

Directorate

No.

NOTE
on the Shareholders' General Assembly's approval of
"RET Development Plan 2020 - 2029"

I. General information

"RET development plan 2020-2029" (hereinafter referred to as RETDP) was developed by NPG Co. Transelectrica SA in accordance with art. 35 para. (1) and para. (2) of the Law on electricity and natural gas no. 123/2012, with later amendments and additions, according to which:

"(1) The transmission system operator has the obligation to draw up 10-year transmission grid investment and development plans, in accordance with the current state and future evolution of energy consumption and sources, including energy imports and exports.

(2) The development plans provided in para. (1) contain the modalities to finance and achieve the investments regarding the transmission networks, taking into account the plans of planning and systematization of the territory crossed by them, observing the environmental protection norms.

(3) The plans provided in para. (1) shall be approved by ANRE."

II. Justification

According to the powers and functions established by the Law on electricity and natural gas no. 123/2012 with later amendments and additions, according to the RET Technical Code and the Conditions associated with License no. 161 for the electricity transmission service provision, the system service provision and balancing market administration, with later amendments and additions, NPG Co. Transelectrica SA performs the planning activity regarding the development of the Power Transmission Grid (RET).

In this regard, every 2 years, NPG Co. Transelectrica SA elaborates a RET Development Plan for the next 10 successive years, a document subject to ANRE approval. In accordance with art. 37, para. (1), let. b) of the Law on electricity and natural gas no. 123/2012, with later amendments and additions, the owner of the transmission grid "finances and/or agrees on the method of financing investments for the power transmission grid, established by the transmission system operator and approved in advance by ANRE, the latter having the obligation to consult both with the TSO and the other interested parties".

RETDP is a comprehensive presentation of the issues related to the power transmission grid operation, integrated in the context of the National Power System and the electricity market, for electricity market participants, regulators and decision-making bodies in the electricity sector. The paper includes information on the electricity production and consumption sectors, the power transmission grid characteristics and performance, as well as other useful information for assessing existing or potential market opportunities.

RETDP includes refurbishment projects, upgrade of transmission substations, development projects consisting of the construction of new power transmission lines, new transformation units, new substations, IT platforms, data acquisition systems, monitoring, command and control EMS SCADA, etc.

RETDP is based on the analyses performed according to the Procedure on the substantiation and the criteria for approving the investment plans of the transmission system operator and of the electricity distribution operators approved by ANRE order no.204/2019.

Also, the elaboration of the RET Development Plan every two years is in accordance with the obligation of NPG Co. Transelectrica SA to participate, as a member of the European TSO association ENTSO-E, in the elaboration of the European Development Plan (*Ten Year Network Development Plan-TYNDP*).

The RET Development Plan 2020-2029 was submitted for public consultation between August 17 and September 17, 2020 by posting it on the website www.transelectrica.ro in the News section. Point of views were received from MEEMA, RWEA, SC Electrica SA, SC CEZ Romania SA, E-Distribution. Transelectrica improved as much as possible the RET Development Plan after the public consultation, following that for the future editions of the plan, to take into account all the proposals received during this consultation.

The latest version of the RET Development Plan 2020-2029 was approved internally in CTES Transelectrica on October 1, 2020 and was sent to ANRE for approval on October 14, 2020.

ANRE launched in public consultation the document for ten days at: <https://www.anre.ro/ro/energie-electrica/legislatie/documente-de-discutie-ee1/regl-tehnice-regulamente/planul-de-dezvoltare-a-retelei-electrice-de-transport-pentru-perioada-2020-2029&page=1>.

In DECISION no. 1604 of October 5, 2018 on the approval of the Power transmission grid development plan 2018-2027, it was requested: transmits to the National Energy Regulatory Authority the decision of the Shareholders' General Assembly approving the Development Plan".

Also, in the Annex to this Decision, including OBLIGATIONS of the transmission system operator for the elaboration of the next revision of the Power Transmission Grid Development Plan, it was mentioned: "When carrying out the next revision of the power transmission grid development plan", "NPG Co. Transelectrica SA must": "10. To present the decision of the Shareholders' General Assembly regarding the prior approval of the power transmission grid development".



Transelectrica®
Societate Administrată în Sistem Dualist

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III. Proposals

In addition to those presented, pursuant to point 10 from the Annex to ANRE Decision no. 1604/05.10.2018, as well as of art. 14, para. 2, letter n) of the Company's Articles of Association, the following are subject to the approval of the Company's Shareholders' Extraordinary General Assembly:

- "RET development plan 2020-2029 - main coordinates" which contains the presentation of the necessary RET development projects and the schedule of their completion in time.
- mandating the Company's Directorate to approve the amendments to the RET Development Plan 2020-2029, following the public consultation launched by the ANRE, in compliance with the main coordinates approved by the Shareholders' General Assembly.

Directorate,

<i>Chairman</i>	<i>Member</i>	<i>Member</i>	<i>Member</i>	<i>Member</i>
Cătălin	Corneliu-Bogdan	Marius Viorel	Andreea – Mihaela	Ovidiu
NIȚU	MARCU	STANCIU	MIU	ANGHEL

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Specialist advisor
(Investments – Accessing European funds)
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