



**SOCIETATEA NAȚIONALĂ DE TRANSPORT
GAZE NATURALE "TRANSGAZ" SA MEDIAȘ**
Capital social: 117 738 440,00 LEI
ORC: J32/301/2000; C.I.F.: RO13068733
P-ța C. I. Motaș nr. 1, cod: 551130, Mediaș, Jud. Sibiu
Tel.: 0040 269 803333, 803334; Fax: 0040 269 839029
<http://www.transgaz.ro>; E-mail: cabinet@transgaz.ro



14.07.2017

PRESS RELEASE

On 19 July 2017, TRANSGAZ – Romania will host in Bucharest the reunion of the representatives of the gas transmission system operators of **Greece - DESFA, Bulgaria - BULGARTRANGAZ, Romania - TRANSGAZ, Hungary - FGSZ and ICGB** – the company responsible for the development, construction and operation of the Greece-Bulgaria interconnection, with a view to signing the Memorandum of Understanding on the Vertical Corridor for gas transmission in the North-South direction.

The event in Bucharest is of particular importance in terms of energy cooperation at EU and regional level, being a concrete evidence of the active participation of Romania and of the companies in the field in the dialogues on the European strategic objectives related to energy security. The development and intensification of the cooperation between the signatories of the Memorandum of Understanding on the Vertical Corridor are complementary to the Romanian contribution to the activities of CESEC, in the framework of which the projects advanced by Romania were endorsed as priority projects at European level.

High officials of the Romanian Government and Parliament as well as a delegation from the European Commission's Directorate General for Energy will attend the ceremony together with the management of the MoU's signatory companies. Gas transmission system operators from Serbia – SRBIJAGAS, Ukraine – UKRTRANGAZ, Slovakia – EUSTREAM and the Republic of Moldova – VESTMOLDTRANSGAZ were invited to participate as observers. Companies TRANSGAZ is currently cooperating with, such as EXXON MOBIL, OMV Petrom, SOCAR Romania, BLACK SEA OIL AND GAS, DELOITTE ROMANIA are also invited to join the event.

The Vertical gas transmission Corridor is one of the means to ensure economic development and reinforcement of the North-South corridor, the Memorandum of Understanding being the result of the extensive endeavours carried out in the past years for the most advantageous positioning of the proposed energy projects or of the projects advanced by Romanian companies on the EU list of priority energy objectives so as to benefit from European financial aid.

The Memorandum of Understanding was preceded by the **“Joint Declaration on the development of the „Vertical Corridor” of the Ministries of Energy of Hungary, Romania, Bulgaria and Greece** and by the **“Joint Declaration of the relevant gas transmission system operators”** adopted on the occasion of the reunion on 9 September 2016 of the High level group for the Central and South Eastern Europe Gas Connectivity, declarations mandating the transmission system operators to act in view of implementing such corridor.

The conclusion of the Memorandum of Understanding defines the joint intention of the gas transmission operators of Hungary, Romania, Bulgaria and Greece to strengthen their cooperation in gas transmission from Greece towards the transited countries and beyond – to the EU market – via Bulgaria, Romania towards Hungary, ensuring technical reversible flow capacities.

The achievement of the new cross-border infrastructure will increase energy security in Romania by ensuring access to diversified gas supply sources and routes and by the interconnection with the regional and European energy market.

The construction of this infrastructure will create new opportunities for suppliers of energy equipment and services in Romania and the rest of Europe, generating new jobs for its execution works and operation on the territory of Romania. The new infrastructure is foreseen to be connected to the possible new Black Sea gas sources.

The concept of the Vertical Corridor for gas transmission in the North-South direction was outlined in Bruxelles in December 2014 in the context of the EU's objectives to promote safe energy supplies at competitive prices and to improve the interconnectivity between the national gas transmission systems in order to avoid isolation, to contribute to the diversification of gas supply routes and sources at EU level through the Southern Corridor and to the creation of a unique European market.

Since its launch, CESEC contributed to the rapid development of the infrastructure in the region and to the implementation of EU market regulations safeguarding competitive prices for consumers and the efficient operation of the competitive energy markets. According to the objectives of the Energy Union all the countries in Central and South Eastern Europe will have access in the future to at least three different energy supply sources.

Within the regional CESEC initiative, the Romanian section of the BRUA gas transmission corridor was selected as European priority as it contributes to market integration and it encourages competitiveness and the increase of the security of gas supply at EU level.

TRANSGAZ, the operator of the gas transmission system in Romania signed on 9 September 2016 with the representatives of the European Commission, under the Connecting Europe Facility, the Grant Agreement related to Romanian section of the gas transmission corridor Bulgaria-Romania-Hungary-Austria (BRUA). Based on this agreement, which is one of the most significant achievements within the CESEC regional cooperation, Transgaz received a grant in the amount of EUR 179.32 million for the implementation of BRUA Phase I.

The BRUA project, supported by the Romanian Government and by the European Commission is a strategic project for the country and for the region. The project was developed in the context of the need for diversification of European countries' gas supply sources, the increase of our country's security of gas supply by access to new sources, the transmission towards Central European countries of the Caspian gas reserves, to ensure bi-directional gas transmission capacities of 1.5 bcm/y to Bulgaria and to develop new transmission capacities in of 1.75 bcm/y (Phase I) and 4.4 bcm/y (Phase II) to Hungary.

Romania's geographical location and its potential ensures its crucial role in the regional energy equation both by the use of its own resources and by playing an active role in the redistribution of the transmitted energy resources from the Caspian area, Middle East and Eastern Mediterranean on the European market.

During 27-28 September 2017, Romania will host the reunion of the High level group for the Central and South Eastern Europe Gas Connectivity (CESEC).

SNTGN Transgaz SA is the technical operator of the national gas transmission system and it is responsible for its operation under quality, safety, efficiency and environmental conditions.

DIRECTOR GENERAL

ION STERIAN