

**04.08.2021****PRESS RELEASE**

As it is well known to the public, SNTGN TRANSGAZ SA has successfully completed the works to the BRUA - phase 1 gas pipeline. The project "Development on the Romanian Territory of the National Gas Transmission System along the Bulgaria-Romania-Hungary-Austria Corridor" (BRUA Project phase 1) consisted in the achievement of the following objectives:

- *Podișor – Recaș pipeline 32 "x 63 bar - 481.92 km long*: LOT 1 achieved from km 0 (in the area of Podișor locality, Giurgiu County) to km 180.62 (in the area of Văleni locality, Zătreni Commune, Vâlcea County ); LOT 2 achieved from km 180.62 (in the area of Văleni locality, Zătreni Commune, Vâlcea County) to km 322.01 (in the area of Pui locality, Hunedoara County); LOT 3 achieved from km 322.01 (in the area of Pui locality, Hunedoara County) to km 481.92 (in the area of Recaș locality, Timiș County).
- *three gas compressor stations (CS Podișor, CS Bibești and CS Jupa)*, each station being equipped with two compressor units (one operating and one redundant), with the possibility to enable bidirectional gas flows.

BRUA phase 1 gas pipeline has its entire transmission capacity booked in Hungary direction, through the interconnection point Csanádpalota (Hungary) and it ensures the transit of the natural gas entering from Bulgaria to Romania, at the interconnection point Kardam (BG) - Negru Vodă1 (RO). The capacity currently transported through BRUA gas pipeline - phase 1, is 4.6 million cm /day, which means an annual volume of 1.68 billion cubic meters, respectively a transmission pipeline load degree of 96%.

With the completion of BRUA phase 1 project, the following objectives were accomplished: the fulfillment of the commitments assumed in front of the European Commission, commitments contemplated in Decision C (2020) 1232 / 06.03.2020, respectively to ensure the maximum available capacity for the network users to export gas from Romania to Hungary and Bulgaria; ensuring a gas capacity of 1.5 billion cm / year to Bulgaria; the development of a transmission capacity of 1.75 billion cm / year to Hungary; ensuring the security of gas supply to Romania by the access to new gas sources; diversification of the sources of natural gas supply to the European countries; transport of the Caspian natural gas reserves to the Central European markets.

We would like to kindly remind you that the project "Development on the Romanian Territory of the National Gas Transmission System along the Bulgaria-Romania-Hungary-Austria Corridor" (BRUA - phase 1 project) was completed on 30 November 2020 and now, after having recently received the tranche under the grant of Euro 179.32 million from the European Climate, Infrastructure and Environment Executive Agency (CINEA) we are able to notify to you of the following:

- the BRUA phase 1 project was closed at a value of Euro 377.4 million (value calculated at the current EURO exchange rate), respectively with savings of 21% (Euro 101.1 million) compared to the tendered value, i.e. Euro 478.5 million; related to the average EURO exchange rate during the project implementation period, the value is Euro 387.8 million, which represents savings of about 19% (Euro 90.7 million);
- The total cost per km of the BRUA gas pipeline phase 1, at the current exchange rate, including the turbo-compressor stations (Podișor, Bibești, Jupa) is Euro 783.2 thousand; related to the average of the project implementation period, the total cost / km is Euro 804.8 thousand;
- The total cost per km of the BRUA phase 1 gas pipeline, without the turbo-compressor stations, at the current exchange rate, is Euro 546.5 thousand; related to the average EURO exchange rate during the project implementation period, the total cost / km is Euro 561.6 thousand.

BRUA Phase 1 is an essential stage in the development of the National Gas Transmission System. With its commissioning, Romania gets connected to the regional transmission corridors and will be able to ensure its supply of natural gas from new sources, which will better meet the demand existing on the domestic market and will lead to a higher level of predictability and energy security for the Romanian consumer. At the same time, BRUA Phase 1 also means an access way to European markets for the potential production of natural gas extracted by our country from the Black Sea.

**COMMUNICATION DEPARTMENT**