

Production of electricity from lignite in Serbia is not profitable, so it is necessary to take steps as soon as possible to stop borrowing for obsolete and dirty technologies, showed the Study “Actual price of electricity from coal in Serbia” of the Center for Ecology and Sustainable Development (CEKOR).

The study, conducted by research associate at the Institute of Technical Sciences Ilija Batas Bijelic, associate professor at the Faculty of Economics in Belgrade Dejan Molnar and Zvezdan Kalmar from CEKOR, states that fixed production costs of thermal power plants do not depend on production volume and exist even when production is zero, very high and amounts to three quarters of the total costs, as well as that the costs of maintaining the system are extremely high.

“It is disastrous to continue investing in the old way of production, which the public company Elektroprivreda Srbije (EPS) is leading to increasing losses. In order to preserve the company and make it competitive in the future, alternative investment opportunities should be considered”, the study states, and CEKOR announced.

The real price of coal in Serbia is, as it is stated, two to four times higher than the one that citizens and companies pay through the electricity bill.

Comparing the price at which electricity is produced in Serbia with the price that citizens and the economy currently pay, which in the blue tariff on a single-tariff meter is 47.6 euros per megawatt hour, while the higher daily tariff on a two-tariff meter is 54.5 euros per megawatt hour experts concluded in the study that the actual price of electricity is over 62 euros per megawatt hour.

It is added that the difference between these two prices, the one currently paid and the one it should be, shows how much is paid for the production of electricity from lignite, without the consumer seeing it, because these costs were incurred by some other bases, subsidies, environmental damages such as water and air pollution, use of land for disposal of “tailings” and ash, damage to the health of the population.

In addition, as it is stated, it is explained in what way the real price of electricity from lignite is not seen during the integration into the electric power system, because it is hidden by the very low price of hydro energy.

“Based on the available publicly published financial reports of PE EPS, the average cost of electricity from lignite was reached in the period 2017-2019. year of about 71 euros per megawatt hour and bearing in mind that the average price of electricity on the SEEPEX market was in the range of 45-55 euros per megawatt hour, the study indicates that the loss of the public company in electricity production is at the level of 17-26 euros per megawatt hour “, said in a statement.

CEKOR claims that the production of electricity from lignite in Serbia is not profitable

It is added that on this basis, external costs, environmental and health, have been upgraded, which makes the price of electricity from coal even higher and reaches the amount of 108-207 euros per megawatt-hour, which shows that the actual costs are three to four times higher than those paid.

Source: Danas