

RELEASE

The works to the compressor stations within BRUA Phase I – Podisor, Bibesti, Jupa were ordered to commence

The Director-General of the National Gas Transmission Company Transgaz SA, Ion STERIAN, has signed the order to commence works to the gas compressor stations Podisor, Bibesti and Jupa within the project "Development of the National Gas Transmission System along the Bulgaria-Romania-Hungary-Austria Corridor, Phase 1 (BRUA – Phase 1)".

Each station will be equipped with two compressor units (one active and one redundant) and will have the technical capability to enable bidirectional gas flows.

The contract on the construction of the three gas compressor stations was awarded to a consortium consisting of Romanian companies led by INSPET SA Ploiesti. The value of the contract amounts to Lei 288.7 million, VAT excluded.

The project's strategic relevance had a say in the EU's decision to get engaged in the funding of the FEED for the three compressor stations, by a grant amounting to EURO 1,519,342 which represents 50 % of the estimated eligible costs.

Besides the construction of the three gas compressor stations, BRUA Phase 1 entails the construction of the 479 km-long gas transmission pipeline Podisor-Recas (32"(Dn 800) and 63 bar).

The total estimated costs related to Phase 1 amount to EURO 478.6 mil. The European Union covers Euro 179.3 mil. by means of the second grant representing 40% of the estimated eligible costs.

Upon the completion of phase 1 the following gas flows will be ensured:

- to Hungary, by the interconnection Horia-Csanadpalota, 1.75 bcma (200 thousand cm/h), 40 bar border pressure
- to Bulgaria, by the interconnection Ruse-Giurgiu, 1.5 bcma (171 thousand cm/h), 30 bar border pressure

Estimated completion date: 31.12.2019.

After having signed the works commencement order related to the gas compressor stations, Transgaz' Director-General, Ion STERIAN, stated: "the construction of the BRUA Phase 1 infrastructure will have a massive contribution to the increase in the energy security of Romania and will open up new opportunities for getting energy equipment and service providers involved.

BRUA Phase 1 project will facilitate the creation of new jobs as far as the construction works and the operations on the Romanian territory are concerned. The investment made in the three gas compressor stations provides further proof of the company's capacity to develop ambitious strategic investment projects ensuring the sustainable development of the National Gas Transmission System and its alignment with the EU performance and competitiveness standards."

BRUA Phase 1 is considered to be a regional priority project. It is included in the CESEC (Central East South Europe Gas Connectivity) list to play a significant role in the increase in the security of gas supply and regional interconnectivity.

TRANSGAZ is the technical operator of the Romanian National Gas Transmission System implementing the national strategy for domestic and international gas transmission, gas dispatching as well as research and design, under conditions of efficiency, transparency, safety, non-discriminatory access and competitiveness, in compliance with the applicable Romanian and EU laws and standards on quality, performance, environment and sustainable development.

CORPORATE COMMUNICATION DEPARTMENT