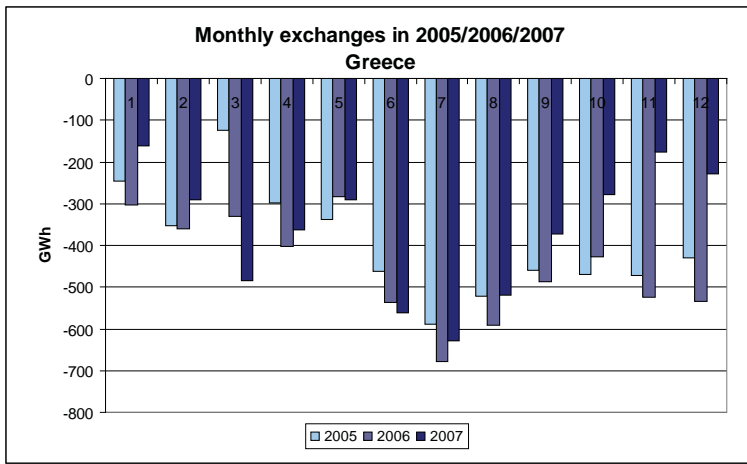
**Monthly nuclear generation in 2005/2006/2007
Romania**



Export-import balances (In GWh)

	month	1	2	3	4	5	6	7	8	9	10	11	12	Sum
Albania	2005	-20	6	25	16	69	2	-88	-54	-36	-97	-139	-251	-567
	2006	-115	-93	3	80	71	9	-103	-74	-60	-98	-68	-189	-637
	2007	-259	-311	-289	-211	-167	-179	-186	-233	-220	-263	-250	-262	-2830
Bosnia and Herzegovina	2005	205	69	274	162	90	-27	89	135	165	146	-52	155	1411
	2006	347	195	269	353	207	59	208	175	131	131	121	4	2200
	2007	-37	58	139	-19	-83	-46	4	86	116	73	198	129	618
Bulgaria	2005	617	713	761	621	530	703	663	461	524	597	744	749	7683
	2006	808	820	806	725	490	693	623	730	601	487	404	619	7806
	2007	134	118	203	401	327	605	461	508	518	464	438	356	4533
Croatia	2005	-459	-464	-409	-332	-328	-409	-433	-471	-456	-449	-456	-466	-5132
	2006	-429	-432	-491	-305	-335	-535	-521	-595	-423	-471	-529	-577	-5643
	2007	-684	-429	-496	-427	-452	-489	-555	-608	-537	-745	-538	-679	-6639
Greece	2005	-247	-352	-124	-298	-337	-461	-589	-522	-459	-469	-471	-430	-4759
	2006	-304	-361	-330	-402	-284	-536	-679	-592	-486	-428	-524	-534	-5460
	2007	-162	-290	-485	-362	-291	-562	-629	-519	-372	-278	-177	-228	-4355
Macedonia	2005	-186	-142	-97	-38	-131	-124	-157	-148	-62	-84	-183	-247	-1599
	2006	-219	-229	-166	-119	-129	-132	-65	-135	-169	-86	-162	-202	-1813
	2007	-138	-144	-185	-160	-204	-296	-213	-117	-197	-204	-265	-278	-2401
Romania	2005	321	363	-170	76	17	81	125	244	192	241	527	562	2579
	2006	508	500	467	305	278	244	228	306	248	278	434	456	4252
	2007	279	370	370	-28	-15	131	144	-141	109	206	333	323	2081
Serbia + Montenegro	2005	-186	-350	-191	-114	19	88	0	-5	56	-38	-114	-360	-1195
	2006	-371	-150	-92	-116	-51	78	112	-159	-99	-196	-320	-444	-1808
	2007	-430	-299	-221	-268	-645	-372	-418	-389	-374	-452	-291	-256	-4415
SEE Region	2005	45	-157	69	93	-71	-147	-390	-360	-76	-153	-144	-288	-1579
	2006	238	-108	454	305	207	-70	-340	-106	-101	-188	-538	-521	-768
	2007	-1297	-927	-964	-1074	-1530	-1208	-1392	-1413	-957	-1199	-552	-895	-13408

Monthly exchanges in 2005/2006/2007
AlbaniaMonthly exchanges in 2005/2006/2007
Bosnia and HerzegovinaMonthly exchanges in 2005/2006/2007
BulgariaMonthly exchanges in 2005/2006/2007
Croatia

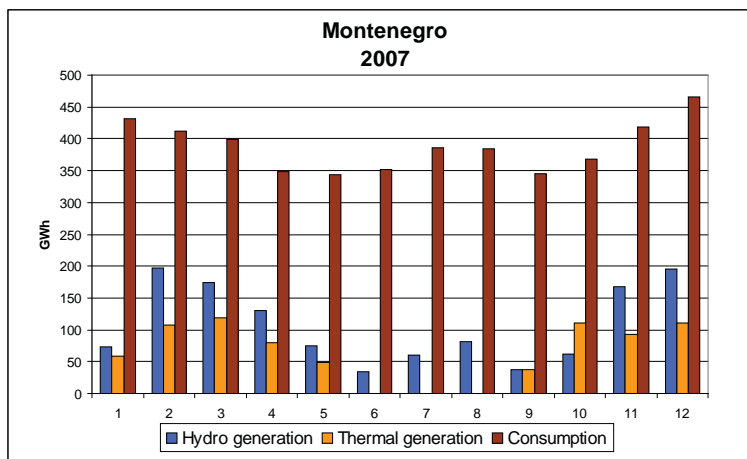
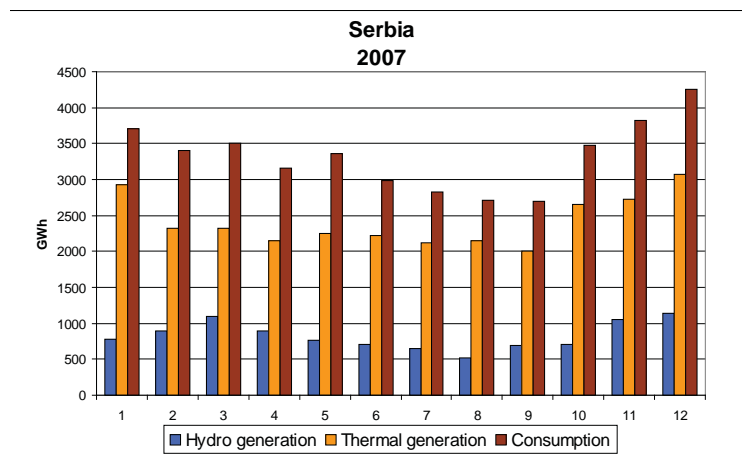


Serbia (2007, in GWh)

	1	2	3	4	5	6	7	8	9	10	11	12	Sum
Consumption	3711	3405	3505	3156	3359	2984	2826	2712	2697	3477	3820	4255	39907
Pump consumption	134	10	32	12	73	59	42	57	106	144	99	44	812
Thermal generation	2927	2322	2319	2145	2245	2218	2124	2152	2002	2656	2728	3068	28906
Hydro generation	785	900	1103	893	762	706	651	513	697	708	1057	1135	9910
Total generation	3712	3222	3422	3038	3007	2924	2775	2665	2699	3364	3785	4203	38816
Export	-133	-193	-115	-130	-425	-56	-93	-86	-104	-257	-134	-96	-1822

Montenegro (2007, in GWh)

	1	2	3	4	5	6	7	8	9	10	11	12	Sum
Consumption	432	412	399	348	344	351	386	385	345	368	418	466	4654
Thermal generation	59	107	119	79	49	0	0	0	37	111	93	111	765
Hydro generation	74	197	174	131	75	35	61	82	38	62	168	195	1292
Total generation	133	304	293	210	124	35	61	82	75	173	261	306	2057
Export	-297	-106	-106	-138	-220	-316	-325	-303	-270	-195	-157	-160	-2593



News:

Slovenia to join South stream project (Region)

Chairperson of the management board of Gazprom Aleksey Miller visited Slovenia in mid April. Miller and Slovenian president Danilo Tirk and Prime Minister Janez Jansa talked about the cooperation in natural gas sector. The most important topic of the meeting was Slovenia's potential participation in the South stream natural gas project.

In January, Gazprom signed contracts with Bulgaria and Serbia regarding the construction of South stream pipeline. The pipeline will run from Russia toward Bulgaria under Black Sea, and it should split in two directions, across Serbia and Hungary and across Greece toward Italy. The capacity of the pipeline should be 30 billion cbm per year and the pipeline should be built by 2012.

According to some Russian media, by involving the Slovenia in the project, the South stream pipeline could bypass Austria. The alternative route could also include Croatia, Russian news sources said.

In the same time, the cooperation of Gazprom with Slovenia is seen as a good opportunity for Croatia to join the South stream pipeline, Croatia media reported. The local media reminded that Croatia had a chance to join the project a year ago, when Russia invited Croatia to enter the project. At the time, the government of Croatia supported Nabucco natural gas project.

§ § §

Hristo Kovachki to build power plant in Serbia (Region)

Bulgarian tycoon Hristo Kovachki plans to build 600 MW coal fired power plant in neighboring Serbia, Bulgarian media reported. The thermal power plant (TPP) should be build near the Kovin coalmine, which has minimum 250 million tons of estimated coal reserves.

The cost of the project is estimated at 1 billion euros, and the construction works should last up to five years. Media reported that Kovachki is near acquiring necessary permits for the project.

Kovachki bought the Kovin coalmine for 17 million euros in auction in April last year. He outbid EFT, Rundap and Montera. By purchasing the coalmine, Kovachki acquired a license for exploitation of five million tons of coal.

§ § §

MOL calls for political support for Nabucco project (Region)

Hungarian MOL called for establishment of political body that should provide political support in order to speed up Nabucco pipeline gas project. MOL sent this proposal to the Managing committee of Nabucco Gas Pipeline International GmbH, which took place on March 27, 2007.

The body should include representatives of member companies, EU and Azerbaijan. It should help decision making in EU and it should harmonize political involvement in the project. The future body should also ease acquiring the necessary permits and exemptions, MOL said.

The Nabucco project, carried out by MOL, Transgaz (Romania), OMV (Austria), Botas (Turkey), Bulgargaz (Bulgaria), and since recently RWE (Germany), is aimed to transport natural gas from Caspian region to Europe by avoiding Russia. According to plans, the construction works should start in 2009, and the pipeline should be operational in 2013.

§ § §

Interstate meeting over PEOP delayed once again (Region)

According to sources close to the Interstate committee for Pan European oil pipeline (PEOP) and quoted by Serbian press, the committee meeting was delayed once again in short period of time. The meeting, which should have taken place on April 14-18, should be delayed for one week at the request of Croatia

Originally, ministerial meeting should have taken place in the end of March in Bucharest, but it was delayed until April 14, due to NATO summit that took place in Bucharest in the beginning of April. At the time, Romanian media reported that the meeting was delayed at the request of Serbia due to political problems, but this was denied by the Serbian energy minister.

According to earlier announcements, the member countries, Italy, Croatia, Serbia, Slovenia and Romania, should sign an agreement for establishment of joint company that will develop the pipeline.

The shareholders in the future company will be authorized companies from Romania, Croatia and Serbia, which should be later joined by the companies from Italy and Slovenia.

In the last year in Zagreb, the abovementioned countries signed a ministerial declaration, by which those countries and EU gave political support to the PEOP project.

§ § §

Italian politician in favor of construction of NPPs in Albania and Montenegro (Albania)

According to Italian paper Sole 24 Ore, Italy could be interested in construction of nuclear power plants (NPPs) in the neigh-

boring Adriatic countries, such as Montenegro and Albania, in order to reduce electricity shortage in medium term.

This was said by Giulio Tremonti who is the most likely future minister of economy, having in mind that coalition of Silvio Berlusconi won parliamentary elections on April 13-14.

According to Tremonti, the latest information shows that Montenegro and Albania are open for joint construction of NPPs, which is also supported by current geopolitical situation. He also said that Italy could offer financial and technical help and expertise in these projects.

In 1987, Italy voted in referendum moratorium for construction of NPPs in the country.

The environmental organizations and energy experts in Montenegro immediately responded saying that construction of NPPs should not be allowed due to high risks. In the same time, approved Strategy of energy development did not envisage construction of NPPs in Montenegro, they said.

§ § §

Tender for KESH expected this month (Albania)

According to Ministry for Economy and Energy, tender for privatization of OSSH, distribution unit of KESH, will be announced in April. OSSH will be sold through open international tender. It has been decided that majority part of OSSH will be offered, between 51 and 76%. Remaining shares will be offered to employees (with more than 5 years within the company) and to land owners who will be expropriated for the purpose of privatization. OSSH is first division of KESH that will be sold in government plan of privatization of KESH. Deadline is expected to be in July.

In January 2007, Albania hired the International Finance Corporation to prepare a plan for the restructuring of OSSH.

§ § §

Republic of Srpska considering abandoning construction of HPP Dubrovnik II (Bosnia and Herzegovina)

Prime Minister of Republic of Srpska (RS) Milorad Dodik announced that RS could abandon joint project with Croatia for construction of hydropower plant (HPP) Dubrovnik II because of Croatia's disapproval of any proposals coming from RS.

In the same time, PM announced that RS could initiate alternative project with Montenegro for construction of HPP Boka. The government of Montenegro initiated studies for this HPP in the last year. If this happens, RS should build tunnels toward Herceg Novi, which would transport additional amounts of unused water toward future HPP.

Dodik also repeated that RS wants to solve open questions with Croatia, especially 100 million euros of debts of Croatia

toward RS. PM explained that debts have been accumulated since 1990s, when Croatia started to use 50 % of electricity in HPP Dubrovnik 1 instead of 30 %, which is the amount the Croatia was originally entitled to.

Recently, the officials from HPP Trebinje, which is the part of Mixed holding of Power utility of Republic of Srpska (ERS), said that HEP has stolen some 180 million euros in the last 14 years through long-term cooperation agreement.

ERS claims it was entitled to 78 % of electricity produced in the hydropower system comprised of HPP Trebinje and HPP Dubrovnik. The HPPs are located downstream from Lake of Bileca (in RS). The aforementioned ratio was set in accordance to invested funds in related energy projects. In November 1994, HEP unilaterally changed system for distribution of electricity. Since that time, HEP has illegitimately taken over some 3.37 TWh of electricity, officials from HPP Trebinje said.

§ § §

ERS and Inter RAO signed cooperation protocol (Bosnia and Herzegovina)

On April 15 in Banja Luka, Power utility of Republic of Srpska (ERS) and Russian Inter RAO signed cooperation protocol. The agreement was signed just a day after Russian company signed similar protocol with Power utility of Serbia (EPS).

According to protocol, ERS and Russians should define the projects of interests in the period of two months. The protocol defined the principles of cooperation between two companies. The cooperation will imply exchange of information on strategic projects, joint construction of power facilities and joint projects in third countries.

General Manager of ERS, Branislava Milekic said the protocol is actually the agreement, which should be signed after Supervision Board, government of RS and Shareholders' assembly approved it.

General Manager of Inter RAO, Jevgenij Dod, after reminding that they signed similar protocol with EPS, confirmed that Inter RAO would also reconsider investments in joint projects developed by ERS and EPS.

§ § §

Brod refinery to start oil production in July (Bosnia and Herzegovina)

Technical director of the Oil refinery in Brod, Jovan Dobric, announced that refinery would start oil production on July 1. By that time, the renewal of oil processing line with 1.2 million tons of output should be completed.

Dobric confirmed that the renewal was going in accordance to plans. The oil derivatives should be produced in accordance to EU standards, which should enable sales on European markets. The cost of the renewal should reach 40 million euros.

The first amounts of crude oil should be delivered to Brod in June and the crude oil should be delivered from Russia through Adriatic pipeline.

The oil refinery is owned by Russian oil company Nefte-GazInkor, after Russians signed contract for privatization oil companies in Republic of Srpska in the last year.

§ § §

German EnBW visited EP BiH (Bosnia and Herzegovina)

In the beginning of April, German power company Energy Baden – Wurttemberg (EnBW), led by Herman Luschen, the senior vice president of the EnBW for foreign affairs, had a meeting with general manager of Power utility of Bosnia and Herzegovina (EP BiH) Amer Jerlagic.

The meeting was related to future joint investments in energy sector. Two parties particularly discussed potential cooperation in construction of unit 7 in thermal power plant (TPP) Tuzla, TPP and coalmine in Bugojno and construction of hydro-power plant (HPP) Unac. EnBW expressed its satisfaction with the preparations carried out by EP BiH in these projects.

EnBW, accompanied with deputy ambassador of Germany Tilman Enders, also had a meeting with the chairperson of the Presidency of BiH Haris Silajdzic. According to the statement issued by the cabinet of the Presidency, EnBW is ready to start partnership with EP BiH.

In the last year, EnBW, along with APET Group and KazTrans-Gaz, was selected in the preliminary tender for selection of strategic partners in the large-scale projects for construction of eight new power plants.

§ § §

Parliament approved Strategy for development of energy sector (Bosnia and Herzegovina)

The draft Strategy of development of energy sector in Federation of Bosnia and Herzegovina (BiH) was approved by the federal parliament in the first half of April. MPs decided that public and experts' debates over this document should take place during next two months.

The Draft described current situation in energy sector and proposed plans for development of coal, natural gas and electricity sectors. The document should determine needs and potentials of development of entire energy sector in BiH; it should restart stalled investments and provide conditions for sustainable development.

According to MPs, the main problems in energy sector in the country are lack of joint energy strategy, lack of related legislation on state level and lack of joint energy balance sheet of the country.

§ § §

Potential construction of 150 MW wind farm near Bosanski Petrovac (Bosnia and Herzegovina)

Ministry of economy of Unsko-sanski canton should present the information regarding the plans for construction of wind farm in Bosanski Petrovac municipality, on the site called Medno polje.

The interest for the project was expressed by one German company that plans to build 50 wind generators with power output of 3 MW each on five different locations. The local officials gave their approval for granting the land concessions for the project. The cost of the project is estimated at some 250 million euros.

The wind power projects should be excellent source of income for Bosanski Petrovac, which is one of the most undeveloped municipalities in the canton.

§ § §

EP BiH to sell electricity on regional power exchanges (Bosnia and Herzegovina)

Power utility of Bosnia and Herzegovina (EP BiH) plans to sell electricity on power exchanges in the region. This should be new model of operation and new step in electricity trade for the company, general manager of EP BiH Amer Jerlagic said in an interview to local paper.

EP BiH should educate number of experts, which will be involved in electricity trade on power exchanges in the region, such as in Slovenia and Hungary. In 2000, the company established wholesale electricity trade department, with an idea to sell electricity on power exchanges, but the department was closed soon after due to lack of understanding, Jerlagic said.

Starting from 2006, the department was renewed and the company has been earning some 1.5 million euros through short-term electricity sales.

§ § §

EP HZHB started pilot project for remote management of electricity consumption (Bosnia and Herzegovina)

Power utility of Herceg Bosnia (EP HZHB) started a pilot project called Remote reading and management of electricity consumption through PLC communication.

The new system should enable automatic reading of electricity meters, remote disconnections and connections, monitoring of quality of supply and detection of abuse of electricity meters. The system should also enable customers to check their consumption over internet.

Study of energy sector presented, 6 billion euros of investments needed (Bosnia and Herzegovina)

The consortium of Energy institute Hrvoje Pozar (Zagreb), Faculty of economics (Banja Luka), Faculty of geology (Tuzla) and Solucionera (Spain) have presented a Study of energy sector of Bosnia and Herzegovina (BiH).

Study showed that foundation of energy sector in BiH could be domestic sources and that BiH could keep its position of regional electricity exporter in the future. This was said by the minister of foreign trade and economic affairs of BiH Slobodan Puhalic.

The Study gave the projection of development of energy sector until 2020 and the list of priority projects in order to integrate BiH into energy community and EU. Study evaluated energy reserves, production, consumption, electricity trade, restructuring of energy sector, energy savings and renewable energy sources. The required investments are estimated at 6 billion euros. Puhalic believes that energy sector will boost overall economic development of the country.

Director of Hrvoje Pozar said the study was the most comprehensive study ever done in the entire region. He said that strategy of energy development of the state should not be only the sum of independent energy projects in particular entities of the country. The main issue for BiH is to establish joint energy market, to harmonize laws within the country and with EU. According to director, analyses showed that coal reserves of BiH are higher than country's needs, but the better option would be to export electricity instead to export coal.

The study was prepared in the end of March and it was funded by Power utility of BiH (EP BiH), Power utility of Herceg Bosnia (EP HZHB), and Power utility of Republic of Srpska (ERS) through the loan of World Bank. The cost of the study was 750,000 euros.

Directors of all of three power companies said their companies took active part in making the study. They said they had had many remarks regarding the strategy and they expected it would be incorporated in the final version of the study.

§ § §

TPP Gacko met production target (Bosnia and Herzegovina)

In period January-March, thermal power plant (TPP) Gacko produced 437 GWh of electricity, which was slightly higher than planned.

In March, due to high water inflows and higher production in hydropower plants (HPPs), TPP Gacko produced 135.27 GWh or 10 % lower than planned, director of the TPP said.

§ § §

EP BiH prepares for construction of new power plants (Bosnia and Herzegovina)

Power utility of Bosnia and Herzegovina (EP BiH) announced it would start preparations for construction of new power plants. Those power plants are hydropower plants (HPPs) Ustikolina (3 x 22 MW), Vranduk (21 MW), Vrilo (42 MW) and Unac (2 x 36 MW) and thermal power plants (TPPs), Tuzla (370 MW), Bugojno (350 MW) and Kakanj (250 MW).

The company prepared programs for construction works, which should be analyzed and most likely approved during the next meeting of Supervision board. The overall funds needed for abovementioned preparations during 2008 are estimated at 8.3 million euros. Out of that amount, 3.5 million euros will be allocated for HPPs and the rest of 4.8 million euros for TPPs.

The preparations for construction of six new power plants were initiated by the general manager of EP BiH Amer Jerlagic. The aims of the programs are to define preparation works, financial and personnel resources and to determine the deadlines for putting the particular plants in operations.

According to current estimations, the construction of HPP Vranduk could start in 15 months, while HPP could be built in four years. The respective periods for HPP Ustikolina are 16 months and five years, and for HPP Unac 21 months and five years. As for TPPs, the preparations for construction of TPP Tuzla and TPP Kakanj could be finished in 2010. The same task for TPP and coalmine Bugojno could be finished in 2011, Jerlagic believes.

Commenting the latest decision of the parliament regarding the start of public and experts' debates over the Strategy of development in energy sector, Jerlagic said there would be no significant changes compared to original plans.

By construction of new plants, EP BiH would try to increase power output in HPPs and to improve unfavorable ratio of output in HPPs and TPPs. In this moment, some 70 % of overall electricity in the country is produced in TPPs, while some 75 % of installed power output in also in TPPs.

In the same time, several thermal units should be decommissioned so that 370 MW replacement capacity would be built in TPP Tuzla (instead of two 32 MW units and one 100 MW and one 200 MW unit). In TPP Kakanj, the new 250 MW unit should replace four 32 MW units and one 110 MW unit.

In, November last year, the government of Federation of BiH selected Austrian APET Group, German EnBW and KazTransGas from Kazakhstan to be the strategic partners in aforementioned projects. APET Group should be involved in construction and operation of HPPs Ustikolina, Vranduk and Vrilo and TPP Kongora (2x275 MW) (to be built by Power utility of Herceg Bosnia). EnBW should be involved in construction and operation of unit 7 in TPP Tuzla MW, TPP Bugojno and HPP Unac. The KazTransGas should be strategic partner in project for construction of TPP Kakanj. The cost of all projects is estimated at some 3.5 billion euros.

The entire procedure for selection of strategic partners was postponed in February this year. The parliament decided that the government should perform additional analyses and studies related to the projects

§ § §

Republic of Srpska could withdraw from joint electricity transmission company (Bosnia and Herzegovina)

Prime Minister of Republic of Srpska (RS) Milorad Dodik announced that RS could withdraw from the Elektroprenos, a national electricity transmission company, due to discontent with company's operation.

Dodik said that management of Elektroprenos has been continuously approving decisions against the interests of RS and against employees from RS. If the situation was not approved in short time, RS could reconsider to establish its own transmission company, he said.

Two years ago, governments of two entities, i.e. government of Federation of Bosnia and Herzegovina (BiH) and RS established Elektroprenos, where Federation of BiH owns 51 % of the company, and RS the rest.

Despite the fact the company was founded two years ago, the first shareholders assembly was held on February 13 this year. The assembly elected prime minister of Federation of BiH Nezdad Brankovic to be the chairperson of the assembly.

Recently, Brankovic and Dodik announced that new shareholders' assembly should take place in mid April in order to adopt new principles of operation and the management in the company.

§ § §

Petrol posted 11.8 million euros of losses in 2007 (Bulgaria)

The financial audit of the largest oil distributor in Bulgaria, Petrol, showed that company posted 11.8 million euros of losses in 2007. Preliminary financial reported showed some 5 million euros of profit.

In 2007, consolidated income reached 418 million euros, comparing to 417 million euros posted in 2006. Overall expenses reached 431 million euros (+4.7 %).

§ § §

Unit 3 in TPP Maritsa Iztok 3 put in service (Bulgaria)

In the beginning of April, the management of the thermal power plant (TPP) Enel-Maritsa Iztok 3 confirmed that renewal of unit 3 was completed a month and a half before the dead-

line. The renewal included installation of new Flue Gas Desulfurization (FGD) unit.

In this moment, TPP operates with three units and with two FGD units, which reduces emission of sulfur dioxide into the atmosphere by 94 %.

During the renewal, which was carried by consortium Enel and E&Z, the boiler and the turbine were refurbished and modernized.

The owner of the TPP, Italian Enel, said that power output of three revitalized units was increased from 210 MW up to 227 MW. In the same time, on March 10, unit 4 was disconnected from power grid in order to start the capital overhaul. This unit should be operational by the end of the year.

TPP Maritsa Iztok 3 is the first lignite-fired TPP in Bulgaria and Southeastern Europe that has been operating in accordance to EU environmental standards, Enel said.

According to earlier statement of Enel in March, the company has invested 160 million euros for environmental projects so far, while overall cost of the renewal of 840 MW plant should reach 600 million euros.

§ § §

Court officially approved canceling the sale of TPP Bobov Dol to PPC (Bulgaria)

In the beginning of April, the five-judge panel of the Bulgaria's Supreme administrative court (SAC) issued a verdict that approved the decision of Privatization agency (PA) to cancel the sale of thermal power plant (TPP) Bobov Dol to Greece's Public power corporation (PPC).

PPC earlier filed an appeal after three-judge panel of SAC decided that environmental permits for the plant were the main condition for reaching the sale agreement. According to court's opinion, the buyer of the power plant was informed about EU environmental directives and allowable greenhouse gas emissions.

PA said that PPC refused to sign the contract, which obliged PPC to comply with ecological laws.

Problems in the tender for sale of TPP Bobov Dol (3x210 MW) have lasted since 2005, when PA cancelled tender due to low offered prices submitted by PPC and Italian Enel. The first ranked bidder, PPC, who offered 105 million euros for 100 % shares in the TPP, immediately filed an appeal and, in the beginning of 2006, five-judge panel of SAC ruled out that PPC is eligible to continue privatization procedure.

The problems occurred again after PA demanded from PPC to buy coal from the local coalmines, which has high percentage of sulfur. In addition, PA demanded from PPC to obey environmental permits according to which the TPP, with current units and without required upgrades, is allowed to operate only until 2014. As a reminder, unit 2 in TPP was already shutdown on

January 1 for this reason, while two remaining units should be shutdown in 2010 and 2014, respectively.

Due to demands of PA, PPC said it would be forced to make high investments for environmental protection or not to buy coal from local coalmines.

In mid March, PA announced new auction sale of TPP Bobov Dol, despite the fact that PPC's court case was in progress. In the beginning of April, PPC said it could challenge the sale process both in Bulgarian court and in EU.

According to Bulgarian media, the latest auction procedure is believed to be written only for local tycoon Hristo Kovachki, since only large international companies and his company in Bulgaria could meet the tender criteria. Kovachki owns coalmines in Cherno More, Beli Breg, Choukourovo, Pernik and Bobov Dol

The initial price for sale of TPP Bobov Dol was set at 51 million euros. The eligible bidders are electricity producers with 5 TWh annual sales and local coal producers with 1.25 million tons of annual sales. Kovachki plans to build two 200 MW units in TPP Bobov Dol if he wins an auction.

§ § §

NPP Kozloduy produced 4.5 TWh of electricity (Bulgaria)

Nuclear power plant (NPP) Kozloduy produced some 4.5 TWh of electricity during the first quarter of the year, which was 6.5 % higher than planned. The electricity delivered to the customers amounted to 4.25 TWh (+6.7 %), out of which, 2.95 TWh was delivered to tariff customers in Bulgaria.

During the same period, the remaining units in the NPP, the units 5 and 6 (1,000 MW each), operated at full power.

§ § §

E.ON to launch large-scale disconnections of non-paying customers (Bulgaria)

E.ON announced it should initiate large-scale disconnections of non-paying customers in April. According to E.ON, one third of households' customers in northeastern Bulgaria and in city of Varna do not pay electricity bills on time. In the same time, some 50 % of E.ON's customers have at least two unpaid monthly bills.

E.ON is the owner of electricity distributors in cities of Varna, Gorna Oryahovitsa, Ruse, Shumen, Trgovishte, Dobrich, Razgrad and Silistar.

§ § §

CEZ to start quarterly reading of electricity meters (Bulgaria)

CEZ Bulgaria announced that quarterly reading of electricity meters for households' customers and companies would start in May. The electricity meters of the companies connected to mid-voltage grid will be read each month, as before.

The new method implies that during the first two months of the particular quarter, the customers will pay two equal bills, in accordance to category and season. In the third months of the quarter, the electricity meters will be read by the CEZ.

The electricity bill in the third month will be the difference between electricity bill for three-month period and already paid amount during the first two months. In case if the sum of the payments in the first two months is higher than overall three-month bill, the difference will be subtracted from the next monthly bill or, a customer could request a refund. The electricity bills should be paid each month, CEZ reminded all customers.

The new customers will be obliged to contract the amount of the monthly electricity consumption or it should pay the amount set by CEZ until the first reading of electricity meters took place

In the end of February, electricity distributors CEZ, E.ON and EVN announced it should start quarterly reading of electricity meters. E.ON and EVN should start to apply new method by September, local press reported. The main reason for applying new method is cost reduction.

The national power regulator explained that new reading method would not cause additional costs for the customers. The regulator said this after several polls showed that customers fear the new method will result in higher electricity bills.

§ § §

6.3 million tons of coal produced in Maritsa Iztok mines in the first quarter of 2008 (Bulgaria)

Maritsa Iztok mining company confirmed that coal production in the first quarter of this year reached 6.3 million tons, which was 7 % higher than planned and 3.3 % higher compared to the same period last year. Comparing to 2005, the production was even 21 % higher. The management of the company said this year's production result is the highest ever in the first quarter since 2002.

According to plans, the mining company should produce 23 million tons of coal and 98 million cubic meters of overburden during this year.

The overall investment should amount to 43 million euros, which should be 1.5 million euros higher compared to the planned investments in the last year.

Some 3.8 million euros should be invested in the renewal of the oldest mine Trojanovo 1, while investments in Trojanovo-

north and Trojanovo 3 should amount to 13.6 million euros and 9.4 million euros, respectively.

§ § §

NEK started final negotiations with RWE and Electrabel in Belene project (Bulgaria)

National electric company (NEK) has initiated the final negotiations with German RWE and Belgian Electrabel in the tender for acquiring 49 % stake in nuclear power plant (NPP) Belene. Local media, who quoted sources close to the project, published this news in the beginning of April.

According to sources, two candidates should submit detailed offers in the next several weeks. Earlier, ministry of economy of Bulgaria said the deadline for selecting the strategic partner was set at mid-2008.

As a reminder, on March 11, NEK selected German RWE and Belgian Electrabel to enter final stage of the tender. Beside RWE and Electrabel, Italian Enel, Czech CEZ and German E.ON took part in the tender. NEK preserved the right to invite those companies to be the part of the project in case of need.

NPP Belene with two 1,000 MW units should be built by 2014 or 2015. The plant will be built by consortium led by Russian AtomStroyExport, with subcontractors Areva and Siemens. The cost of the project is estimated at up to 6-7 billion euros, and the construction works should start in the second half of the year.

In the second half of March, sources said that RWE was favorite having in mind that Germans were willing to invest 400 million euros in the project immediately. This would enable the start of the project. The offer was considered as favorable having in mind global credit crisis. RWE did not comment these speculations.

On the other hand, local media recently said that decision could be reached in the last minute, implying that Electrabel is still in the game.

It is expected that NEK would select just one investor, while this investor would be allowed to sell part of its stake to potential partners. The media said that RWE established contacts with E.ON, CEZ and Enel regarding this issue. According to some earlier unconfirmed news, RWE and Electrabel also could be interested in the partnership.

The sources said the main criteria for winning the tender would be the cash offer as well as guarantees for providing the immediate funds for the projects.

Sources from NEK said two candidates submitted very different proposals for payment of cash funds, which was related to the project deadlines, decisions of National nuclear regulatory agency (NRA) and performance of the constructor of the plant, the AtomStroyExport. According to Bulgarian laws, NRA must decide on the start of the project in a period of nine months.

Other sources, quoted by local media, said that offers of RWE and Electrabel (owned by French Suez) could bring political benefits for Bulgaria, having in mind country's plans to continue lobbying for restarting units 3 and 4 in NPP Kozloduy. The participation of Germany and France, the two largest nuclear producing countries in Europe and subcontractors Siemens and Areva, is seen as a favorable for Bulgarian plans.

§ § §

Increase in central heating prices on July 1 (Bulgaria)

Starting from July 1, central heating prices in the entire country should be increased due to rise in natural gas prices. This was said by the head of the State Energy and Water Regulatory Commission (SEWRC) Konstantin Shushulov.

Starting from April 1, natural gas prices were increased by 13.25 %, which was considerably lower comparing to the request of national gas supplier Bulgargaz.

Shushulov did not comment the potential rise in prices, yet he said that the recent request of Plovdiv heating company, owned by Austrian EVN, for 19 % increase in prices, was too high.

EVN demanded increase in heating price from 35.3 euros/MWh of heat energy up to 42 euros/MWh. The company also demanded increase in price of electricity produced in combined power plants, from 52.3 euros/MWh up to 70 euros/MWh. The electricity is purchased by National electric company (NEK).

§ § §

Sofia heating company expects business loss in this year (Bulgaria)

The head of Sofia heating company, the Toplofikacija, Petko Milevski said that heating prices should be adjusted in accordance to changes in natural gas prices. It implies that heating prices should be adjusted quarterly instead of once a year. If this is not the case, the heating companies will not be able to cover the expenses. Milevski said this during the presentation of company's business plan.

The company believes that new heating prices should rise by 15 % having in mind the rise in natural gas prices of 21 % in the last three months. The price of natural gas makes some 72 % of company's overall expenses. According to company's calculations, the cost of production of one MWh of heating energy is some 37 euros, while the heating price set by SEWRC is 31 euros/MWh (no VAT).

In 2008, the company's incomes should reach 190 million euros, while overall expenses should amount to 213.4 million euros due to inadequate prices. The investments should reach 28.5 million euros, where 8.2 million euros will be from company's own funds.

The company, which operates heat plants and combined heat and power plants, plans to produce some 1 TWh of electricity and to increase heat energy production this year.

The company has serious problems with collection rate and customers' debts. The latest analysis showed that debts of the customers amounted to 130 million euros and collection rate of heating bills is only 52 %, and it is further declining. The low collection rate, among other things, is the consequence of the embezzlements of former head of the company, Valentin Dimitrov, which brought company almost to bankruptcy, Milevski believes.

The company called for changes in the laws in order to facilitate recovering the debts from the customers. Milevski said that company managed to pay only 100 million euros out of 230 million euros owed to natural gas supplier Bulgargaz.

§ § §

Government to launch a tender for hydropower project Gorna Arda (Bulgaria)

Minister of regional development, Asen Gagauzov believes that construction of hydropower cascade Gorna Arda is necessity for Bulgaria. According to the minister, the government should launch a tender for construction of the cascade instead of continuing project with Turkish Ceylan Holding.

Hydro Energy Company Gorna Arda (HEK Gorna Arda) is co-owned by National electric company (NEK) (69.9 %) and Turkish company. The project is stalled for seven years due to lack of funds.

The revival of the Gorna Arda project was discussed in the end of March during the visit of Turkish Prime Minister Recep Tayyip Erdogan to Bulgaria.

The Gorna Arda project was initiated in 1998 under power-for-infrastructure cooperation agreement signed by Bulgaria and Turkey. According to agreement, Turkey and Bulgaria were obliged to invest in infrastructure projects. In the same time, Turkey was obliged to import electricity from Bulgaria, while Turkish companies were supposed to take part in infrastructure projects. Bulgaria claimed the project failed due to bankruptcy of Turkish partners. In 2003, Bulgaria selected Enel to be strategic partner in the project, but Enel did not want Ceylan as subcontractor.

In 2007, legal successor of Ceylan, the CG Insaat Sanayi Yatirim Ve Turizm, filed a lawsuit at the International Court of Arbitration in Paris claiming 75 million euros of compensation from NEK saying the NEK failed to carry on with the Gorna Arda project and tried to include new strategic partner in the project.

According to latest announcements, the dispute between Bulgaria and Turkey could be solved through sale of Turkish part in the project in international tender. Sources said Turkish side proposed this. If this happens, Turkish company could withdraw its compensation request.

The second option could be continuing the project under the Kyoto Protocol. In this case, the government of Bulgaria would have to sign an agreement with some country that has signed agreement for joint implementation. In case of this particular project, the partners could be Germany or Austria, which would finance the project and in return would receive carbon credits. In this case, the cascade would be 100 % owned by NEK.

The power output of the hydropower complex should be 156 MW. The cost of the project is estimated at 200 million euros. So far, Enel, Statkraft, Alpine Bau and CEZ expressed interest for the project.

§ § §

TPP Maritsa Iztok 2 produced 2 TWh of electricity in first quarter of 2008 (Bulgaria)

Thermal power plant (TPP) Maritsa Iztok 2 has produced 2 TWh of electricity during the first quarter of 2008. The amount was 6.9 % higher than planned.

The TPP, with installed power output of 1,450 MW, currently operates at 80 % of maximum power output due to renewal of two units. The renewal should result in increase in power output by 80 MW.

Recently, the company launched a second tender for construction of desulphurization equipment on units 5 and 6 (TPP has eight units). The first tender was cancelled after suspicions that bidders acted in conspiracy in order to increase prices. The installation of the equipment should be finished in 2011.

In the related news, the government of Bulgaria instructed its inspectorate to examine the status of renewal and installation of desulphurization equipment in first four units in the TPP in order to establish the reason for delays. This was confirmed by the deputy minister of economy and energy Yordan Dimov. The inspectorate should also examine the financial position of the company.

The renewal of the first four units has been carried out by Japanese Mitsui. The cost of the project is 226 million euros, and it is funded by Japan Bank for International Development. In November 2007, minister of economy and energy Petar Dimitrov asked from EU to help speeding up the project. At the time, the project was eight months behind the schedule.

§ § §

Enemona established new subsidiary (Bulgaria)

The local energy company Enemona established a new subsidiary, TFETs Nikopol. The new company will be involved in research, construction, engineering activities, electricity and heat production and trade, and renewable energy sources.

Enemona was recently granted license for the construction of 50 MW combined power plant. The electricity output of this

plant will be 15 MW and it will be located near city of Nikopol on Danube River. The project should be completed by 2010, and the overall costs should reach some 50 million euros.

Two years ago, Enemona put in service the first biomass power plant in the country (5 MW power output).

In the last year, the company received a license for start of coal research and exploration near town of Lom. This is considered as the first phase of large-scale project, which will include construction of thermal power plant. The cost of the project is estimated between 750 and 900 million euros.

§ § §

Increase in electricity prices after liberalization of market (Croatia)

Chairperson of the management of Croatian power utility (HEP), Ivan Mravak, said in an interview that rise in electricity prices could be expected in July, when the electricity market is scheduled to be fully liberalized. The percentage of the increase should be two-figure, Mravak said.

The increase is necessary, or otherwise HEP would suffer losses and it would not be able to provide funds for investments. In this moment, Croatia has been importing some 15 % of overall electricity. According to plans, some 2.2 billion euros should be invested in electricity sector until 2015, in order to provide stable electricity supply.

In 2008, investments should reach 440 million euros, where 140 million euros should be provided through loans and bonds, and the rest should be provided through joint venture project, Mravak concluded.

§ § §

INA to start oil exploration in Iran (Croatia)

Croatian oil industry (INA) signed the contract for oil exploration and development of 17 oil fields in Iran. Iranian news agency SHANA reported that contract was signed following tender procedure, which was participated by several respectable international companies.

The abovementioned oil fields are located in Moghan block in northwestern province of Ardebil. The latest contract will be the first ever for INA in Iran.

INA was the third international company that signed similar contract with National Oil Company of Iran (NIOC). NIOC previously signed contracts with Petro Vietnam (in February) and Edison International (in March).

§ § §

INA to pay 20.5 million euros of dividends (Croatia)

The management of Croatian oil industry (INA) submitted a proposal for payment of dividend of 2 euros/share or some 20.5 million euros of dividend for the last year. The proposal should be approved by the shareholders assembly in mid May.

The dividend in the last years is some 2.8 million euros higher compared to 2006.

In this moment, the state controls 44.85 % shares in INA, strategic partner MOL controls 25 %, the war veterans fund controls 7 %, and the rest of the shares are controlled by 64,300 small shareholders.

§ § §

Petrochemical factory to sign long-term natural gas supply contract (Croatia)

The management of Petrochemical factory Petrokemija informed Supervision board of the company regarding the plans for signing the long-term natural gas supply contract with Croatian oil industry (INA).

The company plans to sign contract until 2011, where company's annual consumption reaches 670 million cbm.

§ § §

MOL to enter Adria LNG consortium, construction of natural gas pipeline toward Hungary announced (Croatia)

By 2010, Croatia and Hungary should connect their natural gas networks so that Hungary should be able to access future liquefied natural gas terminal (LNG) in Adriatic. Prime Minister of Croatia Ivo Sanader and his Hungarian colleague Gyurcsány Ferenc reached the agreement during the meeting in Budapest.

In the same time, two Prime Ministers announced that MOL could take part in the LNG project. Hungary sees a new LNG as way for diversification of natural gas supplies. Hungary is also interested in storing its natural gas reserves in Croatia.

Croatian Prime Minister also said that cooperation between MOL and Croatian oil industry (INA) should continue. The government supports continuation of privatization of INA and possible share swap between two companies.

Local experts warn that share swap could be good option for MOL and risky one for INA, having in mind that, in the past several months, MOL has been buying large number of its shares and increasing the number of treasury bonds in order to defend against hostile takeover of Austrian OMV. MOL even announced it could cancel large number of treasury bonds, which imply that MOL could buy shares in INA by offering its worthless shares.

In this moment, MOL owns 25 % stake in INA. Immediately after the meeting, the management of MOL confirmed it was interested in privatization of INA if government of Croatia decided to continue privatization process.

In the related news, the interest for construction of LNG terminal and for usage of Adriatic pipeline (Janaf) was recently expressed by minister of economy of Slovakia Lubomir Jahnotek, who visited Croatia. The LNG terminal and Adriatic pipeline could be alternative supply routes for Slovakia, which is almost 100 % dependent on Russia, Jahnotek said.

§ § §

HEP will not renounce its share in TPP Gacko (Croatia)

Croatian power utility (HEP) believes that all open issues between HEP and Power utility of Republic of Srpska (ERS) needs to be considered at the same time. It implies that question of division of electricity from hydropower plant (HPP) Dubrovnik (Croatia) should be related to HEP's investments in thermal power plant (TPP) Gacko (Republic of Srpska).

The abovementioned statement of HEP was the reaction to the statement of Prime Minister of RS Milorad Dodik who said that HEP owes some 100 million euros for using more electricity from HPP Dubrovnik than allowed by the contracts.

HEP accused ERS that they and CEZ established joint venture for construction of second unit in TPP Gacko, where ERS invested the property owned by HEP in new company. HEP invested 33 % of funds during the construction of TPP Gacko, the company statement said.

§ § §

MoU between PPC and Halyvourgiki signed (Greece)

PPC officials announced that BoD has approved an energy cooperation deal with steel producer Halyvourgiki. As a reminder, this deal is creation of joint venture for construction of two gas fired power plants with total capacity of 880 MW. Halyvourgiki will hold 51%, PPC 49%.

Meeting was held in a Athens hotel instead at the companies headquarters, since PPC workers, who are against deals with Halyvourgiki and RWE, obscured every BoD meeting with topic related to this issue. PPC workers still blocked the entrance to the hotel and handcuffed themselves together in protest at any deal with RWE, which they say is a prelude to a further privatization of the company, since PPC will have 49% stake in both joint ventures.

Regarding the deal with RWE, workers oppose the idea because lignite allows PPC to keep electricity prices for consumers the lowest in the EU. Deal with RWE consists of 1600 lignite fired TPP and renewable energy generation.

§ § §

Greece to become part of South Stream project (Greece)

Greek Minister for Development, Mr. Christos Folias announced that Greece has agreed to be part of the South Stream project. Folias said he did not view the long-stalled Nabucco pipeline, designed to pump 30 billion cubic meters a year from Turkey to Austria, as a competitor to the South Stream project, which will run from Russia via a 900-kilometer, or 558-mile, underwater pipeline across the Black Sea to Europe. Greece will become a transit state to Italy, on the southern arm of the pipeline. Estimated cost of entire South Stream project is 10 billion EUR and it is estimated to be finished in 2013.

An agreement could be signed by the end of the month, on official visit of Greek Prime Minister Costas Karamanlis to Russia, where he will meet with Vladimir Putin and his successor, Dimitri Medvedev.

Gazprom exported over 3 billion cubic meters of natural gas to Greece last year. As a reminder, Serbia, Bulgaria and Hungary recently joined the South Stream project.

§ § §

Two bids for bioethanol units (Greece)

Hellenic Sugar Industry announced that "Motor Oil Hellas Corinth Refineries" and "Cal West Ethanol & Renew energy" placed bids for the conversion of the "Larissa" and "Xanthi" plants into bioethanol production units, which is used as an alternative fuel for cars. "RF Energy SA" (subsidiary of FG Europe Sa" withdrawn from the tender procedure.

Agricultural Bank of Greece, known as ATEbank, has an 82 percent stake in Hellenic Sugar.

§ § §

Greece will adopt EU directive regarding energy efficiency (Greece)

After pressures from EU, Greece will finally adopt EU requirements regarding energy efficiency of the buildings. This directive was to be adopted in 2006, but parliament showed no interest, until recent pressures from European Court.

The aim of the directive is the reduction of energy consumption by 11 % in buildings, which from now on will have to have an energy efficiency certificate issued, New Democracy Deputy Giorgos Kontogiannis said.

"If we just replaced the old air conditioners, we would save 1 000 MW, which is equivalent to two coal plants," said New Democracy official, Petros Tatoulis.

§ § §

Power cuts might be expected in May (Greece)

Greece may experience power cuts from May, in order to avoid blackouts this summer. There are statements that PPC directors have submitted a proposal to PPC CEO Takis Athanassopoulos for scheduled power cuts during May. Goal of this power cuts is to save hydro reserves for summer peaks. HPPs would only be used to accumulate water during May. This idea might become official, but it must be approved by "DESMHE", Greek grid operator.

Last week, Mr. Takis Athanassopoulos, PPC president and CEO, told representatives of professional chambers: "We hope it will rain. I don't know whether we can avoid power cuts this summer; we are currently considering all the options for better management of available resources"

Main reason for large consumption is Greece is high usage of air conditioners in combination with non-energy efficient buildings. Low level of rainfall and high temperatures has been announced for this summer in Greece, which will increase water usage for agriculture.

§ § §

Changes in RES framework (Greece)

Minister for Development, Mr. Christos Folias announced changes in current regulatory framework regarding renewable energy sources. According to Greek experts, current framework has unclear rules, mostly regarding prices at which power is sold to "DESMHE". Changes could increase speed of implementation of new renewable energy project, but current changes mostly aim to wind and solar energy.

Mr. Folias also added that information campaign will soon be launched regarding renewable energy and energy saving. Greece has to meet EU demands, regarding target of 20% energy secured from RES by 2020, and the limitation of greenhouse gas emissions

"Terna Energy" CEO, Mr. Giorgos Peristeris, who represents "Greek Association of Renewable Energy Sources Power Producers," said that about 2 billion EUR of investments in RES would be realized till now if Greek regulations were better and zoning plan for wind farms presented. Mr. Peristeris urged the setting of rules that will allow transparency in the formulation of the daily marginal price at which private producers sell their power to the system and the representation of more investors on the board of the central power distributor.

§ § §

2 TPPs stopped with production (Macedonia)

TPP Oslomej, 2nd biggest TPP in Macedonia, has stopped with production due to technical problem with equipment. TPP came back in production 2 days later.

According to ELEM, Oslomej was not disconnected due to technical problem, but diagnostics before maintenance an-

nounced for 1st of May. According to workers, reason was broken pipe in a boiler.

TPP Oslomej will stop its production for 2 months, beginning from 1st of May, due to yearly maintenance.

TPP Oslomej (125 MW) has planned production of 608 GWh in 2008, and since beginig of 2008, 15% has been realized. 1 130 000 tons of lignite will be needed in 2008.

Only a day later, TPP Bitola also experienced problems and 1st block had to be disconnected. Reason is, like in TPP Oslomej, broken pipe in boiler. According to sources, this was 1st malfunction this year which is surprising, considering large number of problems during previous years. Although it was announced that TPP would be back in operation in 40 hours, repairs were not in time.

For both of these unplanned disconnections from the grid, officials said that missing quantities were covered by Greece. In return, Macedonia will export energy to Greece in summer months, probably by operation of expensive oil fired TPP Negotino.

§ § §

Further developments regarding unpaid electricity debts (Macedonia)

On 9th of April, EVN has disconnected 20 water processing facilities in Macedonia. Electricity has been disconnected for 2 hours, as warning. EVN officials called management of these utilities to pay their debts, or whole-day disconnections may occur.

Electricity will also be disconnected to villages with payment ratio below 5%. As a reminder, EVN workers could not disconnect households separately, since residents did not allowed them, and there are unofficial reports of physical attacks.

Agreement has been reached regarding Macedonian Broadcast agency. Government has paid half of 300 000 EUR debt, although minister of finance Mr. Trajko Slavevski said that public companies and agencies have to pay their debts from their own finances.

Chemical factory "OHIS" has been disconnected for one hour, due to 600 000 EUR debt. Government is not determined to pay this debt, and according to "OHIS", they have no funds. EVN has prolonged deadline for payment and waits for government to change its stand regarding this problem. EVN also noted that this was the last time electricity has been disconnected for short period of time and that next time it will be until debts is paid. Problem is that "OHIS" has large amounts of chemical that must be maintained on specific temperature.

In related news, an agreement was reached with Ministry for Health of Macedonia. Administrative buildings of all medical facilities in Macedonia were to be disconnected on 10th of April, but agreement was reached, and 50% of 2 million EUR debt has been paid. Remaining 50% will be paid later.

§ § §

"Group of investors in SHPP" founded (Macedonia)

On 4th of April, a "Group of investors in small hydropower plants" has been founded. Mr. Borko Andrev has been elected as president and director of this group, while Mr. Zoran Kondratenko (Dufenergy) and Mr. Jandre Zdraveski (Metalec) are his deputy directors.

This group will be part of Macedonian energy association, and it will be consisted of all companies that were granted locations for SHPPs. Government has announced new tender where 400 new locations will be offered.

§ § §

Government retreated from lawsuit to Makpetrol? (Macedonia)

There are unofficial statements that Macedonian government has retreated from lawsuit to "Makpetrol", regarding gas pipeline incomes. According to government, "Makpetrol" should pay at least 6.5 million dollars in incomes of pipeline operation which it did not pay in last 8 years. Government claims it owns 51% of "Makpetrol", while "Makpetrol" claims that government share is 49%.

According to sources, court made this decision after government representative did not show on last court session.

There are no official statements from government side.

§ § §

Malfunction in HPP Vrutok (Macedonia)

One of block transformers in 150 MW HPP Vrutok has been disconnected and waits for repairs. According to ELEM officials, this will not affect production, since only one of four generators is out of function.

30 years old transformer has been transferred to Skoplje and it is not known when it will be operational.

§ § §

Tender for coal import canceled (Macedonia)

On 8th of April, state owned ELEM has decided to cancel tender procedure for import of coal. According to tender document, ELEM kept a right to cancel a procedure.

As a reminder, in February 2008, ELEM published an international tender for purchase of 600 000 tons of coal (400 000 tons for TPP Bitola, remaining amount for TPP Oslomej; two largest TPPs). This amount is sufficient for 40 days of operation.

13 companies have submitted their bids: Aksios DM, Gemak Trejd, Interenergo Sitem, Libertas, Eurocompany, ABEX Financial Consulting, Askom GUP, Toni Komerc, Rudnik Kovin, Tri TC, Satkom, EFT MK Silmak, Interenergo and Poteza. Offered prices were between 39-45 EUR per ton of coal.

Official ELEM statement regarding tender cancellation sais that offered price was to high and that it could indanger financial stability and liquidity of the company. Offered price could not secure economical production of electricity and it would only increase companies financials outcomes. Price of electricity produced with this coal woud significantly exceed 21 EUR/MWh, which is current regulatory price. ELEM officials also noted that the lowest offer was 22 million euros for supply of only one TPP, but no additional details regarding offers were revealed. They also said that TPP Oslomej and TPP Bitola will continue to produce electricity from domestic reserves.

Companies involved in tender procedure and media criticized this decision with a question "You knew what is the price of coal, why did you open tender if you cannot afford it?" Decision for import was criticized since tender announcement with belives that it would be better to invest these funds in further exploration of large domestic reserves.

There are speculations that ELEM had a deal to purchase coal from one of the companies, but two companies offered lower price, and ENEL had no other option than to cancel procedure.

§ § §

Increase in natural gas price (Macedonia)

Macedonian Regulatory Commission for Energy has granted request from "Makpetrol" regarding increase of natural gas price. New price will be 22.68 Macedonian denars per cubic meter, 5.05% increase comparing to previous price.

According to "Makpetrol", main reason for this price correction is "Gazprom" who increased price. As a reminder, "Makpetrol" is purchasing natural gas from "Gazprom".

§ § §

Energy trade license granted to EVN (Macedonia)

Macedonian Regulatory Commission for Energy has granted a license for electricity trade to "EVN Trading". "EVN Trading" has been established by "EVN" (owner of Macedonian distribution company ESM). "EVN" is also interested in Macedonian generation sector.

§ § §

Changes in tender regarding construction of HPPs "Cebren" and "Galiste" (Macedonia)

By the end of March, deadline for bid submission for construction of HPPs Cebren and Galiste has been prolonged. New deadline has been prolonged from 28st of March to 30th of

April 2008, 10:00 hrs. But now, it can be expected that new deadline could be set. Also there is a possibility that tender might be canceled, considering numerous accusation of non-transparency and that government is being in favour of "RWE".

Originally, tender was only for construction of two HPPs. These two HPPs might have more than 600 MW, total, and both will be built on river Crna Reka. Annual production of these two new HPPs is predicted to be more than 1000 GWh/year. But ENEL, Macedonian production utility, has decided to "give" 90 MW HPP "Tikves" to tender winner, in period of 70 years. ELEM officials said that tender is now more attractive, and higher price could be expected.

As it was expected, this decision has been criticized. As a reminder, Macedonia is currently in energy crisis. Unplanned tender for electricity import, low production of HPPs due to insufficient water level, failures in TPPs, tender for coal import and above all, lack of funds. 2nd largest and most expensive TPP in Macedonia, oil fired TPP Negotino, will most probably produce electricity for Greece in summer periods. And now, fully functional 90 MW HPP will be given to foreign company, as a gift. This

Companies qualified for tender procedure are "RWE", "Verbund", "Enel", "Edison" and "Statkraft".

§ § §

Lukoil paid 26.5 million euros for Roksped petrol stations (Montenegro)

In the beginning of April, Lukoil Montenegro confirmed it had purchased six petrol stations owned by local company Roksped for 26.5 million euros.

Petrol stations of Roksped are located on very favorable sites in capital Podgorica and on the seacoast. Roksped was involved in sale of oil derivatives and liquefied petroleum gas (LPG) in Montenegro and neighboring countries.

In the end of March, the management of Lukoil Montenegro announced plans for expansion, both by purchase of existing petrol stations and by construction of new ones.

In April, Lukoil should start to build new petrol stations in city of Ulcinj, near border crossing with Albania.

§ § §

TPP Pljevlja started annual maintenance works (Montenegro)

Thermal power plant (TPP) Pljevlja was disconnected from power grid on April 11 for the purpose of annual maintenance works. The maintenance should last 50 days and the costs should reach 5 million euros.

The works should have started on April 1, but they had been delayed after additional tests took place. The tests were re-

lated to operation of the TPP at the power output above the projected value of 210 MW.

During the first quarter of 2008, electricity production in TPP Pljevlja reached 375 GWh, which was 20 % higher than planned. In the same period, TPP spent some 480,000 tons of coal.

Director of TPP, Slavko Vuksainovic said this could be the best performance of the TPP during winter season since the plant was commenced.

§ § §

EFT interested in renewable energy sources (Montenegro)

Director and co-owner of EFT, Svetislav Bulatovic, said EFT is interested in investing in renewable energy sources (RES) in Montenegro. EFT believes that Montenegro has considerable potential for construction of small hydropower plants (HPPs) and wind farms.

EFT submitted bids in the tender for construction of 43 small HPPs launched by the government of Montenegro. The government cancelled tender for 29 sites due to incomplete bids.

Bulatovic said that EFT's bids was also rejected, for prosaic reasons after tax receipt issued in Switzerland was misinterpreted by tender commission. EFT filed the complaint and the appeal was accepted, Bulatovic said. According to him, they gave competitive offer in terms of concessions fee, electricity delivery and technical details.

EFT has not still reconsidered options for construction of large HPPs in Montenegro, Bulatovic said. This could be possible only after performing detailed economic, technical and environmental analyses.

EFT delivers 15-16 TWh of electricity per year. According to company's plans, one third of that amount should be from its own sources in the next five years. Overall investments of EFT in that period should reach 1 billion euros, Bulatovic said.

He reminded that EFT already invested 50 million euros in energy projects in neighboring Bosnia and Herzegovina. The company recently signed concession agreement for construction and operation of 420 MW power plant Stanari, which should be operational by 2012. The cost of the project is estimated at 650 million euros.

In Macedonia, consortium of EFT and Granit applied in a tender for construction of HPP Boskov Most (68 MW, project cost estimated at 70 million euros).

In Albania, EFT and Austrian Kelag applied in a tender for construction of HPP Ashta. The company has been reconsidering several potential projects in Greece and Romania, Bulatovic said.

In 2007, EFT delivered 16 TWh of electricity in 18 countries, where overall income reached 800 million euros. EFT is the

leading electricity trader in Montenegro, Macedonia, Greece, Slovenia, Hungary and Croatia. The company is active on six international power exchanges.

§ § §

Shareholders approved sale of 15 % of shares in EPCG (Montenegro)

In the last day of March, extraordinary shareholders' assembly of Power utility of Montenegro (EPCG) adopted government's proposal for sale of up to 15 % shares in the company for the purpose of providing funds for construction of new facilities and renewal of existing facilities in EPCG.

The shareholders approved procedure for selection of strategic partners, issuing of new shares for the purpose of recapitalization and acquiring the loans. The government owns 70 % shares in the company so that latest decision implies that 55 % of shares will remain owned by the state.

As a reminder, in the beginning of March, the government adopted privatization model for EPCG, according to which the state should own at least 55 % stake in the company.

Executive director of EPCG Srdjan Kovacevic believes that incoming recapitalization should be successful, i.e. that EPCG's shares would be sold at high price. He said that several companies, both from the region and from EU, are interested in investments in EPCG. So far, CEZ, RAO EES and Norwegian Statkraft expressed the interest for privatization of EPCG.

During the assembly, Kovacevic said that at least 250 million euros needed to be invested for renewal of existing facilities during the next five years.

The assembly also approved reorganization of the company into five limited economic societies within EPCG in order to increase overall efficiency and profit. The new companies will be called Production, Transmission, Distribution, Supply and Construction. According to announcements, the establishment of the transmission company should be completed by the end of the year, and establishment of remaining societies should be completed in 2009.

In the same time, minority shareholders requested that future strategic partners should be only energy companies. They believe that worth of state-owned shares in EPCG could reach 3 billion euros, but they opposed the sale of shares until the company starts to operate under market conditions.

§ § §

Up to 2 million euros of losses of the coalmine Pljevlja in 2007 (Montenegro)

According to preliminary data, the coalmine Pljevlja could report between 1.5 and 2 million euros of losses in the last year. It is the fourth time in its history that company is going to report business loss.

The management believes the business loss was directly linked to low price of coal set by Regulatory energy agency (RAE), as well as over-aged mining equipment.

The coalmine called for solving the long-lasting financial disputes with Power utility of Montenegro (EPCG). According to management, state power company owes some 36 million euros to the coalmine. In the same time, the coalmine owes some 11 million euros to various creditors, while 400 employees are considered as redundant.

According to official plans, in this year, the company should make 23 million euros of investments. The main project is the dislocation of Cehotina River for the purpose of enlargement of the mines.

Since the start of operation in 1952, overall coal production has reached 55 million tons, while production of overburden reached 131 million cbm. In the same time, overall coal delivery to the nearby thermal power plant (TPP) Pljevlja reached at 28 million tons, where TPP produced 21.6 TWh of electricity, the management of the coalmine pointed out.

According to recent announcements by the management and by the government of Montenegro, the coalmine should be merged with EPCG during this year.

In March this year, REA set the coal price for the TPP Pljevlja at 25.65 euros/ton. The coalmine said this price hardly covers exploitation expenses. Because of that, the coalmine initiated litigation against decision of REA claiming it was against the Energy law.

§ § §

High losses of Aluminum factory due to high electricity prices, rumors on potential closure (Montenegro)

In the beginning of April, the management of Aluminum factory in Podgorica (KAP) said the company's future would be rather uncertain if company continues to incur losses mostly due to high electricity prices.

KAP, owned by the Oleg Deripaska, i.e. his company EN Plus, is the largest industrial electricity customers in the country.

Local papers quoted sources who said that management of KAP set the deadline for turning the KAP into profitable company. The deadline is set at the end of October, sources said.

The management of KAP is surprised by the latest rumors that company would be closed due to high operational costs. Executive director of KAP Joe Kazadi did not want to comment those rumors, yet he said that price of electricity is large problem for the company. Kazadi said that the latest rumors on shutdown of KAP were not just an attempt to provide subsidies for electricity prices. On the other hand, the price of electricity for KAP should be fair, Kazadi said.

The rumors were supported by the recent statement of Prime Minister Milo Djukanovic who said that EPCG would deliver

electricity to KAP under subsidized prices only until 2010, which is in accordance to privatization contract. Ministry of economic development also confirmed Djukanovic's statement.

The member of the management board of Power utility of Montenegro (EPCG) Vojin Djukanovic believes that KAP should become a strategic partner of EPCG in construction of second unit in thermal power plant (TPP) Pljevlja or in construction of hydropower plant (HPP) Moraca in order to provide additional amounts of electrical energy. Djukanovic also said that KAP could try to provide electricity from Kosovo, having in mind Kosovo's resources and existence of high voltage links.

According to other sources, one the options for providing cheaper electricity for KAP would be investing in construction of HPP Boka. Sources said that EN Plus expressed interest for HPP Boka during the last year.

Annual electricity consumption of KAP reaches 1.9 TWh, or some 45 % of overall consumption in the country. In the last year, 1.2 TWh was delivered by EPCG. KAP currently imports one third of electricity at average price of 65 euros/MWh, while EPCG delivers the rest at the price of 41 euros/MWh. This price is set in the privatization contract, while, in the same time, Regulatory energy agency set the price of 29.7 euros/MWh for KAP.

In this and in next year, KAP is obliged to import one third of its needs or some 600 GWh, while EPCG will deliver rest. In 2010, KAP is obliged to import 50 % of its needs, the privatization contract said.

According to highest Montenegro's officials, KAP had not filed any kind of request related to prolonging current supply contract after 2010. The head of Agency for restructuring and foreign investments Branko Vujovic admitted that KAP has been paying the most expensive electricity prices in entire Europe comparing to other aluminum producers. According to Vujovic, KAP has enough time to file a request for prolonging the supply contract.

The possible closure of the KAP would cause serious social problems having in mind that company employs 3,000 people. In the same time, EPCG would lose its largest customer, which could cause problems in balancing of national power system.

In the related news, local press quoted the sources from Kosovo energy corporation (KEK) who said that tender for construction of new TPPs in Kosovo is delayed so that Russian EN Plus, owned also by Deripaska, which did not manage to qualify in the tender, could become again potential investor.

This was said by Palok Berisha, executive director of KEK. He explained that the government of Kosovo wanted to analyze the current procedure for construction of too large TPPs, which could affect natural environment. According to plans, the future TPP Kosovo C should have power output of 2,100 MW. The final bidders in the tender were consortium of CEZ and AES, RWE, consortium of EnBW-WGI and consortium of Enel and Sencap. The power output of existing TPP Kosovo A

and Kosovo B is 1,200 MW, while the coal reserves are estimated at 15 billion tons.

During 2006, EN Plus offered a lease contract for TPP Kosovo A and potential construction of two 340 MW units nearby. One unit should have been used for supplying of KAP. According to Russians, the lignite in Kosovo has lower calorific value comparing to coal from Pljevlja coalmine, but the coal price is lower three times.

§ § §

Prime Minister in favor of construction of large HPPs (Montenegro)

Prime Minister of Montenegro Milo Djukanovic believes that electricity shortage in Montenegro could be resolved only through construction of large hydropower plants (HPPs). He believes that exact location of the HPPs should be carefully chosen by respecting the principles of sustainable development.

Djukanovic believes that Montenegro would be able to find the least disputable construction sites having in mind country's great hydropower potential. Prime minister reminded that only 17 % of hydropower potential is utilized

The rationalization of electricity consumption and construction of small HPPs would be certainly beneficial, but it would not solve the problem of electricity shortage in the country, which reaches almost 40 %, Djukanovic concluded.

In the related news, independent advisors of United Nations development programme (UNDP) believe that proposals for construction of large HPPs, named in the Strategy of energy development until 2025, could endanger Montenegro's policy of ecological state. The projects could have negative effects in terms of social security and increased expenses.

§ § §

Income reduction of 17.2 million euros for EPCG (Montenegro)

Power utility of Montenegro (EPCG) said that income in the second half of 2007 was reduced by 17.2 million euros due to application of new tariffs imposed by Regulatory energy agency (REA).

According to analyses made by the Supply division of EPCG, in period July-December 2007, income from tariffs customers was reduced by 14.2 million euros, while income from industrial customers was reduced by 2.98 million euros.

The increased expenses were not covered through income having in mind that price of electricity for end customers in the second half of 2007 was 0.3 % lower comparing to first half of the last year.

EPCG explained that electricity prices in old tariff system were directly related to import prices in particular month. The new tariff system now equally distributes justified import expenses on each month during a year.

In 2007, overall electricity import of EPCG reached 1.4 TWh, for which 91.54 million euros was spent. In the first half of 2007, import expenses reached 36.67 million euros, and the import expenses increased at 54.86 million euros in the second half of the year.

The preliminary analyses showed that EPCG would post up to 10 million euros of losses in the last year. In the same time, overall debts of the customers amounted to 113 million euros (65 million euros by households, and 48 million euros by industrial customers).

According to latest announcements, REA could approve new increase in electricity prices starting from June 1. In this moment, REA has been reconsidering the request recently submitted by EPCG. EPCG requested approval for 313.45 million euros of expenses in this year, which was 35 % higher than allowed in October last year. REA earlier said that EPCG's request was not detailed enough.

In the last year, electricity prices in Montenegro increased two times, in July (+9.3 %) and in October (+6.65 % for two-tariff customers, and 8.61 % for single-tariff customers).

§ § §

Petrom to build 860 MW power plant (Romania)

The largest oil and gas company in Southeastern Europe, Petrom, signed the contract with consortium of General Electric (GE) and Greece's Metka regarding the construction of natural gas fired power plant in city of Brazi. The plant will be located near Petrom's oil refinery.

The consortium won the contract through tender procedure that lasted seven months. GE- Metka outbid Alstom, Siemens and ATEC. The consortium and Petrom are also negotiating maintenance contract for the plant.

The power output of the plant should be 860 MW, and the cost of the project is estimated at 400 million euros. The project is turnkey type. The construction works should start in the beginning of 2009 and the plant should be put in service in September 2011.

Member of Board of Directors Petrom, Gerald Kappes, believes the company should become one of the important players in electricity market in Romania. In 2012, Petrom should provide some 8-9 % of overall electricity in the country, he said. 20 % of the plant's output will be used for Petrom's purposes.

§ § §

No increase in natural gas prices in April (Romania)

According to sources from National Energy Regulation Authority (ANRE), the natural prices for the households will not be changed in April having in mind that ANRE still needs to complete analyses related to the requests submitted by natural gas suppliers.

If the request for increase in prices is approved, the price increase will be imposed in May, sources said.

In March, president of ANRE Gergely Olosz confirmed that several natural gas suppliers request 8-10 % increase in natural gas prices for households starting from April 1. They justified their request by unexpected increase in import natural gas prices.

ANRE earlier said that price of imported natural gas are expected to rise in the first quarter up to 420 dollars/1,000 cbm, while the prices of domestically produced natural gas should remain unchanged in 2008.

§ § §

Lukoil announced expansion projects (Romania & Bulgaria)

Subsidiary of Russian Lukoil, Lukoil Romania, is involved in negotiations for purchase of several independent petrol stations, local press reported. Lukoil Romania is the second largest fuel distributor in Romania, in terms of number petrol stations.

The company currently operates 299 petrol stations and oil refinery in Romania. In the last year, total sales in petrol stations reached 1 billion euros, which was 10 % higher comparing to previous year.

By the end of 2009, the company plans to run 350 petrol stations (through purchase and construction of new stations), where overall investments should reach 75 million euros.

In the same time, Lukoil's subsidiary in Bulgaria, Lukoil Bulgaria announced it would purchase several petrol stations (exact number not revealed) from the local oil company Petrol. The company filed the request for purchase to Commission for Protection of Competition (CPC).

In this moment, Petrol operates 70 petrol stations in a franchise under the Lukoil brand. In addition, Lukoil's refinery in Bourgas, Lukoil Neftochim, delivers fuel to all petrol stations under Lukoil's brand name.

§ § §

Electricity trade on OPCOM doubled in the first quarter (Romania)

According to the report issued by Romanian Power Market Operator (OPCOM), some 4.04 TWh or 28.86 % of national electricity consumption in the first quarter of 2008 was cov-

ered through power exchange administered by OPCOM. In the same period last year, this percentage stood at 14.52 %.

The overall electricity consumption in Romania during the first quarter reached 13.97 TWh, comparing to 13.92 TWh in the same period last year.

The highest increase in trading volumes was noticed on the Centralized Market of Bilateral Contracts (PCCB), where the volume increased from 6.52 % of overall national consumption up to 18.26 %.

§ § §

38 million euros for upgrade of Lacul Sarat substation (Romania)

Romania's transmission system operator Transelectrica said it would invest between 25 and 38 million euros for upgrade of Lacul Sarat 400/220kV substation.

The funds will be provided by the company and the contractors should be selected by the end of May. The upgrade should last two years.

§ § §

State to increase share capital in Electrica through contribution of stakes in electricity producers Hidroelectrica, Turceni and Rovinari (Romania)

The state of Romania, i.e. the Authority for State Assets Resolution (AVAS) plans to increase capital of electricity distributor of Electrica through contribution of stakes in electricity producers Hidroelectrica and energy complexes in Turceni in Rovinari. The latest move is in line with the government's plans for establishment of integrated national power company.

The first step will be to transfer the ownership stake in Hidroelectrica from Ministry of economy and finance to AVAS, after which the share capital will be contributed to Electrica. The same procedure will be applied for state-owned shares in Turceni and Rovinari.

The government of Romania plans to establish national power company, which should include some 50 % of overall power output in the country. The future company could invest some 1 billion euros in the first year of operation. The market capitalization of future integrated power company should reach 24 billion euros. AVAS believe that company could post cumulative net profit of 800 million euros within the period of five years, which will be higher eight times compared to profit that the future members posted in the last year. According to AVAS, the state should sell 25 % of stake in the company during the next five years.

The project was criticized by EU, World Bank and foreign investors in Romania. Ferran Tarradellas, spokesperson of the EU Energy Commissioner warned that national transmission operator (Transelectrica) must not be included in the future mega company.

§ § §

E.ON demands 19 % increase in natural gas price from July (Romania)

E.ON Gaz Romania said it would be forced to negotiate lower import prices or to reduce natural gas imports and cut supply to customers in case if Romanian Energy Regulatory Authority (ANRE) refused to approve 19 % increase in natural gas prices after July 1. Another consequence will be reduction of natural gas stocks.

In the same time, E.ON believes that by approving the increase, the further increases in 2008 would be avoided.

E.ON estimated it would incur some 12 million euros in the first quarter, after ANRE had rejected to approve 12 % increase in prices.

According to E.ON, the price of imported natural gas could rise from 370 dollars/1,000 cbm up to 470 dollars/1,000 cbm in the third quarter and up to 480 dollars/1,000 cbm in the fourth quarter. In 2009, the price of natural gas will remain at 480 dollars/1,000 cbm, E.ON believes.

On February 1, ANRE approved 8.5 % increase in natural gas prices for households. E.ON believed the increase was insufficient.

In 2007, E.ON Gaz Romania reported 38.36 million euros of net profit, which was 61 % rise. The overall income in the last year amounted to 820 million euros. On the other hand, chairperson of the management board of the company said the rate of return of investment has been considerably lower compared to bank deposit interest rate since the privatization of former Distrigaz Nord (in 2005). In the same time, the company still needs to recover some 27 million euros of debts from customers, E.ON said.

§ § §

Report on primary energy resources in January and February (Romania)

According to the data published by the National Institute of Statistics (INS), the primary energy resources in Romania in January and February amounted to 6.837 million tons of oil equivalent (toe), which was 5.3 % lower comparing to 2007.

In the same time, the domestic production reached 4.16 million toe (+3.9 %). The rise is mostly related to the increase in electricity production during the first two months.

The import of energy resources reached 2.674 million toe (-16.6 %).

The coal resources amounted to 1.428 million toe (-24.3 %), where domestic production reached 1.003 million toe (-13.4 %) and import reached 0.424 million toe (-42.7%).

Oil resources amounted to 2.037 million toe (-4.1 %), where domestic production reached 0.739 million toe (-3.6 %) and import reached 1.297 million toe (-4.4%).

Natural gas resources amounted to 2.429 million toe (-5.3%), where domestic production reached 1.691 million toe (+1.5 %) and import reached 0.738 million toe (-18%).

Electrical energy resources reached 12.213 TWh, which was 1.377 TWh or 12.7 % higher comparing to the same period last year. The domestic electricity production increased by 1.273 TWh (+11.8 %), while import increased by 103.2 GWh (+198.5 %).

The production in hydropower plants increased by 692.8 GWh (+32.7 %), while production in nuclear power plants increased by 976 GWh (+96.9 %). In the same time, production in thermal power plants was lower by 395 GWh (-5.2 %).

The production in thermal power plants amounted to 60.2 % of overall electricity resources, production in hydropower plants amounted to 23.3 %, while production in nuclear power plants amounted to 16.5 % of overall electricity resources.

Overall electricity consumption amounted to 9.27 TWh (+7.6 %), where 59.7 % was spent by industry and 15 % by households. In the same period electricity export amounted to 479 GWh (+67 %).

§ § §

President Basescu to discuss signing the direct supply agreement with Gazprom (Romania)

President of Romania, Traian Basescu announced it would visit Russia in autumn and try to negotiate direct natural gas supply agreement with Gazprom.

In this moment, Romania is importing natural gas through intermediary companies. The particular supply agreements were signed in 2001-2002, president said.

Basescu said he recently discussed this issue with Russian president Vladimir Putin.

§ § §

Romp petrol interested in investments in region (Romania)

Oil company Rompetrol wants to enter markets of Serbia and Ukraine in order to expand its business activities, press in Romania reported.

In the last year, the company announced plans for entering the Serbian market through 50 franchise contracts as well as entering the Ukrainian market with 200 franchise contracts.

According to the vice chair of the retail department of Rompetrol, Erik Kisch, the investments in Serbia were stalled due to political instability. In the same time, Rompetrol decided to establish its subsidiary in Serbia in order to watch the development in the market.

As for Ukraine, the development of wholesale activities is developing in accordance to plans, while development of network of petrol stations was not feasible due to high costs.

Romp petrol announced it would publish long-term development plans as soon as the majority shareholder, Kazakhs KazMunaiGaz, approved the plans.

§ § §

Hidroelectrica to sell 17 small HPPs in June (Romania)

On March 31, hydropower producer Hidroelectrica announced a public tender for sale of 17 small hydropower plants (HPPs), with power output up to 10 MW.

The tender documentation could be acquired starting from April 7, and the open tender should take place in period June 9-13. The initial overall price for all HPPs is set at some 15 million euros. The HPPs are located in Suceava, Mures and Gorj counties.

The eligible candidates should present evidence of minimum of three years of experience in power sector and it should have at least 3 million euros of income in the previous year. The candidates will be obliged to present business plans for operation and renewal of the HPPs in period of up to five years.

§ § §

Project for construction of TPP Braila approved (Romania)

On April 3, officials from Termoelectrica informed German E.ON and Italian Enel on approving the establishment of consortium in project for construction of new thermal power plant (TPP) in Braila. Termoelectrica will invest assets in TPP Braila, while strategic partners will invest financial assets.

This implies that first phase of the project, which included finding the investors, was finished. The second phase, which includes preparation of feasibility study and the evaluation of Termoelectrica's contribution, started immediately, Termoelectrica said.

As a reminder, in the end of March, representatives of E.ON in Romania confirmed they were involved in negotiations for construction of coal fired 800 MW unit in TPP Braila. The new power plant will be the replacement capacity.

§ § §

General Electric to carry on renewal of unit 1 NPP Cernavoda (Romania)

U.S. company General Electric (GE) should carry on renewal works on unit 1 in nuclear power plant (NPP) Cernavoda. The works should start in May and the worth of the contract is 17

million euros. During the renewal, a 700 MW unit should be disconnected from power grid.

The contract was signed in February, following the tender procedure. The operator of the plant, Nuclearelectrica, did not reveal the exact deadlines for the works.

§ § §

EPS needs 9 billion euros of investments until 2015 (Serbia)

Power utility of Serbia (EPS) will need some 9 billion euros in order to finance planned projects until 2015. The funds should be provided through loans and through strategic partnership. This was said by the secretary in the Strategy department of EPS, Aleksandar Jakovljevic.

According to Jakovljevic, EPS should invest 3.4 billion euros of its own funds; 3.8 billion euros should be provided through loans, while another 1.8 billion euros is expected to be provided by strategic partners.

EPS plans to initiate four important projects in the incoming period. The cost of construction of thermal power plant (TPP) Kolubara B (700 MW) should reach 750 million euros, while cost of construction of unit 3 in TPP Nikola Tesla B (640 MW) should reach 900 million euros.

Between 120 and 160 million euros should be invested for construction and reconstruction of combined heat power plant (CHP) Novi Sad.

The cost of the construction of hydropower plant (HPP) Gornja Drina (previously known as Buk Bijela) should reach 300-400 million euros. EPS will build this plant in cooperation with Power utility of Republic of Srpska, where the joint company should be established in April. Two companies have been preparing the technical documentation for the project.

In the past 20 years, there were no major investments in EPS, which endangered entire electricity sector. EPS's official believes that rise in electricity prices from current average value of 5.2 eurocents/kWh up to 11.3 eurocents/kWh in 2015 (evaluated by the hired advisor) should make aforementioned investments possible.

§ § §

7.5 million euros for construction of 400kV power line toward Macedonia (Serbia)

On April 7, Serbian transmission system operator (EMS) and European bank for reconstruction and development (EBRD) signed the donation for construction of new 400kV interconnection power line from city of Nis toward Macedonian border. The worth of the donation is 7.5 million euros.

The contract was signed by the general manager of EMS Milos Milankovic and Daniel Giuglaris, EBRD's representative in Ser-

bia. The official ceremony was attended by minister of energy and mining Aleksandar Popovic.

The contract is related to construction of the first section of the power line, from substation in Nis to the substation in Leskovac, the length of which is 40.5 km. The overall length of the interconnection line between Serbia and Macedonia will be 140.5 km.

EMS will also invest its own funds in the project, while the construction works will be carried out by local companies, Energoprojekt, ABS Minel and Energomontaza. The deadline for finishing the section is set at January 2009.

On April 15, head of EMS confirmed that construction works should start in May, while the entire interconnection power line should be completed in 18-month period. The power line is aimed to increase security and stability of Serbian transmission system. It should also help regional and European integrations of Serbia and development of EU electricity market, head of EMS said.

The overall cost of the construction of Serbian part of new interconnection line is estimated at 31 million euros, where 21 million euros will be donated by EU.

Giuglaris confirmed that tender for construction of the remaining section of the power line, from Leskovac to Macedonian border, was under preparation. According to EBRD, the future power line has great significance for safe electricity supply of Macedonia and Greece as well as of entire region.

During the occasion Giuglaris reminded that, since 2001, EBRD has invested some 450 million euros in development of electricity sector in Serbia.

§ § §

Canadian company REV wants to build two HPPs (Serbia)

Canadian-US company Renewable energy venture (REV) asked from government of Serbia approval for construction of two new hydropower plants (HPP), the HPPs Brodarevo 1 and Brodarevo 2 on Lim River.

The overall output of these plants should be 48 MW, and their estimated overall annual production is 190 GWh. The worth of investments is estimated at some 100 million euros. In the request, REV said its experts are in favor of construction of particular HPPs having in mind that state of Serbia had made detailed studies for these projects back in 1980s.

The officials from ministry of energy said the request should be analyzed, where the exact deadline for official answer was not set. Minister of energy Aleksandar Popovic said earlier that all international companies would be allowed to build energy facilities in Serbia if they acquired necessary licenses.

REV is the subsidiary of Reservoir capital. This company is already active in Serbia in the sector of metallurgy and precious metals.

If the state issues the approval, some two years will be needed for preparation of technical documentation and for providing the necessary funds. The construction works should last four years, REV said.

Executive director of Reservoir capital Miles Thompson said the company decided to invest in energy projects and renewable energy sources (RES) in Serbia. So far, the company invested 5 million euros in exploration of precious and base metals in the country.

New Energy law, but also several other reforms imposed by the government of Serbia in order to reduce electricity deficit, where the main reasons why Reservoir capital decided to invest in RES, Thompson explained. He believes that Serbia is good place for investments, despite the fact that some other foreign investors considering to pull out their capital from Serbia. Because of that, this investment would be even more significant for Serbia, Thompson said. He also announced that Reservoir capital has access to significant funds, which would enable far more investments in RES in Serbia.

§ § §

EPS and Inter RAO EES signed cooperation protocol (Serbia)

On April 14 in Belgrade, Power utility of Serbia (EPS) and the Inter RAO EES, the subsidiary of Russian national power company, signed a cooperation protocol

The protocol was signed by the deputy General Manager of EPS Dragan Tomic and General Manager of Inter RAO Jevgenij Dod. General Manger of Inter RAO said the protocol was just the first step in cooperation with EPS, which could bring 2 billion euros of investments for Serbia.

The protocol envisaged that main areas of cooperation between two companies should be construction of new hydro power plants (HPP), including small HPPs, and thermal power plants (TPPs). Two companies also expressed readiness to exchange information related to actual and potential projects as well as to get involved in joint projects in third countries..

According to protocol, in a month period, EPS will submit a list of projects that it wants to develop jointly with Inter RAO. On the other hand, Inter RAO will have two months to express interest in particular projects. Although the protocol did not name particular projects, the local media reported that Russians are interested in construction of new unit in TPP Nikola Tesla B and finishing the construction of TPP Kolubara B.

Ministry of energy and mining of Serbia Aleksandar Popovic said that protocol do not imply privatization of EPS. In fact, EPS would not be privatized for a long time, Popovic said.

According to local press, some 17 companies have expressed interest for cooperation with EPS so far. It could not be explained why Inter RAO became the first company to actually sign the protocol, reports said.

Inter RAO is involved in electricity production and trade. The company has power plants in Moldavia, Georgia, Kazakhstan and Armenia (overall power output of 5,750 MW) but Inter RAO was not active in this part of Europe so far, local press pointed out. The Russian company took part in several tenders in the region (sale of TPP Negotino in Macedonia, sale of TPP Varna in Bulgaria). Russians earlier expressed interest for construction of power plants in Serbia, Montenegro and other countries in the region.

Local experts wondered why EPS signed non-mandatory protocol. Some imply this could be just a new moment in ongoing election campaign in Serbia. Others believe that another Russian company will enter through the back door into Serbian energy sector, after Gazprom signed energy agreement, which imply sale of Serbian national oil company (NIS) without tender procedure. Most analysts believe that new move of Serbia, similar as in case of NIS, is politically motivated. On the other hand, the latest development in Serbia made Western companies unwilling to invest in Serbia.

General Manager of EPS Vladimir Djordjevic explained that the protocol did not give any exclusive rights to Inter RAO in relation to strategic energy projects in Serbia. He reminded that EPS signed similar cooperation protocols with company from Norway and similar interest was expressed by one company from Hungary. The document was not secret and it was published on EPS's official website, Djordjevic said. He also repeated that protocol do not deal with privatization of EPS.

Head of EPS said that tenders for construction of new TPPs would be certainly published regardless of the protocol. A year ago, EPS prepared tenders for selection of strategic partners in projects for construction of abovementioned TPPs. The government did not approve publishing the tenders due to disputes related to the funding of those projects.

§ § §

Gazpromneft called for ratification of energy agreement as soon as possible (Serbia)

The director of Gazpromneft in charge for Serbia, Dimitri Malishev, said that each day of delaying the ratification of energy agreement between Russia and Serbia brings losses for both countries.

He said this during the conference called Future of energy sector in Balkans held in Belgrade on April 15. The energy conference in Belgrade was attended by representatives of CEZ, EFT, EMG, Victoria Group, Gazpromneft, NIS, EPS, Grimex International and HSE Balkan Energy.

Malishev said that Gazprom is aware of political situation in Serbia and incoming parliamentary elections, yet delays in implementation of the agreement will cause delays in construction of South stream pipeline across Serbia, underground natural gas storage facility Banatski Dvor and modernization of Oil industry of Serbia (NIS). He reminded that delivery of new equipment could last between 12 and 18 months, which implies that modernization of NIS could be hardly finished until 2012, especially if the ratification is additionally delayed.

Malishev, who is the advisor of the president of executive board of Gazpromneft, said that many in the region were against NIS to become the important company in oil and gas sector in Europe. He did not quote any names, yet he believes that oil refinement and oil production of NIS could double, which imply that NIS would become competitive company.

He also believes that very those companies cast doubts on low price paid for 51 % stake in NIS. Malishev denied claims that Gazprom paid too low price for NIS by saying the cash offer was not the only condition for sale. One of the main advantages for NIS will be the fact that Gazprom has its own oil reserves, which will bring stability in oil supply and which will be very important in case of rise in crude oil prices and disturbances in international oil market.

Gazprom plans to increase oil refinement up to 8 million tons per year. By this, NIS will become Gazprom's center in Balkans and fuel distribution hub for the countries in the region.

Malishev confirmed that Gazprom has secured 400 million euros for purchase of 51 % shares in NIS, while investments would be considerably higher comparing to 500 million euros set in the energy agreement. The official did not reveal the sources of funding.

Gazprom came in Serbia because Serbian oil market has great potentials. We will bring additional investments, new workplaces and economic growth, Malishev concluded.

Gazprom is also aware that government of Serbia would cancel oil import ban in 2010. The modernization of oil refineries will not be finished until that time, so that two sides will have to find solution for this problem.

Answering the question what will Gazprom acquire through the energy agreement, Malishev said Gazprom would become owner of 51 % of shares in NIS, i.e. 51 % of all production, refinement and sales facilities of NIS.

In the related news, Prime Minister of Serbia and leader of Democratic Party of Serbia (DSS) Vojislav Kostunica supported a proposal submitted by the largest opposition party, the Serbian Radical Party (SRS), which demanded ratification of energy agreement with Russia by the national parliament. The proposal came after ministers from leading party in the government, Democratic Party (DS), blocked the ratification of the agreement, saying the agreement has to be approved by the new government and not by the current technical government. In the same time, DS and Serbian president Boris Tadic (DS) were in favor of the energy agreement with Russia.

DSS and his coalition partner NS believe the Serbian constitution envisaged that even the dissolved parliament could approve urgent businesses. The new parliamentary elections are scheduled for May 11.

Russian Foreign Minister Sergey Lavrov believes that energy agreement will be ratified by all Serbian parliaments, regardless of which parties will won the seats. He called Russian parliament, the Duma, to ratify the agreement regardless of the development in Serbia. Lavrov believes that delay in signing

the agreement was just a technical issue, which should take place immediately after constituting of new parliament of Serbia.

§ § §

Natural gas warehouse Banatski Dvor operational by winter (Serbia)

Minister of energy and mining Aleksandar Popovic announced that natural gas storage facility Banatski Dvor should be partially operational by the incoming winter.

Until October 15, between 150 and 200 million cbm of natural gas reserves should be pumped into the facility, which should be sufficient for winter season. Minister believes that facility would be fully operational by 2010, when the storage capacity should reach 800 million cbm.

During the same occasion, Popovic announced that agreement for establishment of joint company that will be in charge for construction of Pan European oil pipeline (PEOP) should take place in Bucharest in the second half of April.

Popovic also called for establishment of Serbian Energy efficiency fund, which should facilitate development of renewable energy sources (RES). The fund should not be financed through budget, but from its own sources. According to some experts, Serbia could produce some 50 % of overall electricity from RES.

§ § §

900 potential construction sites for small HPPs (Serbia)

Deputy Minister of energy and mining Dejan Stojadinovic confirmed there are some 900 sites suitable for construction of small hydropower plants (HPPs), where overall power output of those HPPs could reach 500 MW. The potential investors could earn some 50 million euros per year, if all HPPs are built.

Until now, some 60 small HPPs were built, where only half of them are operational. Ministry plans to start feasibility studies for 20 construction sites in the beginning of 2009. According to Stojadinovic, investors expressed interest for construction of HPPs.

When the technical documentation is ready, the HPPs will be offered to investors through 30-year concession contracts.

In the same time, the government should adopt the bylaw that will introduce incentives for usage of renewable energy sources (RES). The government plans to subsidize price of electricity that will be produced in small HPPs and delivered to Power utility of Serbia (EPS). In this moment, EPS pays some 3.3 eurocents/kWh to small HPPs, which is among the lowest tariffs in the region. The same tariff in Macedonia reaches 4.5-12 eurocents/kWh, in Croatia 5.8-9.5 eurocents/kWh and in Montenegro 6.3 eurocents/kWh.

Stojadinovic confirmed that Panama's company Logpor acquired energy license for construction of HPP Celije (4.9 MW).

By the mid 2009, Logpor will be obliged to start construction works. The cost of the project is estimated at 3.2 million euros. In the next 30 years, the estimated profit, (with price of electricity of 6 eurocents/kWh), is 11.7 million euros.

§ § §

CEZ still interested in construction of TPPs (Serbia)

Director of CEZ Serbia, Aleksandar Obradovic, stated that selecting the strategic partners for construction of thermal power plants (TPP) through direct agreement instead through tender procedure, would be bad decision for Serbia.

Commenting the cooperation protocol signed between Power utility of Serbia (EPS) and Inter RAO EES, Obradovic said the agreement was correct, but it was necessary to see its further development, i.e. to see if Serbia would cancel tenders for construction of new TPPs.

CEZ is still interested for investing in Serbia, and Obradovic hopes that latest protocol would not be misused in order to eliminate tender procedure for new TPPs.

Obradovic repeated once again that main problem in Serbia is the fact that price of electricity is not market based. The market model for electricity prices is political issue that should be resolved by the government. The current electricity prices are not good for national power company as well as for investors in Serbia. CEZ's official reminded that Czech state do not set electricity prices despite the fact that state owns 66 % shares in CEZ.

In the related news, ministry of industry and trade of Czech Republic criticized CEZ for making too many risky investments in Balkans and Russia. In the same time, the company made minimal investments in EU. The deputy minister of industry and trade Tomas Hiner said that profit in Eastern Europe could be much higher, but the losses could be even higher in case of political instability such as in Serbia or in Russia.

The investments of CEZ in Romania, Bulgaria, Poland, Bosnia and Herzegovina and Russia are seen as unequally shared business risk, Czech official said. Hiner, who is also the vice president of Supervision board of CEZ, called for CEZ's investments in renewable energy sources in Czech Republic instead of investing in old power plants in the region.

§ § §

The sale of NIS still needs to be clarified (Serbia)

The general manager of Oil industry of Serbia (NIS), Milos Saramandic, said in a press conference that it was not yet clear which parts of NIS would be sold to Gazprom.

Since mid March, representatives of Gazprom have been performing due-diligence of NIS, Saramandic confirmed. The exact facilities, the pace of privatization and concrete projects should be known after signing the final privatization contract, which should take place by the end of the year.

Saramandic reminded that energy agreement signed by Serbia and Russia in January this year, is only provisional. According to energy agreement, Russian Gazprom should pay 400 million euros for 51 % shares in NIS and it should invest at least 500 million euros in the company.

Head of NIS believes that privatization of NIS would not be slowed down due to incoming parliamentary elections. He hopes that, by 2012, NIS could be one of the best oil companies in the region.

Saramandic reminded that long-term debts of NIS stand at 256 million dollars, where 40 % of the amount is related to the debts for crude oil delivered before 2000, the year of democratic changes in Serbia. Estimated worth of the company is 1.28 billion euros, general manager said.

§ § §

EPS to reduce investments by 20 % in 2008 (Serbia)

Power utility of Serbia (EPS) has secured 350 million euros of investments in this year, which would be 20 % lower compared to the last year. The most of the funds will be provided from company's income (153 million euros) and from loans (167 million euros). The management said the investments would be related only to already started and to the most urgent projects.

According to the director of Strategy department of EPS, Dragomir Markovic, in the past several years, the most of the funds were invested in renewal of the thermal power plants (TPPs), while, in this year, the priority will be given to coalmines and hydropower plants (HPPs). In 2008, the most of the funds will be invested in mining sector.

In this year, EPS will continue installation of coal ash system in TPP Nikola Tesla B and TPP Kostolac B. The funds will be invested in renewal of TPP Kostolac A, renewal of HPP Bajina Basta and HPP Djerdap 1, and for works in coalmines Kolubara and Kostolac. The considerable amount of funds will be invested for dislocation of Vreoci village for the purpose of the enlargement of the coalmine Kolubara.

EPS will not interrupt long-term projects, yet the pace of investments will be related to available funds. The company plans to increase incomes and to reduce expenses through increase of electricity export, reduction of electricity import and increase of overall efficiency. The management believes that increase in investments could be only provided through increase in electricity prices.

Markovic said that some important strategic projects for enlargement of the coalmines and strategic projects for construction of new power plants would be certainly delayed due to lack of funds. It will imply lack of positive effects in the next several years. One of the projects that will certainly lose funding in this year will be planed CCGT power plant Novi Sad (400 MW). The reduction in investments would also affect environmental projects, Markovic concluded.

§ § §

EPS to increase output in power plants (Serbia)

Director of Energy production department of Power utility of Serbia (EPS), Bosko Buha, said in an interview to company's paper that EPS plans to undertake several renewal projects in thermal power plants (TPP) that will result in increase of power output. In this way, due to lack of investments in new power plants, EPS will try to meet the rise in electricity consumption.

Buha said that power output of two largest units in EPS, 618 MW units in TPP Nikola Tesla B, would be increased by 50 MW each. The project should be completed by the end of the year.

The power output of unit 6 (300 MW) in TPP Nikola Tesla A will be increased by 40 MW. The unit should be revitalized by 2010.

The increase of power output in units 3, 4, 5 in TPP Nikola Tesla A, will require renewal of coal mills, after which power output could be increased by 20-30 MW per unit. The renewal of mills should be funded by European bank for reconstruction and development (EBRD).

During 2008, the unit 3 in TPP Kolubara should be upgraded from 25 MW up to its nominal power output of 65 MW.

The increase in power output in TPPs will require increase in coal production, Buha said.

EPS's official also reminded that upgrade of the largest hydro-power plant (HPP), HPP Djerdap 1 is also in progress.

§ § §

Privatization of KEK announced (Serbia, Kosovo)

The government of Kosovo said that only solution for avoiding the power cuts and blackouts in Kosovo is to privatize some parts of Kosovo energy corporation (KEK).

Prime Minister of Kosovo, Hasim Tachi, said that power cuts made significant economic losses to Kosovo. He said that privatization would result in hundreds million euros of savings in the Kosovo budget.

Tachi confirmed that government would support construction of thermal power plant (TPP) Kosovo C, which should be closely watched in the incoming period.

PM said that Kosovo could expect to have stable electricity supply in a year period at most.

According to Kosovo media, the new government's energy strategy implies construction of TPP Kosovo C, granting the existing units in concession and finding the options for new electricity production projects.

The media confirmed that government should reduce power output of TPP Kosovo C (original plans envisaged 2,100 MW) in order to reduce negative impact on environment. The government promised that Pristina would not become the most polluted city in Europe.

The cost of the construction of TPP Kosovo C is estimated at 3 billion euros. The project has been managed by the Ministry of energy and mining of Kosovo. During the tender procedure, the government selected consortium of CEZ and AES, RWE, consortium of EnBW-WGI, and consortium of Enel and Sencap to be the candidates for construction of new plant.

Tenders:

Electricity

Company / organization:

EBRD, related Bosnia and Herzegovina

Supply of Equipment and Materials for Distribution Lines

Content:

JP Elektroprivreda BiH 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 Power Distribution Reconstruction Project.

The Purchaser now invites sealed tenders from Supplier for the following contract[s] to be funded from part of the proceeds of the loan:

Supply of Equipment and Materials for Distribution Lines

Lot 1 Reinforced Concrete Poles, Concrete Tubes, Concrete Plates For Poles Foundation, Post Marks

Lot 2 Steel Crossarms, Metering Cabinets, Steel Tubes, Clamping Rings, Supports, Hinges and Other Steel Elements, Signing and Marking Plates, Bolts and Steel Lattice Tower

Lot 3 Low-Voltage Self-Supporting Cable Bundles (ABC Cables), Distribution Power Cables up to 35 Kv, Universal Cables and ACSR Conductors

Lot 4 LV Cable Accessories, Composite Polimeric Insulators, Metal-Oxide Surge Arresters And Plastic Accessories

Lot 5 Suspension And Jointing Equipment For MV Overhead Lines, Suspension and Jointing Equipment for LV ABC Overhead Lines, Cable Connection Equipment

Lot 6 Optical Cable and Associated Equipment

Tenders are invited for one or more lots.

Deadline:

10 .6.2008 at 12:00, local time

Contact:

Mr. Nedeljko Despotović, PIU Director
Tel.+387 33 751 030
Fax.+387 33 751 033
e-mail: n.despotovic@elektroprivreda.ba

Company / organization:

EBRD, related Bulgaria

Enemona CNG project - General

Content:

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.

This General Procurement Notice draws attention to the forthcoming tender for Supply and installation of equipment for five Compressed Natural Gas vehicles in Bulgaria. The purpose is the development of a natural gas supply system in towns Svilengrad and Kardjali in South-East Bulgaria.

The project includes:

- 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.

Budget for the project: €650,000.

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.

Deadline:

13 Feb 2009 at 00:00, Sofia time

Contact:

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

Company / organization:

EBRD, related Bulgaria

Kozloduy Nuclear Power Plant – General

Content:

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

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

Deadline:

3 Aug 2008 at 24:00, Kozloduy time

Contact:

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

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

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

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

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

Company / organization:	EBRD, related Bulgaria
Varna city heating network rehabilitation KIDSF	
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>
Deadline:	22 Jan 2009 at 00:00, Varna time
Contact:	Mr. Iliia Nikolaev Director of the board Tel: +359 52 500 670 Fax: +359 52 750 358 e-mail: inikolaev@dalkia.bg

Company / organization:	EBRD, related Romania
CFR Traction Energy Network Management LOT 1,2 - General	
Content:	<p>CFR Electricare is a Beneficiary of a loan from the European Bank for Reconstruction and Development and intends to use its proceeds towards the cost of a project to continue modernisation and introduce cost-savings measures in management of its traction energy network. The proposed project, which has a total estimated cost of EUR 26 million equivalent (EUR 22m from the Bank and EUR 4m in VAT and other taxes), will require the procurement of the following goods, works and services:</p> <p>Lot 1: Supply and Installation of equipment sets for the Upgrading and Rehabilitation of 12 traction substations 110/25kV and the associated sectioning/subsectioning posts and disconnectors remote control</p> <p>Lot 2: Supply and Installation of equipment sets for the control and surveillance (SCADA) of four railway energy dispatchers: DEF Timisoara, DEF Caransebes, DEF Craiova and DEF Targu-Jiu.</p>
Deadline:	22 Oct 2008 at 00:00, Bucharest time.

Contact:	Mr I Truica; Technical Director S.C. Electricare SA B-dul D Golescu nr.38 Bucharest, Romania Tel: + 40 21 3192512; Email: ionel.truica@cfr.ro
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Company / organization:	EBRD, related Romania
CFR Traction Energy Network Management LOT 1,2 - General	
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 Electricare 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. Electricare SA, B-dul D Golescu nr.38 Bucharest, Romania Tel: + 40 213192512 Email: ionel.truica@cfr.ro

Company / organization:	EBRD, related Bulgaria
Rehab and Extension of Power Transmission Network LOT 1,2,3	
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:	<p>Mrs. Ludmila Vitanova Head of Investment Department Natsionalna Elektricheska Kompania 5, “Vesletz” str., 1040 Sofia BULGARIA Tel.: +359 2 9263 552 Fax: +359 2 986 12 88 E-mail: lvitanova@nek.bg</p>

Company / organization:	EBRD, related Romania
Iasi District Heating Project	
Content:	<p>This General Procurement Notice (GPN) updates the first GPN for this project published in Procurement Opportunities, on 6 February 2006 with the Ref: 5189-GPN -35162. S.C. Centrala Electrică de Termoficare (CET).Iasi S.A. has received a loan from the European Bank of Reconstruction and Development and intends using the proceeds for refurbishment of the city district heating.</p> <p>The Project, which has a total estimated cost of about €31.8 million, proposed to be financed by the Bank, the Swiss Government and S.C.CET Iasi S.A, will require the procurement of the following goods and works:</p> <ul style="list-style-type: none"> - Supply and Installation of thermal modules (expected to be partly donor funded) - Supply and Installation of the equipment in the Central Sub-stations, including the automation equipment (expected to be partly donor funded) - Rehabilitation Works for the Central Sub-stations, including Buildings Rehabilitation - Rehabilitation Works for the Heat Distribution Network <p>Tendering for the above is expected to start in the 1st quarter 2007.</p> <p>Contracts to be financed with the proceeds of a loan from the bank will be subject to the Bank's Procurement Policies and Rules and will be open to firms from any country. The proceeds of the Bank's loan will not be used for the purpose of any payment to persons or entities, 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:	30 May 2008 at 10:00, Iasi time
Contact:	<p>Centrala Electrica de Termoficare Iasi (CET) SA Project Implementation Unit Contact name: Mrs. Buzea Doina Address: Calea Chisinaului Street, no. 25 Iasi; Postal code: 700265 Iasi, Romania Phone: +40-232-231675 Fax: +40-232-231675</p>

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

Company / organization:	EBRD, related Bulgaria
Pernik District Heating Rehabilitation Project	
Content:	<p>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.</p> <p>Contracts to be financed with the KIDSF grant will be subject to the Bank's Procurement Policies and Rules. Tendering for contracts to be financed with the proceeds of a grant administered by the Bank is now open to firms from Austria, Belgium, Bulgaria, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Luxemburg, Portugal, Spain, Sweden, Switzerland, UK, Cyprus, the Czech Republic, Estonia, Hungary, Latvia, Lithuania, Malta, the Netherlands, Poland, Romania, Slovakia, Slovenia, all the so called PHARE and countries of EBRD operations.</p>
Deadline:	12 June 2008 at 24:00, Pernik time
Contact:	eng. Gergana Koleva Moshino, CHP Plant Republika 2303 Pernik, Bulgaria Tel./Fax.: +359 (076) 670 675

Company / organization:	EBRD, related Bosnia and Herzegovina
Power Distribution Reconstruction Project	
Content:	<p>This GPN updates the notice published on the EBRD website on 11 November 2005. Bosnia and Herzegovina has applied for a loan from the European Bank for Reconstruction and Development ("The Bank") towards the cost of reconstructing and modernising the electricity distribution infrastructure in Bosnia and Herzegovina, enabling the three local power utilities (Elektroprivreda Bosne Hercegovine ("EPBIH"); Elektroprivreda Republike Srpske ("EPRS") and Elektroprivreda Hrvatske Zajednice Herceg Bosne ("EPHZHB")) to improve reliability and quality of electricity supply, reduce losses and improve 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>
Deadline:	2 June 2008 at 24:00, Mostar time
Contact:	Mr. Josip Jerkovic PIU Director Tel:+387 36 323 788 Fax:+387 36 322 831 Email: josip.jerkovic@epzhb.ba

Oil and Gas

Company / organization:	EBRD, related Bulgaria
Bulgartransgaz Silistra System Development	
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"> • Temporary construction and preparatory works; • Delivery of materials and equipment (except of those included in the Delivery Contracts (A, B and C) above); • Construction and installation; • Pre-commissioning and commissioning tests; • Getting Permission on Commissioning by the competent control authorities; • 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. <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:	Mr. Angel Semerdjiev Executive Director Bulgartransgaz EAD 66, Pancho Vladigerov Blvd. Sofia 1336 Bulgaria Fax : + 359 29396462 e-mail: Silistra@bulgartransgaz.bg