

**To the: Bucharest Stock Exchange – Department of Operations Issuers Regulated Markets
Financial Supervision Authority - General Directorate Supervision - Issuers Division**

Current report according to the provisions of Law 24/2017, Regulation 1/2006 of CNVM and the BSE Code

Date of the report: **22 December 2017**

Name of Issuer Company: **CNTEE TRANSELECTRICA SA, company managed in two-tier system**

Headquarters: Bucharest 1, Blvd. Magheru no. 33

Working location: Bucharest 3, Str. Olteni no. 2-4

Phone / fax numbers: 4021 3035 611 / 4021 3035 610

Single registration code: 13328043

LEI Code: 254900OLXCOUQC90M036

Number in the Commercial Register: J40/8060/2000

Share capital subscribed and paid: 733,031,420 Lei

Regulated market where the issued securities are transacted: Bucharest Stock Exchange

Important event to report: increasing the tariff for system technological services

The National Power Grid Company Transelectrica SA informs the investor public it has published in the Official Gazette 1011/2017 Order 122/2017 of ANRE (with respect to amending ANRE Order 48/2017 approving the average tariff for transmission services, the transmission tariff components for introducing electricity into the grid (TG) and extracting electricity from the grid (TL), the tariff for system services and the regulated price for reactive electricity) that has approved increasing the tariff for system technological services.

The new order of ANRE has approved the following tariffs:

Service	Tariff under ANRE Order 48/2017	Tariff under ANRE Order 122/2017	Difference	
	Lei/MWh	Lei/MWh	Lei/MWh	%
Electricity transmission service	16.86	16.86	-	-
Functional system service	1.11	1.11	-	-
Technological system service	9.39	12.06	+2.67	+28%

The tariff set of Transelectrica was changed in the tariff for System technological services. The main factor which the tariff increase was based on was the reconsidered price assumptions associated to Transelectrica's procurement of system reserves on the competitive market for the safe operation of the National Power System (SEN). The price assumptions associated to the competitive market are an important component in the economy of the regulated tariff, taking into account the procurements on the competitive market provide the greatest part of the need for system services purchased by Transelectrica while exercising its system operator role of SEN. Besides reconsidering the price assumptions associated to the procurement of system services on the competitive market, the new tariff mirrors also the supplement of alternative fuel added to the system reserves, established according to GD 760/2017, which Transelectrica will procure under regulated regime during the winter season beginning with January 2018.

In accordance with the document published by ANRE that accompanied the proposal to issue Order 122/2017 of ANRE, such increase of the regulated tariff for system services leads to about 0.6% growth of the final price of electricity delivered to domestic consumers.

Georgeta – Corina POPESCU

**Executive Director General
Directorate Chairwoman**

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