The Electric Power Industry of Serbia spent 25 million euros for three days on importing electricity

At the dramatic session of the Government at which the collapse of the electric power system was mentioned, bearing responsibility, hanging on the chandelier, the main topic was actually how much it will all cost us.

With the inevitable vague comparison with others, “we will do better than many” and “I must not say how much others pay”, the President of the Republic of Serbia said at a session of the Serbian Government that we will pay tens of millions of euros weekly, and winter has not begun yet.

He also said that everything must be arranged by Monday, when we will produce again for our needs with “minimal imports in the coldest days”. The Minister of Energy, Zorana Mihajlović, was much more pessimistic and estimated that this situation will last. “It will last for at least another month,” she pointed out with the message that the money is given for both fuel oil and electricity imports.

Since there was no more precise information on how much money was spent and how much will be spent on electricity imports due to the loss of TENT, and yesterday we did not receive that information from EPS, thanks to transparent data on EMS’s Energyflux portal roughly calculate how much the mud in the TENT furnaces cost us these three days, from Sunday to Tuesday.

In all, approximately 25 million euros were spent on electricity imports in three days, with the calculation including a week when the industry is not working and consumption is significantly lower, and not the amount that EMS paid for balancing because it is in one at the moment the wind stopped and thus the production in the wind farms.

Namely, according to the data from the Energyflux website, it is possible to determine precisely when the TPP blocks in Obrenovac fell out, when the wind stopped, when and how much we imported, as well as what were the average electricity prices in Serbia.

First of all, it should be said that we imported electricity even before the “weather disaster” or snow, so on Saturday, December 11, between 100 and 200 megawatts per hour were imported and about 450,000 euros were paid for that, because the price was at its peak, about 270 euros per megawatt-hour, and at night it dropped to some 160 euros.

Also, on Saturday, between 2,560 and 2,879 megawatts came out of thermal power plants, which was two thirds of the total electricity production. About 22 percent of the electricity came from the hydroelectric power plants, and about nine percent from the wind, because the wind power plants at some moments worked almost at the maximum and gave 350 megawatts.

On the fateful Sunday, December 12, when the snow started, the thermal power plants were still working properly until five in the morning. Then begins a sharp drop in production to 2,200 megawatts, with only 1,000 to 1,200 megawatts of electricity coming from coal for the rest of the day, barely more than a third of total production. That is why turbines were released in hydroelectric power plants and production doubled to 2,600 megawatts or 60

percent of total production. In normal times, coal provides about 70 percent of electricity, and water about 30 percent of electricity. On all the flour and mud in the coal, on Sunday at 4.40 pm, the wind stops and the production drops from 350 to only 50 megawatts.
Capacities can no longer keep up with consumption and significant imports are growing, up to 1,000 megawatts, but fortunately prices are still, relatively speaking, low, at that time the lowest in Europe, around 200 euros on average, and a maximum of 265 euros per megawatt.
On Sunday, the first day of the collapse, thanks to low demand and lower prices, only about 3.2 million euros were spent on electricity imports.
On Monday, December 13, the picture changes upwards, imports jump, and prices. It imports an average of 1,500 to 1,600 megawatts per hour, and the peak price jumps up to 333 euros per megawatt. At the end of the day, more than nine million euros were spent on electricity.
On Tuesday, when the public session of the Government was held, the blow to the budget was the hardest. Almost 13 million euros were spent. The blocks were seen to be slowly returning, production in thermal power plants was raised to almost 1,800 megawatts in the evening, but the biggest burden was still borne by hydroelectric power plants, which produced 2,600 megawatts of electricity at their peak. The wind almost didn't blow at all.
Almost 1,800 to 2,000 megawatts were imported almost all day, more than the production in thermal power plants. The price of electricity in Serbia was mostly the highest in Europe and reached 400 euros per megawatt-hour.
If this pace of electricity imports and such prices is maintained until Monday, and 10 to 15 million euros a day are spent, the guild could jump to more than 75 million euros in just one week. According to the President, the winter has just begun, and as the Minister of Energy said, the crisis could last for a month.
According to Nikola Rajaković, a professor at the ETF in Belgrade, "the irresponsible management of EPS could have built the power plant from the money he spent. You had to be skilled and make the whole TENT not work. It was not an easy task," he told Danas.
Energy expert Zeljko Markovic says that PES was forced to import at a time when prices are rising.
"EPS has had problems with inadequate quality of coal for several years, which must be enriched with fuel oil. It seems that the last deliveries of coal were of poor quality and that they had to use more fuel oil than usual and then consume it faster. And on stock exchanges, especially on a small stock exchange like ours, as soon as EPS comes out with high demand, the price rises. Everyone still knows that EPS needs energy," Markovic said.
Listening to the session, one could think last night that the biggest culprits for the collapse were environmentalists, for whom Vučić even insinuated that they would not allow the construction of hydroelectric power plants on the Drina and South Morava and renewable energy sources. When Jelena Matejić, director of EMS, warned that one must be careful

with RES because if wind and solar exceed 20 percent of total production, “it is difficult to balance” and said that wind farms announced production, and then did not deliver anything. EMS had to pay for electricity at “the most expensive prices and up to 330 euros per megawatt-hour”.

Then Vučić said that he was to blame for everything because he listened to “environmentalists and fake experts who came to salt their brains” and that he would “hang himself on a chandelier now”.

However, the production of wind electricity at best reaches about nine percent and it is difficult to understand that the main culprit is the decline in production from 350 to 50 megawatts, and not the decline in production from 2,800 to 1,000 megawatts in thermal power plants.

However, there is room for improvement in RES as well, because, as Markovic points out, wind farms are currently on feed-in tariffs and EPS bears the balance responsibility. Also, all intervention imports for balancing will eventually be paid by EPS, not EMS.

Rajaković points out that we still have beginner’s problems with balancing when applying RES, but that the profession is on the way to solving that problem. According to him, the question is whether the profession can manage the electric power system, which is 100 percent RES.

“In the short term, it is possible that this situation will slow down renewable sources, but in the long run, they are the solution. Another solution is nuclear power plants with all the weaknesses. Our source is renewable, and we depend on others for nuclear power plants,” said Rajaković, Danas reports.