

Inside Information

CEZ Group and U. S. Steel Kosice signed a memorandum of understanding

Czech energy utility CEZ and U. S. Steel Kosice (USSK) signed a memorandum of understanding which sets out the framework for a possible construction of power generating capacity in the production site of USSK in city of Kosice, Eastern Slovakia.

Expected generation capacity of the power plant could be up to 400 MW. The exact capacity as well as the type of fuel will result from feasibility study of the project which should be finished by the end of the first half of 2008.

U. S. Steel Kosice, a unit of United States Steel Corporation, is one of the leading producers of flat rolled products in the Central Europe. It represents a successful partnership of Slovak technical skills and knowledge with the strong American plant management and market oriented business experience. Recently the company opened a new automotive quality hot dipped galvanize line targeted to serve the demanding customers of the region. USSK has embarked on an ambitious program of capital investment and improvement of customer service, product quality and environmental performance. All that has been accomplished in line with employee safety improvement.

CEZ is the leading CEE utility with almost 7 million customers and generation portfolio over 14 300 MW of installed capacity. Its market capitalization exceeds 30 billion EUR. Apart from its home base in the Czech Republic, the CEZ Group is active in 10 countries of Central and Southeastern Europe. In Bulgaria, it owns the distribution and supply providing electricity to 1.9 million customers and the largest hard-coal power plant in Varna. In neighbouring Romania, it distributes and supplies power to 1.4 million customers. CEZ Group also owns two power generation companies in Poland and actively trades electricity in all countries of CSEE. Together with local partners, it is preparing the construction of a power plant in the Bosnian city of Gacko and develops several other growth options. In December 2007 CEZ and MOL created strategic alliance focusing on gas-fired power generation. Joint venture will develop CCGT units in MOL refineries in Slovakia and Hungary, potentially the operation of the JV will include Croatia and Slovenia.

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