

Atomstroiexport, Westinghouse Contesting \$10Bln Contract

By The Moscow Times

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PRAGUE — Czech power group CEZ threw out Areva's bid for a multibillion-dollar contract to expand the Temelin nuclear power plant, leaving Russian and U.S. firms to contest the country's biggest-ever energy deal.

CEZ, which is central Europe's largest company and has a market value of \$20 billion, said Areva failed to meet "crucial requirements" in the tender to double the size of the 2,000-megawatt plant with two new units.

Media outlets have said the deal will be worth \$10 billion or more, although majority-state-owned CEZ has never put a price on it.

Areva's disqualification now leaves Toshiba's U.S. unit Westinghouse and Russia's Atomstroiexport as the only bidders, pending an appeal by the French company.

The Czech nuclear energy push has run into opposition in neighboring Austria and Germany, but it is the cornerstone of a government drive to secure the country's energy future.

Russia is already a major supplier of oil, gas and nuclear fuel for the country of 10.5 million, giving CEZ a stark choice between East and West in the tender. A winner should be picked by the end of next year.

The Czech Republic has been a member of the European Union since 2004. A few years ago, it tentatively agreed to house part of a U.S. missile defense system, a move that irked Russia.

Fears over Russia's influence are strong in the central European nation.

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