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# NEWS

Energy News in Southeast Europe  
twice in a month •

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**.BALKANENERGY.COM**

## About:

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.

News are published to subscribers only as an .pdf edition, two times per month

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BalkanEnergy NEWS Consulting

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## In this issue:

**August (2) 2008 issue of Balkan Energy NEWS, with limited data.**

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## Actual data

- » Power sector operational and market data for the period of 16.08.-31.08.2008
- » Forecasted weather conditions for the following period

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## Analysis:

- » Hydro Power Plants in Bosnia and Herzegovina

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## News headlines

### Region

- » Nabucco to provide gas supplies
- » South pool to expand in South Eastern Europe

### Albania

- » Premier Berisha receives representatives of Italian Caraglio group (Albania)

### Bosnia and Herzegovina:

- » TPP Gacko to start annual overhaul
- » NefteGazInkor paid all obligations for privatization of oil companies in RS
- » China interested in construction of HPPs
- » EP BiH published tender for sale of electricity in 2009

**Bulgaria:**

- » Unit 6 in NPP Kozloduy switched off for annual repair
- » Kovachki to restart unit 2 in TPP Bobov Dol
- » Bulgargaz to reduce natural gas supplies to major heating companies over debts
- » Government to offer Gorna Arda project in concession
- » Major electricity distributors to cut personnel
- » Danish Vestas wants to build wind farm in Ruse

**Croatia:**

- » Prime minister: share swap between INA and MOL most likely option
- » HEP needs to build 1,600 MW until 2015
- » Hanfa demanded additional documentation from MOL
- » Disputes regarding usage of Busko Lake

**Greece:**

- » South Stream agreement ratified
- » Talks regarding geothermal energy
- » PPC losses higher than expected

**Macedonia:**

- » 3 companies purchased night energy from Mepso
- » Slovenian Petrol interested in Macedonia
- » EVN Macedonia strongly against new energy law
- » Problems for EVN in Cair municipality
- » Only one company placed bid for CCGT Skopje
- » New 400 KV power line toward Albania

**Montenegro:**

- » Increase in electricity production by 30 % in H1
- » Verbund and CEZ still reconsidering to take part in privatization of EPCG
- » Regulator to set coal prices in the next three years
- » EPCG started reconstruction works in HPP Perucica
- » Statkraft reaffirms its interest in construction of HPPs
- » EPCG wants to take part in the EP BiH's tender for sale of electricity in 2009
- » Investors want preemptive rights for purchase of shares in EPCG
- » Government to propose to KAP to build new TPP

**Romania:**

- » CEZ purchased wind power project from CWP
- » Hidroelectrica to establish joint ventures for construction of new HPPs
- » 418 million euros of profit for Electrica in H1
- » Nuclearelectrica doubled turnover in H1
- » Rompetrol Rafinare acquired electricity supply license
- » Nuclearelectrica continued negotiations for construction of units 3 and 4 in NPP Cernavoda

**Serbia:**

- » Large-scale disconnections of non-paying electricity customers, debts amounted to 130 million euros in capital
- » Russia awaits ratification of energy agreement
- » Minister of energy in favor of construction of NPPs
- » Silovye Mashiny to remain in charge for renewal of HPP Djerdap 1
- » Advisor to publish market price for NIS
- » Serbia invited Montenegro to take part in the project for HPP Buk Bijela

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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

Balkan Energy NEWS service provides energy related news from countries of South East Europe. Covered countries are Albania, Bulgaria, Bosnia & Herzegovina, Croatia, Greece, FYR Macedonia, Montenegro, Romania, Serbia, Slovenia and Turkey. Besides all regional energy related news, we are giving you in each issue one market analysis and review of the tenders announced and held in this area. You will be also able to see review of energy market data and relevant power exchanges.

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

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

111	1022	Slovenia	2009	12287	1083	991	1054	911	1119
048	1134		2010	12287	1083	991	1054	911	1119
081	1077		2011	12590	955	1051	1127	997	

OPCOM

Annual electricity consumption in GWh					
Year	Sum	1	2	3	4
2007	11182	1027	891	953	850
2008	11570	1094	998	1012	911
2009	10994	1099	932	963	816
2010	11722	1074	979	1016	910
2011	12186	1155	1038	1075	938
2008	34506	3159	2969	2960	2637
2009	32722	3041	3196	3196	2638
2010	31954	3486	3052	3021	2443
2011	33452	3475	3107	3087	2577
2008	17842	1680	1543	1570	1398
2009	17507	1625	1530	1551	1323
2010	17507	1625	1530	1551	1323
2011	17507	1625	1530	1551	1323
2009	53504	4652	4271	4401	3894
2010	53565	4666	4107	4327	3913
2011	53565	4666	4107	4327	3913
2007	8530	777	684	687	684
2008	830	704	704	704	704
2009	830	704	704	704	704
2010	830	704	704	704	704
2011	830	704	704	704	704
2009	50636	4736	4268	4473	3803
2010	53365	4736	4268	4473	3803
2011	53365	4736	4268	4473	3803

## Country Reports on Energy Business in South Eastern Europe

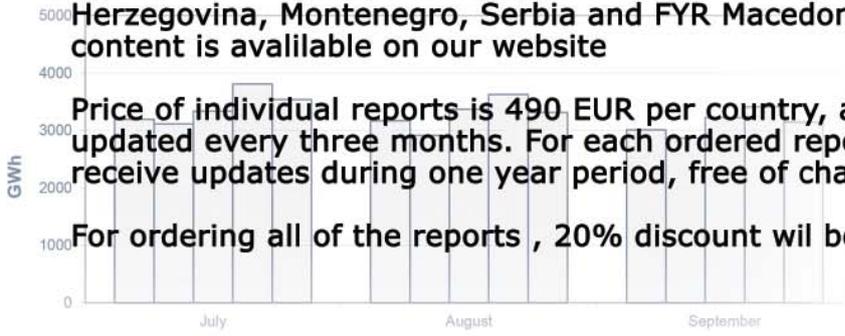
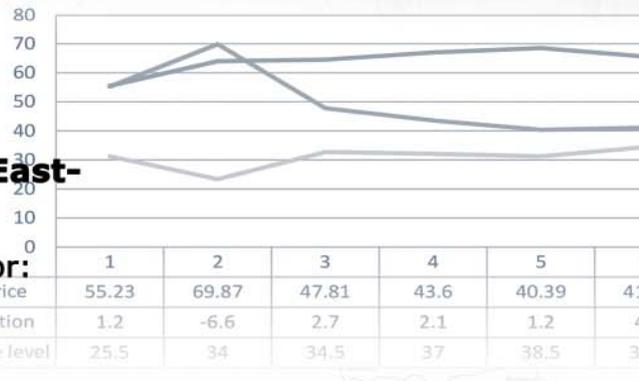
Country reports provide detailed overview of energy sector:

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

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

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**Power exchanges data:**

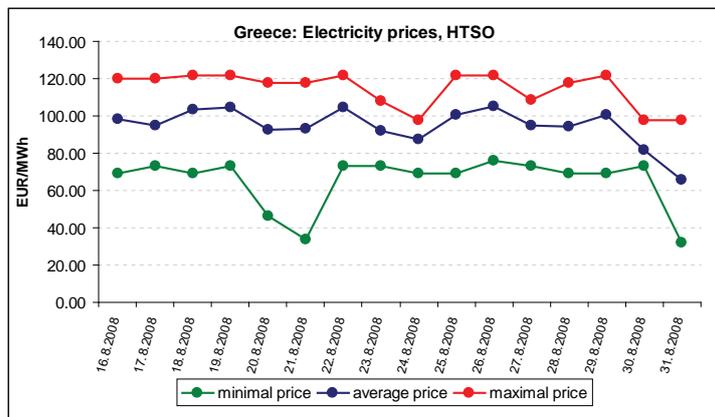
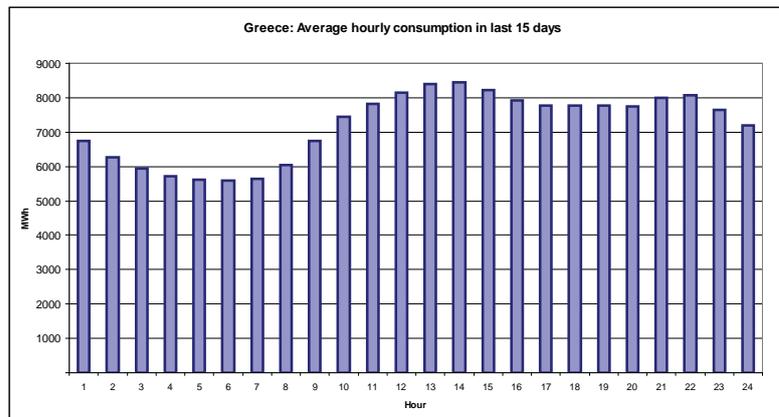
**Bosnia and Herzegovina: NO DATA**

**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
16.8.2008	6000	5600	5280	5120	5060	5040	5020	5250	5800	6300	6700	6900	7200	7230	7110	6850	6730	6800	6850	6840	7180	7550	7300	6930
17.8.2008	6400	5950	5580	5350	5200	5100	5000	5060	5433	5849	6259	6600	6769	6690	6376	6174	6137	6300	6399	6509	6792	7207	6971	6592
18.8.2008	6700	6222	5915	5706	5589	5584	5742	6344	7222	7978	8350	8630	8880	9030	8880	8570	8380	8423	8354	8100	8272	8428	7932	7457
19.8.2008	6927	6441	6114	5904	5794	5785	5850	6462	7344	8102	8426	8706	8950	9000	8800	8480	8296	8478	8522	8272	8351	8385	7913	7422
20.8.2008	6671	6188	5826	5632	5534	5525	5664	6227	7061	7813	8185	8488	8715	8807	8641	8289	8073	8140	8054	7929	8170	8299	7854	7342
21.8.2008	6930	6442	6077	5867	5771	5757	5899	6475	7328	8103	8476	8783	9000	9040	8850	8529	8305	8344	8350	8308	8457	8398	7943	7454
22.8.2008	6916	6437	6080	5876	5774	5756	5899	6440	7302	8069	8418	8701	8910	8991	8771	8448	8225	8263	8258	8224	8410	8307	7833	7381
23.8.2008	6961	6525	6173	5956	5828	5740	5656	5830	6460	7154	7628	7943	8192	8281	8036	7726	7574	7571	7500	7574	7801	7906	7560	7187
24.8.2008	6864	6455	6084	5864	5717	5612	5425	5438	5795	6247	6722	7108	7335	7335	7105	6981	6954	7015	7024	7178	7441	7772	7624	7337
25.8.2008	6840	6370	6023	5812	5702	5691	5859	6442	7340	8150	8500	8850	9200	9330	9180	8790	8500	8430	8400	8390	8550	8540	8060	7600
26.8.2008	7300	6800	6450	6220	6080	6060	6180	6750	7630	8370	8700	9000	9250	9330	9120	8800	8550	8550	8600	8450	8750	8550	8000	7600
27.8.2008	7200	6700	6330	6100	6040	6000	6100	6650	7450	8280	8710	9020	9250	9350	9100	8770	8500	8350	8200	8070	8500	8470	7920	7500
28.8.2008	6880	6330	6000	5800	5700	5700	5860	6400	7220	8120	8430	8800	9040	9130	8850	8500	8370	8300	8300	8180	8500	8300	7650	7140
29.8.2008	6640	6220	5900	5700	5600	5610	5780	6300	7120	7830	8200	8400	8700	8800	8650	8300	8000	7850	7900	8050	8350	8250	7650	7050
30.8.2008	6400	6050	5700	5500	5400	5380	5400	5550	6200	6880	7300	7570	8000	8100	7700	7450	7370	7350	7330	7300	7450	7600	7150	6750
31.8.2008	6100	5680	5400	5200	5100	5050	4950	4900	5270	5800	6260	6670	6850	6760	6450	6250	6250	6200	6200	6400	6950	7100	6840	6450
<b>Average:</b>	<b>6733</b>	<b>6276</b>	<b>5933</b>	<b>5725</b>	<b>5618</b>	<b>5587</b>	<b>5643</b>	<b>6032</b>	<b>6748</b>	<b>7440</b>	<b>7829</b>	<b>8136</b>	<b>8390</b>	<b>8450</b>	<b>8226</b>	<b>7932</b>	<b>7763</b>	<b>7773</b>	<b>7765</b>	<b>7736</b>	<b>7995</b>	<b>8066</b>	<b>7638</b>	<b>7200</b>

**Greece: System Marginal Prices in last 15 days**

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
16.8.2008	76.15	73.40	73.39	73.39	69.26	69.26	73.39	73.39	73.39	105.50	117.59	117.59	107.83	107.83	107.83	119.87	107.83	117.59	117.59	117.59	107.82	117.59	117.59	119.87
17.8.2008	107.82	119.87	76.15	76.15	76.15	76.15	73.39	73.39	73.39	76.15	105.50	98.20	105.50	98.20	98.19	98.19	97.58	97.57	98.19	98.20	117.59	107.82	117.59	107.83
18.8.2008	121.88	73.39	76.15	69.26	69.26	69.26	69.27	76.15	97.57	119.87	117.59	119.87	119.87	117.59	121.73	119.87	119.87	107.83	117.59	119.87	121.73	119.87	119.87	97.57
19.8.2008	93.97	76.16	76.16	73.39	73.39	73.39	73.39	94.10	107.82	107.82	121.73	119.87	119.87	119.87	119.87	119.87	119.87	119.87	119.87	119.87	119.87	119.87	119.87	97.58
20.8.2008	76.16	76.15	69.26	69.26	46.02	46.02	69.26	76.15	76.15	107.82	108.50	108.50	107.83	108.50	107.83	108.50	98.20	117.59	107.83	107.83	107.83	107.83	107.82	98.20
21.8.2008	76.16	76.15	73.39	69.26	33.65	36.31	69.26	76.15	97.57	117.59	108.50	108.50	108.50	108.50	108.50	108.50	108.50	108.50	107.83	108.50	108.50	108.50	108.50	97.96
22.8.2008	107.82	76.16	76.15	76.15	73.40	73.40	76.15	97.50	97.57	121.90	117.59	121.90	108.50	121.88	117.59	119.87	117.59	121.88	108.50	121.88	117.59	119.87	119.87	97.52
23.8.2008	107.82	85.52	76.16	76.15	73.39	73.39	73.39	73.40	93.70	107.82	97.57	98.19	98.19	107.82	98.19	97.51	97.50	97.50	97.50	97.50	97.50	97.52	93.70	93.70
24.8.2008	93.70	73.39	76.15	73.40	73.40	73.39	69.26	69.26	76.15	76.15	97.50	93.70	93.70	93.70	97.50	97.50	97.50	97.50	97.50	93.70	93.70	97.50	93.70	93.70
25.8.2008	93.70	73.40	73.40	69.26	69.26	69.26	69.27	76.16	98.19	121.88	117.59	121.90	119.87	121.73	117.59	117.59	119.87	119.87	98.19	108.50	117.59	119.87	107.82	97.58
26.8.2008	98.19	93.70	97.50	76.15	76.15	76.15	76.16	76.16	107.82	121.88	108.50	121.88	117.59	119.87	117.59	108.50	119.87	117.59	119.87	119.87	119.87	119.87	119.87	93.75
27.8.2008	89.99	76.16	76.15	73.39	73.39	73.39	73.39	89.99	93.70	108.50	107.82	108.50	107.83	107.83	107.82	98.19	98.19	98.19	98.19	98.19	108.50	107.83	107.82	97.50
28.8.2008	76.15	76.15	73.39	69.26	69.26	69.26	69.26	76.15	76.15	117.59	117.59	108.50	117.59	108.50	108.50	108.50	108.50	108.50	108.50	107.83	98.19	117.59	97.57	76.15
29.8.2008	89.85	76.15	73.40	69.26	69.26	69.26	73.39	89.85	98.20	121.90	108.50	121.88	119.87	119.87	119.87	119.87	108.50	119.87	108.50	119.87	108.50	119.87	108.50	76.16
30.8.2008	76.15	76.15	76.15	73.40	73.40	73.39	73.40	73.40	73.39	89.85	76.16	97.57	89.85	89.86	76.16	89.85	76.16	89.85	89.85	76.16	89.85	89.90	97.57	73.39
31.8.2008	69.26	73.39	47.21	31.73	31.73	31.73	31.73	31.73	32.84	69.26	76.15	76.15	76.15	76.16	76.16	76.15	76.16	76.15	76.15	97.50	76.15	97.50	97.50	76.16
<b>Average:</b>	<b>90.92</b>	<b>79.71</b>	<b>74.39</b>	<b>69.93</b>	<b>65.65</b>	<b>65.81</b>	<b>69.58</b>	<b>76.43</b>	<b>85.85</b>	<b>105.72</b>	<b>106.52</b>	<b>108.92</b>	<b>107.41</b>	<b>107.98</b>	<b>106.31</b>	<b>106.77</b>	<b>104.48</b>	<b>107.24</b>	<b>104.24</b>	<b>107.05</b>	<b>106.92</b>	<b>110.55</b>	<b>108.69</b>	<b>93.41</b>

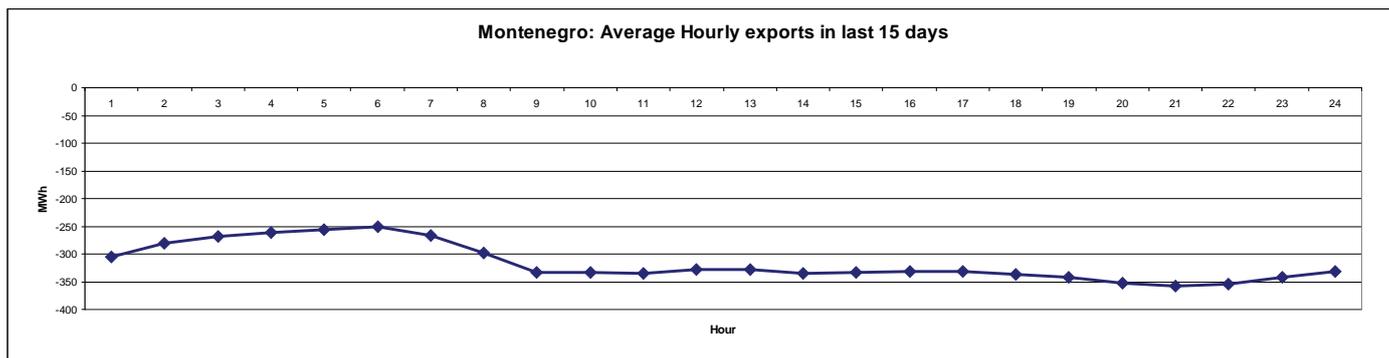


**Montenegro: Electricity exports in last 15 days per border (MWh)**

	16.8.2008	17.8.2008	18.8.2008	19.8.2008	20.8.2008	21.8.2008	22.8.2008	23.8.2008	24.8.2008	25.8.2008	26.8.2008	27.8.2008	28.8.2008	29.8.2008	30.8.2008	31.8.2008
Montenegro - Albania	2551	3055	2454	2739	2612	2606	2485	2724	3092	2425	2325	2601	2048	2236	1998	2741
Montenegro - BiH	-7908	-8101	-8508	-8458	-8448	-7976	-7922	-8006	-10801	-7237	-7946	-8862	-7031	-7264	-7920	-7658
Montenegro - Serbia	-2111	-2822	-2004	-2414	-2735	-2656	-2443	-3264	-3208	-2279	-2028	-952	-1712	-2221	-1577	-2439
<b>Total</b>	<b>-7468</b>	<b>-7868</b>	<b>-8058</b>	<b>-8133</b>	<b>-8572</b>	<b>-8026</b>	<b>-7880</b>	<b>-8547</b>	<b>-10916</b>	<b>-7090</b>	<b>-7649</b>	<b>-7214</b>	<b>-6694</b>	<b>-7249</b>	<b>-7499</b>	<b>-7357</b>

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

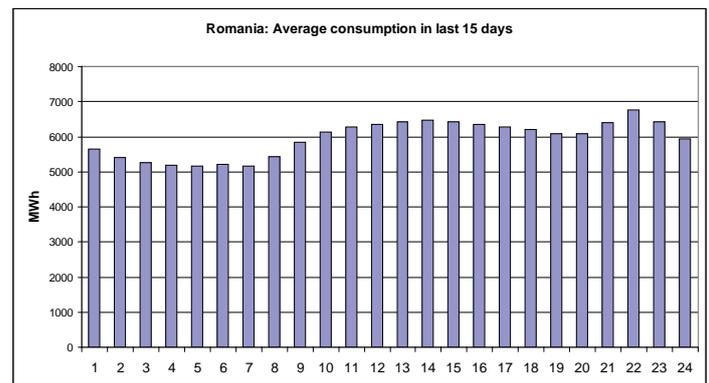
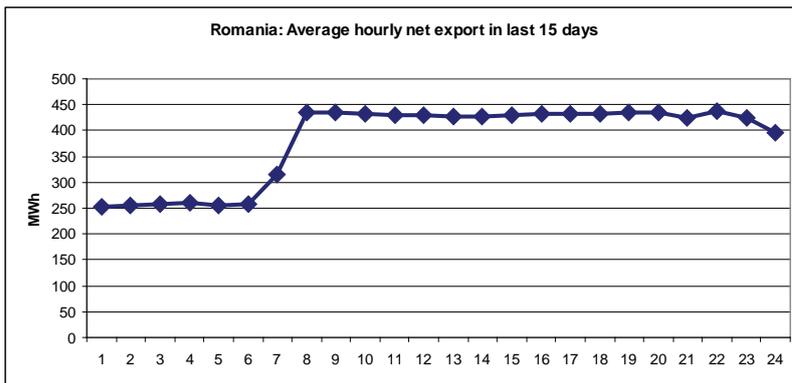
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
16.8.2008	-318	-257	-280	-272	-263	-255	-253	-298	-345	-375	-384	-277	-259	-186	-182	-280	-331	-361	-363	-392	-427	-405	-374	-331
17.8.2008	-296	-269	-273	-256	-246	-254	-253	-266	-315	-345	-352	-352	-346	-354	-375	-360	-330	-352	-354	-381	-413	-410	-379	-337
18.8.2008	-311	-286	-267	-250	-251	-250	-271	-294	-328	-348	-355	-340	-363	-388	-384	-364	-356	-349	-364	-369	-425	-417	-383	-345
19.8.2008	-304	-288	-259	-266	-249	-250	-261	-286	-305	-329	-339	-369	-377	-385	-376	-375	-380	-388	-380	-401	-437	-411	-376	-341
20.8.2008	-299	-271	-269	-272	-258	-243	-267	-312	-349	-375	-386	-402	-394	-426	-414	-402	-406	-391	-394	-412	-454	-432	-390	-353
21.8.2008	-321	-295	-274	-272	-273	-254	-249	-299	-325	-354	-309	-322	-340	-351	-353	-327	-331	-382	-398	-402	-429	-424	-383	-359
22.8.2008	-324	-298	-291	-285	-276	-240	-267	-306	-331	-360	-379	-390	-358	-346	-335	-330	-303	-315	-339	-357	-372	-351	-351	-380
23.8.2008	-312	-306	-286	-284	-268	-269	-288	-306	-321	-354	-360	-386	-396	-418	-418	-402	-397	-383	-389	-409	-443	-418	-378	-357
24.8.2008	-421	-381	-353	-350	-331	-332	-370	-439	-488	-218	-238	-148	-172	-198	-184	-222	-229	-232	-149	-97	-108	-151	-98	-304
25.8.2008	-300	-268	-248	-251	-247	-224	-252	-299	-338	-346	-354	-356	-319	-311	-306	-276	-269	-279	-300	-307	-321	-308	-294	-318
26.8.2008	-269	-247	-255	-253	-249	-241	-266	-303	-329	-324	-343	-351	-366	-380	-374	-353	-354	-352	-366	-368	-325	-305	-345	-334
27.8.2008	-273	-252	-239	-171	-245	-246	-252	-286	-316	-333	-339	-339	-361	-370	-370	-348	-337	-341	-356	-362	-211	-212	-332	-325
28.8.2008	-289	-271	-250	-242	-238	-240	-251	-270	-302	-302	-237	-207	-148	-216	-280	-269	-294	-296	-333	-366	-383	-362	-341	-306
29.8.2008	-271	-252	-243	-246	-236	-242	-264	-278	-316	-331	-327	-341	-354	-365	-360	-341	-335	-326	-326	-292	-208	-319	-360	-316
30.8.2008	-281	-277	-255	-258	-242	-231	-259	-266	-315	-331	-343	-340	-353	-350	-344	-329	-323	-332	-341	-354	-382	-364	-333	-298
31.8.2008	-284	-284	-248	-252	-237	-232	-242	-271	-305	-321	-316	-337	-340	-312	-270	-323	-319	-316	-329	-369	-395	-381	-359	-316
<b>Average:</b>	<b>-305</b>	<b>-281</b>	<b>-268</b>	<b>-261</b>	<b>-257</b>	<b>-250</b>	<b>-266</b>	<b>-299</b>	<b>-333</b>	<b>-334</b>	<b>-335</b>	<b>-329</b>	<b>-328</b>	<b>-335</b>	<b>-333</b>	<b>-331</b>	<b>-331</b>	<b>-337</b>	<b>-342</b>	<b>-352</b>	<b>-358</b>	<b>-354</b>	<b>-342</b>	<b>-332</b>

**Montenegro: Average Hourly exports in last 15 days****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
16.8.2008	5829	5536	5377	5252	5205	5237	5086	5278	5641	5900	6057	6105	6120	6097	6024	5988	5977	5960	5891	6020	6207	6653	6332	5899
17.8.2008	5516	5289	5128	5062	5053	4993	4697	4725	4881	5070	5174	5299	5346	5384	5368	5319	5372	5321	5348	5365	5620	6128	5980	5529
18.8.2008	5233	5016	4999	4942	4939	5028	5122	5586	6141	6513	6624	6654	6732	6873	6834	6687	6558	6397	6248	6187	6418	6924	6629	6151
19.8.2008	5761	5544	5367	5361	5320	5395	5385	5743	6216	6495	6665	6776	6798	6864	6798	6681	6559	6501	6283	6201	6400	6899	6638	6069
20.8.2008	5588	5431	5317	5243	5243	5325	5310	5723	6161	6479	6626	6707	6796	6851	6843	6755	6603	6530	6414	6455	6687	6929	6552	5995
21.8.2008	5703	5476	5308	5229	5233	5311	5318	5739	6201	6511	6631	6682	6778	6906	6856	6779	6675	6581	6424	6351	6605	7022	6650	6066
22.8.2008	5779	5562	5390	5357	5339	5353	5372	5760	6253	6697	6793	6862	6959	7029	6980	6829	6732	6626	6437	6341	6624	7035	6708	6301
23.8.2008	5775	5481	5300	5239	5214	5193	4982	5107	5432	5727	5907	6020	6066	6087	6058	6043	6042	6039	6063	6037	6277	6605	6290	5875
24.8.2008	5545	5310	5094	5029	4972	4916	4746	4749	4940	5144	5278	5370	5448	5486	5481	5511	5509	5503	5517	5537	5863	6327	6104	5706
25.8.2008	5383	5081	5027	4949	4957	4974	5049	5511	6111	6459	6725	6850	6930	6983	6939	6832	6689	6596	6425	6417	6718	6989	6567	6003
26.8.2008	5622	5319	5179	5134	5148	5248	5237	5661	6081	6419	6509	6569	6695	6772	6700	6657	6484	6385	6185	6159	6478	6890	6609	6002
27.8.2008	5647	5447	5332	5269	5263	5350	5451	5731	6296	6651	6758	6799	6857	6969	6890	6745	6616	6489	6262	6282	6688	6941	6463	5903
28.8.2008	5814	5664	5527	5418	5444	5466	5568	5922	6335	6666	6831	6884	6918	7031	6948	6877	6746	6629	6469	6361	6792	7119	6649	6121
29.8.2008	5855	5653	5505	5424	5403	5480	5568	5961	6427	6704	6830	6937	7037	7028	6963	6827	6718	6598	6445	6437	6873	7109	6701	6124
30.8.2008	5733	5406	5237	5118	5075	5096	4973	5169	5441	5740	5917	6020	6017	5989	5909	5874	5854	5834	5768	5898	6325	6528	6208	5823
31.8.2008	5433	5199	4981	4951	4940	4902	4652	4677	4761	4985	5120	5239	5291	5253	5241	5186	5158	5157	5194	5353	5939	6044	5737	5336
<b>Average:</b>	<b>5638</b>	<b>5401</b>	<b>5254</b>	<b>5186</b>	<b>5172</b>	<b>5204</b>	<b>5157</b>	<b>5440</b>	<b>5832</b>	<b>6135</b>	<b>6278</b>	<b>6361</b>	<b>6424</b>	<b>6475</b>	<b>6427</b>	<b>6349</b>	<b>6268</b>	<b>6197</b>	<b>6086</b>	<b>6088</b>	<b>6407</b>	<b>6759</b>	<b>6426</b>	<b>5932</b>

### Romania: Electricity net export in last 15 days (MWh)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
16.8.2008	284	290	287	291	288	288	308	344	349	343	341	341	342	344	344	346	346	334	336	346	333	344	359	367
17.8.2008	197	201	202	214	215	203	243	335	340	336	335	334	331	331	330	330	331	332	333	329	311	324	341	321
18.8.2008	235	238	238	258	253	253	315	348	345	340	337	333	332	336	339	342	344	348	350	347	333	347	323	339
19.8.2008	245	249	252	252	247	243	266	344	344	339	337	333	334	336	340	342	345	348	351	350	336	347	322	335
20.8.2008	160	163	164	161	160	162	230	306	323	326	323	319	319	321	325	328	307	311	313	328	321	336	317	328
21.8.2008	188	191	194	199	191	193	247	344	344	340	338	333	334	335	340	343	346	350	342	349	335	350	317	304
22.8.2008	219	222	225	225	220	215	237	346	348	345	342	339	336	339	342	345	348	351	347	353	339	356	336	332
23.8.2008	365	369	371	371	368	380	462	600	605	599	595	596	592	594	595	597	597	578	580	603	594	603	574	489
24.8.2008	341	345	348	349	347	361	414	545	550	546	545	544	543	541	542	542	545	547	548	543	529	541	544	453
25.8.2008	425	429	430	430	423	419	471	610	613	610	607	605	600	603	606	610	614	619	621	615	606	621	599	517
26.8.2008	370	373	376	378	371	377	469	608	612	609	606	604	599	601	605	608	611	615	618	612	601	617	590	517
27.8.2008	318	322	323	325	318	324	468	607	612	608	615	613	607	609	613	616	608	612	616	612	598	612	591	518
28.8.2008	354	357	360	362	355	361	476	610	614	612	608	607	600	601	606	609	612	617	619	613	602	620	595	488
29.8.2008	116	120	122	124	116	122	208	378	371	367	364	367	359	362	366	368	372	377	380	377	365	380	358	368
30.8.2008	170	162	154	154	150	161	163	338	338	332	330	333	327	330	329	324	349	338	341	348	350	357	384	397
31.8.2008	62	67	70	71	70	82	75	275	266	262	261	268	265	258	258	259	261	260	257	252	251	259	247	245
<b>Average:</b>	<b>253</b>	<b>256</b>	<b>257</b>	<b>260</b>	<b>256</b>	<b>259</b>	<b>316</b>	<b>434</b>	<b>436</b>	<b>432</b>	<b>430</b>	<b>429</b>	<b>426</b>	<b>428</b>	<b>430</b>	<b>432</b>	<b>434</b>	<b>434</b>	<b>435</b>	<b>436</b>	<b>425</b>	<b>438</b>	<b>425</b>	<b>395</b>

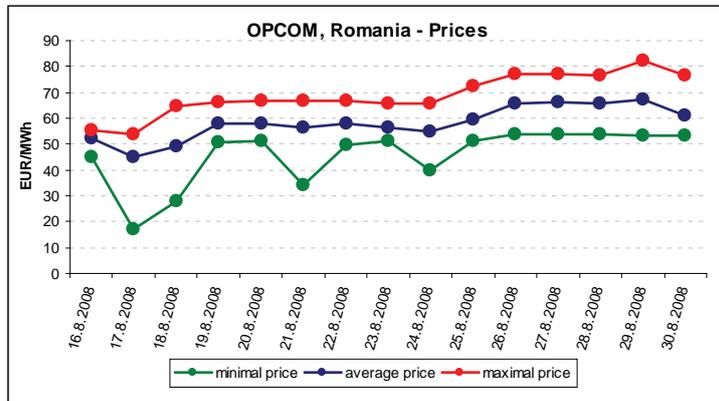
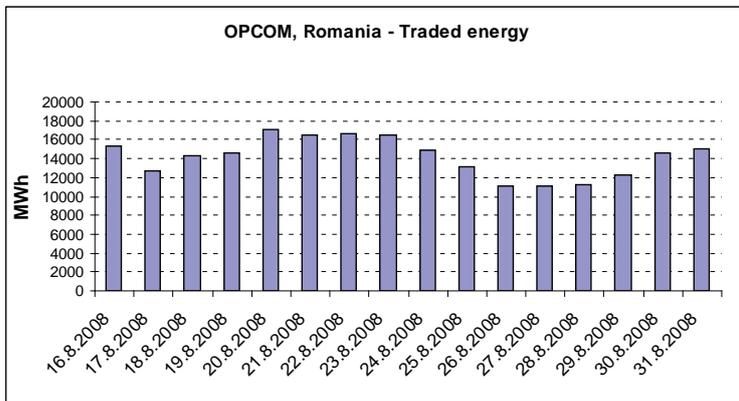


### Opcom, Romania: Traded energy in last 15 days (MWh)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
16.8.2008	623	548	524	524	514	484	534	489	533	597	675	714	730	731	735	728	682	654	665	659	697	844	788	648
17.8.2008	544	430	498	529	528	527	450	424	444	461	507	531	547	547	557	540	533	626	499	498	562	722	638	526
18.8.2008	572	505	546	524	518	456	507	556	587	620	676	656	647	668	660	678	699	653	606	591	571	607	634	568
19.8.2008	578	577	500	521	509	478	529	594	584	554	641	634	621	638	628	640	641	665	706	731	668	600	627	696
20.8.2008	590	677	653	656	660	645	705	685	692	695	734	752	732	736	760	739	762	774	774	797	764	703	743	714
21.8.2008	628	683	555	525	531	497	625	644	641	714	767	758	759	785	792	771	762	752	740	768	709	671	703	724
22.8.2008	692	671	593	536	521	556	627	649	624	694	751	757	784	770	779	757	750	766	775	719	729	684	733	661
23.8.2008	628	639	631	603	585	544	573	646	582	627	713	712	712	719	755	810	779	751	723	720	770	753	764	718
24.8.2008	543	520	498	487	471	454	511	512	518	564	617	630	679	723	743	734	728	686	658	694	708	742	758	678
25.8.2008	587	555	540	543	528	505	532	566	505	580	548	511	497	498	543	533	558	586	566	549	524	567	550	638
26.8.2008	465	494	496	504	521	476	541	537	396	428	405	412	392	402	417	438	465	474	504	481	424	435	416	536
27.8.2008	465	494	496	504	521	476	541	537	396	428	405	412	392	402	417	438	465	474	504	481	424	435	416	536
28.8.2008	501	564	557	586	571	551	617	583	401	406	382	378	369	385	413	408	441	466	473	460	413	417	409	506
29.8.2008	624	597	586	605	622	548	614	605	478	442	434	435	427	438	458	444	456	526	514	525	413	444	478	539
30.8.2008	588	683	662	682	656	641	653	651	640	541	515	519	535	551	561	549	556	579	617	663	578	590	608	741
31.8.2008	633	576	526	492	490	470	488	536	619	647	669	689	711	722	718	713	709	681	648	686	687	662	691	621
<b>Average:</b>	<b>579</b>	<b>576</b>	<b>554</b>	<b>551</b>	<b>547</b>	<b>519</b>	<b>565</b>	<b>576</b>	<b>540</b>	<b>562</b>	<b>590</b>	<b>594</b>	<b>596</b>	<b>607</b>	<b>621</b>	<b>620</b>	<b>624</b>	<b>632</b>	<b>624</b>	<b>626</b>	<b>603</b>	<b>617</b>	<b>622</b>	<b>628</b>

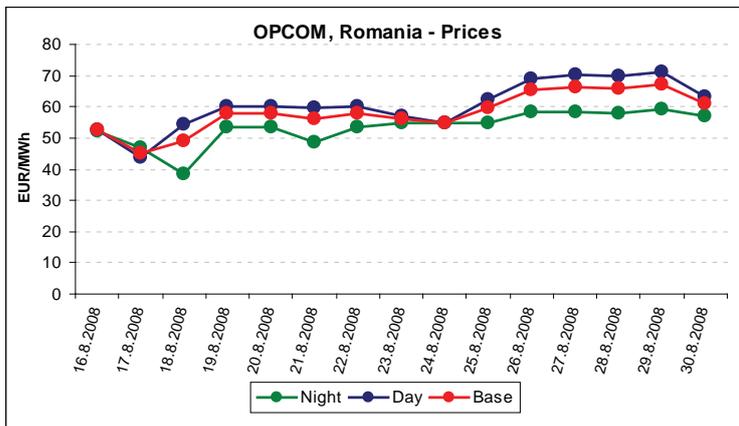
### Opcom, Romania: Prices in last 15 days (EUR/MWh)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
16.8.2008	54.85	53.72	52.02	50.89	50.89	48.07	45.24	45.24	50.89	53.72	53.72	53.72	53.72	53.72	53.72	53.72	53.72	53.72	53.72	53.72	55.13	53.72	53.72	53.72
17.8.2008	53.55	42.27	47.91	42.27	42.27	42.27	16.91	16.91	33.82	45.09	49.32	50.73	50.73	51.01	50.73	50.73	47.91	50.73	42.27	45.09	47.91	53.55	53.55	50.45
18.8.2008	53.55	28.18	28.18	28.18	28.18	28.18	28.18	50.73	53.55	56.93	56.93	56.93	64.82	56.93	56.93	56.93	56.37	55.52	53.55	53.55	53.55	60.59	56.93	55.24
19.8.2008	56.93	53.55	50.73	50.73	50.73	50.73	52.14	53.55	56.37	60.60	59.19	60.60	65.38	66.23	66.23	65.38	60.60	56.93	56.37	56.37	56.93	65.38	57.78	56.37
20.8.2008	57.22	53.82	50.99	50.99	50.99	50.99	50.99	53.82	56.66	60.91	59.49	62.32	66.57	66.57	66.57	65.72	60.91	57.22	56.66	56.65	57.22	65.72	57.22	55.80
21.8.2008	56.95	53.83	51.00	34.00	45.33	34.00	51.00	53.83	55.25	56.95	59.50	62.33	65.73	66.58	65.73	65.73	60.92	57.23	56.67	56.67	57.25	66.62	58.09	56.38
22.8.2008	56.76	53.92	51.08	51.08	49.66	51.08	51.08	53.92	55.34	57.04	59.60	62.43	65.84	66.69	66.69	65.84	61.02	57.32	56.76	55.91	57.04	65.84	58.18	55.62
23.8.2008	57.18	53.79	53.79	53.79	53.79	53.79	50.96	53.79	53.79	55.20	57.18	59.45	59.73	59.73	59.73	57.18	56.34	55.77	55.20	55.20	56.62	65.68	57.18	55.20
24.8.2008	57.36	54.24	53.95	53.95	53.95	51.11	39.75	42.88	53.95	53.95	56.22	57.08	57.08	56.79	56.51	56.79	56.51	55.94	55.37					



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

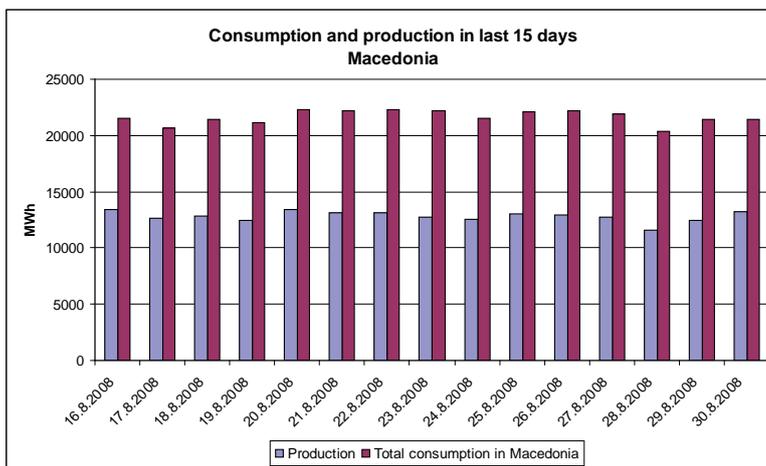
	16.8.2008	17.8.2008	18.8.2008	19.8.2008	20.8.2008	21.8.2008	22.8.2008	23.8.2008	24.8.2008	25.8.2008	26.8.2008	27.8.2008	28.8.2008	29.8.2008	30.8.2008	31.8.2008
Base Price	52.46	44.92	49.11	57.74	58.00	56.15	57.74	56.25	54.71	59.65	65.47	66.11	65.93	67.25	61.18	52.20
Base Quantity	15320	12667	14307	14574	17145	16505	16579	16457	14856	13110	11059	11059	11257	12251	14559	15083
Day Price	52.57	43.97	54.50	59.89	60.25	59.87	59.90	56.97	54.73	62.18	69.11	70.09	69.88	71.33	63.27	52.24
Day Quantity	10665	8447	9983	10088	11807	11659	11616	11345	10446	8663	7151	7151	7012	7652	9298	10583
Night Price	52.24	46.82	38.33	53.44	53.50	48.70	53.42	54.81	54.66	54.60	58.18	58.17	58.04	59.10	56.99	52.12
Night Quantity	4654	4221	4324	4486	5338	4845	4964	5112	4410	4447	3908	3908	4245	4599	5261	4499



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

**Mepso, Macedonia (MWh)**

	16.8.2008	17.8.2008	18.8.2008	19.8.2008	20.8.2008	21.8.2008	22.8.2008	23.8.2008	24.8.2008	25.8.2008	26.8.2008	27.8.2008	28.8.2008	29.8.2008	30.8.2008	31.8.2008
Production	13407	12627	12875	12492	13389	13121	13133	12695	12505	12993	12958	12752	11583	12492	13176	13217
Import	8137	7992	8536	8600	8892	9069	9194	9467	9043	9084	9236	9144	8830	8984	8235	8432
Total consumption in FYROM	21544	20619	21411	21092	22281	22190	22327	22162	21548	22077	22194	21896	20413	21476	21411	21649



## Tables with result of Allocated Available Transfer Capacities (AATC) in Balkan region for September 2008

NOS BIH - Bosnia & Herzegovina									September 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	AATC	Price	Validity period:	
IMPORT									
Croatia > BIH	-	-	500	-	125	95	*	01.-30.9.2008.	
Montenegro > BIH	-	-	450	-	225	0	*	01.-30.9.2008.	
Serbia > BIH	-	-	100	-	34	25	*	01.-30.9.2008.	
EXPORT									
BIH > Croatia	-	-	570	-	256	43	*	01.-30.9.2008.	
BIH > Montenegro	-	-	390	-	140	57	*	01.-30.9.2008.	
BIH > Serbia	-	-	150	-	75	10	*	01.-30.9.2008.	

ESO - Bulgaria									September 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	AATC	Price	Validity period:	
IMPORT									
Serbia > Bulgaria	-	-	50	-	25	25	0.52	01.-10.9.2008.	
	-	-	0	-	0	0	0.00	11.-17.9.2008.	
	-	-	50	-	25	25	0.52	18.-25.9.2008.	
	-	-	50	-	25	25	0.52	26.-30.9.2008.	
Romania > Bulgaria	-	-	200	-	50	50	4.85	01.-10.9.2008.	
	-	-	100	-	0	0	0.00	11.-17.9.2008.	
	-	-	200	-	50	50	4.85	18.-25.9.2008.	
	-	-	100	-	0	0	0.00	26.-30.9.2008.	
Greece > Bulgaria	-	-	200	-	100	35	0.00	01.-30.9.2008.	
EXPORT									
Bulgaria > Serbia	-	-	250	-	125	125	14.26	01.-10.9.2008.	
	-	-	0	-	0	0	0.00	11.-17.9.2008.	
	-	-	250	-	125	125	14.76	18.-25.9.2008.	
Bulgaria > Romania	-	-	100	-	36	36	0.80	01.-30.9.2008.	
	-	-	430	-	165	165	15.25	01.-25.9.2008.	
Bulgaria > Greece	-	-	350	-	125	125	15.25	26.-30.9.2008.	

OPS HEP - Croatia									September 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	AATC	Price	Validity period:	
IMPORT									
Hungary > Croatia	-	-	-	-	150*	145	3.38	01.-30.9.2008.	
Slovenia > Croatia	-	-	-	-	75	70	0.01	01.-30.9.2008.	
Serbia > Croatia	-	-	-	-	0	0	0.00	01.-30.9.2008.	
BiH > Croatia	-	-	-	-	110	110	0.30	01.-30.9.2008.	
EXPORT									
Croatia > Hungary	-	-	-	-	200*	200	2.08	01.-30.9.2008.	
Croatia > Slovenia	-	-	-	-	50	50	0.26	01.-30.9.2008.	
Croatia > Serbia	-	-	-	-	25	20	0.79	01.-30.9.2008.	
Croatia > BiH	-	-	-	-	75	70	0.84	01.-30.9.2008.	

\* Common auction conducted by MAVIR

MAVIR - Hungary									September 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	AATC	Price	Validity period:	
IMPORT									
Croatia > Hungary	600	200	400	200	200	200	2.08	01.-30.9.2008.	
Romania > Hungary	300	100	200	150	50	50	5.54	01.-30.9.2008.	
Serbia > Hungary	300	100	200	150	50	50	1.70	01.-30.9.2008.	
EXPORT									
Hungary > Croatia	800	200	600	450	150	145	3.38	01.-30.9.2008.	
Hungary > Romania	450	100	350	200	150	150	0.01	01.-30.9.2008.	
Hungary > Serbia	550	100	450	250	200	195	1.90	01.-30.9.2008.	

MEPSO - Macedonia									September 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	AATC	Price	Validity period:	
IMPORT									
Serbia > Macedonia	400	100	300	72	78	35	0.00	01.-10.9.2008.	
	300	100	200	72	28	28	4.05	11.-21.9.2008.	
	400	100	300	72	78	35	0.00	22.-24.9.2008.	
	250	50	200	72	28	28	4.05	25.-30.9.2008.	
Greece > Macedonia	300	100	200	0	0	0	0.00	01.-30.9.2008.	
EXPORT									
Macedonia > Serbia	400	100	300	80	70	0	0.00	01.-30.9.2008.	
Macedonia > Greece	100	100	0	0	0	0	0.00	01.-30.9.2008.	

TSO EPCG - Montenegro									September 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	AATC	Price	Validity period:	
IMPORT									
Albania > Montenegro	-	-	-	-	100	0	0.00	01.-30.9.2008.	
BiH > Montenegro	-	-	-	-	80	80	0.14	01.-30.9.2008.	
Serbia > Montenegro	-	-	-	-	40	40	0.14	01.-30.9.2008.	
EXPORT									
Montenegro > Albania	-	-	-	-	25	25	0.16	01.-30.9.2008.	
Montenegro > BiH	-	-	-	-	150	60	0.14	01.-30.9.2008.	
Montenegro > Serbia	-	-	-	-	120	35	0.14	01.-30.9.2008.	

Transelectrica - Romania									September 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	AATC	Price	Validity period:	
IMPORT									
Bulgaria > Romania	200	100	50	50	0	0	0.00	01.-30.9.2008.	
Serbia > Romania	200	100	50	50	0	0	0.00	01.-30.9.2008.	
Hungary > Romania	350	100	125	25	100	100	0.01	01.-11.9.2008.	
	450	100	175	25	150	105	0.00	12.-21.9.2008.	
Ukraine > Romania	300	100	100	25	75	75	0.02	22.-30.9.2008.	
	200	100	100	100	0	0	0.00	01.-11.9.2008.	
	0	0	0	0	0	0	0.00	12.-21.9.2008.	
Romania > Bulgaria	200	100	100	100	0	0	0.00	22.-30.9.2008.	
	300	100	100	50	50	50	2.06	01.-10.9.2008.	
Romania > Serbia	200	100	50	50	0	0	0.00	11.-17.9.2008.	
	300	100	100	50	50	50	2.34	18.-25.9.2008.	
	200	100	50	50	0	0	0.00	26.-30.9.2008.	
	350	100	125	50	75	75	14.53	01.-10.9.2008.	
Romania > Hungary	300	100	100	50	50	50	19.60	11.-18.9.2008.	
	250	100	75	50	25	25	18.10	19.-22.9.2008.	
	200	100	50	50	0	0	0.00	23.-30.9.2008.	
Romania > Ukraine	300	100	100	50	50	50	16.23	01.-10.9.2008.	
	200	100	50	50	0	0	0.00	11.-30.9.2008.	
Romania > Ukraine	150	100	50	0	50	0	0.00	01.-10.9.2008.	
	0	0	0	0	0	0	0.00	11.-30.9.2008.	

EMS - Serbia									September 2008.
Border+Direction	TTC	TRM	NTC	AAC	ATC	AATC	Price	Validity period:	
IMPORT									
Hungary > Serbia	-	-	-	-	225	225	0.48	01.-30.9.2008.	
Romania > Serbia	-	-	-	-	125	125	13.82	01.-10.9.2008.	
	-	-	-	-	100	100	16.10	11.-18.9.2008.	
	-	-	-	-	75	75	17.40	19.-22.9.2008.	
	-	-	-	-	50	50	23.37	23.-30.9.2008.	
Bulgaria > Serbia	-	-	-	-	125	125	7.20	01.-10.9.2008.	
	-	-	-	-	0	0	0.00	11.-17.9.2008.	
	-	-	-	-	125	125	8.95	18.-25.9.2008.	
Macedonia > Serbia	-	-	-	-	50	50	14.10	26.-30.9.2008.	
	-	-	-	-	150	0	0.00	01.-30.9.2008.	
Albania > Serbia	-	-	-	-	105	0	0.00	01.-21.9.2008.	
	-	-	-	-	0	0	0.00	22.-24.9.2008.	
	-	-	-	-	105	0	0.00	25.-30.9.2008.	
Montenegro > Serbia	-	-	-	-	175	30	0.00	01.-30.9.2008.	
BiH > Serbia	-	-	-	-	75	30	0.00	01.-30.9.2008.	
Croatia > Serbia	-	-	-	-	75	60	0.00	01.-30.9.2008.	
EXPORT									
Serbia > Hungary	-	-	-	-	100	80	0.00	01.-30.9.2008.	
Serbia > Romania	-	-	-	-	50	0	0.00	01.-30.9.2008.	
Serbia > Bulgaria	-	-	-	-	25	0	0.00	01.-10.9.2008.	
	-	-	-	-	0	0	0.00	11.-17.9.2008.	
	-	-	-	-	25	0	0.00	18.-30.9.2008.	
Serbia > Macedonia	-	-	-	-	150	130	0.00	01.-10.9.2008.	
	-	-	-	-	100	100	3.02	11.-21.9.2008.	
	-	-	-	-	150	130	0.00	22.-24.9.2008.	
	-	-	-	-	100	100	3.02	25.-30.9.2008.	
Serbia > Albania	-	-	-	-	75	75	0.11	01.-10.9.2008.	
	-	-	-	-	50	50	0.70	11.-17.9.2008.	
	-	-	-	-	75	75	0.10	18.-21.9.2008.	
	-	-	-	-	0	0	0.00	22.-24.9.2008.	
	-	-	-	-	25	25	0.70	25.-30.9.2008.	
Serbia > Montenegro	-	-	-	-	95	94	0.43	01.-30.9.2008.	
Serbia > BiH	-	-	-	-	50	50	0.85	01.-30.9.2008.	
Serbia > Croatia	-	-	-	-	50	30	0.00	01.-30.9.2008.	

\* - No information available

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

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

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

- AATC (ALLOCATED Available Transfer Capacities) values are the results of allocation procedure conducted by respective TSO in which table this value appears

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

relevant for:

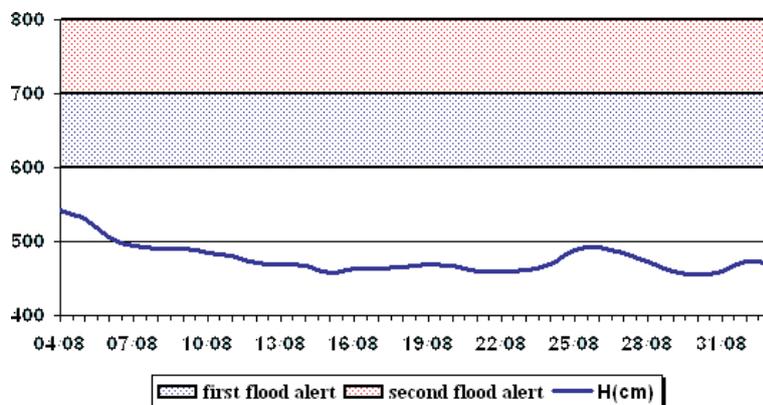
HPP Portile de Fier I, 1167 MW, Romania

HPP Portile de Fier II, 270 MW, Romania

HPP Djerdap I, 1058 MW, Serbia

HPP Djerdap II, 270 MW Serbia

(source: Republic Hydrometeorological Service of Serbia)



## Forecasted weather conditions for the following period

	03.09.	04.09.	05.09.	06.09.	07.09.	08.09.	09.09.	10.09.	11.09.	September averages.
<b>Albania</b> <i>Tirana</i>	T: 13-30 W: - R: -	T: 16-32 W: SW 4 R: -	T: 17-33 W: SW 9 R: -	T: 18-35 W: SW 9 R: -	T: 21-36 W: NW 10 R: -	T: 22-36 W: NW 9 R: -	T: 20-34 W: N 9 R: -	T: 19-33 W: N 10 R: -	T: 15-30 W: L-V R: -	Temperature: 12-28 Amount of rain: 40 Number of rain days: -
<b>Bosnia and Herzegovina</b> <i>Sarajevo</i>	T: 11-26 W: SW 4 R: 1	T: 9-28 W: SW 4 R: -	T: 8-29 W: SW 6 R: -	T: 11-31 W: - R: -	T: 11-31 W: - R: -	T: 10-28 W: - R: -	T: 12-25 W: NW 4 R: -	T: 11-23 W: N 4 R: -	T: 9-23 W: NE 10 R: 5	Temperature: 9.7-22 Amount of rain: 70 Number of rain days: 8
<b>Bulgaria</b> <i>Sofia</i>	T: 11-27 W: - R: -	T: 13-27 W: - R: -	T: 12-28 W: L-V R: -	T: 13-30 W: - R: -	T: 13-31 W: - R: -	T: 13-30 W: - R: -	T: 14-29 W: NE 4 R: -	T: 14-23 W: N 6 R: -	T: 14-24 W: - R: -	Temperature: 10.4-22.6 Amount of rain: 38 Number of rain days: 7
<b>Croatia</b> <i>Zagreb</i>	T: 17-32 W: SW 6 R: -	T: 15-33 W: SW 9 R: -	T: 16-29 W: L-V R: -	T: 17-33 W: L-V R: -	T: 17-32 W: SW 4 R: -	T: 16-30 W: - R: -	T: 14-26 W: NW 6 R: YES	T: 13-27 W: NE 8 R: YES	T: 13-27 W: NE 15 R: YES	Temperature: 10.4-22.2 Amount of rain: 82 Number of rain days: 9
<b>Greece</b> <i>Athens</i>	T: 21-28 W: NW 14 R: -	T: 22-31 W: NW 16 R: -	T: 22-31 W: NW 14 R: -	T: 23-32 W: NW 16 R: -	T: 24-31 W: N 20 R: -	T: 23-32 W: N 19 R: -	T: 23-30 W: NW 10 R: -	T: 22-29 W: NW 5 R: -	T: 22-28 W: SW 6 R: -	Temperature: 17.3-29 Amount of rain: 14 Number of rain days: 3
<b>Macedonia</b> <i>Skopje</i>	T: 12-28 W: - R: 2	T: 12-29 W: - R: -	T: 11-31 W: SW 8 R: -	T: 12-32 W: - R: -	T: 13-32 W: - R: -	T: 14-31 W: - R: -	T: 13-29 W: N 5 R: -	T: 13-25 W: N 6 R: -	T: 13-26 W: - R: -	Temperature: 11.4-26 Amount of rain: 36 Number of rain days: 6
<b>Montenegro</b> <i>Podgorica</i>	T: 16-28 W: - R: -	T: 16-30 W: SW 4 R: -	T: 16-28 W: SW 10 R: -	T: 18-33 W: SW 6 R: -	T: 17-33 W: W 4 R: -	T: 18-32 W: NW 4 R: -	T: 17-30 W: N 9 R: -	T: 17-29 W: N 9 R: -	T: 14-29 W: SE 7 R: -	Temperature: 16.5-27 Amount of rain: 121 Number of rain days: 6
<b>Romania</b> <i>Bucharest</i>	T: 15-29 W: - R: -	T: 16-29 W: - R: -	T: 17-33 W: - R: -	T: 19-34 W: - R: -	T: 19-34 W: - R: -	T: 19-32 W: - R: -	T: 18-31 W: NE 4 R: -	T: 18-31 W: NE 10 R: -	T: 18-31 W: L-V R: -	Temperature: 11-24.7 Amount of rain: 42 Number of rain days: 5
<b>Serbia</b> <i>Belgrade</i>	T: 18-33 W: SW 11 R: -	T: 18-34 W: SW 16 R: -	T: 18-34 W: SW 16 R: -	T: 19-35 W: SW 12 R: -	T: 21-35 W: E 10 R: -	T: 21-33 W: SW 4 R: -	T: 18-28 W: N 8 R: -	T: 15-25 W: N 12 R: -	T: 16-26 W: N 16 R: YES	Temperature: 13-23.7 Amount of rain: 50 Number of rain days: 9

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

**Analysis:****New hydro power plants in Bosnia and Herzegovina**

This is short review of developments regarding construction of new hydro power plants in Bosnia and Herzegovina. Only recent developments are mentioned.

**HPP Mostarsko Blato**

The HPP Mostarsko Blato will have two 30 MW units, while annual electricity production should reach 170 GWh. The cost of the project should reach some 70 million euros. The construction works started in September 2007, and the first unit should be put in service in the beginning of 2009.

By putting in service new power plant, the electricity production of EP HZHB will be increased by 10 %, which will reduce electricity deficit in Herzeg Bosnia entity.

In July 2007, after approval of Federal regulatory energy agency (FERK), EP HZHB signed the contract with Croatian company Konstruktor for construction of HPP Mostarsko Blato. The worth of the contract is 12.8 million euros. The main construction works in the HPP were related to main intake tunnel. Soon after the contract was signed, Konstruktor initiated construction of engine room, pressure pipelines and lower reservoir. Those construction works should be finished by the end of 2008.

In June 2008, the final section of the 2,200 meters long intake tunnel of the future hydropower plant Mostarsko Blato was completed. The tunnel will be also used for discharging of the precipitation from Mostarsko Blato field.

**HPP Buk Bijela**

The original planned output of HPP Buk Bijela was 450 MW, but Montenegro decided to abandon the project due to ecological reasons. EPS and ERS have been considering options for construction of 175 MW or 135 MW power plant. Montenegro is against the project, which would endanger the park of nature, the Tara canyon. General Manager of ERS believes that ERS and EPS, without Power utility of Montenegro (EPCG), could build HPP, with lower power output and with "low dam". The annual production of the plant should reach 1.15 TWh.

According to so-called medium option, the HPP Buk Bijela would have 170 MW power output, where the cost of the project would be some 125 million euros, while the "small" HPP would have 140 MW of power output. The both options envisaged the construction of HPP Foca, with 55 MW of power output.

ERS and EPS should own equal shares in the joint venture, where RS demanded that new company should be registered in RS. In the same time, HPP would be the part of electricity system of RS and it should be managed by ERS.

Direct negotiations between Power utility of Republic of Srpska (ERS) and Power utility of Serbia (EPS) started in July 2007. Government of RS strongly supports the project and it is willing to invest some 250 million euros for the projects HPP Buk Bijela and HPP Foca, according to government officials.

Old project documentation for HPP Buk Bijela was abandoned, and new project documentation should be completed by ERS and EPS in September this year. New name of the project is now known as "HPP Gornja Drina"

**HPPs on Vrbas**

In August 2007, after two years of standstill, government initiated talks with consortium HSE Vrbas for construction of HPPs on Vrbas river, near city Banja Luka.

The consortium HES Vrbas and government of RS signed the 25-year concession contract in November 2004. The contract, 164 million euros worth, envisaged the construction of HPP Krupa (48.5 MW) and HPP Banja Luka Niska (37.2 MW).

Minister of economy, energy and development, Rajko Ubiparip, said the government would propose to concessionary to build one instead of two HPPs, (as it was defined in original agreement). Ubiparip explained that construction of HPP Krupa (with lower power output than originally planned) would not imply dislocation of regional road, while construction of HPP Banja Luka Niska would be postponed until indefinite time.

The project was faced by environmental protests and it was stalled in the end of 2005. Since that time, the government has not given the official opinion on the general design of the project, although it was obliged to do so, officials from HES Vrbas said.

Because of lack of the official approval, the consortium was not able to start the project, i.e. to prepare the environmental study, which could have resolved disputable issues, the representative of consortium said.

But, in January 2008, the prime minister of Republic of Srpska (RS), Milorad Dodik and general manager of Norwegian Statkraft, Bard Mikkelsen, signed an Agreement on cooperation in energy sector.

The agreement is related to construction of four run of the river hydropower plants on Vrbas River.

The studies showed that four HPPs with overall power output of 70 MW could be built on Vrbas River. The worth of the project is estimated between 70 and 100 million euros.

Two months later official from Statkraft said that the company should invest some 100 million euros for construction of four hydropower plants on Vrbas River.

According to plans, overall power output of four HPPs on Vrbas River should be between 75 and 80 MW, while annual production should reach 450 GWh. The construction of HPPs should start in spring 2009.

Soon after, the government of Republic of Srpska officials said that government should once again reconsider the controversial concession contract for construction of hydropower plants near Banja Luka. The main concern of the government is ecological impact of the project, but also the potential lawsuit of the concessionaire due to delays in the project.

In July 2008, Minister of economy, energy and development of Republic of Srpska (RS) Slobodan Puhalic announced that Norwegian Statkraft would most likely build two hydropower plants on Vrbas River.

The subject of the latest study were four construction sites for two 17 MW HPPs. The study showed that sites Trno and Laktasi are the most suitable construction sites. The worth of the investments in new HPPs is estimated at some 60 million euros.

### **Selection of strategic partner for 4 new hydro power plants**

Government of Federation of Bosnia and Herzegovina decided to select a strategic partner for construction of four thermal power plants and four hydro power plants. A year ago government has selected 4 companies to continue negotiations with: Czech CEZ, Kazakhs Kaztransgas, German EnBW and Austrian APET. 38 companies expressed interest for cooperation.

The future strategic partner should build power plants in cooperation with Power utility of BiH (EP BiH) and Power utility of Herceg Bosnia (EP BiH), where all new power plants should be equally owned by power companies and strategic partners.

According to plans, Federation of BiH plans to build overall number of 8 power plants, the HPPs Ustikolina (3 x 22 MW), Vranduk (21 MW), Rmanj (2 x 36 MW), Vrilo (42 MW) and TPPs Tuzla (370 MW), Kakanj (250 MW), Bugojno (2x300 MW) and Kongora (2x275) MW. The estimated cost of the project is some 3.5 billion euros.

In November, government has eliminated Czech CEZ. APET Group will be involved in construction and operation of hydro-power plants (HPPs) Ustikolina (3 x 22 MW), and Vranduk (21 MW), EnBW will be involved in construction and operation of unit 7 in thermal power plant (TPP) Tuzla (370 MW), TPP Bugojno (2x300 MW) and HPP Unac (2 x 36 MW), while KazTransGaz will be strategic partner in project for construction of TPP Kakanj (250 MW). APET Group will be also the strategic partner of Power utility of Herzeg Bosnia (EP HZHB) in project for construction of HPP Vrilo (42 MW) and TPP Kongora (2x275 MW). CEZ was eliminated from the process since it wanted to build HPP Unac alone, while it was not ready to take part in less attractive project for construction of TPP Bugojno. Also, CEZ was not ready to sign protocol on strategic partnership.

In January 2008, disputes regarding construction of new power plants started. The dispute was triggered after not appointing the Edhem Bicakic as new president of supervising board of Power utility of BiH, as it was agreed by leading parties in BiH, SDA and SBiH.

A month later, the government of Federation of Bosnia and Herzegovina decided that parliament of F BiH, before the

reaching the final decision on selection of strategic partners in the projects for construction of eight power plants, should discuss and scrutinize the ongoing procedure. The MPs (both ruling and opposition parties) in parliament of Federation of Bosnia and Herzegovina (BiH) decided by a large majority to postpone the discussion on the government's proposal for signing the contract with strategic partners in the large-scale projects for construction of power plants.

Few months later, Power utility of Bosnia and Herzegovina announced it would start preparations for construction of new power plants. 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.

According to current estimations, the construction of HPP Vranduk could start in one year, while HPP could be built in four years. The respective periods for HPP Ustikolina are 13 months and five years, and for HPP Unac 18 months and five years.

Federal ministry of energy, industry and mining confirmed it had fulfilled the demand of parliament of Federation of Bosnia and Herzegovina (F BiH) regarding the additional analyses of solvency of selected strategic partners in the projects for construction of eight new power plants.

The ministry selected auditor house OSTAP from Austria, who concluded that government had selected strategic partners through high quality tender procedure. Auditors said that potential partners are respectable companies, desirable as potential investors, minister of energy Vahid Heco said in an interview to local press.

### **7 HPPs on rivers Drina, Trebisnjica and Lim**

In April 2008, ERS and Russian Inter RAO EES signed a cooperation protocol to build seven hydropower plants to be located on rivers Drina, Trebisnjica and Lim with overall power output of 530 MW and annual electricity production of 1.7 TWh. Total investments should reach over 700 million euros. On River Trebisnjica, the HPPs Dabar, Bileca and Nevesinje should be built. Their overall annual electricity production should be 484 GWh, while cost of the construction is estimated at some 290 million euros.

On River Drina, the HPPs Paunci, Foca and Gornja Drina should be built. These projects will be carried out in cooperation with Serbia. Overall annual electricity production in these HPPs should reach some 700 GWh.

On River Lim, HPP Mrsovo should be built, where cost of the project is estimated at 92 million euros.

### **HPP Vrilo**

In April 2007, Head of Power utility of Herzeg Bosnia (EP HZHB), Vlado Maric, during the press conference, announced three large-scale projects for construction of new power plants. One

of these project was 50 MW hydropower plant Vrilo. The HPP could be built in 2.5 to 3 years, where annual electricity production could reach 96 GWh.

### HPP Ugar

In November 2007, Governments of Federation of Bosnia and Herzegovina (BiH) and Republic of Srpska (RS) announced to establish joint venture for construction of hydropower plant (HPP) on river Ugar. The HPP Ugar should have power output of 40 MW, while cost of the project is estimated at 40 million euros. Two governments should invest equal funds in the project, where part of the funds should be provided through loans.

A month later, Federal minister of energy, mining and industry, Vahid Heco, said that preparation works for construction of hydropower plant (HPP) Ugar are in progress. The minister said this during a joint visit to Energoinvest company with prime minister of Federation of Bosnia and Herzegovina (BiH), Nedžad Brankovic.

### Small hydro power plants

In March 2007, Municipality of Konjic, in northern Herzegovina, has issued 39 concession permits for construction of 39 new small hydropower plants (HPPs). The HPPs should be built on rivers Tresanica, Bijela, in confluence of rivers Neretvica, Ljuta and on river Kraljuscica. The overall construction costs are estimated at some 77 million euros.

The 30-year concessions, for 29 HPPs, have been granted to Power utility of Bosnia and Herzegovina (EP BiH), Amitea (5 HPPs), Wind Neretva (4 HPPs) and one Slovenian company should build one small HPP. The power output of HPPs is between 0.5 MW to 3 MW, where all electricity produced will be delivered to power system of BiH.

The most favorable contract for Konjic municipality is the one signed with Amitea. According to contract, Amitea should invest 7.7 million euros in the project. The company should pay 14 % of its incomes in the first ten years to the municipality, then 16 % of incomes in the next ten years, while in the last ten years of concession contract, the Amitea should pay 18 % of overall incomes to the municipality.

In August 2007, Government of Republic of Srpska (RS) approved the construction of seven small hydropower plants (HPPs) on Bosnia River, between Modrica and Doboj. The worth of the project is estimated at 152 million euros, while the construction could start in March 2008. The power output of HPPs will be between 10 and 14 MW, and the construction should last three years. Six HPPs will be built by Norwegian Technor, while one HPP will be built by local company Elektrodoj.

Minister of economy, energy and development of Republic of Srpska (RS) Rajko Ubiparip and director of Norwegian company Technor Energy AC, Harald Bones, signed the contracts for construction of three HPPs. For these HPPs, Technor was granted 30-year concession contracts, while for another three

HPPs, 27-year concession contracts were signed earlier. The general design of these HPPs will be in accordance to EU environmental standards, investors said.

Besides production of electricity, the new HPPs would contribute to regulation of rivers, which would solve problems with the flooding in the future, minister said. The construction of HPPs would not cause dislocation of any roads or private property, officials said.

In November 2007, the government of Republic of Srpska (RS) decided to prolong deadline for preparation of feasibility studies, project papers and start of construction of small hydropower plants given in concession. The deadline was extended from 6 of 20 months.

The minister of economy, energy and development, Rajko Ubiparip, explained that deadline extension does not include construction sites on Vrbas Rivers and sites near parks of nature. The ministry should define conditions that concessionaries should meet in order to continue with the projects in areas of parks of nature, in order to protect natural environment.

Ubiparip said the government had identified large number of problems related to implementation of concession contracts. Because of that, the government obliged local municipalities urgently to reconsider the requests of concessionaries regarding the acquiring the construction licenses. In the same time, Power utility of RS (ERS), was obliged to sign electricity purchase agreements with owners of future small HPPs.

The government sent the request to the Regulatory energy commission (REC) to set the electricity tariffs for small HPPs until the end of February next year. Minister Ubiparip also explained that criteria for granting the concession contracts became stricter, since the future investor should acquire license for electricity production, water management and approval for construction in accordance to physical plans.

In March 2008, it was announced the construction of the first out of nine small hydropower plants (HPPs) in the confluence of Bosnia River near cities Doboj and Modrica should start that spring. The particular small HPP should be built on Paklenica River near Doboj.

The HPP will be built by local company Elektro Doboj, which also signed concession contract for construction of two more small HPPs in the area. Technor Energy announced that it should start works this summer.

Later that month, The officials from Concession commission of Republic of Srpska (RS) announced that some 100 of concession contracts for construction of small hydropower plants (HPPs) could be cancelled due lack of progress. The overall worth of projects is some 100 million euros.

Government of RS, so far, had granted 107 concession contracts for construction of small HPPs in the country to 47 concessionaries. Eight concession contracts were granted to ERS. Overall power output in those plants is 281.67 MW. So far, only small HPP Divic was put in operation. Due to large number of problems faced by concessionaries, such as lack of required documentation, ownership disputes, etc, the government of

RS decided to prolong deadlines for start of construction of small HPPs and offered its help for solution of problems.

## News:

### Nabucco to provide gas supplies (Region)

The company in charge for natural gas project Nabucco, the Pipeline International GmbH (NGPI), said in a press release that over 100 % of capacity of the pipeline was secured by non-binding offers of potential suppliers.

NGPI claims that recent surveys, conducted by the company in order to evaluate interest for the project, had shown that Nabucco project would be economically feasible. The future suppliers should be from Central Asia and Middle East, the press release said. The company said it had signed several letters of interest with potential suppliers. NGPI refused to reveal the names of the potential suppliers, but said that some 20 companies out of 50 contacted by the NGPI positively responded.

NGPI, established by OMV, MOL, Transgaz, Bulgargaz, Botas and RWE, believes that Nabucco project is one of the most important energy projects for Europe, in terms of security in natural gas supply and diversification of overall energy supply.

According to the release, the cost of 3,300 km long natural pipeline, which would link Caspian region, Middle East and Europe, should reach some 7.9 billion euros. The pipeline should transport some 30 billion cbm of natural gas per year, where the pipeline should be operational in 2013.

The latest statement came after many experts said that Nabucco project could be hardly feasible even if it manages to secure natural gas supplies. Those experts said that South stream project started by Russian Gazprom and Italian Eni is advantageous compared to Nabucco.

According to Reinhard Mitschek, the managing director of NGPI, preparing the legal framework for the project, the Exemption Process and Intergovernmental Agreement, which still needs to be approved by the EU, would be the most important prerequisite for the project. After that, the open season process should start, during which potential customers should place binding offers for using the pipeline.

The latest developments in Georgia, the country across which the pipeline will be built, raised concerns regarding the project future. In the past, most of the concerns were related to providing the sufficient supplies.

Mitschek confirmed that some 50 % of pipeline's capacity would be allocated to shareholders, while the rest will be offered to interested companies. The auctioning process should start in the end of the year or in the beginning of the next year, and it should last several months, he said.

Analysts quoted by the press in Russia believe that Azerbaijan, which should be one of the main suppliers for Nabucco, could be able to provide only 10 billion cbm in 2015. In addition, Turkmenistan and Kazakhstan have already confirmed they

would export natural gas through Russian pipelines, while Egypt cannot deliver significant volumes for Nabucco. The main supplier for Nabucco could be Iran, with 20 to 30 billion cbm, but this would be questionable having in mind current political relations, Russian analysts said.

§ § §

### South pool to expand in South Eastern Europe (region)

Slovenian power exchange Borzen announced that spot power exchange South pool should expand in the South Eastern Europe by including power companies as well as all electricity traders from the region.

The exchange should start operation this autumn, while Borzen believes that Serbian transmission system operator (EMS) and Power utility of Serbia (EPS) would take part in it.

South pool was established by Borzen (51 %) and international derivatives exchange Eurex (49 %) in May this year. In the first half of the year, the exchange has been active only in Slovenia. During this period, the company established all necessary business and technological procedures.

General manager of South pool, Damjan Stanek said their goal is to merge fractioned electricity markets and to establish impartial, regional cross border exchange with integrated IT platform and business operation. The South pool should employ experts from entire region.

According to Stanek, existing local electricity markets are too small and non-liquid. South pool should provide financial management and guarantees for the future participants, which would result in lower costs and lower risks for them. Stanek pointed out in the statement to Serbian press that participation of EPS and EMS, as strategic partners, would have great influence for establishment of future power exchange.

The announcements regarding the new power exchange have been commented by electricity traders Rudnap and EFT. Officials from Rudnap announced they would take part in future exchange if it were liquid. In the same time, spokesperson of EFT said EFT supports the latest initiative, but main issue to be solved is the monopolistic position of state owned power companies in the region. EFT believes that electricity prices should be market based, comparing to current situation where price of electricity was unrealistically low due to social reasons, which would, in long-term, deprive investments in electricity sector.

The head of Serbia's Energy agency (EA) Ljubo Macic believes that Borzen would make new exchange feasible in technical terms, while the success of the exchange would depend on the interest of the traders.

According to sources from EMS, which insisted on anonymity, the establishment of regional power exchange is a good idea, but this company would be most functional if it was located in Serbia, which lies on major electricity transit routes.

§ § §

### **Premier Berisha receives representatives of Italian Caraglio group (Albania)**

Prime Minister Sali Berisha has received representatives of the Italian Caraglio group. The ambassador of Italy to Albania Saba D'Elia was also attending the meeting.

First meeting of PM Sali Berisha and Caraglio group was held in February. The representatives of the Caraglio presented to Premier Berisha two projects on building 23 small hydropower stations at the cascade of the Shkumbini River. The first project is on building of 9 hydropower stations in Orenja area of 15 MW overall. The second project is to build 14 hydropower stations in Slabina and Qukesi area of 17 MW total.

The representatives of the Caraglio have already handed over to the Ministry of Economy, Trade and Energy the projects to enter the competitions run for the Shkumbini cascade.

§ § §

### **TPP Gacko to start annual overhaul (Bosnia and Herzegovina)**

Thermal power plant (TPP) Gacko (250 MW) should have started annual overhaul on September 1. The works should last 45 days, for which some 2.5 million euros will be spent. During the overhaul, turbine and boiler system will be repaired.

In the same time, the company will invest another 1.6 million euros in the TPP, where funds were provided from company's income.

Officials from the TPP said that 8-month production should reach 1.2 TWh or some 2.5 % higher than planned.

§ § §

### **NefteGazInkor paid all obligations for privatization of oil companies in RS (Bosnia and Herzegovina)**

New owner of oil companies in Republic of Srpska (RS), Russian NefteGazInkor, paid all obligations named in the privatization contract for sale of Oil refinery in Brod, Motor oil refinery in Modrica and fuel distributor Petrol. According to contract, Russians were obliged to pay 72.5 million euros for the debts made by the Oil refinery. This was paid in two payments in June and, the last one in August.

According to the annex to the privatization contract signed by the prime minister of RS Milorad Dodik and Russian company in June this year, NefteGazInkor was obliged to pay 72.5 million euros for payments of debts. In the same time, government allowed to Russians to reprogram payment of unpaid taxes in period of nine years, where the payment will start in

2011. The unpaid taxes of oil companies amounted to some 70 million euros.

On the other hand, critics accused prime minister Dodik that annex of the agreement signed in June implies that the amount of 72.5 million euros of debts paid by Russians would be returned to Russians.

The privatization contract for sale of oil companies in RS was signed in February 2007. Russians have paid 125.8 million euros for shares owned by the state and pension fund, and they were obliged to invest 980 million euros in oil companies.

The oil refinery in Brod has been in standstill in the past several years. The renewal of the company is in progress, and according to latest announcements, the refinery should resume operations in October. NefteGazInkor should invest 25 million euros for repair works.

Head of the trade union confirmed that company employed 150 of new workers, while new owner agreed to increase salaries by 17 %.

In the first half of the year, oil refinery in Brod reported 7.2 million euros of losses, while accumulated loss amounted to 122 million euros. In the same period, new owner did not make any of investments.

§ § §

### **China interested in construction of HPPs (Bosnia and Herzegovina)**

Chinese ambassador in Bosnia and Herzegovina (BiH) Liu Wenxin confirmed that he wants to bring Chinese company Tung She to BiH in order to build small hydropower plants (HPPs). The ambassador believes that BiH has great potentials for construction of small hydropower plants (HPPs).

Ambassador Wenxin reminded that Tung She was involved in construction of the largest dam in the World on the Jangce River. The company also built dams in Macedonia.

§ § §

### **EP BiH published tender for sale of electricity in 2009 (Bosnia and Herzegovina)**

On August 15, Power utility of Bosnia and Herzegovina (EP BiH) invited interested domestic and foreign companies to submit sealed bids for purchase of 1.665 TWh of electricity in 2009.

EP BiH offered electricity in three lots. Lot 1 refers to sale of 70 MWh/h of electricity during entire year, i.e. overall amount of 613.2 GWh. Lot 2 refers to sale of 100 MWh/h of electricity during entire year (876 GWh). Lot 3 refers to sale of 100 MWh/h during January, 20 MWh/h during February and March, and 50 MWh/h during April and May (175.9 GWh).

According to tender terms, delivery of electricity for Lot 1 is non-guaranteed and may be offered in block's capacity of 35

MW (35 MW or 70 MW). In the same time, delivery of electricity for Lot 2 and Lot 3 is guaranteed and must be offered in full capacity.

The bids could be submitted until September 8, when the bids should be opened in the presence of the bidders. In the end of August, the head of EP BiH Amer Jerlagic confirmed that ten companies purchased tender documentation.

According to local press, interest for the incoming tender in the region is very high. Power utility of Montenegro (EPCG) and Croatian power utility (HEP) would most likely take part in the tender. In 2009, HEP would be missing some 4 TWh of electricity.

Interest for the tender was also expressed by Slovenia, Macedonia, Italy and Greece. Analyses imply that the price of electricity in tender should be much higher compared to initial estimations of 85 euros/MWh.

Publishing of the tender was criticized by the second power utility in Federation of BiH, Power utility of Herzeg Bosnia (EP HZHB), which believes that tender should not be published until Federation of BiH adopted electricity balance sheet for the next year. EP HZHB, which imports some one third of overall needs, still did not provide sufficient amount of electricity for the next year.

Head of EP BiH invited EP HZHB to take part in the incoming tender, and said that government of Federation could decide that one of the Force majeure conditions in export contracts could be decision of the government to cut electricity exports in case of need.

§ § §

### **Unit 6 in NPP Kozloduy switched off for annual repair (Bulgaria)**

Unit 6 (1,000 MW) in nuclear power plant (NPP) Kozloduy started annual maintenance in the last week of August. The officials from the NPP said the regular repair works should be finished in the beginning of October.

In the same time, NPP confirmed it had reached nine-month production target of 10.257 TWh some 40 days earlier than planned. The NPP should produce some 11.2 TWh by the end of September.

The good production results were explained by shortening of the annual maintenance of unit 5, which resulted in additional 300 GWh of electricity produced.

§ § §

### **Kovachki to restart unit 2 in TPP Bobov Dol (Bulgaria)**

New owner of the thermal power plant (TPP) Bobov Dol, the consortium Energia MK controlled by Bulgarian tycoon Hristo Kovachki, should try to restart recently switched off unit 2 in the TPP.

The unit 2 should be used as the reserve capacity in case of need. In the same time, Kovachki announced a start of feasibility study for construction of new capacity at the site of the TPP.

The 210 MW unit was switched off in the beginning of the year due environmental reasons. Units 1 and 3 will be also switched off until 2010 and 2014 if the necessary upgrades are not made.

On other hand, head of the Electricity system operator (ESO), Ivan Ayolov believes that there are small chances for restart of unit 2, since that would imply EU sanctions.

In June this year, Energia MK purchased 100 % of the shares in TPP Bobov Dol by paying some 51 million euros. In the past, privatization of TPP Bobov Dol faced several failures. The plant was first sold to Russian RAO EES, but the deal was not finalized. Later, TPP was sold to Greek PPC for 71 million euros. This procedure was cancelled and restarted several times, and at the end, PPC decided not to purchase TPP, after the environmental permits were not prolonged.

In the second half of August, Supervision board of Privatization agency approved the sale of TPP Bobov Dol to Energia MK. The new owner is obliged to upgrade the plant in accordance to EU environmental directives. In the next five years, Energia MK is obliged to invest 35 million euros. Until 2011, the TPP is obliged to buy at least 1.75 million tons of coal per year from local coalmines. Until the same date, new owner should acquire environmental permits for allowable greenhouse gas emissions.

In the end of August, unit 1 in TPP Bobov Dol was in operation at the request of ESO. The unit 3 was out of service since mid August also at the request of ESO and it should have been put in service after unit 6 in nuclear power plant Kozloduy started annual maintenance. According to CEO of the TPP, unit 1 completed annual overhaul and it was ready for winter season. Unit 3 should undergo 15-day maintenance in October. In the end of August, the coal reserves in the TPP amounted to 270,000 tons. With two units in operation, the TPP burns some 11,000 tons of coal per day. TPP Bobov Dol employs some 1,000 people.

§ § §

### **Bulgargaz to reduce natural gas supplies to major heating companies over debts (Bulgaria)**

In the end of August, natural gas company Bulgargaz announced it would reduce natural gas deliveries to heating companies in Sofia, Bourgas, Vratsa and Pleven. Overall debts of those companies toward Bulgargaz amounted to some 120 million euros. The heating company in capital Sofia alone owes some 60 million euros. In July this year, Bulgargaz reduced natural gas supply to heating company in Shumen.

Bulgargaz said it had warned debtors as well as the municipality officials regarding the debt problems in July, but no company paid its debts.

After the latest warning from Bulgargaz, Sofia heating company announced it would disconnect large number of companies for unpaid hot water bills, while heating companies in Pleven, Vratsa and Bourgas announced they would pay their debts by September 2.

Officials from Sofia heating company confirmed that collection rate of heating bills reached critical low level after only 50 % of customers paid their bills. The company said it has been trying to increase heating prices in accordance to rise in natural gas prices. The officials from the company pointed out that, despite low collection rate, they managed to return some 110 million euros of debts to Bulgargaz during this year.

§ § §

### **Government to offer Gorna Arda project in concession (Bulgaria)**

Minister of economy Petar Dimitrov announced that hydropower complex Gorna Arda could be developed under concession agreement. The future partner of National electric company (NEK) in this project should be selected in a tender, while both partners should own equal shares in the project.

In April this year, Bulgarian officials announced that Bulgaria should continue this project through new tender procedure. The ministry of economy believes that Gorna Arda project should be continued. The project is one of the priorities named in new energy strategy.

As a reminder, Hydro Energy Company Gorna Arda (HEK Gorna Arda) is co-owned by National electric company (NEK) (69.9 %) and Turkish company Turkish Ceylan Holding. The project was delayed for seven years due to lack of funds. The Gorna Arda project was initiated in 1998 under power-for-infrastructure cooperation agreement signed by Bulgaria and Turkey. Bulgaria claimed the project failed due to bankruptcy of Turkish partners. In 2007, legal successor of Ceylan, the CG Insaat Sanayi Yatirim Ve Turizm, filed and lawsuit at the International Court of Arbitration in Paris claiming 75 million euros of compensation from NEK saying the NEK wants to include new strategic partner in the project.

Other options for the project would be to sell the minority stake owned by Turkish partners or to sell entire project. The government should also consider option for NEK to continue the project alone. Analysts believe this is less likely to happen having in mind that state is involved in several large-scale energy projects (NPP Belene, Tsankov Kamak project...)

The government hopes it will settle disputes with Turkish partner this autumn, which will enable continuation of the project. So far, some 13 million euros have been invested in the project.

The power output of the hydropower complex should be 156 MW and the project should be completed by 2014. Enel, Statkraft, Alpine Bau, CEZ, and recently RWE and Electrabel expressed interest for Gorna Arda project.

According to original estimations, the cost of the project should have reached some 200 million dollars, but the latest analyses of ministry of economy shows that cost could reach even 700 million dollars.

§ § §

### **Major electricity distributors to cut personnel (Bulgaria)**

German E.ON and Austrian EVN, two out of three major electricity distributors in the country, announced they would reduce number of employees in order to cut expenses.

E.ON confirmed it would dismiss some 150 people, while EVN did not reveal exact numbers. CEZ, the third major electricity distributor, did not announced dismissals.

According to E.ON, the main reason for dismissals was the fact that national energy regulator, the SEWRC, refused to approve increase in electricity prices in accordance to company's requests.

Starting from July, average electricity prices for households increased by 14 % in average. The customers of CEZ pay 4.95 eurocents/kWh during day (no VAT) and 2.3 eurocents/kWh during night. The customers of EVN pay 4.94 eurocents/kWh during day and 1.7 eurocents/kWh during night. Finally, customers of E.ON pay 5.0 eurocents/kWh during day and 1.9 eurocents/kWh during night.

E.ON will allow to employees to apply for voluntarily leave, for which they could receive up to 14 monthly salaries. On the other hand, EVN did not reveal the number of employees to be dismissed, yet the company said that latest decision of SEWRC was the reason for such decision. Both companies said that dismissals would not affect their quality of service.

Head of E.ON Bulgaria, Manfred Paasch, said that extra revenues generated by the latest increase in prices would not be evenly distributed among electricity producers, National electric company (NEK) and electricity distributors. Paasch said that, according to new tariffs, electricity producers would receive some 20 % of extra revenue, while NEK would receive even 75 %. This shows that market participants are not equally treated, head of E.ON Bulgaria said.

Paasch believes that there should be no further increase in prices, but each of the market participants (producers, transmission and distributors) should receive one third of extra revenues. If this were not the case, E.ON would not be able to make necessary investments related to maintenance works and improving the services.

§ § §

### **Danish Vestas wants to build wind farm in Ruse (Bulgaria)**

Danish producer of wind turbines, Vestas Windsystems, has been looking for construction site near Danube River in municipality of Ruse in order to build a wind farm.

This was said by the local officials from Ruse, who confirmed that Vestas sent a letter of intent regarding this project. The local government invited investor to discuss this greenfield project.

§ § §

### **Prime minister: share swap between INA and MOL most likely option (Croatia)**

Prime minister of Croatia Ivo Sanader said in a press conference that share swap between Croatian oil industry (INA) and Hungarian MOL is the more likely option than sale of state owned shares to MOL or any other potential investor. By this move, the government wants to avoid inflation pressures and to influence future business policy of MOL, which already owns 25 % stake in INA, Sanader said.

As a reminder, in July this year, MOL submitted official offer for purchase of 30.16 % of stake in INA, which is owned by minority shareholders. On the other hand, Sanader said that government would wait for the end of IPO of MOL before reaching the final decision regarding INA.

During the same occasion, prime minister announced that draft national energy strategy should be completed soon. The strategy should set the course in energy sector during the next 10-15 years. The project has been financed by United Nations Development Programme (UNDP).

The strategy includes construction of new natural gas supply route from Hungary, natural gas supply route from Caspian region, and construction of liquefied natural gas terminal (LNG). The exact site of the future LNG terminal should be decided by mid September prime minister said.

Prime minister confirmed that one of the options for Croatia could be construction of nuclear power plant (NPP), but this should be decided after public debate. The public debate should also decide future of oil transport project Druzba Adria, Sander said.

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### **HEP needs to build 1,600 MW until 2015 (Croatia)**

The chair of the management board of Croatian power utility (HEP) Ivan Mravak said that HEP needs to invest 2.1 billion euros for construction of 1,600 MW in new power plants until 2015.

In order to meet average 0.6 TWh increase in annual electricity consumption, Croatia needs to put in service some 100 MW in new power plants each year, head of the HEP believes.

The company will also make investments in new interconnection power lines. In September, construction of double 400kV power line toward Hungary will start, which will enable import of some 2,000 MWh/h, Mravak said.

He announced that new, 100 MW unit in combined heat and power plan (CHPP) Zagreb should be completed in autumn 2009, while new hydropower plant (HPP) Lesce (40 MW) should be completed in the end of 2009. In this year, HEP should start construction of new unit in thermal power plant (TPP) Sisak (250 MW), while preparations for construction of new 400 MW TPP in Slavonija province are in progress.

HEP is also involved in investments in renewable energy sources. In cooperation with Austrian partners, HEP should build 60 MW wind farm near city of Knin, where first phase of the project should be completed by the end of 2010. Another 38 MW wind farms should be built near Breza.

Mravak concluded that HEP needs to focus its investments to conventional power plants, having in mind the increase in electricity consumption and gradual closure of old power plants. Head of HEP said that potential construction of nuclear power plant could be an option after 2020.

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### **Hanfa demanded additional documentation from MOL (Croatia)**

Croatian financial services supervisory agency (Hanfa) demanded from Hungarian MOL, which initiated initial public offer for purchase of shares in Croatian oil industry (INA), to submit additional documents. Hanfa later confirmed above-mentioned information, and explained that this was regular procedure.

MOL was given 15 days to submit documents. If MOL's offer is satisfactory, it will be published in Official gazette, and in period of 15 days, all potential investors will be allowed to submit counter offer for IPO.

§ § §

### **Disputes regarding usage of Busko Lake (Croatia & Bosnia and Herzegovina)**

Municipalities Livno and Tomislavgrad in Bosnia and Herzegovina (BiH) believes that taxes paid by Croatian power utility (HEP) for usage of waters from Busko Lake, located in Bosnia and Herzegovina (BiH), are very low.

According to experts from BiH, the five hydropower plants (HPPs) on River Cetina (in Croatia) make some 30 million euros of profit for HEP per year, while taxes paid to the municipalities reach some 0.8 million euros.

The usage of Busko Lake became a dispute between Croatia and BiH, after BiH granted only two-year license to HEP for usage of the water potential of the lake.

Minister of energy, mining and industry of Federation of BiH Vahid Heco said that usage of Busko Lake was stealing of hydropower potential of BiH. The only solution to the problem would be establishment of joint venture company in charge for the lake. The minister also reminded that Busko Lake and downstream HPPs were built as an integrated hydropower complex.

§ § §

### **South Stream agreement ratified (Greece)**

Greek parliament has ratified gas deal with Russia regarding passthrough of South Stream pipeline through Greece. Gas deal has been signed in April 2008.

Minister for development, Mr. Christos Folias said that pipeline will be finished by the end of 2014. He also added that South Stream is not competition to other pipelines, but necessary pipeline for increased Greek and EU needs.

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.

Gazprom exported over 3 billion cubic meters of natural gas to Greece last year.

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### **Talks regarding geothermal energy (Greece)**

Greek Minister for Development, Mr. Christos Folias and Iceland Prime Minister Geir Haarde were discussing potential utilization of Greek geothermal reservoirs. According to press, Greece and Iceland agreed to work together in the field of geothermal energy.

Mr. Christos Folias said Greece has great potential in the energy source, with 30 geothermal reservoirs across the country. According to a report prepared by the Institute of Geology & Mineral Exploration (IGME), Greek geothermal resources can produce 250 MW of electricity and 2 000 MW in thermal energy.

§ § §

### **PPC losses higher than expected (Greece)**

Greek Public Power Corporation (PPC) has reported a bigger H1 losses than expected, due to higher fuel prices and carbon emission restriction. The net loss was 111.8 million euros, compared with a profit of 99.4 million euros in 2007. Total revenues reached 2.76 billion euros comparing EUR 2.47 billion euros. Earnings before interest, tax, depreciation and amortization stood at 222.2 million euros compared to 456.4 million euros in 2007.

The lower lignite generation by 1 149 GWh resulted in a negative net effect of 65 million euros, PPC said.

The inclusion of the charge is to "cover the estimated deficit in the first half of 2008, although we could recognize the expense when it is actually incurred," Public Power said in the statement.

According to statistics, Greece is the second most expensive country in Europe after the Netherlands with regard to liquid fuel prices. Competition Commission has shown in a report that this is caused by the lack of competition among all businesses involved in the trade, all the way from the refineries to the multinational commercial companies, and from transporters to gas stations.

§ § §

### **3 companies purchased night energy from Mepso (Macedonia)**

On a previous auction for sale of night energy for the period from 1.9.2008 til 07.9.2008, three companies have purchased energy. Offered amount was 2 450 MWh, and it was sold for 87 000 euros.

PLC Interenergo has purchased 245 MWh, GEN-i has purchased 1 225 MWh, while Ezpada purchased 980 MWh.

§ § §

### **Slovenian Petrol interested in Macedonia (Macedonia)**

Slovenian oil company, Petrol, has shown interest to enter Macedonian market. President of the company, Mr. Marko Krizanovski, has revealed company plan to purchase at least one of the Macedonian oil companies until the end of 2008. No names were and details regarding these companies were revealed. He also noted that Macedonia is the only country in the region where Petrol is not present.

Petrol owns 418 fuel stations in Slovenia and region (Bosnia and Herzegovina, Croatia, Serbia). In the first half of 2008, petrol has sold approximately 1.2 million tons of oil and derivatives.

§ § §

### **EVN Macedonia strongly against new energy law (Macedonia)**

EVN Macedonia officials have said that new energy law is anything but not beneficial for customers. Also, they noted that this law is discriminating and that it is malverzating "public interest for stable electricity supply". Price increase can be expected.

According to EVN Macedonia, new energy law is not corresponding to European energy laws and that it is not strengthening cooperation on electricity market. Also, it is strengthening ELEM monopolistic position (electricity producer). EVN

Macedonia has announced that they will use all legal rights to stop new energy law.

European Regulatory commission is also against new law. Macedonian political opposition is also against new law.

§ § §

### **Problems for EVN in Cair municipality (Macedonia)**

EVN Macedonia has decided to abandon 1 500 000 euros investment in Chair municipality, due to obstruction and physical threats from local inhabitants. EVN Macedonia also noted that police was called, but they did not react to their calls. Planned investments were to reduce losses in transmission. According to some statements, 50% of consumed energy in this region is stolen. Part of the investment was to replace old electricity meters.

Parts of new network were destroyed, and because of that, EVN Macedonia has disconnected some parts of Cair. According to local press, this was EVN reaction after some government officials said that EVN should look more into investments than in new energy law.

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### **Only one company placed bid for CCGT Skopje (Macedonia)**

Only one company, "Duf Energy", has placed a bid for joint construction of CCGT Skoplje with ELEM. Duf Energy" Macedonia is part of Duferco Corporation. According to tender documentation, selected company is obligated to build CCGT in a period of 30 months, while ELEM would have no less of 15% capital in joint venture.

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

ELEM is currently evaluating "Duf Energy" offer.

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### **New 400 KV power line toward Albania (Macedonia)**

Italian company Moncada will build 400 KV power line, connecting Albania and Macedonia. Deal has been signed in a presence of Italian Minister for economic development.

Power line will be 155 km long and it will have 500 MV capacity. 190 million euros is planned to be invested.

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### **Increase in electricity production by 30 % in H1 (Montenegro)**

In the first half of the year, gross electricity production in the country amounted to 1.47 TWh, which was 30 % higher comparing to the same period last year. Electricity production in hydropower plants (HPPs) reached 859.23 GWh (lower than planned), while thermal power plant (TPP) Pljevlja produced 609.46 TWh (higher than planned).

In the same period, electricity consumption increased up to 2.23 TWh (+1.8 %), which was 3.9 % lower than planned. Higher electricity production was reported by Steel factory (30.4 % higher than planned) and distribution customers (+11.6 % higher than planned). Aluminum factory (KAP), the largest electricity customer in the country reported electricity production 22.1 % lower than planned, while Railway Company reported electricity consumption 9.8 % lower e than planned.

In the first half of the year, KAP has imported 258.56 GWh of electricity, or some 30 % of its overall consumption.

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### **Verbund and CEZ still reconsidering to take part in privatization of EPCG (Montenegro)**

Austrian Verbund confirmed it would analyze incoming privatization procedure in Power utility of Montenegro (EPCG) as well as other similar procedures in South Eastern Europe.

The company did not want to reveal any plans regarding privatization of EPCG, yet officials said the company was interested in investing in electricity sector in Central and South Eastern Europe. Verbund said their plans were not related to any particular country, since they believe that integrated electricity market would be established in the region. The company will decide to take part in particular projects depending on actual conditions.

In the same time, Czech CEZ also did not want to confirm whether it would take part in the incoming tender for recapitalization of EPCG. Spokesperson of CEZ said the company was interested in acquiring as much as possible information regarding the tender.

As a reminder, the government of Montenegro decided to sell 22 % shares in EPCG in order to acquire 300 million euros for planned investments. The tender should be published by the end of the year. The state will remain majority owner in the national power company with 55 % stake.

§ § §

## **Regulator to set coal prices in the next three years (Montenegro)**

Government of Montenegro will authorize Regulatory energy agency (REA) to continue to set the coal prices in the next three years. This was said by reliable sources quoted by local press.

The REA was in charge for approving the coal prices until July this year, when five-year term expired.

In the same time, officials from the coalmine Pljevlja were in favor of setting the coal price by the audit companies.

In July, REA proposed to the government to continue to set the coal prices during next three years, having in mind that, according to REA, the conditions for setting the market price of coal by the coalmine Pljevlja itself still have not been met. In the last year, REA hired an advisor who established that price of coal in the country still needs to be regulated. On the other hand, the actual coal prices are low, which caused losses for the coalmine, advisor said.

The fixed coal price for this year was set by REA at 25.65 euros/ton. In the same time, REA set the regulated annual income of the coalmine Pljevlja at 37.7 million euros.

During this summer, the bank account of coalmine Pljevlja was blocked due to lawsuits of 570 workers. The management of the company warned this could endanger coal production, since company was not able to pay financial obligation toward its suppliers. In addition, the company was unable to pay the loan repayments.

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## **EPCG started reconstruction works in HPP Perucica (Montenegro)**

Power utility of Montenegro (EPCG) signed the contract for reconstruction and revitalization of water intake channels in hydropower plant (HPP) Perucica. The works started in the beginning of August. The project has been carried out by Slovenian company Primorje and it should be completed in September next year.

The main purpose of the project is to increase water intake capacity from 68 m<sup>3</sup>/s up to 81 m<sup>3</sup>/s as well as to reduce water losses. The overall cost of the project should be some 7.7 million euros.

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## **Statkraft reaffirms its interest in construction of HPPs (Montenegro)**

Norwegian Statkraft was willing to invest unlimited funds for construction of hydropower plants (HPPs) in Montenegro, local press reported. The latest statement is in accordance to Statkraft's announcements for investing in energy projects in Montenegro said numerous times in the past couple of years.

In an interview to local paper, regional director of Statkraft for Southeastern Europe, Tima Iyer, and director of Statkraft for Montenegro, Roar Alme, confirmed they would purchase tender documentation for construction of new HPPs. Officials believe that investments in future power plants on rivers Moraca and Komarnica and on Lake of Boka would be highly profitable. The government of Montenegro announced it should publish tenders for construction of new HPPs by the end of the year.

According to Iyer, Statkraft expects that future power plants should be built in accordance to Build Operate Transfer (BOT) model, where concession period should be between 30 and 35 years.

Iyer also confirmed that Statkraft could be interested in recapitalization of Power utility of Montenegro (EPCG). He reminded that Norwegian company has been present in Montenegro in the past two and half years, where Statkraft, EPCG and the government have been involved in the studies for construction of new HPPs.

During the recent visit to Montenegro, head of Statkraft Bard Mikkelsen announced that the company might invest between 500 million euros and 1 billion euros in energy projects in Montenegro. Mikkelsen also announced that company was interested in construction of wind farms and reconstruction of HPP Piva.

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## **EPCG wants to take part in the EP BiH's tender for sale of electricity in 2009 (Montenegro)**

According to announcements from Power utility of Montenegro (EPCG), the company wants to take part in tender for sale of 1.665 TWh of electricity in 2009 published by Power utility of Bosnia and Herzegovina (EP BiH).

The main obstacle for EPCG's participation is the unclear local law, which did not define this area, EPCG said. Sources from EPCG said that EPCG is highly interested to take part in the tender since it believes it could be able to purchase electricity under favorable prices. Local press quoted sources who said that EPCG could be interested in purchase of 350 GWh of non-guaranteed electricity, having in mind that EPCG has firm contract for delivery of electricity with Power utility of Serbia (EPS).

Public procurement department of state of Montenegro explained that EPCG, as a public company, was not allowed to take part in a tender for purchase of electricity. According to public procurement laws, EPCG is obliged to publish the tender for import of missing amount of electricity. On the other hand, Spokesperson of EPCG confirmed that EPCG asked from Public procurement department for special approval in order to apply in the tender.

The problems related to EPCG's participation in the tender could be solved by Aluminum factory in Podgorica (KAP), Minority shareholders in EPCG proposed that KAP, which is the largest electricity customer in the country and eligible cus-

tomers allowed to purchase electricity on free market, should take part in the tender, after which the purchased electricity could be resold to EPCG

In this year, EPCG contracted an import of 841 GWh of electricity at the price of 70.6 million euros. Some 80 % of the amount will be delivered by EFT (56.5 million euros contract). Slovenian GEN-I will deliver 1.72 % of the amount (1.2 million euros contract), Rudnap will deliver 9.15 % of the amount (6.46 million euros contract), RT Trading will deliver 4 % of the amount (2.8 million euros contract), while Atel will deliver some 5 % (3.6 million euros contract).

In the first half of the year, EPCG imported 490 GWh of electricity at price of 44.5 million euros. Because of that, EPCG announced that electricity import in this year could be considerably higher than planned. In the last year, EPCG paid record amount of 91 million euros for electricity import.

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### **Investors want preemptive rights for purchase of shares in EPCG (Montenegro)**

According to sources quoted by local press, potential investors, who expressed interest in recapitalization of Power utility of Montenegro (EPCG) during the pre-tender period, have demanded from the government to provide guarantees that they would be granted preemptive rights for purchase of shares in EPCG in case of new sale procedure.

The government expects it will acquire 300 million euros for 22 % of shares in EPCG in the future tender. Sources said that government believes that almost certain participants in the tender would be Electrabel, Verbund, Enel, Statkraft, CEZ and some investment banks from USA.

According to government's plan, the state will remain in possession of 55 % shares in the company, future strategic partner will own 22 % stake, while the rest will be owned by minority shareholders.

The contract with future strategic partner will give management rights to new partner. The tender should be published in November.

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### **Government to propose to KAP to build new TPP (Montenegro)**

The government of Montenegro should propose to Aluminum factory in Podgorica (KAP) to take part in a tender for concession in coalmine Maoce, local press said.

The sources said that government's main idea is that KAP should build thermal power plant (450-600 MW), which should deliver electricity to the factory. KAP, with some 1.9 TWh of annual consumption, is the largest electricity customer in the country, with some 40 % share in national consumption.

By building the new TPP, KAP would provide long-term electricity supplies, having in mind that long-term supply contract between Power utility of Montenegro (EPCG) and KAP would expire in two years.

The tender for granting the coalmine concession should take place in October. Coal reserves in Maoce are estimated at 110 million tons, according to the study made in 1990s. The reserves should last for 40 years, according to recently approved energy strategy. According to the strategy, some 2.5 million tons of coal per year from Maoce should be used in new TPP after 2013.

The latest calculation of the government showed that coalmine could be operational in seven years, where costs of the opening of the mine should reach 500 million euros.

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### **CEZ purchased wind power project from CWP (Romania)**

As it was announced in the end of July, Czech CEZ has purchased wind power project from Continental Wind Power (CWP). CWP was the holder of rights for construction of 345 MW wind farms, with potential output of 600 MW, in the area of Dobrogea. According to earlier announcements, the worth of the contract should be 100 million euros.

The future wind farms will be located in Fantanele and Cogea-lac, some 15km from the Black Sea coast. The future wind farm should be the largest continental wind farm in Europe, and the total cost of the project should reach 1.1 billion euros (including the abovementioned contract).

The first phase of the project will include construction of 139 wind generators with 2.5 MW power output, i.e. overall output will reach 347.5 MW. Those wind generators should be operational in 2009. The second phase of the project, i.e. installation of 252.5 MW should be completed by the end of 2010. According to announcements, construction works should start in September.

When completed, wind farm will account for 30 % of overall renewable energy in the country. In this moment, Romania has only 7 MW of electricity output in wind farms.

CEZ believes that this large-scale project would strengthen company's position in Romania. The project was granted all necessary approvals including the approval for connection to transmission grid. In the same time, CWP and General Electric signed 400 million euros worth contract for delivery of wind generators for the first phase of the project.

The investments in wind farm in Romania will be the second largest investment of CEZ abroad. As a reminder, the company intends to invest 1.4 billion euros for construction of new thermal power plant in Gacko, Bosnia and Herzegovina.

Development director of CEZ Romania, Doru Voicu, announced that CEZ is interested for acquiring several other smaller wind

power projects in the country, with output between 30 and 140 MW.

In Romania, CEZ owns electricity distributor Electrica Oftener. The company is also competing in the tender for construction of units 3 and 4 in nuclear power plant (NPP) Cernavoda and in the tenders for construction of new thermal power plants in Galati and Borzesti.

According to recent statements from Transelectrica, current maximum technical output in wind farms that could be balanced by Romania's electricity system is 2,000 MW. The requests for installation of wind farms in Romania reached some 10,000 MW, officials said.

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### **Hidroelectrica to establish joint ventures for construction of new HPPs (Romania)**

Electricity producer Hidroelectrica plans to set up joint ventures with private investors for construction of new hydropower plants (HPPs). The company should build seven HPPs in this way, where overall output should reach 300 MW and annual electricity production should reach 970 GWh. This was said by the general manager of Hidroelectrica Traian Oprea.

The construction of particular seven HPPs started before 1989. The feasibility study for completing those projects has been prepared by PricewaterhouseCoopers and it should be approved by the management board of Hidroelectrica very soon.

Hidroelectrica should publish tenders for granting the concessions and establishing the joint ventures for particular projects.

According to Oprea, several companies already expressed interest for the projects. He did not reveal the names, but local press implied the potential partners of Hidroelectrica could be Gaz de France, E.ON, Enel and Verbund. The project will be needing government's approval.

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### **418 million euros of profit for Electrica in H1 (Romania)**

State owned electricity distributor Electrica reported gross profit of 418 million euros in the first half of the year, which was 11 times higher comparing to the same period last year. The increase is mostly related to the privatization of Electrica's branch Electrica Muntenia Sud, which was purchased by Italian Enel.

In the same time, turnover reached 888 million euros, which was 8.3 % higher comparing to the last year.

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### **Nuclearelectrica doubled turnover in H1 (Romania)**

Electricity producer Nuclearelectrica reported some 186 million euros of turnover in the first half of the year, which was some 100 % higher compared to the same period last year. The increase is related to putting in service unit 2 (700 MW) in nuclear power plant (NPP) Cernavoda in September last year.

In the same period, the company reported 19.8 million euros of profit (+21.7 %), while gross profit increased up to 23.7 million euros (+45 %).

General manager of the company Teodor Chirica explained that increase of profit was partly related to the fact that large-scale investments would be made during the second half of the year. According to original plans, Nuclearelectrica should report overall turnover of 370 million euros in this year (+50 % comparing to the last year), while gross profit should reach 3.4 million euros (-600 %).

NPP Cernavoda, with two 700 MW units, provides some 18 % of overall electricity, which makes the NPP the second largest electricity producer in the country, after Hidroelectrica.

In the first half of the year, NPP Cernavoda delivered to the national electricity system 4.71 TWh of electricity (+66.4 %).

The management of the company pointed out that increased electricity production and insignificant increase in nuclear fuel prices contributed to overall stability of electricity prices in the country.

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### **Rompetrol Rafinare acquired electricity supply license (Romania)**

Rompetrol Rafinare, refining division of oil company Rompetrol, confirmed it had received electricity supply license. The license was granted by Romanian Energy Regulatory Authority (ANRE) and it will be valid for two years. After that period, Rompetrol will be entitled to ask for the license extension. In this moment, there are some 150 electricity suppliers in Romania, where 60 of them have been active.

Two years ago, the former owner of Rompetrol, Dinu Patriciu, announced that company is interested in becoming the electricity supplier and in building the cogeneration power plant in Midia (110 MW).

In the related news, Rompetrol Rafinare reported six-month profit of 1.87 million euros, which was over two times lower comparing to the last year. In the same period, turnover increased by 94 %, up to 1.2 billion euros. In the first half of the year, oil refinement reached 2.3 million tons, which was 29 % higher comparing to the same period last year.

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### **Nuclearelectrica continued negotiations for construction of units 3 and 4 in NPP Cernavoda (Romania)**

In the end of August, Nuclearelectrica, the operator of nuclear power plant (NPP) Cernavoda, and ministry of economy and finance, continued negotiations with six investors interested in construction of units 3 and 4 in NPP.

The meeting was attended by minister of economy and finance Varujan Vosganian, representatives of investors, general manager of Nuclearelectrica Teodor Chirica and Deloitte, the consultant for the procedure. The negotiations were delayed for five months.

The participants of the meeting decided that negotiations needed to be completed until December, ministry of economy and finance said. Until that time, final agreement with investors should be signed after which it should be approved by the government.

Head of Nuclearelectrica believes that project company should be established by March 2009. According to initial plans, the project company should have been established in March this year. Chirica also confirmed that none of investors intends to abandon the project. Chirica confirmed that new estimations showed that cost of the project should reach 4 billion euros, instead of original amount of 2.2 billion euros

As a reminder, in April this year, the government of Romania decided that Nuclearelectrica would control 51 % stake in the project as a contrary to original plans, where state should have controlled some 20 % stake, while strategic partners should have owned 15-20 % each. The future partners in the project will be CEZ, Iberdrola, Enel, Electrabel, RWE, ArcelorMittal and Nuclearelectrica. Two 700 MW units should be built in 2014-2015.

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### **Large-scale disconnections of non-paying electricity customers, debts amounted to 130 million euros in capital (Serbia)**

In mid-August, electricity distributor in capital Belgrade, the EDB, started large-scale campaign for disconnection of non-paying customers. EDB decided that every customer with debt higher than 250 euros should be disconnected from electricity grid. According to the latest data, the debts of some 570,000 households in capital amounted to 70 million euros, while companies owe some 65 million euros.

The EDB confirmed that collection rate of electricity bills in the first half of August reached only 30 %. The company's officials said they would disconnect both the households and companies during the campaign, where there would be no exemptions.

Another problem for EDB in the past period was electricity theft, where some 10 % of electricity was stolen, which was double compared to national average.

According to the latest data of Power utility of Serbia (EPS), overall electricity debts in the country amounted to some 500 million euros. Overall debts of the households in Serbia amounted to 300 million euros.

The largest debtors are households from southern part of the country and the companies from capital city. The large part of the debts was made by the companies in the process of privatization. On the other hand, high debts were made by some large municipality public companies in Belgrade.

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### **Russia awaits ratification of energy agreement (Serbia)**

Chair of Committee on Foreign Affairs of parliament of Russia Konstantin Kosachev said that Russia has been patiently awaiting ratification of energy agreement between Russia and Serbia by the Serbian parliament. He confirmed that Russia would not agree on paying more than 400 million euros for Oil industry of Serbia (NIS), as it was recently demanded by the minister of economy of Serbia Mladjan Dinkic.

Kosachev reminded that sale price of NIS was a part of complex energy agreement, where sale of NIS to Gazprom was one of the key elements for building the South stream natural gas pipeline across Serbia.

In the same time, officials from embassy of Russia in Serbia could not confirm that Russia has been reconsidering to change the route of the South stream pipeline, i.e. that pipeline could bypass Serbia.

The leader of opposition SRS party Tomislav Nikolic said such claim after the meeting with Russian ambassador Aleksandar Konuzin. Analysts believe this could be just a form of pressure on Serbia in order to ratify the agreement as soon as possible.

During the visit to city of Nis, Russian ambassador confirmed that minister of emergency situations of Russia Sergey Shoigu should visit Serbia in the end of September or in the beginning of October. Shoigu, who is the Russian main negotiator regarding the energy agreement, should have visited Serbia in August, but the visit was delayed after the war conflict in Georgia. Konuzin called Serbian authorities to obey the obligations defined in energy agreement or else relations between two countries could be seriously affected.

Delays of ratification caused serious accusations between Serbian politicians. Former minister for capital investments Velimir Ilic, who was one of the signatories of the agreement, accused minister Dinkic on endangering the vital project for Serbia. According to Ilic, the agreement will result in favorable natural gas and oil prices for Serbia. Recent delays could even endanger construction of the South stream pipeline across Serbia, Ilic concluded. DSS party also accused Dinkic for stalling the project that would bring some 100,000 of new workplaces

Director of Serbia's natural gas company Srbijagas, Sasa Ilic, who was one of the signatories of the energy agreement, believes that construction of the South stream pipeline would be vital for Serbia's energy stability in the next 20 to 30 years. He pointed out that capacity of the future pipeline should be some 10 billion cbm, which is higher four times compared to current natural gas consumption in the country.

Prime minister of Serbia Mirko Cvetkovic confirmed that government fully supports energy agreement with Russia. Cvetkovic explained that current appraisal of NIS has been carried out in order to evaluate the worth of the shares that will be given to citizens of Serbia, free of charge in accordance to privatization laws. Appraisal should be completed in the beginning of September. Prime minister also said that government reached strong consensus regarding the ratification of energy agreement with Russia. Cvetkovic said that recent unclear claims of Serbian officials made confusion regarding the agreement and sale of NIS.

In the same time, minister of energy of Serbia Petar Skundric stated that energy agreement could not be cancelled. The agreement should be ratified with vast majority as soon as parliament starts to work.

Minister of economy Mladjan Dinkic, who recently announced that Serbia would demand higher price for 51 % stake in NIS, said that main issue during incoming negotiations with Russian would be increasing the transport capacity of the South stream pipeline across Serbia. He believes that energy agreement could be improved in many ways. Dinkic announced that agreement should be ratified in mid September, while negotiations should be completed by the end of the year.

Ministry of economy recently hired advisor, the task of which was to make new appraisal of the company and to determine market price for NIS.

Dinkic argue that sale price of NIS of 400 million euros was based on old estimations from 2006. In the meantime, the oil prices doubled, while profit of NIS increased by 300 %, which should certainly affect sale price in this moment.

Analysts in Serbia believe that Serbia could hardly change Russian standpoint in this matter. Spokesperson of the ministry of economy said that Serbia's main interest is to secure safety in natural gas supply as well as to make NIS a profitable company. Officials reminded that Russia still needed to complete feasibility study regarding the South stream pipeline, which will determine the final route, type of the pipeline across Serbia and pipeline's capacity. Officials from ministry of economy of Serbia believe that agreement would be certainly ratified by the parliament.

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### **Minister of energy in favor of construction of NPPs (Serbia)**

Minister of energy of Serbia, Petar Skundric, believes that Serbia needs to reconsider option for construction of nuclear

power plants, despite the current moratorium for construction of NPPs.

Skundric said that NPPs are built all across Europe. In addition, NPPs exists in neighboring Romania and Bulgaria, while Croatia has been reconsidering to build NPP on border with Serbia on Danube.

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### **Silovye Mashiny to remain in charge for renewal of HPP Djerdap 1 (Serbia)**

According to sources quoted by the local press, Russian company Silovye Mashiny will remain in charge for renewal of the largest hydropower plant (HPP) in Serbia, the HPP Djerdap 1. The latest information came after the announcements that Power utility of Serbia (EPS) could cancel the contract with Russian company due to seven-year delay of the project.

Sources said that two sides agreed to continue project having in mind that Russian company already manufactured necessary equipment. The exact date for the start of the renewal as well as the final price of the project was not revealed.

Silovye Mashiny won in the tender for this project seven years ago, while final contract was signed in 2003. The initial contract price was agreed at 100.5 million dollars, which should have been paid through settlement of clearing debts of former USSR toward former Yugoslavia. According to plans, the renewal should be carried out in period of six years.

The project was delayed after agreement for settlement of clearing debts was not signed until 2007. After that, problems occurred when Russian company demanded 184 million dollars for the job, saying the price of copper and steel considerably increased since the contract was signed, while dollar depreciated against euro.

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### **Advisor to publish market price for NIS (Serbia)**

In the beginning of September, advisor Deloitte, hired by the government of Serbia, should have published the preliminary market value of Oil industry of Serbia (NIS).

Sources quoted by local press were not unanimous regarding the market price of NIS. Some sources said that this value would be estimated at 2.5 billion euros, while other sources said this would be considerably lower.

The previous appraisal of NIS's assets, performed by Merrill Lynch and Raiffeisen Investments, said that book value of the company was some 1.2 billion euros.

The government of Serbia said it decided to estimate the market price of NIS in order to determine the worth of shares in NIS that will be given to citizens of Serbia, free of charge, in ac-

cordance to privatization laws. In the same time, market price should be starting point for incoming negotiations with Russia regarding implementation of energy agreement.

As a reminder, Russia offered to pay 400 million euros in cash and 500 million euros in investments for 51 % stake in NIS. The sale of NIS was agreed as a part of integrated energy agreement between Serbia and Russia, which also includes construction of natural gas pipeline and underground natural gas storage facility.

After new government of Serbia was recently elected, minister of economy Mladjan Dinkic announced that Serbia would demand higher price for NIS, which was strongly criticized by Russia.

According to latest unofficial information, after the meeting of Serbian president Boris Tadic and prime minister Mirko Cvetkovic with Russian ambassador in Serbia Aleksandar Konuzin, Serbia could drop its requests regarding higher price for NIS. In the same time, ministry of economy also announced that Serbia could ask for better conditions in energy agreement related to the capacity and type of the pipeline. This statement of the ministry was also seen as a sign that Serbia could accept Russian cash offer for NIS.

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### Serbia invited Montenegro to take part in the project for HPP Buk Bijela (Serbia & Montenegro)

The public relation advisor in ministry of energy and mining of Serbia Milan Jovanovic said that construction of hydropower plant (HPP) Buk Bijela is in Serbia's interest, but the good thing for the project would be participation of Montenegro. Jovanovic believes that project would be beneficial for Montenegro too.

As a reminder, the government of Montenegro decided to leave the project due to environmental reasons related to protection of Tara River. After that, Serbia and Republic of Srpska (RS) decided to continue the project alone, which implied reduction of planned output of the of future HPP.

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## Tenders:

### Electricity

Company / organization:	EP BiH, related Bosnia and Herzegovina
<b>Electric energy sale for 2009</b>	
Content:	Details regarding this tender can be found in NEWS section, paragraph: "EP BiH published tender for sale of electricity in 2009 (Bosnia and Herzegovina)".  Tender documentation can be obtained from: <a href="http://www.elektroprivreda.ba">www.elektroprivreda.ba</a> , "Announcements" section (oglasi)
Deadline:	1 Oct 2008 at 13:00, Banja Luka time.
Contact:	Mr. Smajo Bisanovic +387 33 751 371 <a href="mailto:s.bisanovic@elektroprivreda.ba">s.bisanovic@elektroprivreda.ba</a> Mr. Muris Dlakic +387 33 751 363 <a href="mailto:m.dlakic@elektroprivreda.ba">m.dlakic@elektroprivreda.ba</a>  FAX: +387 33 751 368

Company / organization:	EBRD, related Bosnia and Herzegovina
<b>Power Distribution Reconstruction Project</b>	
Content:	ELEKTROPRIVREDA REPUBLIKE SRPSKE 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 Procurement of Goods and associated Services for substation 35/10 kV Bijeljina IV.
Deadline:	1 Oct 2008 at 13:00, Banja Luka time.
Contact:	Mr. Milorad Živković, PIU Director Project Implementation Unit Kralja Petra I Karadjordjevic 83A/II 78000 BANJA LUKA, BOSNIA AND HERZEGOVINA THE REPUBLIC OF SRPSKA Phone: ++ 387 51 215 658, 654 Fax: ++ 387 51 215 667, 670

Company / organization:	<b>EBRD, related Bosnia and Herzegovina</b>
<b>Power Distribution Reconstruction-Substations 10(20)/0,4kV</b>	
Content:	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..
Deadline:	2 Mar 2009 at 00:00, Sofia time
Contact:	Mr. Nedeljko Despotović, PIU Director Tel.+387 33 751 030; Fax.+387 33 751 033 e-mail: <a href="mailto:n.despotovic@elektroprivreda.ba">n.despotovic@elektroprivreda.ba</a>

Company / organization:	<b>EBRD, related Bulgaria</b>
<b>Construction of wood biomass heating plant in town "Triavna"</b>	
Content:	<p>The project 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 tender for supply of goods and installation of equipment for the construction of a modern biomass fired heating plant and the related district heating network in town Triavna.</p> <p>The tendering includes:</p> <ol style="list-style-type: none"> <li>1. Supply of loading machine and specialised wood transporting track;</li> <li>2. Supply of district heating network pipes;</li> <li>3. Supply and installation of heating substations for customer sites.</li> </ol> <p>Overall Budget for the project is EURO 4 million, from which EURO 0.8 million will be financed from the Kozloduy International Decommissioning Support Fund.</p> <p>The invitations for tenders are expected in the third quarter of 2008. The invitations will be open to firms that qualify under the Procurement Policies and Rules of the EBRD and the KIDSF. The eligible countries as of 1 May 2008 are: EU member states, Switzerland, all so-called PHARE countries and the EBRD's Countries of Operations.</p>
Deadline:	14 May 2009 at 00:00, Sofia time
Contact:	<p>Mr. Svetlozar Todorov Investor's representative BioEnergia Triavna OOD 4 Trapezitsa str, entr. 4, fl. 4 Sofia 1000, Bulgaria Email: anton.ivanov@yahoo.co.uk Telephone/Telefax: +359 2 989 89 50</p>

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

Contact:	<p>Mr. Christo Petkov Tel. +359 2 818 00 10 Fax: +359 2 818 00 20 [fax:]</p>
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Company / organization:	<b>EBRD, related Bulgaria</b>
<b>Replacement of transformers for CEZ Razpredelenie Bulgaria</b>	
Content:	<p>The project 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 tender for supply of equipment for the replacement of outdated 20/0,4 kV power transformers with new transformers of higher efficiency.</p> <p>Overall Budget for the project is EURO 3,84 million from which EURO 0.76 million will be financed from the Kozloduy International Decommissioning Support Fund.</p> <p>The replacement of the power transformers is planned to start by the end of 2008.</p> <p>The invitation for tender is expected in the third quarter of 2008. The invitation will be open to firms that qualify under the Procurement Policies and Rules of the EBRD and the KIDSF. The eligible countries as of 1 February 2008 are: EU member states, Switzerland, all so-called PHARE countries and the EBRD's Countries of Operations.</p>
Deadline:	14 May 2009 at 00:00, Sofia time
Contact:	<p>Mr. Atanas Dandarov Director management of the company CEZ Razpredelenie Bulgaria AD 330, Tzar Simeon Street, 1309 Sofia, Bulgaria Office tel: +35928053403 Fax: +35929862805 e-mail: atanas.dandarov@cez.bg</p>

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

Contact:	Mr I Truica; Technical Director S.C. Electrificare SA B-dul D Golescu nr.38 Bucharest, Romania Tel: + 40 21 3192512; Email: ionel.truica@cfr.ro
Company / organization:	<b>EBRD, related Bulgaria</b>
<b>Ruse Integrated Energy Farm</b>	
Content:	<p>. The Kozloduy International Decommissioning Support Fund (KIDSF), administered by the European Bank for Reconstruction and Development (EBRD), was established in 2001 for the support of the decommissioning of Units 1-4 of the Kozloduy Nuclear Power Plant. One of the purposes of this Fund is to finance or co-finance preparation and implementation of selected projects that aim the necessary restructuring, upgrading and modernisation in various Bulgarian industry sectors consequential to final shutdown of Units 1 - 4 of the Kozloduy Nuclear Power Plant.</p> <p>District administration Ruse intends to use the proceeds of the Grant from the Kozloduy International Decommissioning Support Fund for co-financing the establishment of an integrated energy farm, consisting:</p> <ul style="list-style-type: none"> <li>• Supply and installation of Biomass gas generation reactor, gas cooling, gas washing and gas drying using straw</li> <li>• Supply and installation of CHP plant for production of electric and thermal energy</li> <li>• Supply and installation of biomass (straw) transport, handling and storage facilities</li> <li>• Up-grade of the existing heat only boiler (HOB) for the utilisation of biogas</li> </ul> <p>The tendering includes design, engineering, procurement, delivery, construction, installation, pre-commissioning and commissioning of works and is expected to begin in the Q III 2008.</p> <p>The total expected budget of the project including the consultancy assignment is €3.4 million, from which the grant financing part is €1.56 million.</p> <p>Tendering for contracts to be financed from grants of the KIDSF, is open to firms from eligible countries as of 1 April 2008. These are: EU member states, Switzerland and the EBRD's countries of operation.</p>
Deadline:	9 May 2009 at 00:00, Ruse time
Contact:	Dr. Todor Petrov Director District administration Ruse Bulgaria Fax : + 359 82 812 232 Email: T.Petrov@ruse.e-gov.bg

Company / organization:	<b>EBRD, related Bulgaria</b>
<b>Kozloduy Nuclear Power Plant – General</b>	
Content:	<p>The following notice refers to goods, works and services to be procured through open tendering for projects financed by the Kozloduy International Decommissioning Support Fund which is administered by the European Bank for Reconstruction and Development.</p> <p>For more information, please visit <a href="http://www.ebrd.com/oppo/procure/opps/goods/general/070803a.htm">http://www.ebrd.com/oppo/procure/opps/goods/general/070803a.htm</a></p>
Deadline:	3 Aug 2008 at 24:00, Kozloduy time
Contact:	Mr. Daryll Jones Fax. + 359 973 7 4508 E-mail: kpmu@npp.bg

Company / organization:	<b>EBRD, related Bulgaria</b>
<b>Enemona CNG project - General</b>	
Content:	<p>The project announced within this procurement notice will be financed from the Kozloduy International Decommissioning Support Fund, established in 2001 for supporting the decommissioning of units 1- 4 of the Kozloduy Nuclear Power Plant. One of the purposes of this Fund is to finance or co-finance the preparation and implementation of selected projects that aim the necessary restructuring, upgrading and modernisation in the energy sector and improving energy efficiency.</p> <p>This General Procurement Notice draws attention to the forthcoming tender for Supply and installation of equipment for five Compressed Natural Gas vehicles in Bulgaria. The purpose is the development of a natural gas supply system in towns Svilengrad and Kardjali in South-East Bulgaria. The project includes:</p> <ul style="list-style-type: none"> <li>• Design, supply and installation of 5 vehicles for transportation of the natural gas from the compressed natural gas terminal on the high pressure distribution network to the terminals in the low pressure consumer distribution system. Budget for the project: €650,000.</li> </ul> <p>The invitation for tenders for the implementation of the project is expected in the second quarter of 2008. The invitations will be open to firms that qualify under the Procurement Policies and Rules of the EBRD and the KIDSF.</p>
Deadline:	13 Feb 2009 at 00:00, Sofia time
Contact:	Mrs. Nadya Ivanova; Enemona Utilities EAD 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:	<b>EBRD, related Bulgaria</b>
<b>Sofia District Heating Rehabilitation</b>	
Content:	<p>The Kozloduy International Decommissioning Support Fund (KIDSF), administered by the European Bank for Reconstruction and Development (EBRD), was established in 2001 for the support of the decommissioning of Units 1-4 of the Kozloduy Nuclear Power Plant. One of the purposes of this Fund is to finance or co-finance preparation and implementation of selected projects that aim the necessary restructuring, upgrading and modernisation in various Bulgarian industry sectors consequential to final shutdown of Units 1 - 4 of the Kozloduy Nuclear Power Plant.</p> <p>Toplofikacia Sofia AD, the joint stock district heating company serving the city of Sofia is carrying out the rehabilitation of the centralized district heating system in the city. The District Heating Rehabilitation Project comprises modernization of district heating substations, replacement of pipelines, compensators, thermal insulation of over-ground pipelines, conversion to variable flow of the Sofia district heating network.</p> <p>Toplofikacia Sofia AD intends to us grant funds of the Kozloduy International Decommissioning Support Fund (KIDSF) and own financial sources for delivery, installation, testing and commissioning of individual heating substations units for space heating and domestic hot water including heat exchangers, circulation pumps, control valves and automation devices. 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:	<b>EBRD, related Macedonia</b>
<b>Transmission Interconnection Project, four substations - GPN</b>	
Content:	<p>The Macedonian Transmission System Operator (AD MEPSO) has received a loan from the European Bank for Reconstruction and Development and intends to use a part of the proceeds to finance the Rehabilitation of four 400/110 kV Substations in the Power Transmission System of Macedonia in Skopje, Dubrovo and Bitola.</p> <p>The proposed project which has an estimated cost of EUR 5.65 million (excluding VAT) is intended to be implemented through three separate tender packages:</p> <ul style="list-style-type: none"> <li>• Package I: 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.</li> <li>• Package II: Rehabilitation of substations 400/110 kV Skopje 4 and Dubrovo with supply and installation of new bay control units in the substations</li> <li>• Package III: 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.</li> </ul>
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>
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Company / organization:	<b>EBRD, related Bulgaria</b>
<b>Varna city heating network rehabilitation KIDSF</b>	
Content:	<p>The projects announced within this procurement notice will be partially financed from the Kozloduy International Decommissioning Support Fund, established in 2001 for supporting the decommissioning of units 1-4 of the Kozloduy Nuclear Power Plant. One of the purposes of this Fund is to finance or co-finance the preparation and implementation of selected projects that aim the necessary restructuring, upgrading and modernisation in the energy sector and improving energy efficiency.</p> <p>This General Procurement Notice draws attention to the forthcoming tenders for technical specification, supply of the materials and work installation. The purpose of the project is improvement of the energy efficiency by rehabilitation of the 1/3 of the heating pipelines network, reducing energy losses. This includes the replacement of 11 km of over 20 years old steel pipes, insulated with glass wadding and laid in concrete ducts with pre-insulated steel pipes for direct bedding. The pipeline replacement concerns about 1/3 of the heat distribution network of the district heating network for heat transmission and distribution pipelines of DN 50 to DN 500.</p> <p>The rehabilitation process will be provided over three years, during spring and summer periods, in order to minimize the heat supply interruption in Varna city. The first phase is planned to start in 2008, with the renewal of 4 km of pipelines, in the area of Mladost. The main area to be tendered under the EBRD PPR for the KIDSF financing is the supply of the pre-insulated pipe and additional material. 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:	<p>Mr. Ilia Nikolaev Director of the board Tel: +359 52 500 670 Fax: +359 52 750 358 e-mail: inikolaev@dalkia.bg</p>

Company / organization:	EBRD, related Romania
<b>CFR Traction Energy Network Management LOT 1,2 - General</b>	
Content:	<p>This notice updates the General Procurement Notice published on EBRD Website dated 22nd July 2005 under reference 5104-GPN-36043 and updated on 24 July 2006.</p> <p>CFR Electricitare 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:	<p>Mr I Truica, Technical Director S.C. Electricitare SA, B-dul D Golescu nr.38 Bucharest, Romania Tel: + 40 213192512 Email: ionel.truica@cfr.ro</p>

Company / organization:	EBRD, related Bulgaria
<b>Rehab and Extension of Power Transmission Network LOT 1,2,3</b>	
Content:	<p>The National Electric Company – NEK-EAD (the “Employer”) intends using the proceeds of the grant funds provided by the “Kozloduy International Decommissioning Support Fund” (the “KIDSF”), administered by the European Bank for Reconstruction and Development (the “Bank”) and of its own financial sources towards the cost of the “Rehabilitation and Extension of the Power Transmission Network Project - substations Tzarevetz, Burgas, Metalurgichna”.</p> <p>The project, which has a total estimated cost of EUR 14.6 million, includes the implementation of the following three projects:</p> <p>(i) Project „Rehabilitation and extension of s/s Tzarevetz 400/110/31,5 kV” Procurement of equipment for the replacement and the extension of the 400 kV switchyard (400/110/31,5 kV equipment, shunt reactors, relay protections, control system); design works, procurement of materials, installation and erection works (foundations, steel structures, roads, cable channels, fences, commissioning and training).</p> <p>(ii) Project „Rehabilitation and extension of s/s Burgas 400/110/31,5 kV” Procurement of equipment for the replacement and the extension of the 400 kV switchyard (400/110/31,5 kV equipment, shunt reactors, relay protections, control system); design works, procurement of materials, installation and erection works (foundations, steel structures, roads, cable channels, fences, commissioning and training).</p> <p>(iii) Project „Rehabilitation of s/s Metalurgichna 400/110/31,5 kV” Procurement of equipment for the replacement of the 400 kV switchyard (400/110/31,5 kV equipment, shunt reactors, relay protections, control system); design works, procurement of materials, installation and erection works (foundations, steel structures, roads, cable channels, fences, commissioning and training).</p> <p>The Contracts in reference shall be awarded in compliance with the EBRD Procurement Policies and Rules and will be open to firms that qualify under the Rules of the KIDS Fund: The eligible countries as at 1 November 2007 are: EU member states, Switzerland, all so-called PHARE countries and the EBRD's Countries of Operations.</p>
Deadline:	13 Nov 2008 at 00:00, Sofia time
Contact:	<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>

## Oil and Gas

Company / organization:	EBRD, related Bulgaria
<b>Bulgartransgaz Silistra System Development</b>	
Content:	<p>Bulgartransgaz EAD intends to use the proceeds of the Grant funds provided by the Kozloduy International Decommissioning Support Fund, administered by the European Bank for Reconstruction and Development and its own resources to finance the cost and complete the Project for delivery and construction of high pressure gas pipeline to, and gas regulation station in Silistra. The Project, which has a total estimated cost of EUR 10.7 million, will require the following deliveries and construction services:</p> <p>A. Delivery of steel pipes and fittings for a gas pipeline. Delivery of about 80 km of steel pipes for high pressure gas pipeline (PN 64), most of which are DN 300 (14") and other pipes of smaller diameter as well as fittings, required for the construction of the gas pipeline.</p> <p>B. Delivery of gas valves. Delivery of gas valves for high pressure gas pipeline (PN 64), mainly DN 300 (14") and others of smaller diameter.</p> <p>C. Overall delivery, supervision and commissioning of technological equipment for the Unattended Gas Regulation Station (UGRS). Delivery, Supervision and Commissioning of one complete set of technological equipment for the Construction of an Unattended Gas Regulation Station. Gas Regulation Station is a facility for regulation of gas pressure, equipped with commercial metering devices.</p> <p>D. Construction of high pressure gas pipeline to, and gas regulation station in Silistra. Construction and Commissioning of about 80 km gas transmission pipeline, optical fiber cable line within the gas pipeline easement and an UGRS (including the value of the used equipment and materials, except the delivered under the above Delivery Contracts A, B and C). The construction includes:</p> <ul style="list-style-type: none"> <li>• Temporary construction and preparatory works;</li> <li>• Delivery of materials and equipment (except of those included in the Delivery Contracts (A, B and C) above);</li> <li>• Construction and installation;</li> <li>• Pre-commissioning and commissioning tests;</li> <li>• Getting Permission on Commissioning by the competent control authorities;</li> <li>• Remedy of defects within the warranty periods after the acceptance by the State Acceptance Commission and Permission for use of the constructed pipeline and UGRS.</li> </ul> <p>The Contracts in reference shall be awarded in compliance with the EBRD Procurement Policies and Rules and will be open to firms that qualify under the Rules of the KIDS Fund: The eligible countries as at 1 November 2007 are: EU member states, Switzerland, all so-called PHARE countries and the EBRD's Countries of Operations. The proceeds of the Grant shall not be used for the purpose of any payment to persons or entities, or for any import of goods, if such payment or import is prohibited by a decision of the United Nations Security Council taken under Chapter VII of the Charter of the United Nations or under a law or official regulation of the purchaser's country.</p>
Deadline:	3 Nov 2008 at 00:00, Sofia time.
Contact:	<p>Mr. Angel Semerdjiev Executive Director Bulgartransgaz EAD 66, Pancho Vladigerov Blvd. Sofia 1336 Bulgaria Fax : + 359 29396462 e-mail: Silistra@bulgartransgaz.bg</p>