

Internal Information

ČEZ and Vršanská Uhelná from the Sev.en Energy Group agreed on the transfer of the Počerady Power Plant at the end of this year, three years earlier than planned.

ČEZ Energy Group and Vršanská Uhelná from the Sev.en Energy Group have agreed that the Počerady Power Plant burning brown coal will be transferred to Vršanská Uhelná at a higher purchase price at the end of this year, as of December 31, 2020. The transfer of the power plant was already agreed in a contract from 2013, and was to take place on January 2, 2024. ČEZ is thus further fulfilling its strategy of gradually moving away from coal-fired power plants and switching to low-emission or completely emission-free sources.

ČEZ and Vršanská Uhelná have agreed to accelerate the sale of the Počerady Power Plant with regard to the new emission standards of the European Union valid from mid-2021, which require significant investments on the part of operators. Počerady is now the oldest coal-fired power plant at ČEZ, when the first unit was put into operation half a century ago and the power plant has not undergone major modernization in recent years. ČEZ is also responding to the further tightening of CO₂ reduction targets announced by the European Commission in the first half of this year. The original agreed price of 2 billion Czech Crowns for the transfer in 2024 was increased to the current 2.5 billion Czech Crowns.

Simultaneously with the transfer, the existing purchase contract for the purchase of coal from Vršanská Uhelná in the amount of 5 million t / year will be terminated. The agreement also includes ČEZ's approach to the complete production of the Počerady Power Plant in the years 2021-2023. The power plant will supply 5 TWh per year for a fixed price, and ČEZ will sell this electricity on the market.

ČEZ retains a modern 880 MW steam-gas unit in the Počerady locality, a gas connection, a feeder supplying the locality with water from the Ohře River and other land, and counts on further operation and development of this locality.

History:

According to the 2013 contract, which ended many years of disputes over coal supplies from Vršanská Uhelná, the Počerady Power Plant would be sold on January 2, 2024. By the end of 2019, ČEZ had the last chance to cancel the sale. With regard to the steps taken by the European Commission to limit the increasing use of coal in connection with the transition to a zero-emission economy, ČEZ did not exercise this option. ČEZ was to receive a fixed amount of 2 billion Czech Crowns for transferring the power plant over to Sev.en (formerly Czech Coal). In connection with the earlier transfer, this amount has now increased to 2.5 billion Czech Crowns.