

## ELECTRICITY NEWS

### Albania

#### EVN wins Devoll River tender

Austrian multi-utility EVN will develop three storage hydropower plants with a combined capacity of roughly 400 MW on the Devoll River in central Albania, after winning an international tender for the rights to exploit the river's hydropower resources and its tributaries, the chief executive of the company's local subsidiary, Guenther Ofner told Platts, January 25.

EVN was awarded January 24 a build-operate-transfer concession for the projects by the Albanian government over a rival bid submitted last November by the Icelandic national power company, Landsvirkjun, and its local partner, Kurum Holding (*EIEE 129-10/14, 127/69*).

Ofner said that development of the cascade of three plants and accompanying dams and infrastructure would take between six to eight years at an estimated combined cost of €950 million. Running across the country from east to west, the Devoll River will host the Lozhan plant with installed capacity of between 130-140 MW, the mid-stream Graboves plant with capacity of 180-190 MW and further downstream the Banje plant with capacity of roughly 80 MW. The development of hydropower capacity at the site of the partially built Banje dam, construction of which was started and halted in the 1970s, was a pre-condition of the tender and will require the reconstruction of the dam. Ofner said that the designs for the cascade included the possibility of developing a pumped storage scheme at Lozhan.

The plants would produce average annual output of nearly 1 TWh and would provide much-needed peaking power for Albania and the region. EVN expects to complete negotiations and sign off on a concession agreement within the "next few months" and will then proceed with securing the planning and construction permits required to start construction work, he said. Construction is not expected to start before late 2009 though the actual start date will depend on how quickly it can acquire the land from public and private landowners, he added. Work would begin first on the Graboves and Banje projects.

#### Moncada to build Italian link

Italy's Moncada Costruzioni announced January 25 that it had received approval to build a 500-MW, 400-kV merchant line across the Adriatic from Vlore in southern Albania to Brindisi in southern Italy. The line is being developed as part of wider plans for an integrated energy hub in southeast Europe encompassing Italy and the Balkans but will also allow Moncada to export power from a planned 500-MW wind park in southern Albania, Alessandra Montana, head of the company's

corporate communications told Platts. "We have received all [the] permissions...from the Italian energy ministry, the Albanian energy authority ERE, the Italian grid operator Terna and its Albanian counterpart OST," she told Platts, January 30.

Construction of the privately owned and operated subsea interconnector, at an estimated cost of €240 million, will probably start this year, she said. The project will span a total of 145 km, of which 14 km will be buried under Italian soil, one km under Albanian soil, and 130 km undersea on the bed of the Straits of Otranto. The merchant line is suitable for power flow in both directions, but the cable "is mainly intended to import wind power generated in Albania to Italy," she said.

Moncada said it had received the approval of the Albanian government last December to build Europe's biggest wind park in Albania with a total capacity of 500 MW at a projected cost of €750 million, she said. The wind turbines are expected to be installed at sites on the Karaburun peninsula, in Monti Kanalit and in Lungara, near Vlore.

Moncada is the fifth largest wind power producer in Italy, operating wind parks in Sicily with a total capacity of 105 MW.

The interconnector between Albania and Italy would be the first of three proposed subsea links connecting Italy and the Balkans. Last October Terna signed an accord with the Croat network operator Hep-Ops, to undertake a feasibility study into a subsea link and last November it also signed an accord with Montenegro's Ministry of Economic Development and its state power company EPCG, for a study for a further 500 MW or 1,000 MW interconnection cable.

### Belarus

#### Lukashenko approves nuclear plans

The Security Council of Belarus, chaired by President Alexander Lukashenko, has approved construction of the country's first nuclear power plant. According to the president's web site, this was "the final political decision" on construction of a nuclear plant.

"Future generations will appreciate our decision," Lukashenko said after the council session in mid-January. Lukashenko had in November issued a decree on preparation for the construction.

The energy ministry projects simultaneous construction of two 1,000-MW units at an estimated cost of about \$4 billion, with the units to be commissioned in 2018 and 2020, respectively. Nuclear power is expected to provide about 30% of the country's electricity by 2020.

Lukashenko said during the meeting that Belarussian experts have recently drafted a technical cooperation program with the IAEA and have contacted potential vendors. Sergey Martynov, Minister for Foreign Affairs, briefed the council about IAEA cooperation and said there are no "external obstacles" to the project's construction.