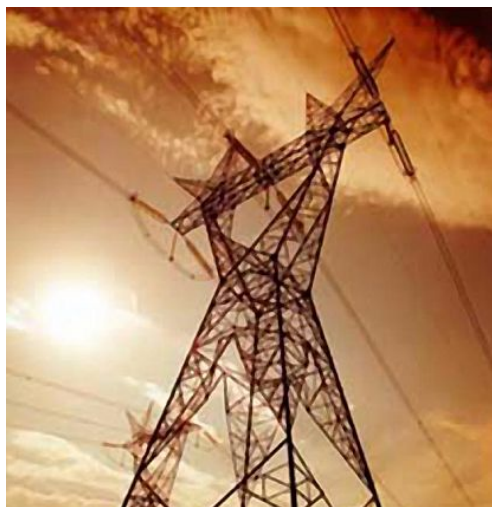


400 KV INTERCONNECTION LINE ELBASAN(AL) - BITOLA(MK)



2.nd PECO/PMI Electricity Group Meeting

December 11, 2017 | Energy Community Secretariat, Vienna

400 KV INTERCONNECTION LINE ELBASANA(AL) - BITOLA(MK)



This project includes:

- The construction of the new 400 kV OHTL, Elbasan - Bitola, approximately 151 km, 56 km in Albanian territory.
- The extension of the 400 kV Elbasan2 substation by new 400 kV double busbars, new 400 kV line bays and 120 MVar shunt reactor.

Feasibility study of this project, funded under the WBIF projects, is prepared by the consortium COVI / IPF.

BENEFITS OF THE NEW INTERCONNECTION PROJECT 400 KV AL-MK

The benefits of this New Interconnection:

- Permit the establishment of new power corridors in the region,
- Efficient and high power exchanges,
- Realization of an optimal common operation of the generations resources,
- Mutual support between AL & MK because of complementarily of generation types (Hydro & Thermal),
- Mitigation of network congestion in the existing lines during power transfer from North-South & East-West in the SEE,
- Improved network capacity to facilitate anticipated load and transit growth, new generation connections, in the context of improving transmission capacity in Albania, and in the Balkans region generally,
- Improvement of the reliability of the regional network, the overall security of supply, and system operational issues such as stability,
- A decrease of the losses in the transmission system,
- Improving the quality of electricity supply (normalize the voltage levels, stabilize the load flow and the frequency fluctuations, etc.),
- Supporting the potential to develop the regional energy market in South East Europe and creating trading opportunities with Bulgaria and Italy,
- Reducing the cost of providing reserve capacity, and providing mutual emergency support.

STATUS OF THE NEW INTERCONNECTION PROJECT 400 KV AL-MK

- **Project Feasibility Assessment, ESIA:** January 2013
- **Consultant Selection:** The tender procedure referring to the selection of the consultant, which will prepare the detail design is ongoing. The award of the contract, is expected to be in December 2017 and the Detailed design of the project is foreseen January 2017-May 2018.
- **Permitting:** The Permitting procedures are foreseen to start in May for a period of 3/4 months.
- **Approval of the project:** The project and the agreements which will finance the project, have been approved by the Government of Albania.
- **Investment Decision taken:** Approval in principle of the agreement between the Council of Ministers of the Republic of Albania and the Government of the Federal Republic of Germany for financial cooperation for this project. In November 2016 has been signed an Agreement between OST and KfW in order to finance the project: Loan agreement; WBIF investment grant; Detail Design by WBIF Grant and KfW grant.
- **Construction:** The construction phase is foreseen to start in the 3-rd trimester of 2018 and last for a period of 26 months.
- **Commissioning:** Completion of the interconnection project, including the construction of OHL, Elbasan 2 Extension and the installation of the shunt reactor is foreseen to be commissioned at the end of year 2020.
- **Risks to consider in Project Implementation:** Long Expropriation procedures usually brings delays, but OST has the necessary experience with similar projects and already build the Project Implementation Team to overcome these issues.

THANK YOU

EnCS, December 11, 2017