

ContourGlobal Bulgarian plant buys 78.6 mln euro worth of emission allowances

The Bulgarian unit of U.S.-based power producer ContourGlobal, which operates thermal power plant Maritsa East 3, said on Monday it has signed a 78.6 million euro (\$91.2 million) deal with Germany-based Statkraft Markets for purchase of greenhouse gas emission allowances.

The deal was signed on June 13, ContourGlobal Maritsa East 3 said in a notice.

ContourGlobal Maritsa East 3 received two offers in a public procurement procedure for the contract, according to the notice.

The greenhouse gas emission allowances are part of the EU Emissions Trading System, which works on the “cap and trade” principle. Within the cap, companies receive or buy emission allowances which they can trade among themselves as needed. Each year companies must surrender enough allowances to cover all their emissions, otherwise fines are imposed.

Statkraft Markets is a unit of Norwegian state-owned hydropower company Statkraft. The company operates ten hydro power, four gas power and two biomass power stations in Germany.

The 908 MW ContourGlobal Maritza Iztok 3 is 73%-owned by ContourGlobal, with the Bulgarian state-owned National Electricity Company holding the remaining 27% stake.

Source: renewablesnow