

Albania – North Macedonia Power Interconnection: Grid Section in North Macedonia

Project Financing

WBIF	Grant	WB9-MKD-ENE-01	€ 900,000
EBRD	Loan		€ 37,000,000
WBIF	Grant	WB-IG00-MKD-ENE-01	€ 12,245,000
WBIF	Grant	WB4BIS-REG-ENE-01	€ 803,000
Beneficiary Contribution Own Contribution			€ 1,000,000
Total			€ 51,948,000
Total Grants			€ 13,948,000
Total Loans			€ 37,000,000

Project Description

This project is part of the European Commission's initiative to establish an East-West electricity transmission corridor between Bulgaria, North Macedonia, Albania, Montenegro, and Italy. It provides for the construction of a 400kV transmission system from Bitola to Ohrid and from there to the border with Albania.

In addition, the project includes the upgrade of a remote monitoring and control system (SCADA) in the Dubrovo substation in Negotino, hardware, and software, and more sophisticated automated demand response mechanisms, which would create a smart grid type of network. This would help MEPSO improve energy forecasting, stabilise load flows, and manage ancillary services. In their turn, these investments will contribute to the improvement of the current energy dispatching between the two countries and allow for the inclusion of renewable energy resources into the current mix.

The WBIF has provided close to €14 million in technical assistance for project preparation as well as investment grants, out of which €13 million represent EU contribution through the Instrument for Pre-Accession Assistance (IPA). The project is now at the detailed design stage for the transmission system, while works on the smart grid component are underway. Works on the transmission system are estimated to commence by mid-2019.

[Start of Works on the EU-supported North Macedonia - Albania Transmission Line](#)

[Works Commence on the 2015 Connectivity Agenda Project North Macedonia – Albania Power Interconnection](#)

Results and Benefits

- • Decrease in technical losses in both transmission systems, upgrade of the transmission system in the view of the new constructions of generation units and links of the regional market.
- • Improvement of the reliability of the network and security of supply, creation of trading opportunities,

reserve capacity sharing, and emergency support.

- • Help balancing the power markets and reducing the hydrology risk in Albania.

- **Countries:** North Macedonia

- **Code:** PRJ-MKD-ENE-005

- **Sector:** Energy

- **Lead IFI:** EBRD

- **Status:** Implementation

- **Beneficiary:** Public Energy Transmission Operator AD MEPSO