

The combined cycle gas power plant in Iernut, being built by Romgaz, is the only major new generation capacity in Romania. The power plant is planned to be completed this year, but that deadline will not be met. The combined cycle gas power plant has been given a new deadline for the completion of works – June next year, according to the assessment of the gas producer. The company has partially put the old plant into operation and estimates that it will achieve an increase in revenues from the sale of electricity.

“The date of commissioning of the new plant has been postponed and it is estimated that production in the new plant will begin in June 2021,” reads the proposal to change the budget of Romgaz, which requires the approval of shareholders.

“No, it will not be ready because of the problems that suppliers have. We helped as much as we could, but we can’t anymore. Out of 600 people who should be at the location, there are now about 200 of them “, said the general director of the company, Adrian Volintiru, answering the question of the journalists couple of weeks ago.

He explains that, in addition to the problems related to the pandemic and changes in the project, an additional cause of the delay is related to the effects of the famous Regulation 114, which increased wages in construction. This meant additional costs, and the companies involved in the project could only partially pass them on to Romgaz’s account. “They are in trouble with their subcontractors,” he explained to Volintiru.

The Iernut power plant, with a capacity of 430 MW, will be, after completion, only the second greenfield investment in the classic production of electricity in Romania after the fall of communism, after the combined Petroma power plant of 860 MW.

The value of the project is 268 million euros, and Romgaz awarded it to the Romelectro-Duro Felguera consortium. According to the original deadline, the plant was supposed to be completed at the beginning of this year, and a new deadline was set for the end of 2020. Anticipating problems with the new power plant, the management of Romgaz put into operation a group of the old power plant in Iernut, with a capacity of 200 MW, after additional investments in order for the unit to comply with all environmental regulations. According to company officials, Romgaz will have a capacity of 260 MW during the winter. Based on that, the company predicted an increase in revenues from the sale of electricity. The previous budget foresaw the shutdown of the old power plant and the execution of works for the commissioning of the new power plant. But as a result of the delay, electricity production at the existing power plant continued, leading to a 12.1% increase in electricity production revenues, a Romgaz report shows. The company estimates that this year, revenues from the sale of electricity will amount to 164 million levs (33.6 million euros).

Source: e-nergia.ro

New deadline for Romania's Iernut gas power plant is June 2021