

FOUNDATION NOTE
regarding approval by the Shareholders' General Assembly for the
2019 Revenue and Expense Budget of the
National Power Grid Company Transelectrica SA and the
estimations for 2020 and 2021

CNTEE Transelectrica SA (Company) established in accordance with HG 627/2000, registered under no. J40/8060/2000 with the Trade Register, fiscal number 13328043 deals with the provision of electricity transmission services and system services, while also being balancing market operator, administrator of the bonus type support scheme, and having other related activities.

The Company is structured with 8 territorial branches (Bacau, Bucharest, Cluj, Constanta, Craiova, Pitesti, Sibiu, and Timisoara), one operational unit - the National Power Dispatcher and 5 territorial dispatcher units (Bacau, Bucharest, Cluj, Craiova, and Timisoara).

Also the Company has 5 subsidiaries with legal personality, namely SMART SA, TELETRANS SA, OPCOM SA, FORMENERG SA, and ICEMENERG SERVICE SA where it holds the following percentage from total shares:

Subsidiary	% of shares hold on 31.12.2018
SMART SA	70.00
TELETRANS SA	100.00
OPCOM SA	97.84
FORMENERG SA	100.00
ICEMENERG SERVICE SA*)	100.00

*) On 09.06.2017 the Ruling of Bucharest Tribunal ordered the company's bankruptcy by simplified procedure

The Company grounded the draft 2019 BVC and the estimations for 2020 – 2021 using the “prudence” and “business continuity” principles under economic efficiency when sizing the financial resources necessary to finance all activities.

The Company's draft 2019 BVC was elaborated in accordance with the provisions of OG 26/2013 *with respect to enhancing financial discipline of economic operators where the state or administrative-territorial units are single or majority shareholders or directly or indirectly hold majority participation*, with later amendments and additions having the format and structure approved by MFP Order 3145/2017 *approving the format and structure of the revenue and expense budget and of its grounding annexes*.

Grounding the indicators of the draft 2019 BVC took into account the following items:

- The 2019 state budget law no. 50 of 15 March 2019;
- OG 26/2013 *with respect to enhancing financial discipline of economic operators where the state or administrative-territorial units are single or majority shareholders or directly or indirectly hold majority participation*, with later amendments and additions;
- OMFP 3145/2017 *approving the format and structure of the revenue and expense budget and of its grounding annexes*;
- ANRE Order 53/19.07.2013 approving the Methodology establishing the tariffs for transmission services, added and amended by ANRE Order 16/2017;

- ANRE Order 45/13.06.2017 approving the Methodology establishing the tariffs for system services;
- Macroeconomic indicators provided by the National Forecast Commission (forecast for the 2019 winter);
- The Company achievements in the 2018 BVC execution;
- The committed contractual covenants under the internal and external loans in progress with the international organisations IEB, IBRD and commercial banks;
- The provisions of the Collective Labour Contract of CNTEE Transelectrica SA in force;
- The proposals of the Company's specific divisions for the 2019 maintenance, investment, studies and research programmes; providing labour security and health; security of installations; environmental protection; professional training; risk insurance etc. approved/endorsed by the Directorate;
- The applicable legislation and regulation in force.

In comparison with the revenues achieved in 2018 in total amount of 2,738,594 thousand Lei, the growth foreseen for 2019 is mainly determined by:

- Maintaining the current tariff approved by ANRE for electricity transmission services and tariff estimation calculated by the responsible Company division for functional and technological system services provided on the electricity market;
- Increasing by about 1.2 TWh the electricity quantities delivered to consumers, namely from 55,775,645 MWh to 57,000,000 MWh;
- Estimating the tariff increase for functional system services from 1.11 Lei/MWh to 1.14 Lei/MWh in the 2nd half of 2019;
- Estimating the tariff increase for technological system services from 10.44 Lei/MWh to 13.63 Lei/MWh in the 2nd half of 2019;
- Dimensioning the revenues from the allocation of interconnection capacities;
- Increasing the revenues from other activities, which will result in capitalising the materials / spare parts, resulted from decommissioning, correlated with the expenses for their capitalisation;
- Dimensioning the balancing market revenues determined in statistical manner depending on the volume of transactions on this market in previous years.

In comparison with the expenses made in 2018 in total amount of 2,645,530 thousand Lei, the increase foreseen for 2019 is mainly determined by:

- Higher procurement prices for the electricity necessary to cover one's own technological consumption (CPT/losses) from the electricity market;
- Estimating the network congestion costs determined by taking transmission lines out of operation to provide maintenance;
- Higher expenses to procure electricity in view of supplying the auxiliary services of transformer substations (end consumer);
- Maintenance operations into RET scheduled for 2019 according to the Company-wide Maintenance Plan;
- Higher expenses on stocks (expenses to capitalise the materials resulted from decommissioning as well as higher prices for fuel, energy, water);
- Higher expenses of services provided by third parties, civil protection and guard, labour security and health, telecommunications etc. (determined by new contracts concluded for such services with higher values because of the minimum economic wage increased on 01.01.2019);
- Recording the monetary contribution of licence holders in the electricity domain in accordance with OUG 114/2018, namely 2% of the turnover achieved with activities provided under ANRE-granted licences (under "Expenses with taxes, charges and assimilated payments").

The percentage comparisons provided below refer to the amounts budgeted for 2019 compared to the achieved values of last year's indicators (2018), being shown as "+/-x%", unless otherwise specified.

The economic-financial indicators provided in the draft 2019 revenue and expense budget are detailed in Annex 2 and are structured as follows:

I. TOTAL REVENUES

Company revenues are mainly achieved by providing services on the electricity market in accordance with Operational Licence 161/2000 issued by ANRE, updated under ANRE Decision 802/18.05.2016, as follows:

- Electricity transmission;
- Dispatcher management of SEN (technological and functional system services);
- Operator of the balancing market (PE);
- Administrator of the bonus type support scheme;
- Other related activities.

The volume and structure of total revenues included in the draft 2019 BVC were grounded by taking mainly into account:

- a) The 57 TWh quantity of electricity scheduled to be delivered to consumers in 2019, 1.2 TWh higher than the 2018 quantity;
- b) The average tariffs for the Company-provided services on the electricity market, approved according to ANRE Order 108/20.06.2018 (for the 1st half-year of 2019). In the 2nd half-year of 2019 the ANRE-approved tariff of transmission services (18.13 Lei/MWh) was maintained, while estimated rates were taken into account for the functional and technological system services, calculated by the responsible Company division as follows:

Average tariff (Lei/MWh)	1st half year 2019	2nd half year 2019	Average tariff estimated for 2019
- Transmission services	18.13	18.13	18.13
- Functional system services	1.11	1.14	1.13
- Technological system services	10.44	13.63	12.06

- c) The 2018 achievements with respect to balancing market revenues and electricity transactions under the ITC (Inter TSO Compensation) mechanism;
- d) The 2018 achievements with respect to revenues from the allocation of interconnection capacities;
- e) The exchange rate of the main currencies the Company contracted loans in, estimated by the National Forecast Commission for 2019:

Currency	2019 forecast
Lei / Euro	4.67
Lei / US Dollar	4.03

Total revenues forecasted for 2019 amount to 2,775,490 thousand Lei (+1.35%), of which operational revenues in sum of 2,770,707 thousand Lei (+1.80%) and financial revenues in sum of 4,783 thousand.

1. Operational revenues forecasted in 2019 comprise the following revenue categories:

A) Revenues from services provided on the electricity market amounting to 2,722,863 thousand Lei (+1.77%), structured as follows:

• **Revenues from activities allowed with profit, in sum of 1,184,592 thousand Lei**, namely achieved by providing transmission services, functional system services, allocation of interconnection capacities, revenues from Inter TSO Compensation (ITC) and from other activities (issuance of location endorsements, technical connection endorsements, leasing the available optical fibre and other assets; waste capitalisation etc.).

- ✓ Revenues from electricity transmission services were sized depending on the 57 TWh electricity quantity forecasted to be delivered to consumers in 2019 and on the electricity transmission service tariff of 18.13 Lei/MWh approved by ANRE for the 1st half of 2019 and maintained also in the 2nd half of 2019.
- ✓ Revenues from functional system services were sized depending on the electricity quantity scheduled to be delivered to consumers in 2019 and on the functional system service tariff of 1.11 Lei/MWh approved by ANRE for the 1st half of 2019 and estimated at 1.14 Lei/MWh for the 2nd half of 2019.
- ✓ Revenues from the allocation of interconnection capacities were mainly determined by the forecasted use of available interconnection capacities by traders on the electricity market.

The observance of the UIOSI principle was also taken into account, which means on the RO-BG, RO-HU and RO-SR borders the participants on the capacity allocating market are compensated in

case they give up their long-term capacity rights. Compensations use the marginal price of daily bids or the 'market spread' price related to the price differences between the Hungarian Day-Ahead Market (DAM) and the Romanian one.

On the HU-RO border 20% of the ATC available for long term (monthly) bids will be transferred to the coupled Romanian-Hungarian-Slovakian-Czech markets, leading to smaller revenues from the long term allocations of interconnection capacities.

Such net revenues will be registered and used in accordance with the provisions of article 22 para (4) from ANRE Order 53/2013 and of article 16 para (6) of Regulation (EC) 714/2009 as financing source of investments meant to increase interconnection capacities with neighbouring systems.

- ✓ Revenues from Inter TSO Compensation (ITC) and those from other activities were sized depending on the 2018 achievements.

• **Revenues from zero profit activities amounting to 1,538,271 thousand Lei**, namely revenues achieved from provisions of technological system services and balancing market administration;

- ✓ **Revenues from technological system services amounting to 687,271 thousand Lei** registered increase in comparison with last year, mainly determined by:

- Higher expenses necessary to procure technological system services (frequency restoration reserve, slow and fast electricity high wave);
- The effects of ANRE regulations applied for the procurement of technological system services in 2019;
- Company estimation of the tariff for technological system services in the second half of 2019;

The tariff of **technological system services** is estimated at 13.63 Lei/MWh beginning with 01.07.2019, about 3.19 Lei/MWh higher than the current 10.44 Lei/MWh tariff in force since 01.07.2018.

- ✓ **Revenues from balancing market administration amounting to 851,000 thousand Lei** were determined statistically depending on the volume of transactions on this market in previous years.

B) Other operational revenues in sum of 35,839 thousand Lei, mainly including: the quota of subsidies for investments resumed into revenues, corresponding to the amortisement calculated for tangible assets financed from the connection fee; revenues from sales of materials, spare parts, waste resulting from asset dismantling.

2. Financial revenues provided in the draft 2019 BVC amounting to 4,783 thousand Lei represent:

- **Revenues from interest rates** resulting from placing available amounts of bank accounts into overnight deposits at the end of the day based on Agreements signed by the Company with commercial banks and constituting fixed term deposits with different due dates for current monthly liabilities (e.g. supplier liabilities, salaries, budget liabilities, credits)
- **Revenues from exchange rate differences** calculated to the credits engaged for investments based on the national currency's exchange rates estimated in 2019.

II. TOTAL EXPENSES

The volume and structure of total expenses included in the draft 2019 BVC were sized depending on the revenues scheduled to be achieved, on the expenses necessary to procure electricity in view of covering one's own technological consumption (CPT/losses), expenses with functional system services (unplanned energy exchanges on the BM and DAM), the programmes/plans elaborated Company-wide by specific divisions for activities such as: maintenance, investments, studies, providing labour security and health; security of installations, environmental protection, professional training, personnel expenses, financial costs etc., so that Company activities can be performed under safe operational conditions for the National Power System (SEN).

Total expenses forecasted for 2019 amount to 2,755,067 thousand Lei (+4.14%), of which operational expenses in sum of 2,739,440 thousand Lei (+4.54%) and financial expenses amounting to 15,627 thousand (-37.87%).

1. Operational expenses included the following spending categories:

- A. Expenses for goods and services, of which:
 - A0 - Operational expenses on the electricity market
 - A1 - Expenses for inventories

- A2 - Expenses for services executed by third parties
- A3 - Expenses with other services executed by third parties
- B. Expenses with taxes, charges and assimilated payments
- C. Personnel expenses
- D. Other operational expenses

A. Expenses for goods and services amounting to 2,152,991 thousand Lei (+3.73%) include:

A0 - Operational expenses on the electricity market amounting to 1,907,610 thousand Lei (+0.91%) include those cost categories on the electricity market which are covered by Company revenues as follows:

- Expenses representing payable liabilities from the transmission and system rates, as well as ITC expenses amounting to 369,056 thousand Lei (+19.49%), which are covered with revenues from profit-allowed activities;
- Expenses with non-profit activities amounting to 1,538,554 thousand Lei (-2.72%), which are covered by revenues from non-profit activities;

• Operational expenses forecasted for 2019 amounting to 369,056 thousand Lei which are fully covered with the revenues of profit allowed activities include:

- Expenses amounting to 303,850 thousand Lei (+20.32%) necessary to procure electricity and cover one's own technological consumption (CPT/losses) from the electricity market;

Expenses for procurement of power necessary to cover the 2019 CPT were estimated taking into consideration about 1,030 GWh CPT.

Expenses are distributed depending on the market where electric power is to be procured from to compensate CPT; therefore the procurement structure of 2013-2018 was taken into account, as well as the already procured amount of 176 GWh on the bilateral trading contracts market, representing about 27% of the power needed to cover from long term markets. Thus estimations were electric power will be procured up to 50% on the centralised market of bilateral electricity contracts attributed by extended bid and of bilateral contracts with continuous negotiation, 39% on the day ahead market (DAM), 1% on the intraday market and 10% on the balancing market.

Considering the above, namely the electricity quantity necessary to cover CPT (1,030 GWh) and the procurement mode on existent markets, a total cost of 303,850 thousand Lei (at about 295 Lei/MWh average procurement price) is estimated for CPT compensation.

- Expenses with RET congestions amounting to 11,100 thousand Lei (+35.07%) registered increase compared to the 2018 achievements, mainly determined by:
 - Possible outage of transmission lines for maintenance operations to the 400 kV interconnection lines Rosiori – Mukacevo. The outage is established by mutual agreement with foreign partners taking into consideration all available information about output, forecasted consumption and other RET outages;
 - Possible occurrence of congestions in other SEN areas (e.g. the 400 kV OHL Gutinas – Brasov, the 400 kV OHL Smardan – Gutinas, the 400 kV OHL Iernut – Sibiu Sud) during winter or prolonged drought periods (low output in Moldova because thermal power plants started conservation);
 - Network restrictions occur in Dobrogea region in case electric lines are taken out of operation to enable maintenance and RET investments;
- Expenses amounting to 20,123 thousand Lei (16.76%) to procure electricity in view of supplying the auxiliary service consumption of transformer substations (end consumer) corresponding to the electricity need in RET substations (estimated using the history of previous years) and to the higher procurement price for electricity in 2019;
- Expenses amounting to de 14,856 thousand Lei for functional system services (expenses with unplanned electricity exchanges with neighbouring countries).

In the context of interconnected operation with the ENTSO-E network particular attention is paid to balance regulation (import/export) of SEN with neighbouring systems. This leads to deviations of the achieved balance compared to the scheduled one (positive/negative imbalances of BRP – unplanned exchanges). The main factors with negative impact on BRP's imbalances unplanned exchanges are: the increasing installed capacity of renewable sources and insufficient control power (frequency restoration reserve, fast tertiary). Transaction expenses with unplanned exchanges on the DAM were

estimated using the quantities transacted for sale / purchase in the last three years, the development of the DAM closure price and 40% of this DAM closure price, corroborated with the legislative amendments on the electricity market by ANRE.

- Expenses with Inter TSO Compensation (ITC) amounting to 19,000 thousand Lei, estimated using the mechanism compensating the effects of electricity transmission networks being used for cross-border exchanges. The factors influencing the costs/revenues of the ITC mechanism are the electricity exchanges – import, export, transit on SEN's interconnection lines, correlated with the electricity flows transited by all countries participating to the mechanism.

• **Operational expenses forecasted for 2019 amounting to 1,538,554 thousand Lei which are covered by revenues of non-profit activities** include:

a) Expenses for technological system services amounting to 687,554 thousand Lei (+1.45%).

The Company procures technological system services from generators in view of maintaining the operational safety of SEN and the quality of transmitted electricity at parameters required by applicable technical norms based on the needs established by the National Power Dispatcher (organisational unit within the Company) that answers for the steady-state and safe operation of SEN.

Such services are contracted under regulated regime based on Governmental and ANRE decisions, as well as on competitive mechanisms.

The Company is re invoicing the value of technological system services procured from generators to the ANRE-licensed electricity suppliers that benefit of such services in the end.

b) Expenses to manage the balancing market amounting to 851,000 thousand Lei (-5.85%).

The balancing market has been operational since 01.07.2005 and its running rules are established in Chapter 7 article 7.1.1 of the Commercial Code of the Wholesale electricity market approved by ANRE Order 25/2004, with later amendments and additions, which provides the legal framework for Transelectrica's sale & purchase of balancing power necessary to:

- Provide resilience and stability to SEN;
- Settle the network restrictions of SEN;
- Balance output and consumption in real time;

In accordance with Chapter 7 article 7.1.5 of the ANRE-issued Commercial Code of the Wholesale Electricity Market CNTEE Transelectrica SA is responsible for:

- Participants' registration on the balancing market;
- Collecting offers and checking them;
- Calculating the electricity quantities necessary to settle the transactions of the balancing market;

CNTEE Transelectrica SA is counterpart of transactions on the balancing market both for the participants on this market (PPE) and for the balancing responsible parties (BRP/PRE).

In accordance with the Foundation Note submitted by the Energy Markets Division to ground the balancing market expenses in 2019 the following factors were taken into account:

- The development of hydraulic regimes;
- The unpredictability and volatility of outputs from renewable sources (wind in particular);
- System balancing during winter was estimated by starting up / maintaining operational several thermal units / boilers and by selecting a great amount of step-up power;
- Over- / subcontracting on the markets before the balancing market;
- The historical values registered on the balancing market these last years and the evolution trend of the balancing market;

Expenses related to balancing market administration are fully covered, while budgeting, with revenues achieved from the administration of this market (zero profit activity segment).

A1 - Inventory expenses amounting to 24,707 thousand Lei (+106.32%), an increase mainly determined by:

- The need to procure spare parts for operational activities of transmission branches: operational centres, substations, support services for transmission branches, I&C and car services;
- Higher fuel prices which are added to the need to travel on site for important investments to refurbish substations: replacing transformers & autotransformers, upgrading the command-control system etc.;
- Capitalising the inventories resulted from decommissioning the equipment of electric substations managed by the Company as a result of maintenance operations, refurbishments, upgrades

amounting to 10,512 thousand Lei (8,319 thousand Lei growth). Revenues forecasted from capitalising such inventories are properly registered under “other operational revenues” or “revenues from other activities”;

- The need to procure materials for fire prevention and extinguishing (PSI), emergency situations (SU); endowing with individual protective equipment of employees working in electric installations and in the OHL corridor according to the labour security and health norms;

In accordance with the updated Law 307/2006 on fire prevention, the firefighting means (PSI) should be maintained operational. After periodical checks and upon IGSU's guidelines the need was identified to replace some extinguishers, firefighting kits, materials and means etc. (because of their age or deterioration). In accordance with the provisions of Law 481/2004, republished, on civil protection, each year funds should be provided as necessary to procure civil protection materials (in case of earthquake, floods, scorching heat, heavy snowfalls etc.).

In accordance with the requirements of HG 1048/2006 on the minimum security and health requirements for workers' utilisation of individual protective equipment on the job, Company-wide employees working in electric installations are further endowed with individual protection equipment.

- Procuring consumable materials necessary for daily activities performed in the Company (informatics and telecommunications of the National Power Dispatcher that also manages the balancing market for data storage / archiving / saving equipment as necessary for local data protection);
- Performing the energy and water contracts or the need to conclude new contracts with higher tariffs to provide working conditions for administrative services in Company units and subunits (executive offices, substations, operational centres etc.);

A2 - Expenses regarding services executed by third parties amounting to 151,733 thousand Lei (+14.47%). About **94%** of these total expenses are represented by maintenance and repair costs.

Maintenance and repair expenses amounting to 142,320 thousand Lei (+14.68%) are mainly determined by higher maintenance costs for RET (electricity transmission network) and for IT&T systems (IT&T equipment located in substations and in territorial dispatcher centres etc.).

Company-wide the Maintenance Plan is structured by integrated programmes and mostly includes maintenance specific for Company activities such as: maintenance for the electricity transmission grid (RET), for the integrated installation security and supervision systems (including the data-voice security systems), the IT&T systems (IT&T equipment found in electric substations, territorial dispatcher centres etc.).

1. The 2019 Maintenance Plan of RET was structured by programmes and projects depending on the type of installations and taking into account the “Preventive maintenance regulation for RET installations and equipment” code NTI-TEL-R-001-2007, as follows:

- a. Services / work to electric substations and power transformer units:

Primary circuits

- Technical revisions, accidental interventions and special work;
- Disassemblage work:
 - Equipment found in the 400 kV, 220 kV, 110 kV and 20 kV bays (disconnectors, metering transformers, arresters, insulator chains etc.);
 - Power transformer units (T, AT) including fire prevention & fighting installations;
- Installation work:
 - Rehabilitating the 400 kV, 220 kV, 110 kV and 20 kV bays: replacing the equipment provided by the Company (disconnectors, metering transformers, arresters etc.);
 - Replacing the insulation (400, 220, 110 kV);
 - Repairing the grounding installations;

Secondary circuits

- Technical revisions, accidental interventions and special work;
- Repairing the panels of direct & alternating current auxiliary services;
- Repairing the alternating current distribution circuits;
- Repairing the circuits blocking electric substations;
- Repairing the transformer cabinets;

- b. Services / work to overhead lines, technological buildings and other power installations:

- Periodical control, accidental interventions and special work;
- Foundation work (cement wash, plastering, repair of caps, rendering hydrophobic);
- Work to the grounding plates (repairs, measuring the resistance of tower intakes and remaking improper plates);

- Replacing the metallic components out of shape or stolen and protecting them;
- Consolidating the towers;
- Installing labels, indicator plates and warning signs;
- Replacing the improper items of the anchorage system (blocks, clamps etc.);
- Replacing active and protective conductors that are deteriorated;
- Retightening the sag of active and protective conductors;
- Consolidating and repairing technological buildings;

c. Services/work specific for the maintenance of electricity metering equipment (making or repairing supply and communication circuits, repairing the equipment metering and monitoring electricity quality etc.).

2. Maintenance of security systems determined by the need to provide preventive maintenance services to the equipment of security systems;

3. IT@T and Teletrans maintenance- The licences and platforms used by UnO-DEN (DAMAS, NEPLAN, POWERSYM, EMS SCADA, ORACLE, SAP etc.) and the Company's IT & T equipment requires technical support services associated to licences and maintenance services as well.

4. Other maintenance services- Expenses provided for this budgetary item are estimated in accordance with the needs (required by the Company's organisational entities) in order to provide business continuity under safe conditions and they include in the main:

- Annual revision services (checks, trials, controls and trials in accordance with supplier instructions), repairs and maintenance of the car fleet;
- Checking up, repair and recharge of fire extinguishers after periodical inspections and according to IGSU instructions;
- Repair, maintenance and clean-up of oil product separators in electric substations;
- Maintenance services to buildings of administrative offices and operational centres;
- The a.c. diagram for competence trials- in order to verify the performance of metrological verification laboratory for electricity metering means;
- Metrologic services associated to metrology laboratories and installation of metering means;
- Repair and maintenance of standard metering means used in metrological activities;

Mention should be made contracts are in progress for the above-mentioned services concluded before 2019 or contracts concluded / under way of conclusion in 2019.

We can also mention that most service contracts include both scheduled services (technical revisions, checks, authorisations etc.) and accidental services with amount/share depending on the events and defects which might occur during installations running.

The amounts requested in this foundation note have to be allocated in order to maintain the operational state, provide safe operation under secure conditions, comply with technical & economic conditions, observe the terms of specific (ISCIR/CNCIR) permits for the administrative and technological buildings managed by the Company and for the installations of these structures, for the heating and air conditioning installations of administrative & technological spaces, for the auxiliary installations serving electric equipment.

The "**Expenses for services executed by third parties**" category includes as well:

- **Rental expenses amounting to 8,286 thousand Lei (+8.70%)**; the Company is partially performing activity in rented office spaces based on renting contracts updating in accordance with the exchange rate;

- **Expenses with insurance premiums amounting to 1,127 thousand Lei (+35.46%)** include: insurance expenses for goods, persons, buildings, cars and equipment, the professional liability insurance for Supervisory Board and Directorate members in accordance with mandate contracts (the Company being managed under two-tier system). The increase of such expenses in 2019 compared to those made in 2018 was mainly determined by higher premium expenses in 2019 (RCA & CASCO) as a result of renewing the Company's car fleet under the Incentive Programme to renew the National car fleet (Jallopy) and of insurance market's instability.

A3 - Expenses with other services provided by third parties amounting to 68,941 thousand Lei (+70.06%); such increase is mainly determined by higher expenses for asset guard (Law 333/2003 regarding the guard of assets and persons) - the electricity transmission network belongs to Romania's critical infrastructure; also determined by the increase of the minimum economic salary, and by other

services executed by third parties (expenses for labour protection, security and health; environmental protection; transport of goods and personnel; rating agencies; organising symposiums and conferences; studies and research; meteorological services etc.).

Sponsorship expenses amounting to 800 thousand Lei provided in the draft 2019 BVC register increase of 95 thousand Lei compared to the 2018 achievements.

Social and Corporate Responsibility (CSR) is a management process whereby CNTEE Transelectrica SA aims at contributing to developing a sustainable & performing Romanian society.

In 2019 CNTEE Transelectrica SA will apply the CSR policy in view of reaching the established objectives by sustaining underprivileged categories and promising young people, while also taking into account the quality of education and the environmental impact.

Another priority in 2019 is to sustain young generations by getting involved in their professional development by granting stipends both to college & high school students with outstanding grades and results studying in energy-profiled educational units and by equipping the research laboratories of faculties/schools.

As regards Maecenas activities, each year the Company conducts campaigns to assess the employees' health condition: general medical tests, laboratory tests, flu vaccines, investigations to prevent cardiovascular ailments, investigations to prevent invalidating illnesses. In case of serious problems the Company offers financial support to employees for special medical treatments, flexible or reduced working hours during the doctor-recommended time.

Also under **Expenses with other services provided by third parties** an important share is held by expenses generated by requirements of pan-European codes, the interconnection responsibilities to make equipment compatible for operation and by implementing projects performed for ENTSO-E platforms where CNTEE Transelectrica SA is member amounting to about **10,688 thousand Lei**.

Development activities and projects provided in the budgeted period mainly include:

- Converting the balancing market's DAMAS platform from hourly to 15 minutes' resolution;
- Implementing the Verification Platform to ENTSO-E for inter-TSO data exchanges;
- Basic services for data exchanges, calculations coordinated by TSCNET Services, covering the costs generated by Company affiliation to TSCNET's shareholders;
- Support and MCAFEE antivirus subscription, VMWARE subscription, FORTIGuard and FortiCare subscription for the ENTSO node of CNTEE Transelectrica SA in order to comply with the new IT requirements;
- MARI project providing pre-implementation PMO services (design of algorithm, methodology and platform implementation services (developing the software & hardware) dedicated to the single European platform for balancing power exchange from frequency restoring reserves with manual operation;
- PICASSO project including pre-implementation PMO services (design, algorithm, methodology, platform implementation services (developing the software & hardware) dedicated to the single European platform for balancing power exchange from frequency restoring reserves with automatic operation;
- IGCC project providing services for one's own equipment rendering compatible with that of neighbouring TSO-s.

B. Expenses with taxes, charges and assimilated payments amounting to 52,242 thousand Lei include:

- Royalty expenses amounting to 1,039 thousand Lei;
- Licence fee expenses amounting to 35,506 thousand Lei; in accordance with the provisions OUG 114/2018 article 78, licence holders from the electricity domain are charged 2% of last year's turnover as monetary contribution for the activities under ANRE-granted licences;
- Expenses with the environmental tax amounting to 205 thousand Lei;
- Expenses with the natural monopoly tax in sum of 9,047 thousand Lei; in accordance with the provisions of OUG 114/2018 article 51, the term set in article 6 of OG 5/2013 establishing special taxation measures for natural monopoly activities in the electricity sector is prorogued until 31 December 2021, inclusive.
- Expenses with other taxes and charges amounting to 6,445 thousand Lei; such amount includes in the main: taxes on buildings and land, taxes for the utilisation of state-owned lands, taxes on transport means, stamp taxes, excise expenses for CPT, expenses with fiscally non-deductible and deductible VAT, road fee expenses etc.

C. Personnel expenses amounting to 216,883 thousand Lei, as budgetary indicator they increased about 11.49% compared to the 2018 achievements, being structured as follows:

- **Salary expenses amounting to 200,958 thousand Lei** – including expenses on salaries and bonuses, with 8.63% increase against the 2018 achievements, structured as follows:

- **Salary expenses amounting to 174,558 thousand Lei**, with 6.09% growth and observing the salary policy established in the 2019 State budget law;

- **Bonuses amounting to 26,400 thousand Lei** (+29.05%), structured as follows:

- ✓ - Social expenses in sum of 8,554 thousand Lei; according to the Fiscal Code applicable from 01 January 2016 social expenses are deductible within the limits of up to 5% quota applied to personnel salary expenses. In 2019 the Company provided 4.9% social expenses in the draft BVC, applied to the salary expense value;

- Meal coupons amounting to 7,644 thousand Lei, granted under Law 142/1998, with later amendments and additions, and under the Company's Collective Labour Contract;

- Holiday tickets amounting to 4,534 thousand Lei; such vouchers are granted according to the provisions of OUG 8/2009 on granting the holiday vouchers, with later amendments and additions, which was cancelled on 1 January 2019 as stipulated in Law 165/2018 on granting valuable tickets was prorogued until 1 January 2021 by OUG 107/2018 regarding amendment of certain norms and prorogation of some terms, article 7.20 para (11) and of the Company's Collective Labour Contract (CLC);

- Other personnel expenses amounting to 5,668 thousand Lei, representing the settlement of electricity bills for Company employees in accordance with the applicable CLC;

- **Other personnel expenses amounting to 100 thousand Lei**, which represent the estimation of salary right expenses owed under court rulings to employees having labour disputes with the Company.

- **Expenses amounting to 2,573 thousand Lei associated to the mandate contracts and to other management and control bodies, commissions and committees** (+15,48), corresponding to the mandate contracts of Directorate and Supervisory Board members, fixed component since the Company is managed under two-tier system. No amount was provided for the variable component for managerial bodies.

- **Expenses with contributions owed by the employer amounting to 13,252 thousand Lei**; this chapter includes:

- "Contributions owed by the employer" (related to the salary fund for employees hired under CIM (Individual Labour Contract) and for Directorate and Supervisory Board members) amounting to 6,919 thousand Lei;

- "Unit's contribution to voluntary health insurance" amounting to 2,409 thousand Lei;

- "Unit's contribution to facultative pension schemes" for Company employees that individually chose a facultative pension fund (pylon III of facultative pensions) in sum of 3,924 thousand Lei.

D. Other operational expenses amounting to 317,324 thousand Lei (-4.41) include:

- Expenses amounting to 403 thousand Lei for non-current assets represented by expenses with the unamortised value of assets planned to be decommissioned when upgrade / refurbishment begins to electric installations;

- Other operational expenses amounting to 9,724 thousand Lei, mainly represented by: expenses for internal and international subscriptions that CNTEE Transelectrica SA owes as member in European organisations (ENTSO-E, CIGRE, SECI) in sum of 5,071 thousand Lei, compulsory Company expenses in accordance with the capital market legislation amounting to 611 thousand Lei, the electricity quota for retired employees in sum of 1,269 thousand Lei, other operational expenses of 2,773 thousand Lei;

- Expenses for amortisement of current and non-current assets in sum of 305,801 thousand Lei;

- Expenses for provisions and impairment allowances amounting to 1,396 thousand Lei (allowances & impairments for value losses, provisions for risks and expenses, including disputes, and impairment allowances according to the provisions of the Accounting policies manual).

2. Financial expenses amounting to 15,627 thousand Lei (-37.87%) include expenses for interest rates due for payment that will be paid in 2019 for credits taken for investments, interest rates owed for bond issuance and negative exchange rate differences resulting from monthly revaluations, decreasing compared to 2018 after diminishing the balance of mid- and long-term loans, according to accounting regulations applicable to the Company, of hard currency trade receivables and liabilities.

III. Gross result

In accordance with the fore-mentioned presentations we estimate a gross profit of **20,423 thousand Lei** in 2019 diminished by **72,641 thousand Lei** in comparison with the 2018 achievements.

Profit reduction in 2019 compared to that achieved in 2018 is mainly influenced by the following factors:

- **Higher ANRE tax from 0.1% la 2%** applied to the previous year's turnover (negative impact of 32,488 thousand Lei on profit);
- Electricity procurement for **CPT at higher prices** (negative impact of 51,307 thousand Lei on profit);
- Beginning with 01.01.2019 the minimum economic salary was increased, which mainly determines greater guard expenses (negative impact of 7,051 thousand Lei on profit) and expenses with other services provided by third parties.

IV. INCOME TAX

Income tax expenses were determined in accordance with the provisions of Law 227/2015 on the Fiscal Code, with later amendments and additions.

Fiscally non-deductible expenses and non-taxable revenues in the income tax calculation of 2019 were estimated using the 2018 achievements and the expenses included in the draft 2019 BVC.

Calculations of the 2019 income tax took into account the taxation of reserves from the revaluation of non-current assets made after 1 January 2004, which are deducted from the calculation of taxable income by means of fiscal amortisement or of expenses regarding assigned and/or decommissioned assets (article 22 para (5) of the Fiscal Code).

In accordance with the provisions of Law 227/2015, such revaluation reserves are taxed at the same time with the fiscal amortisement deduction, namely when such non-current assets are taken out of management, as the case may be.

V. ACCOUNTING PROFIT LEFT AFTER INCOME TAX DEDUCTION

The net profit provided in 2019 was distributed in compliance with the provisions of OG 64/2001 on profit distribution in national societies, national companies and trading companies with full or majority state capital and in autonomous authorities, approved with amendments by Law 769/2001, with later amendments and additions.

In 2019 no amounts are foreseen for employees' participation to profit.

VI –VII. ELIGIBLE REVENUES AND EXPENSES FROM EUROPEAN FUNDS

In 2019 the Company carries out projects financed from European funds which revenues/expenses were estimated for in accordance with Annex 1.

VIII. FINANCING SOURCES FOR INVESTMENTS in 2019

Financing sources of investments foreseen in 2019 amount to 695,607 thousand Lei, about 15% lower than in 2018 (Annex 4 to BVC/2019) and are structured as follows:

		Thousand Lei
No.	Financing sources for investments	2019
	Total financing sources, of which:	695,607
A	One's own sources	342,820
B	Budget allocations	6,380
C	Bank credits	0
D	Other sources	22
E	Sources available on 01.01.2019	346,385

IX. INVESTMENT EXPENSES in 2019

The 2019 Investment Plan of CNTEE Transelectrica SA (Annex 4 to BVC/2019) was elaborated in accordance with the investment priorities established in the RET Development Plan for 2014 – 2023. The Investment Plan was elaborated taking into account the financing sources, priority being paid to commitments of previous years (objectives in progress) and to new investment projects.

The Company's 2019 Investment plan comprises the following investment objectives:

- Refurbishment / upgrade for the vital nodes of the Electricity Transmission Network – electric substations – which were assigned priority after a multi-criteria analysis;
- Developing the high voltage overhead line (OHL) network in order to provide continuity and safety of consumers' supply (building the 400 kV ring for Romania);
- Enhancing the RET to integrate new generators in the National Power System (SEN);
- Developing the interconnection capacity of RET both within ENTSO-E and with neighbouring countries four outside the European Union (Moldova, Serbia, Turkey);
- Developing and upgrading the protective and security infrastructure of RET;
- Upgrading the IT and telecommunication infrastructure;

The structure of 2019 investment expenses is as follows:

		Thousand Lei
No.	Expense categories	2019
	Total general (A+B+C)	362,729
A	Company expenses	283,107
B	Investments financed from the connection fee	1,701
C	Repayments of credits for investment objectives	52,421
D	Financial investments	25,500

X. FOUNDATION DATA

1 - 6. Foundation of salary expenses is provided in Note 1

8 - 9. Outstanding payments and trade receivables

Outstanding payments amount to 74 thousand Lei in the draft 2019 BVC, 6.3% below those achieved on 31.12.2018.

Outstanding trade receivables amount to 122,190 thousand Lei, about 3% below those achieved on 31.12.2018, associated to uncollected invoices upon due date from clients on the electricity market, following such clients' incapacity to pay, being under insolvency or bankruptcy.

B. BUDGETARY ESTIMATIONS FOR 2020 – 2021

Budgetary estimations provided in the revenue & expense budget model excerpt for 2020 – 2021 were sized taking into account:

- Macroeconomic data provided by the National Forecast Commission (2019 winter forecast) about the foreseen inflation (2.6% in 2020 and 2.5% in 2021) and the average exchange rate (4.62 Lei / Euro in 2020 and 4.60 Lei/Euro in 2021);
- OMFP 3145/2017 approving the format and structure of the revenue & expense budget and of its foundation annexes;

- Methodology establishing the tariffs for electricity transmission services approved by ANRE Order 53/2013, with later amendments and additions;
- Methodology establishing the tariff for system services approved by ANRE Order 45/2017;
- Grounding the draft 2019 BVC;
- Contractual commitments engaged under internal and external loans in progress with international organisations IEB, IBRD and commercial banks;
- The provisions of the Collective Labour Contract of CNTEE Transelectrica SA in force;
- Applicable legislation and regulations in force;

x
x x

Mention should be made that, in accordance with applicable regulations, the 2019 draft revenue and expense budget and the 2020 – 2021 estimations were elaborated by consulting the trade union of Company employees, such draft being submitted to financial managerial control in accordance with HG 1151/2012 approving the Methodological Norms on the organisation and exercise of financial managerial audit.

In accordance with OG 11/27.01.2016 amending and adding OUG 26/2013, article 4, para (1), let. d) „Revenue & expense budgets of economic operators are approved by decision taken by the Shareholders' General Assembly or by the Supervisory Board, as applicable, according to legal provisions in case of economic operators whose shares are admitted for transaction on a regulated market and of their subsidiaries”.

At the meeting of the Supervisory Board of CNTEE Transelectrica SA verified the draft 2019 revenue and expense budget and the 2020-2021 estimations as mentioned in Decision

In accordance with article 14, para (1), let. i) of the Articles of Association of CNTEE Transelectrica SA updated on 21.12.2018 by HAGEA 16/2018, we submit for approval of the Shareholders' General Assembly the draft 2019 revenue and expense budget of CNTEE Transelectrica SA and the 2020 – 2021 estimations, together with annexes.

DIRECTORATE,

Chairman,
Marius-Danut
CARASOL

Member,
Claudia-Gina
Anastase

Member,
Adrian
SAVU

Member,
Andreea Georgiana
FLOREA

Member,
Constantin
SARAGEA

Director, UEFA
Ana-Iuliana DINU

Head of Budgeting Department,
Maria Tanase

Vizat,
Directia juridica si contencios

2019 REVENUE AND EXPENSE BUDGET

thousand le

		INDICATORS	NO.	2018 achieved	2019 proposals	%	2020 projections	2021 projections	%	
									9=7/5	10=8/7
0	1	2	3	4	5	6=5/4	7	8	9	10
I.		TOTAL REVENUES (Rd.1=Rd.2+Rd.5+Rd.6)	1	2.738.594	2.775.490	101,35	2.798.905	2.804.510	100,84	100,20
	1	Exploitation total revenues, of which:	2	2.721.696	2.770.707	101,80	2.795.705	2.799.674	100,90	100,14
		a) subsidies, according to legal provisions in force	3							
		b) transfers, according to legal provisions in force	4							
	2	Financial incomes	5	16.898	4.783	28,31	3.200	4.836	66,90	151,13
	3	Extraordinary incomes	6							
II		TOTAL EXPENSES (Rd.7=Rd.8+Rd.20+Rd.21)	7	2.645.530	2.755.067	104,14	2.774.864	2.772.211	100,72	99,90
	1	Exploitation expenses, of which:	8	2.620.378	2.739.440	104,54	2.763.120	2.762.213	100,86	99,97
		A. expenses related to goods and services	9	2.075.534	2.152.991	103,73	2.163.999	2.159.311	100,51	99,78
		B. expenses related to tax, charges and assimilated payments	10	18.332	52.242	284,98	53.962	54.494	103,29	100,99
		C. personnel expenses, of which:	11	194.537	216.883	111,49	221.817	226.757	102,27	102,23
		C0 Salary expenses(Rd.13+Rd.14)	12	184.993	200.958	108,63	205.876	210.520	102,45	102,26
		C1 salary expenses	13	164.536	174.558	106,09	179.044	183.471	102,57	102,47
		C2 bonuses	14	20.457	26.400	129,05	26.832	27.049	101,64	100,81
		C3 other personnel expenses, of which:	15	0	100	0,00	100	100	100,00	N/A
		expenses related to compensatory payments for staff redundancies	16	0	0	0,00	0	0	N/A	N/A
		C4 Expenses related to the mandate contract and other management and control bodies, commissions and committees	17	2.228	2.573	115,48	2.573	2.573	100,00	100,00
		C5 Expenses related to contributions due by the employer	18	7.316	13.252	181,14	13.268	13.564	100,12	102,23
		D. other exploitation expenses	19	331.975	317.324	95,59	323.342	321.651	101,90	99,48
	2	Financial expenses	20	25.152	15.627	62,13	11.744	9.998	75,15	85,13
	3	Extraordinary expenses	21							
III		GROSS RESULT (profit)	22	93.064	20.423	21,95	24.041	32.299	117,72	134,35
IV		INCOME TAX	23	11.761	4.579	38,93	4.693	4.740	102,49	101,00
V		ACCOUNTING PROFIT LEFT AFTER INCOME TAX DEDUCTION, of which:	24	81.303	15.844	19,49	19.348	27.559	122,12	142,44
	1	Legal reserves	25	4.781	1.151	24,07	1.332	1.745	115,73	131,01
	2	Other reserves representing fiscal facilities provided by law	26	53.127	14.693	27,66	18.016	25.814	122,62	143,28
	3	Covering accounting losses of previous years	27							
	4	Establishing own funding sources for projects co-financed from external loans as well as establishing the necessary sources for the repayment of capital installments, interest payments, commissions and other costs related to these loans	28							
	5	Other allocations provided by law	29	23.395	0	N/A	0	0	N/A	N/A
	6	Accounting profit left after deducting the amounts from Rd. 25, 26, 27, 28, 29	30	0	0	0,00	0	0	N/A	N/A
	7	Employee participation at a profit of up to 10% of the net profit, but not more than the level of an average monthly base salary achieved within the economic operator in the reference financial year	31							
	8	A minimum of 50% payments to the state or local budget in the case of autonomous regies or dividends to shareholders for national companies / companies and state-owned/majority state-owned companies, of which:	32	0	0	0,00	0	0	N/A	N/A
	a)	- dividends owed to state budget	33	0	0	0,00	0	0	N/A	N/A
	b)	- dividends owed to local budget	33a			0,00				
	c)	- dividends owed to other shareholders	34	0	0	0,00	0	0	N/A	N/A
	9	Unallocated profit to the destinations under Rd.31 - Rd.32 is allocated to other reserves and constitutes one's own financing source	35	0	0	0,00	0	0	N/A	N/A
VI		INCOMES FROM EUROPEAN FUNDS	36	91	411	451,65	193	693	46,96	359,07
VII		ELIGIBLE EXPENSES FROM EUROPEAN FUNDS, of which:	37	602	855	142,03	689	768	80,58	111,47
	a)	material expenses	38	0						
	b)	salary expenses	39	497	736	148,09	618	697	83,97	112,78
	c)	expenses regarding provision of services	40	17	15	88,24	0	0	0,00	N/A
	d)	expenses regarding advertisement and publicity	41							
	e)	other expenses	42	88	104	118,18	71	71	68,27	100,00
VIII		INVESTMENT FINANCING SOURCES, of which:	43	824.038	695.607	84,41	768.127	564.490	110,43	73,49
	1	Budget allocations	44	18	6.380	N/A	186	0	N/A	0,00
		budget allocations to pay commitments of previous years	45							
IX		INVESTMENT EXPENSES	46	477.654	362.729	75,94	684.979	558.288	188,84	81,50
X		FOUNDATION DATA	47							
	1	Personnel forecasted by the end of the year	48	2.180	2.180	100,00	2.180	2.180	100,00	100,00
	2	Average number of total employees	49	2.102	2.180	103,71	2.180	2.180	100,00	100,00
	3	Average monthly earnings per employee (lei / person) determined using wage expenses*)	50	7.017	7.355	104,82	6.556	6.556	89,14	100,00

4	Average monthly earnings per employee (lei / person) determined using wage expenses, recalculated according to the annual state budget law **)	51	7.017	7.355	104,82	6.556	6.556	89,14	N/A
5	Work productivity in value units per total average personnel (thousand lei / person) (Rd.2 / Rd.49)	52	1.295	1.271	98,16	1.282	1.284	100,90	100,14
6	Work productivity in value units per total average personnel recalculated according to the Annual State Budget Law	53							
7	Work productivity in physical units per total average personnel (quantity of finished products / person)	54							
8	Total expenses for 1000 lei total incomes (Rd.7/Rd.1)x1000	55	966	993	102,76	991	988	99,88	99,70
9	Unpaid payments	56	79	74	93,67	74	74	100,00	100,00
10	Unpaid trade receivables	57	125.969	122.190	97,00	122.190	122.190	100,00	100,00

*) Rd.50 = Rd.154 from Foundation Annex no.2

**) Rd.51 = Rd.155 from Foundation Annex no.2

DIRECTORATE,

Chairman,
Maris-Danut
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ANASTASE

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FLOREA

Member,
Constantin
SARAGEA

Economic-Financial and Administrative Unit Director,
Ana-Iuliana DINU

Head of Budgeting
Maria TANASE

Breakdown of the economic and financial indicators provided in the 2019 revenue and expense budget and their quarterly breakdown

thousand lei													
INDICATORS			No.	2017 achieved	Provisions previous year 2018			Proposals for current year 2019				% 7=6/5	% 8=5/3a
					rectified approved		Achieved	of which:					
					according to AGA Decision 12/2018	as approved by Directorate		Quarter I	Quarter II accumulated	Quarter III accumulated	Year Total		
0	1	2	3	3a	4	4a	5	6a	6b	6c	6	7	8
I.		TOTAL REVENUES (Rd.2+Rd.22+Rd.28)	1	3.079.416	2.819.184	2.819.184	2.738.594	721.881	1.306.493	1.988.788	2.775.490	101,35	88,93
	1	Total exploitation venues (Rd.3+Rd.8+Rd.9+Rd.12+Rd.13+Rd.14), of which:	2	3.060.317	2.811.144	2.811.144	2.721.696	719.179	1.303.104	1.984.693	2.770.707	101,80	88,94
	a)	of sold production (Rd.4+Rd.5+Rd.6+Rd.7), of which:	3	3.015.024	2.775.789	2.775.789	2.679.159	709.890	1.280.946	1.954.653	2.734.868	102,08	88,86
	a1)	product selling	4										
	a2)	services provided on the power market	5	3.009.988	2.768.762	2.768.762	2.675.324	707.084	1.273.700	1.943.460	2.722.863	101,78	88,88
	a3)	royalties and rents	6		21	21	0	1	2	3	5	N/A	N/A
	a4)	other revenues	7	5.036	7.006	7.006	3.835	2.805	7.244	11.190	12.000	312,91	76,15
	b)	selling commodities	8										
	c)	subsidies and exploitation transfers related to net turnover (Rd.10+Rd.11), of which:	9										
	c1	subsidies, according to legal provisions in force	10										
	c2	transfers, cf. according to legal provisions in force	11										
	d)	asset production	12										
	e)	revenues related to the cost of production in progress	13										
	f)	other exploitation revenues (Rd.15+Rd.16+Rd.19+Rd.20+Rd.21), of which:	14	45.293	35.355	35.355	42.537	9.289	22.158	30.040	35.839	84,25	93,92
	f1)	fines and penalties	15	6.021	0	0	1.582	0	0	0	0	0,00	26,27
	f2)	asset selling and capital operations (Rd.18+Rd.19), of which:	16										
		- tangible assets	17										
		- intangible assets	18										
	f3)	investment subsidies	19	30.303	32.589	32.589	31.488	5.978	15.270	20.862	24.964	79,28	103,91
	f4)	CO2 certificate capitalisation	20										
	f5)	other revenues	21	8.969	2.766	2.766	9.467	3.310	6.888	9.178	10.875	114,87	105,55
	2	Financial revenues (Rd.23+Rd.24+Rd.25+Rd.26+Rd.27), of which:	22	19.099	8.040	8.040	16.898	2.702	3.389	4.095	4.783	28,31	88,48
	a)	financial assets	23	2.181	2.000	2.000	1.148	0	0	0	0	0,00	52,64
	b)	financial investments	24										
	c)	exchange rate differences	25	11.430	3.046	3.046	5.975	1.691	1.778	1.884	1.972	33,00	52,27
	d)	interests	26	5.428	2.994	2.994	9.722	1.011	1.611	2.211	2.811	28,91	179,11
	e)	other financial revenues	27	60	0	0	53	0	0	0	0	0,00	88,33
	3	Extraordinary revenues	28										
II		TOTAL EXPENSES (Rd.30+Rd.131+Rd.139)	29	3.032.542	2.729.012	2.729.012	2.645.530	698.609	1.305.966	1.987.270	2.755.067	104,14	87,24
	1	Exploitation expenses (Rd.31+Rd.79+Rd.86+Rd.114), of which:	30	2.992.323	2.705.783	2.705.783	2.620.378	690.810	1.294.922	1.974.188	2.739.440	104,54	87,57
	A.	Expenses related to goods and services (Rd.31a+32+Rd.40+Rd.46), of which:	31	2.392.573	2.140.674	2.143.579	2.075.534	546.662	999.247	1.532.463	2.152.991	103,73	86,75
	A0	Power market expenses	31a	2.223.854	1.939.673	1.939.673	1.890.463	500.904	886.555	1.351.393	1.907.610	100,91	85,01
	A1	Stock expenses (Rd.33+Rd.34+Rd.37+Rd.38+Rd.39), of which:	32	12.261	21.994	20.006	11.975	4.581	10.124	15.672	24.707	206,32	97,67
	a)	raw material expenses	33										
	b)	expenses related to consumable materials, of which:	34	8.354	16.770	14.605	8.255	3.298	7.333	11.524	18.852	228,37	98,81
	b1)	replacement part expenses	35	294	983	1.304	571	130	348	551	711	124,52	194,22
	b2)	fuel expenses	36	3.241	3.758	3.813	3.551	1.382	2.355	3.263	4.603	129,63	109,56
	c)	expenses regarding materials related to inventory items	37	1.420	2.000	2.177	1.099	445	1.184	1.758	2.631	239,40	77,39
	d)	power and water expenses	38	2.487	3.224	3.224	2.621	838	1.607	2.390	3.224	123,01	105,39
	e)	commodity expenses	39										
	A2	Expenses related to third-party services (Rd.41+Rd.42+Rd.45), of which:	40	123.341	130.915	137.644	132.557	27.873	72.889	118.684	151.733	114,47	107,47
	a)	expenses related to maintenance and repairs	41	114.992	121.954	128.683	124.102	25.516	68.202	111.624	142.320	114,68	107,92
	b)	rent expenses (Rd.43+Rd.44) of which:	42	7.358	7.695	7.695	7.623	2.062	4.123	6.206	8.286	108,70	103,60
	b1)	- to State-owned/majority State-owned operators	43										
	b2)	- to privately-owned operators	44	7.358	7.695	7.695	7.623	2.062	4.123	6.206	8.286	108,70	103,60
	c)	insurance premiums	45	991	1.266	1.266	832	295	564	854	1.127	135,46	83,96
	A3	Expenses related to other third-party services (Rd.47+Rd.48+Rd.50+Rd.57+Rd.62+Rd.63+Rd.67+Rd.68+Rd.69+Rd.78), of which:	46	33.117	48.092	46.256	40.539	13.304	29.679	46.714	68.941	170,06	122,41
	a)	expenses related to collaborators	47										
	b)	expenses related to commissions and fees, of which:	48	169	444	444	45	6	10	20	25	55,56	26,63
	b1)	legal advice expenses	49	43	422	422	0	0	0	0	0	N/A	0,00

		INDICATORS	No.	2017 achieved	Provisions previous year 2018			Proposals for current year 2019				7=6/5	8=5/3a	
					rectified approved		Achieved	of which:						
					according to AGA Decision 12/2018	as approved by Directorate		Quarter I	Quarter II accumulated	Quarter III accumulated	Year Total			
0	1	2	3	3a	4	4a	5	6a	6b	6c	6	7	8	
	c)	protocol, advertisement and publicity expenses (Rd.51+Rd.53), of which:	50	431	499	899	870	110	270	480	1.000	114,94	201,86	
	c1)	protocol expenses, of which:	51	431	499	899	870	110	270	480	1.000	114,94	201,86	
		- gift vouchers according to Law 193/2006, with later amendments	52											
	c2)	advertisement and publicity expenses, of which:	53											
		- gift vouchers for advertisement and publicity expenses, according to Law 193/2006, with later amendments	54											
		- gift vouchers for marketing campaigns, market research, promotion on existent or new markets, according to Law 193/2006, with later amendments	55											
		- product promotion expenses	56											
	d)	Sponsorship expenses, according to GEO 2/2015 (Rd.58+Rd.59+Rd.61), of which:	57	733	800	800	705	80	400	720	800	113,48	96,18	
	d1)	sponsorship expenses in the medical and health field	58	339	320	320	256	30	150	290	320	125,00	75,52	
	d2)	sponsorship expenses in education, social field and sports, of which:	59	374	320	320	297	30	170	290	320	107,74	79,41	
	d3)	- for sports clubs	60											
	d4)	sponsorship expenses for other actions and activities	61	20	160	160	152	20	80	140	160	105,26	760,00	
	e)	expenses related to the transport of goods and people	62	1.023	1.317	1.317	1.113	326	662	1.002	1.345	120,84	108,80	
	f)	travel, delegation, transfer expenses, of which:	63	5.265	5.000	6.695	6.405	1.256	2.957	4.725	6.500	101,48	121,65	
		- per diem allowance expenses (Rd.65+Rd.66), of which:	64	1.889	974	2.438	2.242	472	1.095	1.735	2.400	107,05	118,69	
		-internal	65	1.727	794	2.208	2.043	418	957	1.525	2.076	101,62	118,30	
		-external	66	162	180	230	199	54	138	210	324	162,81	122,84	
	g)	postal expenses and telecom charges	67	1.192	1.316	1.302	932	477	883	1.405	2.227	238,95	78,19	
	h)	expenses related to bank and assimilated services	68	1.291	1.588	1.588	1.047	300	650	970	1.320	126,07	81,10	
	i)	other expenses related to third-party services, of which:	69	14.397	20.301	18.669	17.097	5.624	11.816	18.005	24.385	142,63	118,75	
	i1)	insurance and security expenses	70	13.980	19.587	17.955	16.620	5.577	11.515	17.503	23.671	142,42	118,88	
	i2)	expenses related to maintenance and operation of computing techniques	71											
	i3)	vocational training expenses	72	417	714	714	477	47	301	502	714	149,69	114,39	
	i4)	expenses related to the reassessment of tangible and intangible assets, of which:	73											
		-for public domain goods	74											
	i5)	expenses related to the services provided by the subsidiaries	75											
	i6)	cheltuieli privind recrutarea și plasarea personalului de conducere cf. Ordonanței de urgență a Guvernului nr. 109/2011	76											
	i7)	expenses related to tender announcements and other announcements	77											
	j)	other expenses	78	8.616	16.827	14.542	12.325	5.125	12.031	19.387	31.339	254,27	143,05	
	B Expenses related to tax, charges and assimilated payments (Rd.80+Rd.81+Rd.82+Rd.83+Rd.84+Rd.85), of which:			79	17.879	18.948	19.026	18.332	13.662	26.128	39.575	52.242	284,98	102,53
	a)	expenses related to the exploitation charge of mineral resources	80											
	b)	royalty expenses for concession of public goods and mineral resources	81	973	959	999	976	274	512	772	1.039	106,45	100,31	
	c)	licence charge expenses	82	2.145	3.050	3.050	3.018	8.876	17.752	26.629	35.506	1.176,47	140,70	
	d)	autorisation charge expenses	83											
	e)	environment charge expenses	84	95	58	96	73	88	142	199	205	280,82	76,84	
	f)	expenses related to charges and taxes	85	14.666	14.881	14.881	14.265	4.424	7.722	11.975	15.492	108,60	97,27	
	C. Personnel expenses (Rd.87+Rd.100+Rd.104+Rd.113), of which:			86	187.415	194.907	196.215	194.537	48.786	107.707	162.303	216.883	111,49	103,80
	C0	Salary-related expenses (Rd.88+ Rd.92)	87	151.161	186.154	186.154	184.993	46.487	100.244	150.675	200.958	108,63	122,38	
	C1	Salary expenses (Rd.89+Rd.90+Rd.91), of which:	88	127.078	164.638	164.638	164.536	41.143	85.614	130.085	174.558	106,09	129,48	
	a)	basic salaries	89	97.939	131.987	131.987	122.640	32.914	67.491	103.068	137.646	112,24	125,22	
	b)	indexations, premiums and other bonuses related to the basic salary (according to CCM)	90	27.710	30.748	30.748	39.804	8.229	17.123	26.017	34.912	87,71	143,64	
	c)	other bonuses(according to CCM)	91	1.429	1.903	1.903	2.092	0	1.000	1.000	2.000	95,60	146,40	
	C2 Bonuses (Rd.93+Rd.96+Rd.97+Rd.98+ Rd.99), of which:			92	24.083	21.516	21.516	20.457	5.344	14.630	20.590	26.400	129,05	84,94
	a)	social expenses provided for in art.25 of Law 227/2015 regarding the Fiscal Code(*, with later amendments and additions, of which:	93	6.224	8.068	8.068	8.002	2.016	4.195	6.374	8.554	106,90	128,57	
		- nursery vouchers, according to Law 193/2006, with later amendments;	94											
		- gift vouchers for social expenses according to Law 193/2006, with later amendments:	95											
	b)	food stamps;	96	5.049	6.961	6.961	6.178	1.911	3.822	5.733	7.644	123,73	122,36	
	c)	holiday vouchers;	97	3.473	2.987	2.987	2.841	0	3.779	4.232	4.534	159,59	81,80	
	d)	expenses regarding to employees' participation in the profit obtained the previous year	98	6.444	0	0	0	0	0	0	0	N/A	0,00	
	e)	other expenses according to CCM.	99	2.893	3.500	3.500	3.436	1.417	2.834	4.251	5.668	164,96	118,77	
C3 Other personnel expenses (Rd.101+Rd.102+Rd.103), of which:			100	0	100	100	0	0	0	100	N/A	N/A		
a)	expenses related to compensatory payments for staff redundancies	101									N/A	N/A		
b)	expenses related to salary rights due to court rulings	102	0	100	100	0	0	0	0	100	N/A	N/A		
c)	salary-related expenses as a result of restructuring, privatisation, special administrator, other commissions and committees	103			2			0	0	0				

		INDICATORS	No.	2017 achieved	Provisions previous year 2018			Proposals for current year 2019				7=6/5	8=5/3a
					rectified approved		Achieved	of which:					
					according to AGA Decision 12/2018	as approved by Directorate		Quarter I	Quarter II accumulated	Quarter III accumulated	Year Total		
0	1	2	3	3a	4	4a	5	6a	6b	6c	6	7	8
	C4	Expenses related to the mandate contract and other management and control bodies , commissions and committees (Rd.105+Rd.108+Rd.111+ Rd.112), of which:	104	1.722	2.493	2.493	2.228	643	1.286	1.929	2.573	115,48	129,38
		a) for directors/directorate	105	1.288	1.900	1.900	1.789	475	950	1.425	1.901	106,26	138,90
		-fixed component	106	1.288	1.900	1.900	1.789	475	950	1.425	1.901	106,26	138,90
		-variable component	107	0	0	0	0	0	0	0	0	N/A	N/A
		b) for administration board/supervisory board, of which:	108	434	593	593	439	168	336	504	672	153,08	101,15
		-fixed component	109	434	593	593	439	168	336	504	672	153,08	101,15
		-variable component	110	0	0	0	0	0	0	0	0	N/A	N/A
		c) for the Shareholders' General Assembly (AGA) and censors	111										
		d) for other commissions and committees established according to the law	112										
		C5 Expenses related to the contributions due by the employer	113	34.532	6.160	7.468	7.316	1.656	6.177	9.699	13.252	181,14	21,19
		D. Other exploitation expenses (Rd.115+Rd.118+Rd.119+Rd.120+Rd.121+Rd.122), of which:	114	394.456	351.254	346.963	331.975	81.700	161.840	239.847	317.324	95,59	84,16
		a) expenses related to increases and penalties (Rd.116+Rd.117), of which:	115	29	0	0	75	0	0	0	0	0,00	258,62
		- for the general consolidated budget	116										
	- for other creditors	117	29	0	0	75	0	0	0	0	0,00	258,62	
	b) expenses related to non-current assets	118	838	1.694	1.694	-117	302	810	-89	403	-344,44	-13,96	
	c) expenses related to transfers to pay personnel	119											
	d) other expenses	120	30.750	7.706	7.706	7.904	2.309	5.885	7.768	9.724	123,03	25,70	
	e) expenses related to the amortisement of tangible and intangible assets	121	311.854	329.926	325.635	298.298	78.740	154.796	231.121	305.801	102,52	95,65	
	f) allowances, impairment for value loss and provisions (Rd.123-Rd.126), of which:	122	50.985	11.928	11.928	25.815	349	349	1.047	1.396	5,41	50,63	
	f1) expenses regarding allowances and provisions	123	187.207	12.326	12.326	77.048	2.693	2.693	8.078	10.771	13,98	41,16	
	f1.1) -provisions regarding employees' participation to profit	124	0	0	0	0	0	0	0	0	N/A	N/A	
	f1.2) - provisions related to mandate contract	125	0	0	0	0	0	0	0	0	N/A	N/A	
	f2) expenses related to provisions and impairments or value losses, of which:	126	136.222	398	398	51.233	2.344	2.344	7.031	9.375	18,30	37,61	
	f2.1) provision cancellation (Rd.128+Rd.129+Rd.130), of which:	127	136.222	398	398	51.233	2.344	2.344	7.031	9.375	18,30	37,61	
	- employees' participation to profit	128	7.923	0	0	0	0	0	0	0	N/A	0,00	
	- impairment of tangible assets and current assets	129	63.130	0	0	43.058	0	0	0	0	0,00	68,21	
	- revenues from other provisions	130	65.169	398	398	8.175	2.344	2.344	7.031	9.375	114,68	12,54	
	2	Financial expenses (Rd.132+Rd.135+Rd.138), of which:	131	40.219	23.229	23.229	25.152	7.799	11.044	13.082	15.627	62,13	62,54
	a) interest expenses, of which:	132	21.560	21.503	21.503	19.265	2.480	5.725	7.763	10.308	53,51	89,36	
	a1) investment credits	133	21.500	19.616	19.616	19.149	1.580	3.025	4.463	5.808	30,33	89,07	
	a2) current activity credits	134	60	1.887	1.887	116	900	2.700	3.300	4.500	3.879,31	-	
	b) expenses related to exchange rate differences, of which:	135	18.659	1.726	1.726	5.887	5.319	5.319	5.319	5.319	90,35	31,55	
	b1) investment credits	136	18.659	1.726	1.726	5.887	5.319	5.319	5.319	5.319	90,35	31,55	
b2) current activity credits	137												
c) other financial expenses	138												
3	Extraordinary expenses	139											
III	GROSS RESULT (profit/loss) (Rd.1-Rd.29)	140	46.874	90.172	90.172	93.064	23.272	527	1.518	20.423	21,95	198,54	
	non-taxable revenues	141	143.648	7.000	7.000	29.496	1.800	3.000	3.000	5.900	20,00	20,53	
	fiscally non-deductible expenses	142	240.273	35.933	35.933	128.551	6.926	14.079	14.673	24.345	18,94	53,50	
IV	INCOME TAX	143	18.607	17.382	17.382	11.761	3.131	419	492	4.579	38,93	63,21	
V	FOUNDATION DATA												
1	Total of exploitation revenues, of which: (Rd.2)	144	3.060.317	2.811.144	2.811.144	2.721.696	719.179	1.303.104	1.984.693	2.770.707	101,80	88,94	
a)	- revenues from subsidies and trasfers	145											
b)	- other revenues not taken into account to determin work productivity, according to State budget annual Law	146											
2	Salary-related expenses (Rd.87), of which: **)	147	151.161	186.154	186.154	184.993	46.487	100.244	150.675	200.958	108,63	122,38	
a)	increases in the gross average earnings per employee due to the increase in gross minimum basic salary country-wide guaranteed for payment and other salary-related expenses, only for the personnel subject to these regulations	148											
b)	increases in salary-related expenses related to their reassembly, for the entire year of 2018, determined by pay raises or/and increase in personnel numbers in 2017	149											
c)	increase in salary-related expenses following legislative amendments regarding mandatory social contributions	150		26.704	26.704	26.704	0	0	0	0	0	0	

		INDICATORS	No.	2017 achieved	Provisions previous year 2018			Proposals for current year 2019				%	%	
					rectified approved		Achieved	of which:						
					according to AGA Decision 12/2018	as approved by Directorate		Quarter I	Quarter II accumulated	Quarter III accumulated	Year Total			
0	1	2	3	3a	4	4a	5	6a	6b	6c	6	7	8	
	3	Salary expenses (Rd.88)	151	127.078	164.638	164.638	164.536	41.143	85.614	130.085	174.558	106,09	129,48	
	4	Predicted personnel numbers by the end of the year	152	2.063	2.180	2.180	2.180	2.180	2.180	2.100	2.180	100,00	105,67	
	5	Employee average numbers	153	2.063	2.180	2.180	2.102	2.180	2.180	2.180	2.180	103,71	101,89	
	6	a) Average monthly earnings per employee (lei / person) determined based on salary-related costs [(Rd.147 – rd.93* - rd.98)/Rd.153]/12*1000	154	5.594	6.808	6.808	7.017	x	x	x	7.355	104,82	125,43	
		b) Average monthly earnings per employee (lei / person) determined based on salary-related costs, recalculated according to State budget annual Law	155	5.594	5.787	5.787	7.017	x	x	x	7.355	104,82	125,43	
	7	a) Work productivity in value units per average total staff (thousand lei/person) (Rd.2/Rd.153)	156	1.483	1.290	1.290	1.295	x	x	x	1.271	98,16	87,29	
		b) Work productivity in value units per average total staff recalculated according to State budget annual Law	157					x	x	x				
		c) Work productivity in physical units per average total staff (finished product quantity/person) W=QPF/Rd.153	158					x	x	x				
		c1) Work productivity calculation factors, of which	159					x	x	x				
			- finished product quantity (QPF)	160				x	x	x				
			- average price (p)	161				x	x	x				
			- value=QPF x p	162				x	x	x				
			- share in exploitation total revenues = Rd.159/Rd.2	163				x	x	x				
	8		Outstanding payments	164	84	80	80	79	79	77	76	74	93,67	94,05
	9		Outstanding liabilities, of which:	165	157.787	148.925	148.925	125.969	125.969	124.000	123.000	122.190	97,00	79,83
			- from state-owned/majority state-owned operators	166										
			- from privately-owned operators	167										
		- from state budget	168											
		- from local budget	169											
		- from other entities	170											
10		Credite pentru finanțarea activității curente (soldul rămas de rambursat)	171											

*) within the limit provided by art. 25 para. 3 lett. b of Law 227 / 2015 regarding the Fiscal Code, with later amendments and additions

**) the amounts that are not taken into account in determining the growth of the monthly average gross earnings will be clearly highlighted, stipulated in the State Budget Annual Law

DIRECTORATE,

Chairman,
Marius-Danut
CARASOL

Member,
Claudia-Gina
ANASTASE

Member,
Adrian
SAVU

Member,
Andreea Georgiana
FLOREA

Member,
Constantin
SARAGEA

Economic-Financial and Administrative Unit Director,
Ana-Iuliana DINU

f. Human Resources Division Director,
Nicolina Anuta Varzaru

Head of Budgeting Department,
Maria TANASE

f. Head of Oayroll Department,
Daniel Papaianopol
Human resources expert

Total revenue achievement

thousand lei

No.	INDICATORS	2017 provisions		%	2018 provisions		%
		Approved	Achieved		Approved	Achieved	
0	1	2	3	4	5	6	7
I.	Total incomes (rd.1+rd.2+rd.3) *), of which:	3.095.350	3.079.416	99,49	2.819.184	2.738.899	97,15
1	Exploitation incomes*)	3.082.166	3.060.317	99,29	2.811.144	2.722.001	96,83
2.	Financial incomes	13.184	19.099	144,86	8.040	16.898	210,17
3.	Extraordinary incomes	0	0	-	0	0	-

*) total incomes and exploitation incomes will be reduced by the amounts from the state budget

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FLOREA

Member,
Constantin
SARAGEA

Economic-Financial and Administrative Unit Director,
Ana-Iuliana DINU

Head of Budgeting Department,
Maria TANASE

**2019 Investment Programme and 2020, 2021 projections,
divided by funding sources and investment categories *)**

thousand lei (VAT free)

0	1	INDICATORS	Estimated investment completion date	2018		Value		
				Approved rev. A9	Achieved	2019	2020	2021
0	1	2	3	4	5	6	11	12
I		INVESTMENT FUNDING SOURCES, of which:		914.231	824.038	695.607	768.127	564.490
		Available sources preliminary		408.771	408.771	326.419	314.592	69.147
		Connection fee sources		22.102	22.102	19.966	18.287	14.001
		Own sources, of which:		369.312	371.188	342.820	349.074	354.362
	1	- amortisement		297.337	266.815	279.290	285.971	283.461
		- income allocation (according to BVC approved in 2017)		11.905	0	0	0	0
		- other allocations provided by Law (interconnection capacity allocation)		47.720	51.246	49.077	45.087	45.087
		- other allocations provided by Law (exemption from tax on reinvested income)		12.350	53.127	14.453	18.016	25.814
	2	Budget allocations		2	18	6.380	186	0
		Bank credits, of which:		100.000	0	0	44.000	35.463
	3	- internal		100.000	0	0	44.000	35.463
		- external						
		Other sources, of which:		14.044	21.959	22	41.989	91.517
	4	- connection fee		14.044	10.451	22	1.929	0
		- European funds		0	11.508	0	40.060	91.517
		-grant		0	0	0	0	0
II		INVESTMENT EXPENSES (1+2+3+4+5+6+7+8+9), of which:		739.233	477.654	362.729	684.979	558.288
		ACTUAL INVESTMENT EXPENSES, BY OBJECTIVES (1+2+3+4+5), of which:		427.620	161.546	284.808	660.146	535.252
		COMPANY'S OWN INVESTMENT EXPENSES (1+2+3+4), of which:		413.576	148.959	283.107	653.930	535.252
	1	On-going investments (A+B+C):		338.165	127.494	207.727	321.111	217.696
	A)	On-going investments (A.a+A.b), for the private property of the economic operator, of which:		0	0	0	0	0
	A.a	On-going major investments						
	A.b	Other on-going investments in the transmission branches and Executive						
	B)	On-going investments (B.a+B.b), for the assets in the State's public domain, of which:		338.165	127.494	207.727	321.111	217.696
	B.a	On-going major investments, of which:		323.303	119.758	199.081	319.713	217.157
	1.1	Increasing the safety degree of 400/220/110/10 kV Bucuresti Sud substation's installations (Lot I + II), of which:		861	692	156	0	0
	1.1.1	10 kV Equipment replacement Lot I + Lot II	2016	705	692			
	1.1.2	Connecting T2-63MVA and implementing in existing SCADA of 110 kV and 10 kV Bucuresti Sud substations	2019	156	0	156	0	0
	1.2	400/110/20 kV Tulcea Vest substation refurbishment - technological part	2015	491	491	76	0	0
	1.3	400 kV interconnection OHL Resita (Romania) - Pancevo (Serbia)	2018	12.147	12.145	25	0	0
	1.4	Upgrading the protection and control system of 20 kV section in 220/110/20 kV Vetis substation	2016	245	0	245	0	0
	1.5	400/220/110/20 kV Bradu substation refurbishment	2017, 2018	11.050	7.798	1	5.000	0
	1.6	220/110/20 kV Campia Turzii substation refurbishment	2017	101	101	2.060	0	0
	1.7	400 kV Cernavoda substation extension (Stage I + II)	2015, 2022	451	451	319	8.324	3.289
	1.8	Replacing transformers T3 and T4 110/10 kV, 25 MVA with transformers 110/(20)10 kV, 40 MVA in Fundeni power substation	2016	250	231	0	0	0
	1.9	Converting Portile de Fier - Resita - Timisoara - Sacalaz - Arad - axis Stage I to 400 kV, of which:		56.691	5.407	10.900	44.078	55.250
		400 kV OHL single circuit Portile de Fier - (Anina) - Resita	2021	45.946	4.854	10.200	30.200	30.150
		400/220/110 kV Reșita substation	2022	10.250	59	700	13.878	25.100
		400 kV Portile de Fier substation extension	2016	494	494			
	1.10	Integrated security systems for substations and branch headquarters, DEN and DET(s) - Integrated security system for power substations, stage IV	2019	3.474	1.458	2.311	0	0
	1.11	220/110 kV Tihau substation modernisation - primary equipment	2017	0	0	300	0	0
	1.12	400/110/10 kV Cluj Est power substation modernisation	2018	1.009	843	0	650	0
	1.13	Autotransformer and transformer replacement in power substations, of which:		893	814	8.781	18.614	15.081
		Stage 2 Lot I - AT	2016 - 2018	682	681	851	857	0
		Stage 2 Lot II - Transformer	2016 - 2018	189	126	184	0	0
		Stage 2, phase 2 Lot I - AT	2019 - 2022	14	4	5.172	15.077	15.081
		Stage 2, phase 2 Lot II - Transformer	2019 - 2022	8	4	2.574	2.679	0
	1.14	Modernisation of command-control-protection system of 220/110 /20 kV Sardanesti substation	2018	4.030	3.914	0	545	0
	1.15	110 kV and 20 kV Suceava power substations modernisation	2017, 2018	5.844	5.776	0	1.132	0
	1.16	Connecting 400 kV OHL Isaccea - Varna and 400 kV OHL Isaccea - Dobrudja in 400 kV Medgidia Sud substation (Stage I +II) of which:		48.963	623	34.168	28.565	13.509
		Stage I - 400 kV Medgidia substation extension	2021	24.619	0	12.029	9.071	12.901
		Stage II - 400 kV OHL double circuit Connections in Medgidia Sud substation	2021	24.344	623	22.139	19.494	608
	1.17	400/110/20 kV Domnesti substation refurbishment	2020	26.260	5.461	36.042	24.620	0
	1.18	220/110 kV Turnu Severin Est substation refurbishment	2020	24.730	12.325	26.930	2	475

		INDICATORS	Estimated investment completion date	2018		Value		
				Approved rev. A9	Achieved	2019	2020	2021
0	1	2	3	4	5	6	11	12
I	1.19	400 kV Isaccea substation refurbishment (Stage I + II)	2019, 2025	15.131	13.674	3.904	101	9.001
	1.20	220/110/20 kV Arefu power substation modernisation	2024	5.010	132	75	10	0
	1.21	220/110 kV Raureni power substation modernisation	2024	5.015	480	75	10	0
	1.22	220/110 kV Dumbrava power substation modernisation	2020	8.051	1.976	2.565	5.216	4.000
	1.23	Upgrading 110 and 400(220) kV installations in Focsani Vest substation	2020	5.262	522	9.990	10.037	0
	1.24	Modernisation of 110 kV Bacau Sud and Roman Nord substations of 400 kV Moldova axis	2021	2.401	2.082	5.152	18.266	6.700
	1.25	220/110/20 kV Ungheni substation refurbishment	2021	2.145	418	3.445	15.015	17.015
	1.26	400 (220)/110/20 kV Munteni substation modernisation	2022	4.057	3.571	242	6.997	11.027
	1.27	400/110/20 kV Smardan substation refurbishment	2023	10.090	1.010	5.356	15.001	20.001
	1.28	220/110 kV Craiova Nord substation refurbishment	2020	5.205	4.373	17.050	5.205	5
	1.29	220/110 kV Hasdat substation refurbishment	2021	2.645	2.317	670	25.020	24.078
	1.30	110 kV Timisoara substation refurbishment and Converting to 400 kV Porgile de Fier - Anina - Resita - Timisoara - Sacalaz - Arad axis, stage II: 400 kV Timisoara substation	2024	5.185	1	900	17.100	8.100
	1.31	220/110/ kV Iaz substation refurbishment	2022	5.151	0	451	20.100	8.100
	1.32	Installing transformer T3 - 250 MVA in 400/110 kV Sibiu Sud substation	2020	3.105	4	355	12.005	5
	1.33	110 kV Medgidia Sud substation refurbishment	2021	5.010	0	5.775	27.001	16.801
	1.34	Power supply modernisation at UNO-DEN headquarters	2020	3.000	0	500	5.900	0
	1.35	Installing optical fiber on 220 kV OHL Fundeni - Brazi Vest - lot 1	2018	262	261			
	1.36	Connecting Turnu Magurele , Mostistea, Stalpu, Teleajen substations to optical fiber grid of National Power Grid Company Transelectrica - SA - lot 2	2018	4.268	4.268			
	1.37	Upgrading 220/110/20 kV Vetis substation - primary equipment	2021	6	0	50	3.000	4.300
	1.38	400 kV OHL single circuit Oradea - Bekescsaba. Installing a shunt reactor in 400 kV Oradea Sud substation. Telecommunication and tele-transmission equipment for 400 kV OHL Oradea - Bekescsaba - section 1 - 42	2021	1	0	50	1.000	420
II	1.39	Research center and development of live work technologies (LST) and rapid intervention in the National Power System - stage I	2019	1.941	1.558	3.099	0	0
	1.40	220 kV Otetarie Hunedoara substation refurbishment	2019	6.940	5.057	8.000	0	0
	1.41	Replacing EMS SCADA AREVA system components	2019	23.664	19.254	9.064	0	0
	1.42	Implementation of an Electronic Archiving and Document Management system within National Power Grid Company Transelectrica SA	2020	2.000	0	0	1.200	0
	1.43	Integrated Security System in power substations - stage III: Campia Turzii	-	270	270			
	B.b	Other on-going investments in the transmission branches and Executive, of which:		14.863	7.737	8.647	1.398	539
	1.44	Replacing AT and transformers in power substations (stage 3): AT Suceava, AT2 FAI and AT 1 Dumbrava (design)	-			0	84	0
	1.45	Consolidating the foundation of milestone 61 of 220(400) kV OHL Brazi Vest –Teleajen	2019	50	0	582	0	0
	1.46	Replacing tower 826 of 400 kV OHL Urechesti Domnesti	2019	588	15	473	0	0
	1.47	400/110/20 kV Tulcea Vest substation refurbishment - construction section	2018	180	130			
	1.48	Installing optical fiber and teleprotection system modernisation on 400 kV OHL double circuit Tantareni - Turcent and 400 kV OHL single circuit Urechesti - Rovinari	2018	15	15			
	1.49	Implementing teleprotection system on 220 kV OHL Targu-Jiu Nord - Urechesti and 400 kV OHL Urechesti - Tantareni	2019	790	17	1.237	0	0
	1.50	Installing perimeter lighting in 220/110 kV Sardanesti substation	2018	124	124			
	1.51	Establishing optical fiber communication between Pitesti Sud substation and the Remote Control and Surveillance Center for installations of Pitesti transmission branch	2019	580	34	540	0	0
	1.52	Replacing accumulator battery 2 - 220 V d.c.in 220 V Pitesti Sud substation	2019	260	0	160	136	0
	1.53	Implementing power metering and power quality monitoring systems in 220/110/20 kV Pitesti Sud substation	2019	610	463	4	0	0
	1.54	Implementing power metering and power quality monitoring systems in 220/110 kV Stuparei substation	2019	520	519	8	0	0
	1.55	Upgrading hardware and software platforms of SCADA system in Slatina substation	2018	847	783			
	1.56	Integrating 110 kV bays and 220 kV breakers in Gradiste substation's on-line monitoring system	2018	30	26			
	1.57	Remote control of switching equipment for power supply of Pitesti TB buildings	2018	128	5			
	1.58	Modernisation of OC Brasov headquarters building B	2021	30	0	0	400	441
	1.59	Arranging office spaces in Sibiu TB headquarters	2020	47	0	10	178	0
	1.60	Modernisation of Mures Operation Centre	2021	30	0	40	100	99
	1.61	Replacing AT2 220 / 110 kV in Gheorgheni substation	2020			5.588	500	0
	1.62	Replacing Diesel group 1 and 2 in 400/110 kV Darste substation	2019	464	460	5	0	0
	1.63	Supply of auxiliary services from the tertiary AT2 - 200 MVA, 220/110 kV Pestis substation	2018	2	2			
	1.64	Replacing AT 2 - 200 MVA, 231/121/10,5 kV in 220/110 kV Resita substation	2018	4.550	4.550			
	1.65	Increasing the safety of auxiliary service supply 6 kV in 220/110 kV Pestis substation	2018	237	197			
	1.66	Modernisation of Iaz staff building	2018	363	357			
	1.67	Modernisation of an 110 kV OHL bay Portile de Fier - Gura Vaii in 110 kV Portile de Fier substation and of two 6 kV bays	2016	41	41			
	1.68	System of intervention towers	-	4.377	0			

		INDICATORS	Estimated investment completion date	2018		Value		
				Approved rev. A9	Achieved	2019	2020	2021
0	1	2	3	4	5	6	11	12
I	C)	On-going investments (C.a+C.b), for the assets in the State's private domain, of which:		0	0	0	0	0
	C.a	On-going major investments						
	C.b	Other on-going investments in the transmission branches and Executive						
	2	New investments (D+E+F):		17.463	1.082	5.618	53.409	92.080
	D)	New investments (D.a+D.b), for the economic operator's private property assets, of which:		0	0	0	0	0
	D.a	New major investments						
	D.b	Other new investments in the transmission branches and Executive, of which:						
	E)	New investments (E.a+E.b), for the assets in the State's public domain, of which:		8.206	1.082	4.663	48.704	75.766
	E.a	New major investments, of which :		8.206	1.082	4.663	48.704	75.766
	2.1	220 kV OHL double circuit Ostrovu Mare - Power Transmission Grid	2022	500	0	954	20.245	20.245
	2.2	220 kV Ostrovu Mare substation	2022	4.000	0	95	18.141	18.141
	2.3	400 kV OHL Gadalini - Suceava	2027	2.312	360	2.442	6.382	1.088
	2.4	400 kV OHL Suceava - Balti, for the project section on Romania's territory	-	375	8	41	30	346
	2.5	400 kV OHL double circuit Gutinas - Smardan	2024	745	539	759	216	32.636
	2.6	400 kV OHL double circuit (1ce) Constanta Nord - Medgidia Sud (design included)	2024	274	175	94	190	1
	2.7	Research center and development of live work technologies (LST) and rapid intervention in the National Power System - stage II	2021			277	3.500	1.500
	2.8	Integrated operating platform of the National Power System (design included)	2025			0	0	1.810
	E.b	Other new investments in the transmission branches and Executive, of which:		0	0	0	0	0
	F)	New investments (F.a+F.b), for the assets in the State's private domain, of which:		9.257	0	955	4.705	16.314
	F.a	New major investments		9.257	0	35	4.705	16.314
	2.9	Power Quality Monitoring System, PQMS (SF, PT, CS) (design included)	2021			35	705	5.974
	2.10	Replacing hardware and software components, support of the Balancing Market Platform – II DAMAS (design included)	2022	44	0	0	0	8.000
	2.11	IT system to fight against cyber terrorism (design included)	2021	68	0	0	0	2.340
	2.12	Upgrading Transelectrica's messaging system	2020	4.000	0	0	4.000	0
	2.13	Consolidating servers and data storage network (private cloud) (design included)		5.145	0	0	0	0
	F.b	Other new investments in the transmission branches and Executive, of which:		0	0	920	0	0
	2.14	Consolidating towers of panel 381 - 390 of 400 kV OHL Bradu - Brasov	2019			920	0	0
II	3	Investments made for existing tangible assets (upgrades) (G+H+I):		30.778	6.888	22.653	224.360	221.126
	G)	Upgrades (G.a+G.b), for the private property of the economic operator, of which:		0	0	0	0	0
	G.a	New major upgrades						
	G.b	Other new upgrades in the transmission branches and Executive						
	H)	Upgrade (H.a+H.b), for the assets in the State's public domain, of which:		30.778	6.888	22.653	224.360	221.126
	H.a	New major upgrades, of which :		20.955	3.003	9.813	183.522	205.294
	3.1	400 kV Stalpu substation and 110 kV bays and medium voltage modernisation in Stalpu power substation (designing included)	2023	3.687	147	13	3.554	25.200
	3.2	400 kV OHL double circuit Cernavoda - Stalpu and connection in Gura Ialomitei	2022	6.832	2.423	3.114	88.604	90.300
	3.3	Extension of 400 kV Gura Ialomitei substation by two bays for 400 kV OHL Cernavoda 3 and 400 kV OHL Stalpu	2020	0	0	510	16.540	12
	3.4	Converting 220 kV OHL Brazi Vest - Teleajen - Stalpu to 400 kV, including purchase of AT 400 MVA 400/220/20 kV and extension works for the 400 kV and 220 kV related substations, in 400/220/110 kV Brazi Vest substation	2023, 2024	5.503	54	515	22.453	40.770
	3.5	220/110 kV Filesti substation refurbishment	2022	26	24	282	2.471	4.919
	3.6	220/110/MT kV Baru Mare substation refurbishment	2023	796	58	0	170	100
	3.7	Converting Portile de Fier-Resita-Timisoara-Sacalaz-Arad axis to 400 kV stage II - 400 kV OHL double circuit Resita-Timisoara-Sacalaz (design included)	2023	500	61	100	100	5.100
	3.8	Increasing transmission capacity of 220 kV OHL Stejaru-Gheorgheni-Fantanele (design included)	2022	589	35	301	5.051	5.051
	3.9	Metering and data management system for electricity metering on the wholesale market (design included)	2022	108	108	0	10.000	10.000
	3.10	Replacing AT 3 - ATUS-SF 400/400/160MVA 400/231/22kV, in 400/220 kV Portile de Fier substation	2021	23	9	120	16.101	1
	3.11	Upgrading 220/110 kV Calafat substation (design included)	2024	120	0	120	10	5.000
	3.12	Modernisation of command-control-protection-metering system 220 kV, 110 kV in 220/110/20 kV substation and medium voltage and d.c./a.c. internal services refurbishment in 220/110/20 kV Ghizdaru substation	2021	20	0	196	1.000	8.541
	3.13	Installing AT2 400 MVA, 400/231/22 kV as well as related bays in Iernut substation and upgrading the command-control system of 400/220/110/6 kV Iernut substation	2022	51	49	50	6.000	10.000
	3.14	Upgrading CTSI Craiova by using communication protocol IEC 60870-5-104	-	2.100	0			
	3.15	DET Craiova operational headquarters	2020	78	35	4.400	11.263	0
	3.16	220/110/20 kV Alba Iulia substation refurbishment (design)	-	5		87	0	0
	3.17	220/110/20 kV Fantanele substation modernisation (design)	-	10	0	0	0	100
	3.18	Upgrading control-protection-automatisation system in 400/220/110/20 kV Sibiu Sud substation (design)	-	35	0	0	100	0
	3.19	110 kV Arad substation refurbishment and converting Portile de Fier - Anina - Resita - Timisoara - Sacalaz - Arad axis to 400 kV, 400 kV Arad substation (stage III) (design)	2027	5	0	5	100	100
	3.20	110 kV Sacalaz substation refurbishment and converting Portile de Fier - Anina - Resita - Timisoara - Sacalaz - Arad axis to 400 kV, 400 kV Sacalaz substation, (stage III) (design)	2027	0	0	0	5	100
	3.21	Modernisation of electronic communications network (design)	-	468	0			
	H.b	Other new upgrades in the transmission branches and Executive, of which :		9.823	3.886	12.840	40.838	15.833
	3.22	Restoring the road of Focsani Vest substation in the access area (design included)	2020	91	7	0	75	0
	3.23	Making an emptying basin for domestic water in the transformer substation FAI (design included)	2019	203	22	52	0	0
	3.24	Demolishing the decommissioned warehouses and building a hall with platform, rolling bridge and hydrocarbon separator to store equipment - Suceava substation (design included)	2020	67	41	1	919	5
	3.25	Water installation work in Suceava substation (design included)	2019	252	193	4	0	2
	3.26	Provisional work to the 110 kV OHL in view of "by-passing" the transformer substation FAI to comply with regime conditions when the 110 kV bus-bars are taken out of operation (design)	2020	262	193			

		INDICATORS	Estimated investment completion date	2018		Value		
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0	1	2	3	4	5	6	11	12
II	3.27	Off-grid photovoltaic system, Gutinas substation (<i>design included</i>)	2020	37	33	1	1.183	0
	3.28	Restoring the concreted platforms for access to the administrative offices of OC Bacau in Gutinas substation (<i>design included</i>)	2018	371	198		0	
	3.29	Building the roof framing and remaking the anticorrosion protection for relay cabinet of the 110 kV substation Gutinas (<i>design included</i>)	2018	166	92			0
	3.30	Smart Grid pilot project- Achieving a Smart-grid solution to use and store the renewable energy storage to provide a back-up supply solution for auxiliary services	2021			68	1.000	2.444
	3.31	Pilot project: Measures taken to protect birds found in protected natural areas, as provided in the environmental permits of TB Bucharest (<i>design</i>)	-	25	0	25	0	0
	3.32	Replacing the internal heating & air conditioning installation of the administrative building of TB Bucharest offices (<i>design</i>)	-	32	0	32	0	0
	3.33	Providing optical fibre communications between the 400/110 kV substation Pelicanu and the 110 kV substation Silcotub Calarasi of SC Energy Network SRL (<i>design</i>)	-	46	0	46	0	110
	3.34	Heating installation for the command building of substation Turnu Magurele (<i>design</i>)	-	24	0	24	0	0
	3.35	Increasing the safety of consumers' supply in the north-easterly part of Bucharest City connected in the 220/110/10 kV substation Fundeni (<i>design</i>)	-	38		100	38	0
	3.36	Upgrade with a view to diminish galloping effects to the 400 kV OHL Bucuresti Sud -Gura Ialomitei and the OHL Cernavoda-Gura Ialomitei (circuit 2) (<i>design</i>)	-			1	0	0
	3.37	Upgrading the command control protection system in the 220/110/20 kV substation Targoviste (<i>design</i>)	-			18	30	0
	3.38	Increasing the safety of consumers' supply in the southern part of Bucharest City connected in the 400/220/110/10 kV substation Bucuresti Sud (<i>design</i>)	-			38	100	0
	3.39	Increasing the transmission capacity of a segment from the 400 kV OHL Bucuresti Sud - Pelicanu (8 km) (<i>design</i>)	-			21	36	0
II	3.40	Replacing the 6/0.4 kV auxiliary service transformer and associated bays in the 220/110 kV substation Baia Mare 3	2020	90	0	10	186	0
	3.41	Installing a fire limiting installation with nitrogen injection for the 400 kVA reactor of Oradea Sud	2020	20	19	10	475	0
	3.42	Hydrocarbon separators (oil) for concreted platform, the 250 MVA 400/110 kV transformer 1, the 250 MVA 400/110 kV transformer 2 in the 400/110 kV substation Constanta Nord	2019	111	0	223	0	0
	3.43	Hydrocarbon separators (oil) for concreted platforms in substation Medgidia Sud	2019	383	0	451	0	0
	3.44	Hydrocarbon separators (oil) for concreted platforms in substation Isaccea	2019	128	0	256	0	0
	3.45	Hydrocarbon separators (oil) for concreted platforms in substation Tulcea Vest	2019	94	0	188	0	0
	3.46	Hydrocarbon separators (oil) for concreted platforms in substation Lacu Sarat	2019	115	0	230	0	0
	3.47	Thermal rehabilitation of the Intervention Centre building in Constanta Nord	2019	155	0	355	0	0
	3.48	Thermal rehabilitation of buildings in the transformer substation Constanta Nord	2019	142	0	692	0	0
	3.49	Upgrading the tele-protection & telecommunication system in substation Cernavoda	2019	2.938	1.606	2.375	0	0
	3.50	Building septic tanks in the 220/110 kV substation Barbosi	2019	62	0	54	0	0
	3.51	Thermal rehabilitation of Annex Building of Control Block in substation Isaccea	2019	14	10	153	0	0
	3.52	Optimising the operation of the 400 kV OHL Isaccea -Tulcea Vest, the 400 kV OHL Gura Ialomitei - Lacu Sarat, by installing monitoring systems	2021			526	2.102	92
	3.53	Building septic tanks in the 400/110 kV substation Constanta Nord						
	3.54	Upgrading the 220 kV OHL Cetate - Calafat by replacing the existent protection conductor with a new one type OPGV	2021	1	0	1.000	935	0
	3.55	Upgrading the SCCP of the 400 kV substation Tantareni (<i>design</i>)				100	110	0
	3.56	Replacing the accumulator batteries 1 & 2 in the 400 kV substation Tantareni	2018	366	366			
	3.57	Replacing the accumulator batteries 1, 2, 3 & 4 in substation Portile de Fier	2018	633	633			
	3.58	Reintegration of relocated objectives after refurbishment of substation Bradu in the integrated security system (<i>design</i>)	2018	15	15			
	3.59	Connecting process information of substations Draganesti Olt, Gradiste, Stuparei and Raureni to the optical fibre network	2020	10	0	10	1.104	0
	3.60	Upgrading the hardware and software SCADA platforms of substation Stuparei	2020	4	0	5	534	0
	3.61	Substation Arefu - Upgrading the Intervention building	2019	90	0	65	4	0
	3.62	Connecting the drainage network of the 220/110 kV substation Gradiste to the locality's (<i>design included</i>)	2020	11	9	250	64	0
	3.63	Replacing the 16 MVA transformer of substation Pitesti Sud (<i>design included</i>)	2020	50	30	55	1.540	0
	3.64	Replacing the 200 MVA autotransformer 2 in the 220/110/20 kV substation Gradiste (<i>inclusiv proiectarea</i>)	2020			20	6.480	0
II	3.65	Replacing the 250 MVA, 400/110 kV transformer 4 in the 400/110 kV substation Draganesti Olt (<i>design included</i>)	2020	1	0	22	10.100	0
	3.66	Replacing the 220 V accumulator battery no 2 of d.c. auxiliary services in the 220/110 kV substation Gradiste (<i>design</i>)	-			100	90	0
	3.67	Gathering rainwater passing through the oil separators of the 400/220/110/20 kV substation Bradu (<i>design</i>)	-			25	49	0
	3.68	Gathering rainwater passing through the oil separators of the 220/110/20 kV substation Pitesti Sud (<i>design</i>)	-			23	35	0
	3.69	Increasing the operational safety of the Arges - Valcea network area; building the 400 kV substation Arefu and installing a 400 MVA, 400/220 kV autotransformer (<i>design</i>)	-	1	0	400	179	0
	3.70	Replacing the 220 V dc accumulator battery no 2 in the 220/110 kV substation Stuparei	2018	147	147			
	3.71	Upgrading the building of Sibiu Sud substation (<i>design included</i>)	2021	20	0	0	300	1.609
	3.72	Integrated Security System of the Training Centre Pallinis (<i>design included</i>)	2019	15	15	129	0	0
	3.73	Thermal rehabilitation of the office building of TB Sibiu	2020	100	0	100	705	0
	3.74	Access road in substation Fantanele from the County Road 134 (<i>design included</i>)	2020	41	22	200	1.039	0
	3.75	Replacing the fence and regulating the access to the 400/110 kV substation Brasov (<i>design included</i>)	2021	20	0	50	200	280
	3.76	Fencing the storage concreted platform in substation Fantanele	2019	38	1	39	0	0
	3.77	Replacing the 400 kV breaker related to the shunt reactor bay of the 400/110 kV substation Darste (<i>design included</i>)	2020	20	0	0	540	0
	3.78	Providing safe supply of the 220 V dc auxiliary services of substation Fantanele by replacing accumulator batteries and resizing the capacity of accumulator battery no. 2	2020	9	6	300	406	0
	3.79	Building storage spaces and fences in the 400/220/110/6 kV transformer substation Iernut and the 220/110/20 kV substation Fantanele (<i>design included</i>)	2021	20	0	30	100	180
	3.80	Upgrading the building of substation Sibiu Sud (<i>design</i>)	-			40	0	0

		INDICATORS	Estimated investment completion date	2018		Value		
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0	1	2	3	4	5	6	11	12
I	3.81	Replacing the 400 kV breaker related to the shunt reactor bay in the 400/110 kV substation Darste (design)	-			60	0	0
	3.82	Upgrading the communication & IT network of TB Sibiu (design)	-	15	0	35	0	0
	3.83	Installing the shunt reactor in the 400 kV substation Sibiu Sud (design)	-	1		35	0	0
	3.84	Replacing the 220/110 kV autotransformer 2 in substation Gheorgheni (design included)	-	10	1			
	3.85	Instalting to modern methods to compensate reactive power in the 400/220/110/20 kV substation Sibiu Sud and the 400/220/110/20 kV substation Bradu (design included)	-	5	0	600	268	0
	3.86	Building a communicating path between substation Resita and CTSI headquarter - TB Timisoara	2021	720	2	200	520	0
	3.87	Upgrading the building of DET Timisoara	2020	900	18	600	1.800	0
	3.88	Upgrading the Fratelia storage - TB Timisoara (design)	2020	5	2	400	495	0
	3.89	Arranging the relocation & upgrade space of CTSI to the ground floor of industrial building no.2, TB Timisoara	2020			100	650	0
	3.90	Converting the Portile de Fier - Anina - Resita - Timisoara - Sacalaz - Arad axis to 400 kV; the 400 kV OHL Timisoara - Arad (stage III) (design)	-	20	18	600	130	0
	3.91	Upgrading the building for metering instruments Valiug (design)	-	50	0	65	0	0
	3.92	Upgrading the road access to the 400/220/110 kV substation Resita, located near the DN 58 Caransebes - Resita, km 33+400 stg (design)	-	20		45	0	0
	3.93	The 400 kV tele-protection Arad (Romania) -Sandorfalva (Hungary)	2018	190	187			
	3.94	Transmission system for telecommunications and managerial informatics (design)	-	45	0	45	0	0
	3.95	Replacing the shunt reactor of substation Arad (design)	-	5	0	5	0	0
	3.96	Upgrading the industrial building no. 1, TB Timisoara (design)	-			50	0	0
	3.97	Upgrading the command control protection system in the 220 kV substation Paroseni (design)	-			10	100	100
	3.98	Upgrading the museum point of TB Timisoara (design)	-	5	0			
	3.99	Upgrading the command control protection system in the 220/110 kV substation Pestis	-					10
	3.100	Upgrading the command-control-protection systems and integrating substation Draganesti Olt in the CTSI	2022	12	0	12	1.000	5.000
	3.101	Upgrading the command-control-protection systems and integrating substation Gradiste in CTSI	2022	13	0	1.005	5.000	6.000
	3.102	Implementing physical security measures in the areas where classified information is managed (design included)	2019	332	0	57	218	0
	I) Upgrades (I.a+I.b) for assets in the state's private domain, of which:			0	0	0	0	0
	I.a New major upgrades							
	I.b Other new upgrades in the TB-s and the executive part							
	4	Endowments and other procurements of tangible assets (J+K+L):		27.170	13.493	47.108	55.050	4.349
	J)	Endowments and other procurements of tangible assets (J.a) for assets under private property of the economic operator		0	0	0	0	0
	J.a	Independent equipment						
	K)	Endowments and other procurements of tangible assets (K.a+K.b)for assets in the state's public domain		8.974	4.293	6.180	1.316	849
	K.a Procurements of buildings, lands included, of which:			157	145	40	40	40
	4.1	Procuring land for the towers of the 400 kV OHL Oradea - Bekescsaba		50	48	40	40	40
	4.2	Procuring the buildings of SC Icemenerg SA situated in Craiova, str. Elena Teodorini no. 100		97	97			
	4.3	Procuring land for the 400 kV OHL Oradea - Bekescsaba		5	0			
	4.4	Procuring land for the 400 kV OHL Arad - Nadab		5	0			
	K.b Independent equipment							
	K.c	Drilling work, land mapping, photogrammetry, seismic determinations, consultancy and other investment expenses not found in the other investment categories		8.817	4.148	6.140	1.276	809
	L)	Endowments and other procurements of tangible assets (L.a) for assets in the state's private domain, of which:		18.195	9.200	40.928	53.734	3.500
	L.a Independent equipment, of which:			18.195	9.200	40.928	53.734	3.500
	5	Investment expenses financed from the connection fee		14.044	12.587	1.701	6.215	
	6	Repaying instalments under investment credits, of which:		311.613	313.900	52.421	24.833	23.036
		- internal		238.220	239.003	19.940		
		- external		73.393	74.897	32.481	24.833	23.036
III	Total expenses regarding financial investments, of which:				2.208	25.500	0	0
	7	Adhesion to TSCNET Services GmbH		0	2.208			
	8	Adhesion to JAO's shareholders				1.500		
	9	Increasing the share capital of SMART SA				24.000		

*) Investment categories were distributed according to Law 500/2002 of public finance, art. 46;

When elaborating annex 4 to the 2019 BVC the reference year „n” - 2019 was taken into account. Since investments classification as „in progress” and „new” investments, according to development stage, was changed in PAI 2019 against PAI 2018, total values for expense subcategories are changed accordingly.

DIRECTORATE,

Chairman,
Marius Dănuț
CARAȘOL

Member,
Claudia-Gina
ANASTASE

Member,
Adrian
SAVU

Member,
Andreea Georgiana
FLOREA

Member,
Constantin
SARAGEA

Director, UEFA
Ana Iuliana DINU

Director, DI
Florentina RĂDUCANU

Manager, DSFTM
Florin STANCIU

Manager, DMPIAFE - DI
Silvia DAMIAN

Measures to improve the gross result and reduce outstanding payments

thousand lei

No.	Measures	Deadline	2018		2019		2020		2021	
			Achieved		Influences (+/-)		Influences (+/-)		Influences (+/-)	
			Gross result (+/-)	Unpaid amounts	Gross result	Unpaid amounts	Gross result	Unpaid amounts	Gross result	Unpaid amounts
0	1	2	3	4	5	6	7	8	9	10
Pt. I	Measures to improve the gross result and reduce outstanding payments									
1	Measure 1: Increasing operational revenues on the power market	2019	X	X	50.629				38.475	
2	Measure 2: Increasing revenues from other works	2019			8.170					
3	Measure 3: Increasing exploitation revenues						1.197			
4	Measure 4: Increasing financial revenues								1.636	
5	Measure 5: Increasing revenues from non-profit activities	2019	X	X	0		56.009			
6	Measure 6: Reducing other exploitation expenses	2019	X	X	14.651				1.691	
7	Measure 7: Reducing financial expenses	2019	X	X	9.525		3.883		1.746	
8	Measure 8: Reducing expenses from non-profit activities	2019	X	X	43.342					
9	Measure 9: Reducing stock expenses (consumable materials, materials related to inventory items)	2019	X	X	0		3.884			
10	Measure 10: Reducing maintenance costs related to the power transmission grid, integrated security and surveillance systems for equipments (including data-voice security systems), IT & Tc systems (IT & Tc equipment in power stations, territorial dispatchers, etc.), administrative buildings, PSI equipment	2021							5.626	
11	Measure 11: Reducing expenses related to other third-party services								1.013	
12	Measure 12: Reducing outstanding payments as a result of mutual compensations	2019	X	X		5		0		0
	Pt. I TOTAL		X	X	126.317	5	64.973	0	50.187	0
Pt. II	Causes diminishing the effects of measures referred to in Pt. I									
1	Cause 1: Reduction in other exploitation revenues	2019			-6.697		-25.592		-774	
2	Cause 2: Reduction in incomes from other activities	2020					-6.616		-100	
3	Cause 3: Reduction in financial incomes	2019	X	X	-12.115		-1.583			
4	Cause 4: Reduction in incomes from non-profit activities	2019	X	X	-3.396				-33.631	
5	Cause 5: Increase operational expenses on the power market	2019	X	X	-60.184		-3.381		-1.096	
6	Cause 6: Increase in stock expenses (consumable materials, materials related to inventory items)	2019	X	X	-12.732				-544	
7	Cause 7: Increase in maintenance costs related to the power transmission grid, integrated security and surveillance systems for installations (including data-voice security systems), IT & Tc systems (IT & Tc equipment in power stations, territorial dispatchers, etc.), administrative buildings, PSI equipment	2019	X	X	-18.218		-2.426			
8	Cause 8: Increase in costs related to rent and insurance premiums	2019			-958		-53		-312	
9	Cause 9: Increase in other third-party services (safety and security of installations, studies and research, rating agency expenses, symposium and conference expenses, telecommunication expenses, etc.)	2019	X	X	-28.402		-9.030			

No.	Measures	Deadline	2018		2019		2020		2021	
			Achieved		Influences (+/-)		Influences (+/-)		Influences (+/-)	
			Gross result (+/-)	Unpaid amounts	Gross result	Unpaid amounts	Gross result	Unpaid amounts	Gross result	Unpaid amounts
0	1	2	3	4	5	6	7	8	9	10
10	Cause 10: Increase in personnel expenses (the influence of applying the provisions of GEO 79/2017 on the salary fund, social expenditures, the expenses related to the mandate contract and other management and control bodies, commissions and committees corresponding to the administration of the Company in a two-tier system, being managed by the Supervisory Board and the Directorate. Both management bodies fully meet the selection requirements set out in GEO 109 / 2011).	2019	X	X	-22.346		-4.935		-4.940	
11	Cause 11: Increase in costs related to tax and charges	2019	X	X	-33.910		-1.720		-532	
12	Cause 12: Increase in other exploitation expenses	2020	X	X			-6.019			
	Pt. II TOTAL		X	X	-198.958	0	-61.355	0	-41.929	0
Pt. III	Pt. I + Pt. II GENERAL TOTAL		93.064	79	-72.641	5	3.618	0	8.258	0

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Economic-Financial and Administrative Unit Director,
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