

Even if Serbian power utility EPS decides to apply opt-out regime for its outdated power plants until 2024, with limited number of working hours, EPS will still have to plan the replacement of 1200MW which will be decommissioned.

Although it is still unknown at what pace the outdated thermal power units within the power utility EPS will be shut down, this process should be finished by 1st January 2024, which is the obligation which Serbia has undertaken within the Energy Community.

These are the coal fired TPP units with the capacity of up to 300 MW, in which it is not economically profitable to apply the expensive measures for limiting sulphur emissions and harmonizing with the European regulations.

The Energy Strategy envisages a successive withdrawal, within the period from 2018 to 2024, of the thermal power facilities with the capacity below 300 MW – TENT A1 and A2, the TPP Morava, the TPP Kolubara and Panonske Power Plants, the average age of which is over 45 years. This means that a total of 1200 MW should be withdrawn from production, the degree of utilization of which has dropped below 30 percent. Replacement capacities should be provided for these blocks.

In addition, within the same period, the operation of the facilities that do not have a flue gases desulphurization system should be limited to 20.000 hours of operation.

The TPPs Kolubara A1 – A4, with the nominal capacity of 161 MW, and realistically available around 120 MW, are the oldest and the most uneconomical thermal power units within the EPS, envisaged for withdrawal. These power units are 50 to 55 years old and they operate with the consumption of more than 1.600 kJ/KWh, which causes adverse financial and environmental consequences.

Within the EPS, these power units were originally planned to be shut down by 2014. When it became clear that this would not happen within the envisaged period, in accordance with the obligations undertaken within the Energy Community, the deadline was postponed to 2018.

However, at the Ministerial Council of the Energy Community held in Belgrade in 2013, the decision was adopted that the closing down of outdated thermal capacities, in accordance with the Large Combustion Plants Directive, should be postponed until the end of 2023. Had this decision not been adopted, all power units with the capacity smaller than 300 MW in which the activities aimed at reducing harmful emissions have not been envisaged should be shut down in 2018.

The possible dynamics of the EPS capacities withdrawal shows that, within the period by 2024, the smallest and the oldest facilities could be decommissioned, such as the TPPs Kolubara A1-A4 then the TPP Kolubara A5 ; TENT A1 and A2 the TPP Morava and the TPP

Serbia: Opt-out regime and decommissioning of old 1200MW power plants until 2024

Kostolac A1. Except for TENT A1, these power units have the capacity below 300 MW. The closing down of the block TENT A2 is planned for 2022, and the closing down of the block Kostolac B for 2024.