State-owned fuel oil-fired themal power plant Negotino will be either privatized or the state will invest in its conversion to natural gas, said North Macedonia Prime Minister Zoran Zaev.

According to PM Zaev, investment in the conversion will cost between 200 and 500 million euros. He reminded that the feasibility study of the strategic options for TPP Negotino will be completed in early 2021 and the Government will decide what to do with the plant, whether it will be fully privatized or a public-private partnership in order to implement the project for the plant's conversion will be established, in the first half of 2021. PM Zaev said earlier that more than ten investors is interested in TPP Negotino.

In September, the new Government said that it is planning to convert the 210 MW thermal power plant Negotino from fuel oil to natural gas. TPP Negotino is state-operated and currently provides cold reserve service, although it has not been used lately due to extremely high cost of operation, in excess of 130 euros/MWh of produced electricity. For years, there have been speculations whether the plant should be decommissioned or converted to use new type of fuel, but the new Government said that it will launch a tender procedure for the plant's conversion to natural gas within the next six months. Originally, TPP Negotino was to be built in two phases. First 210 MW phase was completed in 1978, and part of the infrastructure was prepared for another 210 MW block. Since beginning of construction of TPP Negotino, possibility of altering TPP from oil to gas fired has been enabled, and part of installation has been made. Government has published two tenders for sale of TPP Negotino (2007/2008), but they both failed. By tender documentation, one of the conditions was that future owner will be obliged to construct new 300 MW unit, or entire new power plant in nearby location. Winner of the first cancelled tender, Hatch, expressed plans to construct 500 MW unit and upgrade existing from 210 MW to 350 MW.

Source: seenews.com