



**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
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CURRENT REPORT

according to the provisions of Article 82 of Law 24/2017

Date of report: **22.01.2018**

Name of issuing entity: **SNTGN TRANSGAZ SA MEDIAȘ**

Headquarters: **Mediaș, Piața Constantin I. Motaș, nr.1, jud. Sibiu**

Telephone/fax number: **0269803333/0269839029**

Tax identification code: **RO 13068733**

Trade Register number: **J32/301/2000**

Subscribed and paid-up capital: **117.738.440 RON**

Regulated market on which issued securities are traded: **Bucharest Stock Exchange.**

SNTGN Transgaz SA Mediaș informs all those concerned on the juridical documents concluded with in which the Romanian State exercises direct or indirect control and whose total value represents at least the RON equivalent of EUR 50,000:

Contract data	Contract clauses
Parties to the Contract	Concluded between SNTGN Transgaz SA and S.N.G.N. ROMGAZ S.A
Contract date and type	Contract no. 28T /2017 (for Quarter I 2018)
Contract scope	Quarterly transmission services
Contract value	RON 3,437,910.00 - estimated amount of the legal act VAT included (RON)
Mutual debts	
Penalties and guarantees stipulated	Guarantees: Art. 10. (1) For the purpose of fulfilling their obligations under the contract, either party shall establish a guarantee for the other party in accordance with the Network Code. (2) For fulfilling the obligation under paragraph (1) of this Article, the TSO shall provide the credit rating. The NU is exempted from the obligation to provide the payment guarantee to the TSO conditional on the submission of a credit rating issued by a rating agency agreed by both parties, equivalent with that of Transgaz SA. (3) The payment guarantee in amount of RON 144,450.00 representing 5% of the countervalue of the transmission capacity booked over the entire contract duration, calculated based on the regulated tariffs, shall be a letter of bank guarantee (Annex 4) or shall be established in cash as a guaranteed account (collateral deposit) and shall be valid 60 calendar days from contract expiration. (4) The financial guarantee shall be activated by the parties within 48 hours from the agreement and signature of the transmission contract.

(5) The TSO shall be entitled to make claims against the guarantee under this Article within the limits of the damage incurred, unless the NU fulfills its contract obligations completely or partly or if it delays fulfilling such obligations.

(6) Prior to making any claim against such guarantee, the TSO shall notify the NU on the non-fulfilled obligations.

(7) The TSO shall send the guarantee execution notification by fax within 24 hours from the expiration of the period set at Art.13, paragraph (1), letter a).

(8) If the guarantee is executed partly or completely, the NU shall re-establish the guarantee according to paragraph (3) of this Article, within 5 days from execution.

Penalties:

Art. 13. (1) Failure to meet the invoice payment obligation as stipulated under paragraph (5) of Art. 5 shall incur:

a) delay penalties related to the unpaid amount, equal to the delay interest due for failure to pay the budgetary obligations in due time, for each day of delay, starting with the 16th calendar day from the invoice issuing date until its full payment, the payment date included, or until the execution of the guarantee stipulated by the contract, in case of failure to meet the payment obligation within 15 calendar days from the maturity date;

b) in case of failure to meet the payment obligation, the limitation/interruption of the gas transmission service, with a prior notice of 3 calendar days, starting with the day following the period of 15 calendar days foreseen at letter a).

(2) If the due date or the day following the warranty expiration date is a bank holiday, the terms foreseen at paragraph (1) shall be shifted accordingly.

Art. 14 – (1) If, during the delivery month, NU does not ensure at NTS entry points the gas quality specifications at least at the level established by the Technical Conditions, TSO shall be entitled to request and receive an amount equal to 0,5% of the value of gas, expressed as energy units, delivered at NTS entry and of a quality non-compliant with the Technical Conditions; the gas value, expressed in energy units, shall be calculated by multiplying the gas quantity, expressed in energy units, registered in the report signed at NTS entry and corresponding to the quality non-compliance period, with the unitary fixed amount used to cover the gas purchase costs, expressed in RON/energy units and estimated by CA for the relevant period.

(2) If the amount in paragraph (1) does not cover the entire prejudice incurred, TSO shall be entitled to request and receive damages, additionally, up to full coverage of the prejudice incurred when NU, due to its own fault, does not fulfil the relevant obligations as well as any other obligations established by this Contract.

Art. 15 – If, upon TSO's request, the NU does not voluntarily return/does not use the booked and not used capacity transfer facility, thus the mandatory capacity transfer being applied, NU shall pay 5% of the transferred capacity for the period between the date of mandatory capacity transfer and the date of Contract expiry.

Art. 16 - (1) NU shall be entitled to request and receive:

a) an amount established based on the under-nomination delivery tariff, according to the Network Code, in case of delivery at NTS exit points under the approved nomination/re-nomination.

b) an amount established based on the tariff for not ensuring the booked capacity, according to the Network Code, in case TSO does not keep at NU's disposal the entire transmission capacity booked by the latter.

	<p>c) an amount equal to 0.5% of the value of gas, expressed in energy units, delivered at NTS exit and of a quality non-compliant with the Technical Conditions, calculated by multiplying the gas quantity, expressed in energy units, registered in the report signed at NTS exit and corresponding to the quality non-compliance period, with the unitary fixed amount used to cover the gas purchase costs, expressed in RON/energy units and estimated by CA for the relevant period;</p> <p>(2) If the amount in paragraph (1) does not cover the entire prejudice incurred, NU shall be entitled to request and receive damages, additionally, up to full coverage of the prejudice incurred when TSO, due to its own fault, does not meet its gas transmission services obligation as well as any other obligations established by this Contract.</p>
Payment terms and modalities	<p>Art.5 (1) The network user shall pay to the transmission system operator the value of the transmission services provided, calculated based on the transmission tariffs.</p> <p>(2) The network users shall pay the transmission system operator, as appropriate, the extra amounts according to the Network Code.</p> <p>(3) The tariffs referred to in paragraphs (1) and (2) are set out in Annex 1 to the Contract.</p> <p>(4) Until the 15th day of the month following the month for which the transmission service was provided, the TSO shall send to the NU separate invoices (hereinafter `monthly invoices`) drawn up based on the final allocations, as follows:</p> <p>a) an invoice for the transmission services provided for the previous month, prepared based on the final allocations;</p> <p>b) an invoice for the final daily imbalances, for the previous month, the amount of which was calculated in line with the methodology under Art. 102² and 102⁴ of the Network Code;</p> <p>c) an invoice for the booked capacity exceeding tariff value, calculated in accordance with Art. 99, and/or for the tariff value for failure to ensure the capacity booked, calculated in accordance with the provisions of Art. 101 of the Network Code, if applicable</p> <p>d) an invoice for the amount of the additional capacity, calculated according to Art. 51 of the Network Code, resulting after the nomination by the NU of a gas quantity exceeding the NU capacity booked at a NTS entry/exit point.</p> <p>(5) Invoices issued according to the Network Code shall be paid within 15 calendar days from the date of issuance. If the due date is not a business day, the deadline is set on the next business day.</p> <p>(6) The payment obligation is considered to be fulfilled on the date the total respective amounts enter the account of the transmission system operator.</p>
Parties to the Contract	concluded between S.N.T.G.N. TRANSGAZ S.A. and S.C. ELECTROCENTRALE BUCURESTI S.A.
Contract date and type	Contract No 37L/2017 (for December 2017)
Contract scope	Provision of monthly transmission services
Contract value	RON 7,331,867.58 – Estimated value of juridical act including the VAT (RON)
Mutual debts	-
Penalties and guarantees stipulated	<p>Guarantees:</p> <p>Art. 10.</p> <p>(1) For the purpose of fulfilling their obligations under the contract, either party shall establish a guarantee for the other party in accordance with the Network Code.</p>

(2) For fulfilling the obligation under paragraph (1) of this Article, the TSO shall provide the credit rating.

The NU is exempted from the obligation to provide the payment guarantee to the TSO conditional on the submission of a credit rating issued by a rating agency agreed by both parties, equivalent with that of Transgaz SA.

(3) The payment guarantee in amount of **RON 1,163,102.64** representing **25%** of the countervalue of the transmission capacity booked over the entire contract duration, calculated based on the regulated tariffs, shall be a letter of bank guarantee (Annex 4) or shall be established in cash as a guaranteed account (collateral deposit) and shall be valid 60 calendar days from contract expiration.

(4) The financial guarantee shall be activated by the parties within 48 hours from the agreement and signature of the transmission contract.

(5) The TSO shall be entitled to make claims against the guarantee under this Article within the limits of the damage incurred, unless the NU fulfills its contract obligations completely or partly or if it delays fulfilling such obligations.

(6) Prior to making any claim against such guarantee, the TSO shall notify the NU on the non-fulfilled obligations.

(7) The TSO shall send the guarantee execution notification by fax within 24 hours from the expiration of the period set at Art.13, paragraph (1), letter a).

(8) If the guarantee is executed partly or completely, the NU shall re-establish the guarantee according to paragraph (3) of this Article, within 5 days from execution.

Penalties:

Art.13.

(1) Failure to meet the invoice payment obligation as stipulated under paragraph (5) of Art. 5 shall incur:

a) delay penalties related to the unpaid amount, equal to the delay interest due for failure to pay the budgetary obligations in due time, for each day of delay, starting with the 91st calendar day from the invoice issuing date until its full payment, the payment date included, in case of failure to meet the payment obligation by the maturity date;

b) in case of failure to meet the payment obligation, the limitation/interruption of the gas transmission service, with a prior notice of 3 calendar days, starting with the day following the expiration of the payment deadline.

(2) If the due date or the day following the warranty expiration date is a bank holiday, the terms foreseen at paragraph (1) shall be shifted accordingly.

Art. 14.

(1) If, during the delivery month, NU does not ensure at NTS entry points the gas quality specifications at least at the level established by the Technical Conditions, TSO shall be entitled to request and receive an amount equal to 0.5% of the value of gas, expressed as energy units, delivered at NTS entry and of a quality non-compliant with the Technical Conditions; the gas value, expressed in energy units, shall be calculated by multiplying the gas quantity, expressed in energy units, registered in the report signed at NTS entry and corresponding to the quality non-compliance period, with the unitary fixed amount used to cover the gas purchase costs, expressed in RON/energy units and estimated by CA for the relevant period.

(2) If the amount in paragraph (1) does not cover the entire prejudice incurred, TSO shall be entitled to request and receive damages, additionally, up to full coverage of the prejudice incurred when NU, due to its own fault, does not fulfil

	<p>the relevant obligations as well as any other obligations established by this Contract.</p> <p>Art. 15 – If, upon TSO’s request, the NU does not voluntarily return/does not use the booked and not used capacity transfer facility, thus the mandatory capacity transfer being applied, NU shall pay 5% of the transferred capacity for the period between the date of mandatory capacity transfer and the date of Contract expiry.</p> <p>Art. 16.</p> <p>(1) NU shall be entitled to request and receive:</p> <p>a) an amount established based on the under-nomination delivery tariff, according to the Network Code, in case of delivery at NTS exit points under the approved nomination/re-nomination.</p> <p>b) an amount established based on the tariff for not ensuring the booked capacity, according to the Network Code, in case TSO does not keep at NU’s disposal the entire transmission capacity booked by the latter.</p> <p>c) an amount equal to 0.5% of the value of gas, expressed in energy units, delivered at NTS exit and of a quality non-compliant with the applicable laws, calculated by multiplying the gas quantity, expressed in energy units, registered in the report signed at NTS exit and corresponding to the quality non-compliance period, with the unitary fixed amount used to cover the gas purchase costs, expressed in RON/energy units and estimated by CA for the relevant period;</p> <p>(2) If the amount in paragraph (1) does not cover the entire prejudice incurred, NU shall be entitled to request and receive damages, additionally, up to full coverage of the prejudice incurred when TSO, due to its own fault, does not meet its gas transmission services obligation as well as any other obligations established by this Contract.</p>
<p>Payment terms and modalities</p>	<p>Art.5</p> <p>(1) The network user shall pay to the transmission system operator the value of the transmission services provided, calculated based on the regulated transmission tariffs.</p> <p>(2) The network users shall pay the transmission system operator, as appropriate, the extra amounts according to the Network Code.</p> <p>(3) The tariffs referred to in paragraphs (1) and (2) are set out in Annex 1 to the Contract.</p> <p>(4) Until the 15th day of the month following the month for which the transmission service was provided, the TSO shall send to the NU separate invoices (hereinafter `monthly invoices`) drawn up based on the final allocations, as follows:</p> <p>a) an invoice for the transmission services provided for the previous month, set based on the final allocations;</p> <p>b) an invoice for the final daily imbalances, for the previous month, the amount of which was calculated in line with the methodology under Art. 102² and 102⁴ of the Network Code;</p> <p>c) an invoice for the booked capacity exceeding tariff value, calculated in accordance with Art. 99, and/or for the tariff value for failure to ensure the capacity booked, calculated in accordance with the provisions of Art. 101 of the Network Code, if applicable</p> <p>d) an invoice for the amount of the additional capacity, calculated according to Art. 51 of the Network Code, resulting after the nomination by the NU of a gas quantity exceeding the NU capacity booked at a NTS entry/exit point.</p>

	<p>(5) Invoices issued according to the Network Code shall be paid within 90 calendar days from the date of issuance. If the due date is not a business day, the deadline is set on the next business day.</p> <p>(6) The payment obligation is considered to be fulfilled on the date the total respective amounts enter the account of the transmission system operator.</p>
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**Director – General
Sterian Ion**