

Order no. 53 of July 30, 2024

for the approval of the Methodology regarding the allocation of the electricity network capacity for the connection of production sites, as well as for the amending and completing certain orders of the President of the National Energy Regulatory Authority regarding the connection of users to the public electricity network

Whereas the provisions of Art. 3 point 18, Art. 25 paragraphs (2²) and (13) and Art. 63 of the Electricity and natural gas Law no. 123/2012, with subsequent amendments and completions, as well as Art. 40 of the Regulation for the electricity supply to final customers approved by the President of the National Energy Regulatory Authority Order no. 5/2023, with subsequent amendments and completions,

Under the authority of Art. 5 paragraph (1) letter c) and Art. 9 paragraph (1) letters h) and q) of the Government Emergency Ordinance no. 33/2007 regarding the organization and functioning of the National Energy Regulatory Authority, approved with amendments and completions by Law no. 160/2012, with subsequent amendments completions,

the President of the National Energy Regulatory Authority issues this order

Art. 1. - The Methodology regarding the allocation of the electricity network capacity for the connection of production sites, as specified in Annex no. 1 to this order, is hereby approved.

(..)

Annex no. 1

Methodology regarding the allocation of the electricity network capacity for the connection of production sites

Chapter I

General provisions

Art. 1 This methodology sets the rules for allocating by auction of the electricity network capacity for:

- a) connecting new power generation sites with installed power of generation installations equal to or greater than 5 MW;
- b) granting a power increase for evacuation in the case of connecting additional power generation installations/storage installations with installed power equal to or greater than 5 MW, at an existing production/consumption and production site;

c) connecting to an existing consumption site additional power generation/storage installations with installed power equal to or greater than 5 MW.

Art. 2 (1) This methodology applies to the relationships between the transmission system operator, the distribution operators and the electricity network users requesting capacity allocation, in order to connect the electricity production sites to the public electricity network.

(2) Throughout this methodology, the phrase "electricity production site" means, as the case may be, "consumption and production site with/without storage installation", respectively "individual storage installation".

(3) The electricity production sites mentioned in paragraph (1) can be with/without storage installation.

Chapter II

Definitions and abbreviations

Art. 3 (1) The terms used in this methodology are defined in the following normative acts:

- a) Electricity and natural gas Law no. 123/2012, with subsequent amendments and completions;
- b) Order no. 59/2013 of the President of the National Energy Regulatory Authority, approving the Regulation regarding the connection of users to public electricity networks, with subsequent amendments and completions;

(2) For the purposes of this methodology, the terms below have the following meaning:

- a) allocation - the process by which a network capacity is assigned to an auction participant in response to an allocation request;
- b) allocation request – the request of an auction participant to allocated a quantity of the available electricity network capacity, expressed in MW, for a certain year within the allocation period, requested by the user for commissioning;
- c) auction – the mechanism by which a network capacity is allocated to auction participants for connection purposes;
- d) additional network development works – works necessary to create the technical conditions necessary for connecting more production/consumption and production sites, other than those provided in the network operators' development plans financed from their own funds and/or non-reimbursable funds;
- e) allocation period – a period of 10 years, starting from the second year after the year in which the auction takes place;
- f) bid price – the highest price that an auction participant is willing to pay for 1 MW of available network capacity;

g) starting auction price - the price calculated as the ratio between the estimated total value of the additional network development works and the total available capacity of the network including the additional network development works for a given year within the allocation period, expressed in MW.

Art. 4. The following abbreviations are used in this methodology:

- a) TSO – transmission system operator
- b) DO - distribution operator
- c) MV – medium voltage
- d) Year N – year in which auctions take place for the allocation period
- e) RET – electricity transmission network
- f) RED – electricity distribution network
- g) ANRE - National Energy Regulatory Authority

Chapter III

The process of the allocating by auction of the electricity network capacity

Section 1

Determining the available capacity of the network and registering the auction participants

Art. 5. (1) The auctions are conducted to allocate the available capacity in the RET and RED at the voltage level of 110 kV and MV, for connecting the electricity production sites, with the installed power of the energy generation installations greater than or equal to 5 MW, for which allocation requests have been submitted.

(2) The auctions are carried out on the network areas established by the TSO in accordance with the provisions of the Procedure for determining the available capacity in the electrical network for the connection of new electricity power generation installations, approved by Order no. 137/2021 of the President of the National Energy Regulatory Authority, with subsequent amendments and completions.

(3) The TSO develops and manages the platform for auctions in order to allocate the available capacity of the electricity network and organizes the activity for the network capacity allocation in accordance with the provisions of this methodology.

(4) The auctions are organized annually, for the allocation period starting from the second year after the auction year.

Art. 6. (1) The available capacity in the RET, excluding additional network development works, is determined for each network area.

(2) The available capacity in the RED, excluding additional network development works, is determined separately for each concession/activity area of the DO, for each network area, at the 110 kV and at MV levels.

(3) The mandatory criteria for calculating the available capacities specified in paragraphs (1) and (2), as well as the rules regarding the publication of available capacities, are provided in the Procedure for determining the available capacity in the electrical network for the connection of new electricity power generation installations, approved by Order no. 137/2021 of the President of the National Energy Regulatory Authority, with subsequent amendments and completions, considering the following:

a) the technical connection permits and the connection contracts concluded, without reinforcement works;

b) the connection contracts for production/consumption and production sites, which provide completed reinforcement works;

c) commissioned sites of consumption and production.

(4) All DOs are required to provide the TSO with data and information related to the RED at 110 kV and MV levels, up to the MV bars of transformation stations, necessary for the TSO to fulfill its responsibility regarding the determination of available capacity in the RED at the 110 kV and MV voltage levels, by the deadlines established in the procedure mentioned in paragraph (3).

Art. 7. By January 15 of Year N, TSO publishes on its website the available capacities of the electrical network, established in accordance with the provisions of Art. 6 paragraphs (1) and (2), starting from Year N+2, for each year of the allocation period and for each of the network areas, established in accordance with the provisions of Art. 5 paragraph (2).

Art. 8. (1) During the period January 16 – February 28 or 29, as applicable, of Year N, the network users submit requests for capacity allocation for a certain year within the allocation period and a specific area where the connection is intended to be realized.

(2) The requests for capacity allocation are addressed to:

a) TSO, for production sites with installed power greater than 50 MW;

b) DOs, for production sites with installed power up to and including 50 MW.

(3) The year required for the capacity allocation corresponds to the year of commissioning of the usage installations at the production site.

Art. 9. (1) The request for capacity allocation contains at least the following documents and information:

a) the identification data of the production site;

b) the user identification data, namely the name and address of the company's headquarters, the legal representative of the company, the person/contact persons, contact data, bank account with the explicit specification of the IBAN code, the bank, the branch;

- c) the commissioning date of the usage installations at the production site;
- d) the total installed power of the installations at the production site;
- e) the requested capacity for allocation for connection purpose;
- f) the network area where the allocation is requested;
- g) the geographical area where the production site will be located, with the indication of the coordinates in stereo format 70;
- h) the ascertaining certificate issued by the trade register no later than 30 days before the date of submission of the request.

(2) By signing of the request provided in paragraph (1), the user is responsible for the correctness of all provided information and confirms that he has acquired and will comply with the provisions of this methodology.

(3) The request for the capacity allocation constitutes a request for registration at the auction and to the auction platform.

(4) The TSO establishes the framework format of the request for capacity allocation and publishes it on its website.

Art. 10. (1) Within 5 working days from the date of submission of the request, the network operators verify the information and documents provided together with the submitted request for capacity allocation.

(2) If it is found that the information and documentation submitted are incomplete according to the requirements specified in Art. 9, the network operator communicates in writing to the applicant, within the deadline provided in paragraph (1), the need for completion, specifying the information that must be completed in and the documents that must be attached, completed or revised, as the case may be, providing all necessary information for this purpose, including the deadline for closing the capacity allocation request according to paragraph (5).

(3) The documentation is considered complete after it has been revised according to the provisions of paragraph (2).

(4) Within 2 working days from the date of registration of the capacity allocation request and the complete documentation, the network operator confirms to the user, by electronic correspondence, the registration for the auction and that the necessary data will be uploaded to the capacity allocation platform.

(5) If the completion of the documentation is not submitted by the user within a maximum of 5 working days from the date of the request for completion according to the provisions of paragraph (2), but no later than the deadline of the period provided in Art. 8 paragraph (1), the request for allocation of capacity is dismissed.

Art. 11. (1) Between March 1 and March 10 of the Year N, the DOs submit to the TSO requests for capacity allocation with complete documentation received from users, in accordance with the provisions of Art. 8 paragraph (2) letter b).

(2) By March 15, the TSO finalizes the list of requests for capacity allocation with complete documentation received from the DOs according to the provisions of paragraph (1), including those submitted by users to TSO, and uploads into the capacity allocation platform the requested capacity for each user, expressed in MW, for each year of the allocation period corresponding to the commissioning year of the production site, for each of the network areas established in accordance with the provisions of Art. 5 paragraph (2).

Art. 12. (1) Between March 16 – June 15 of the Year N, the TSO conducts a global solution study, through which it determines the additional network development works, necessary to ensure the capacity related to the allocation requests provided in Art. 11 paragraph (2), for each of the network areas and for each year of the allocation period.

(2) The global solution study takes into account all power plants for which the technical connection permits have been issued and are still valid, including the general reinforcement works of the network related to them, whether executed or to be executed according to the provisions of the technical connection permits.

(3) In the case of network capacities created through general reinforcement works paid by a user, commissioned, who is entitled to receive compensation in accordance with the provisions of Art. 43 paragraph (3) letter e) from the Regulation regarding the connection of users to public electricity networks approved by the Order no. 59/2013 of the President of the National Energy Regulatory Authority, with subsequent amendments and completions, the available capacity and the corresponding value will be taken into account in the global solution study. The compensations due are paid to the user by the TSO or the DO, as the case may be, from the amounts resulting from the auctions.

(4) For each of the additional network development works mentioned in paragraph (1), the results of the global solution study must evidence the estimated total value, the duration and the year of commissioning for each network area and for each year of the allocation period.

(5) The estimated total value of the additional network development works excludes the economically efficient value of the works, established in accordance with the provisions of the regulations in force, which are supported by TSO and/or by DOs, as the case may be.

(6) By June 15 of Year N, the TSO publishes for each of the network area and for each year of the allocation period:

a) the results of the global solution study, provided for in paragraph (2);

b) the available network capacity established according to Art. 6 paragraphs (1) and (2);

- c) the available network capacity resulting from additional development works, in N and N-1 operational network elements, for each network area;
- d) the capacity requested by users for allocation for connection, both individually and in total;
- e) the estimated total value of the additional development works for each year of the allocation period and for each network area;
- f) the starting price of the auction for each of the auction sessions;
- g) the dates of the auctions sessions correlated with the years of the allocation period, in chronological order.

Section 2

Auction Organization and Submission of Bids

- Art. 13.** (1) Starting from July 1 of Year N, the TSO organizes daily auction sessions on successive working days, one session on each working day, for the allocation of the available network capacity for each year of the allocation period, in chronological order.
- (2) The TSO publishes on its website at least 2 working days before July 1 of the Year N, the list of the auction participants, corresponding to the users' requests for capacity allocation, for each year of the allocation period, in chronological order.
- (3) The auctions take place for each year of the allocation period.
- (4) The starting auction price is determined by dividing the total estimated value of the additional network development works, as established according to the provisions of Art. 12 paragraph (4), expressed in RON (excluding VAT), by the total available capacity of the electrical network which includes the additional development works, expressed in MW.
- (5) The users who have received confirmation from the network operator regarding the registration of their requests for capacity allocation, according to the provisions of Art. 10 paragraph (4), are required to constitute a guarantee of participation in the auction.
- (6) The value of the auction guarantee is calculated by multiplying the capacity requested by a user, expressed in MW, with 1% of the value of the starting auction price, calculated according to paragraph (4) for the corresponding auction session.
- (7) The user provides the proof of the establishment of the auction guarantee and communicates it to the TSO no later than 24 hours before the date of the auction session in which he participates, as established according to Art. 12 paragraph (6) letter g).
- (8) The TSO provides to the user the access data to the auction platform at least 24 hours before the auction day, provided that the user meets the requirement set out in paragraph (7).
- (9) The auction guarantee is returned by the TSO to users whose bids were declared unsuccessful within no more than 2 working days after the end of the auction.

(10) The guarantee for participation in the auction is refunded by the TSO to the user declared the winner within no more than 2 working days from the date of receipt by the TSO the allocation contract signed by the user.

Art. 14. (1) For submitting bids in the auctions organized by the TSO for the allocation of available network capacity, the auction platform developed by the TSO for this purpose must be used.

(2) The user, registered as an auction participant who has received the access data to the auction platform, in accordance with the provisions of Art. 13 paragraph (8), completes the offer electronically and submits it according to the usage instructions of the platform set by the TSO, on the day published as the date of the auction session and within the established time interval.

(3) The submitted offers are subject to an automatic validation process that verifies the compliance with the rules for conducting the auction. The platform automatically generates an electronic message, communicated to the bidder, confirming the validation/invalidation of its bid.

(4) The bid price is the maximum price, expressed in RON (excluding VAT), that the user is willing to pay for the allocation of 1 MW of network capacity, available for connection of the production site. The bid price must be higher than or equal to the starting auction price, calculated according to the provisions of Art. 13 paragraph (4).

(5) The submitted bids are binding for the auction participants.

(6) During the time interval of the auction, the user can change his bid as many times as necessary or can give up the participating in the auction by retracting his bid.

(7) After the end of the time interval of the auction, each auction participant is informed through the auction platform regarding the validation or invalidation of the bid.

Section 3

Allocation of the available network capacity

Art. 15. (1) In each auction session, after the closing of the auction, the accepted bids are ranked in descending order based on the bid prices, which must be greater than or equal to the starting price. The best bid is the one with the highest bid price.

(2) In the case of two or more bids with the same bid price, they are ranked based on the timestamp, the earlier bid being taken into account the first.

Art. 16. (1) If in any year of an allocation period the sum of the capacities related to the allocation requests is less than or equal to the capacity available for connection, established according to the provisions of Art. 7, then all requests for capacity allocation are accepted.

(2) In the case provided in paragraph (1), the auction session for the allocation of the available capacity no longer take place.

(3) The unallocated available capacity for connection is taken into account for the allocation for the following year.

Art. 17. (1) If the sum of the capacities related to the allocation requests is greater than the available capacity for connection in the year for which the allocation is requested and which does not include the capacity from additional development works, but less than the capacity available for connection in the year for which the allocation is requested and which includes the capacity from additional development works, the auction is held and all the offers are accepted, integral in terms of auctioned capacity.

(2) For the bids declared as winning, the users pay the starting price of the auction.

(3) The unallocated available capacity for connection is taken into account for the allocation in the following year, at the starting price of the auction for the current year.

(4) The starting price of the auction for the following year is recalculated, taking into account the value of the unallocated capacity in the current year.

Art. 18. (1) If the sum of capacities related to the allocation requests is greater than the available capacity for connection in the year for which the allocation is requested, including capacity from additional development works, the auction is held and all the bids are accepted, integral in terms of auctioned capacity, until the completion of the available capacity for connection, taking into account the provisions of Art. 15.

(2) For each winning bid, the user pays the bid price.

(3) The first rejected bid is the one with the highest price among the non-winning bids. In this case, if there is available capacity, the bidder may choose:

a) to secure the necessary capacity for connection, with commissioning in the year following the one initially opted for, by concluding the allocation contract and paying the bid price;

b) not to secure the necessary capacity for connection according to the provisions of letter a) and to participate in the auction session for the allocation of available capacity in the year following the one initially opted for;

c) to withdraw from the capacity allocation.

(4) In the cases provided in paragraph (3), the unoccupied available capacity for connection is taken considered for allocation in the following year of the allocation period.

(5) By exception from the provisions of paragraph (4), the available capacity for connection that remains unallocated is not considered for allocation in the following year of the allocation period if the user whose bid is rejected opts for securing the necessary capacity for connection with the phased commissioning of the utilization installation, in the year for which the current auction is held and in the following year, by concluding the allocation contract and paying the bid price.

(6) The users have the possibility, within a maximum of 2 hours from the end of the current auction session, to express their option directly on the auction platform, in accordance with the provisions of paragraph (3) or (5), as applicable.

(7) The starting price of the auction for the following year is recalculated, taking into account the amount of capacity not allocated in the current year.

Art. 19. (1) If the sum of the capacities corresponding to the allocation requests exceeds the available capacity for connection in the year for which the allocation is requested, which does not include the capacity resulting from additional development works, the auction is carried out taking into account the value of the additional development works from the first year of the allocation period following the one corresponding to the current auction, in which these are planned.

(2) To establish the starting price of the auction, there are taken into account the value of the additional development works which that will be completed in the first year following the year corresponding to the current auction session and the available capacities starting from the year of the current auction up to and including the first year in which additional development works are planned.

(3) In the situation provided in paragraph (1), the auction is conducted and all bids are accepted, integral from the point of view of the auctioned capacity, until the capacities available for connection in the year of the current auction are completed, taking into account the provisions of art. 15.

(4) For each winning bid, the user pays the bid price.

(5) The first bid that was rejected is the one with the highest price among the non-winning bids. In this case, if there is available capacity, the bidder may choose one of the options provided in art. 18 paragraph (3) or paragraph (5), as applicable.

(6) The users have the option to express their choice, directly on the auction platform, within no more than 2 hours after the end of the current auction session, in accordance with the provisions of paragraph (5).

(7) The starting price of the auction for the session/sessions corresponding to the auction/auctions from the year/years subsequent to the year of the current auction session, up to and including the year in which the additional development works provided in paragraph (1) are planned, is determined by dividing the remaining value of additional development work after the allocation of available capacity in the previous year/years of the auction to the available capacity for allocation in the respective year/years.

(8) The starting price of the auction for the following year is recalculated and takes into account the value of the unallocated capacity in the current year.

Art. 20. The TSO publishes on its website the results of the auction for the allocation of the available capacities for connection, for each auction session corresponding to each year of the allocation period, within a maximum of three hours after the end of the auction and the users' communication of options, according to the provisions of Art. 18 paragraphs (3) and (5) and of Art. 19 paragraph (5).

Section 4

Concluding of the contracts for the available capacity allocation and settlement

Art. 21. (1) Within a maximum of 5 working days from the date of the auction, the TSO prepares the contracts for the available capacity allocation and sends them, signed to:

a) DO, for situations where the production site is connected to the network belonging to the DO;

b) the user, for situations where the production site is connected to the network belonging to TSO.

(2) In the situation provided for in paragraph (1) letter a), the DO signs the received contracts and, within 5 working days of receipt, sends them to the users who are parties to the contract.

(3) The user submits to the TSO and, in the case provided in paragraph (1) letter a) to the DO, a signed and dated copy of the contract for the allocation of available capacity, within a maximum of 5 working days from the date of its receipt.

(4) The contract for the allocation of available capacity is considered concluded on the date it is signed by the user, as mentioned in the contract.

(5) The lack of submission by the users the signed allocation contracts, accompanied by the proof of the establishment of the financial guarantee for the payment of the allocated capacities according to provisions of art. 22 paragraph (6), by the deadline provided for in paragraph (3), entails the execution of the guarantee of participation in the auction and the loss of the allocated capacities.

Art. 22. (1) The contract for the allocation of available capacity includes at least the mandatory clauses provided in the Annex, which is an integral part of this methodology.

(2) The contract for the allocation of available capacity stipulates the capacity allocated to the user and the amount to be paid for that capacity, established by multiplying the allocated capacity by the bid price.

(3) The users in the situation provided for in Art. 17 conclude the capacity allocation contracts with the bid price equal to the starting price of the auction.

(4) The deadline for full payment of the amounts provided for in paragraph (2) is a maximum of 4 months from the date of conclusion of the allocation contract.

(5) The amounts provided for in paragraph (2) are paid in installments. The first installment represents at least 20% of the value of the allocated capacity and it is paid within a maximum of 30 days from the date of concluding the contract.

(6) The user is obliged to constitute a financial guarantee for the payment of the capacity allocated through the auction, equal to 1% of the contract value. The guarantee is constituted prior to the conclusion of the capacity allocation contract and it is submitted to the TSO by the user within the term provided for in Art. 21 paragraph (3).

(7) If the user fails to prove the payment of the amounts for the capacity allocated through the auction, by the deadlines stipulated in the contract, in accordance with the provisions of paragraphs (4) and (5), they lose the allocated capacity and the financial guarantee provided for in paragraph (6).

(8) The TSO collects from the users the amounts for the allocated capacity and transfers them to the network operators responsible for carrying out the corresponding additional development works, after

the retaining and deducting the share to cover the TSO's costs for carrying out the global solution study.

Art. 23. The users in the situation provided for in Art. 16 conclude allocation contracts with the bid price of zero.

Capitolul IV

Transitional and Final Provisions

Art. 24. (1) The network operators have the obligation to carry out the additional development works necessary for connecting users, for which the amounts provided for in Art. 22 paragraph (2) are collected, respecting the commissioning deadlines for each year of the allocation period, as established and published for each auction session.

(2) The amounts collected from the users according to the capacity allocation contracts are used by the network operators exclusively for carrying out development works on the electrical network aimed at increasing the capacity necessary to connect new electricity production capacities, except for the amount intended to cover the costs of the global solution study conducted by the TSO.

(3) The value of the global solution study is allocated pro rata with the capacity allocated through the auction to each participant from the total capacity allocated in a year during the allocation period. The resulting value is added to the allocation contract value.

(4) The unspent amounts for the additional development works are allocated between the network operators according to the provisions of a procedure, developed jointly by the TSO and DOs within 3 months from the date of approval of this methodology and will be used by the TSO and DOs exclusively for carrying out the development works of the electrical network to connect users.

Art. 25. (1) The works in the electrical networks upstream of the connection point of the production site, from the category provided for in art. 42 paragraph (1) letter a) from the regulation stipulated in art. 3 paragraph (1) letter b), are not the subject of this methodology and are established through the technical connection permit issued by the network operator for the respective production site.

(2) The costs related to the works provided for in paragraph (1) are supported exclusively by the user, in accordance with the provisions of the regulation provided for in art. 3 paragraph (1) letter b).

Art. 26. By July 1, 2025, the TSO is obliged to develop and publish on its website a procedure for implementing the provisions of this methodology, as well as a user guide for the auction platform in order to allocate the available capacity of the electrical network.

Mandatory clauses in the available capacity allocation contracts

Chapter I. Contracting Parties

A. The National Electricity Transmission Company – Transelectrica S.A., headquartered in, county/district, str. no., phone no., fax no., email, registered with the trade registry under no., fiscal identification code no., account no. opened at the Bank, represented by, holding the position of, as the transmission and system operator, hereinafter referred to as TSO

B. The Company, headquartered in, county/district, str. no., phone no., fax no., email, registered with the trade registry under no., fiscal identification code no., account no. opened at the Bank, represented by, holding the position of, as the distribution operator, hereinafter referred to as DO

and

C. The Company, headquartered in, county/district, address, phone no., fax no., email, registered with the trade registry under no., fiscal identification code no., account no. opened at the Bank, represented by, holding the position of, as the winner of the capacity allocation auction dated, necessary for connection to the public electricity network, hereinafter referred to as the user.

Chapter II. Object of the Contract

Art. 1. The object of the contract is the allocation of available capacity of MW, won by the user at the auction session organized by TSO on, necessary for the connection of the production/consumption and production site with power generation installations having an installed capacity ofMW, located in the network area, at the voltage level ofkV, belonging to the network operator.....

Art. 2. The auctioned price is lei/MW (excluding VAT).

Art. 3. The value of this contract is lei (excluding VAT).

Art. 4.

(1) The additional works for the development of the network necessary to ensure the allocated capacity provided in Art. 1 are:

(2) The network operator/operators responsible for carrying out the additional development works of the electrical network provided in Paragraph (1) is/are:

a).....

b).....

(3) The deadline for commissioning the additional development works of the network provided in Paragraph (1) is:

Chapter III. Duration of the Contract

Art. 5. (1) The contract enters into force on the date of signing by the parties and remains effective until the commissioning date of the additional development works of the network provided in Art. 4 Paragraph (1), necessary to ensure the allocated capacity provided in Art. 1, or until the final commissioning date of the production/consumption and production site, whichever is later.

(2) The deadline for the final commissioning of the production/consumption and production site is

Chapter IV. Rights and Obligations of the Parties

Section 1. Rights and Obligations of the TSO

Art. 6. The TSO has, mainly, the following rights:

a) to collect from the user, integral, the amount representing the value provided in Art. 3, under the conditions stipulated in Art. 13;

b) to notify the user regarding the loss of the won capacity and the automatic termination of the contract in case of non-compliance with the conditions stipulated in Art. 13 and if the deadline provided in Art. 5 paragraph (2) is exceeded by more than 5 years;

c) to execute the financial guarantee established by the user.

Art. 7. The TSO has, mainly, the following obligations:

a) to perform, as applicable, the additional development works of the electrical network provided in Art. 4 paragraph (1);

b) to meet the deadline for commissioning the additional development works of the electrical network provided in Art. 4 paragraph (3);

c) to pay the user who has paid the costs of the additional development works of the electrical network, in case the deadline provided in Art. 4 paragraph (3) is exceeded, penalties amounting to 0.01% per day of delay applied to the total amount paid by the user for the allocated capacity, until the

commissioning of the additional development works of the electrical network provided in Art. 4 paragraph (1) and ensuring the necessary capacity allocated by auction;

d) to pay the DO the corresponding amounts for carrying out the additional development works of the electrical network, within a maximum of 5 working days from the date of receipt of these amounts from the user;

e) to release the financial guarantee established by the user for the payment of the allocated capacity, within 2 working days from the date of receipt of the full value of this contract from the user.

Section 2. Rights and Obligations of the DO

Art. 8. The DO has, mainly, the rights to collect from the TSO the corresponding amounts for carrying out the additional development works of the electrical network.

Art. 9. The DO has, mainly, the following obligations:

a) to perform, as applicable, the additional development works of the electrical network provided in Art. 4 paragraph (1);

b) to meet the deadline for commissioning the additional development works of the electrical network provided in Art. 4 paragraph (3);

c) to pay the user who has paid the costs of the additional development works of the electrical network, in case the deadline provided in Art. 4 paragraph (3) is exceeded, penalties amounting to 0.01% per day of delay applied to the total amount paid by the user for the allocated capacity, until the commissioning of the additional development works of the electrical network provided in Art. 4 paragraph (1) and ensuring the necessary capacity allocated by auction.

Section 3. Rights and Obligations of the User

Art. 10. The user has, mainly, the right to benefit from the additional development works of the electrical network provided in Art. 4 paragraph (1) by the deadline provided in Art. 4 paragraph (3).

Art. 11. The user has, mainly, the following obligations:

a) to pay the TSO in full the amount representing the value provided in Art. 3 paragraph (1), under the conditions stipulated in Art. 13;

b) to meet the deadline for the final commissioning of the user installation at the production/consumption and production site provided in Art. 5 paragraph (2);

c) to provide proof of the establishment of the financial guarantee for the payment of the capacity allocated at the auction;

d) to pay the TSO and/or DO, as applicable, penalties amounting to 0.01% per day of delay applied to the value of this contract, in case the deadline provided in Art. 5 paragraph (2) is exceeded, until the final commissioning of the production/consumption and production site, with condition that the

additional development works of the electrical grid provided in Art. 4 paragraph (1) have been commissioned by the deadline provided in Art. 4 paragraph (3).

Chapter V. Terms and Payment Methods

Art. 12. The user pays the TSO the amount specified in Art. 3 paragraph (1) in at least 2 installments, according to the payment schedule provided in the annex to this contract.

Art. 13. (1) The first installment is at least 20% of the amount specified in Art. 3 paragraph (1) and must be paid by the user within a maximum of 30 days from the date of signing the contract.

(2) The payment of the final installment by the user must not exceed 4 months from the date of signing the contract.

Art. 14. The TSO transfers to DO the amounts paid by the user in accordance with Art. 13, within a maximum of 5 working days from the date of receipt.

Art. 15. In case the deadline provided in Art. 4 paragraph (3) is exceeded, the TSO and/or the DO, as applicable, pays the user penalties amounting to 0.01% per day of delay applied to the total amount paid by the user according to Art. 13, until the commissioning of the additional development works of the electrical network provided in Art. 4 paragraph (1) and ensuring the necessary capacity allocated by auction, with condition that the production/consumption and production site meets the conditions for commissioning by the date specified in Art. 5 paragraph (2). The penalties are applied starting from the first day of the year following the one specified in Art. 4 paragraph (3).

Art. 16. (1) In case the deadline provided in Art. 5 paragraph (2) is exceeded, the user pays the TSO and/or the DO, as applicable, penalties amounting to 0.01% per day of delay applied to the value of this contract, until the final commissioning of the production/consumption and production site, with condition that the additional development works of the electrical network specified in Art. 4 paragraph (1) have been commissioned by the deadline provided in Art. 4 paragraph (3). The penalties are applied starting from the first day of the year following the one specified in Art. 5 paragraph (2).

(2) In case the deadline provided in Art. 5 paragraph (2) is exceeded, the user to whom capacity has been allocated without the allocation being conditional on the completion of additional development works of the electrical network, has the obligation to pay the TSO and/or the DO, as applicable, penalties amounting to 0.01% per day of delay applied to a value calculated by the TSO by multiplying the allocated capacity specified in Art. 1 by the average value of one MW allocated during the allocation period. The penalties are applied starting from the first day of the year following the one specified in Art. 5 paragraph (2).

(3) The average value of one MW allocated during the allocation period specified in paragraph (2) is determined by the TSO by dividing the value of all additional development works considered in all auction sessions during the allocation period to the total capacity allocated during the allocation period.

(4) If the user exceeds the deadline provided in Art. 5 paragraph (2) by more than 5 years, the contract is automatically terminated, the user loses the allocated capacity, and any amounts already paid under the contract will not be refunded.

Art. 17. (1) All payments are done through bank transfer.

(2) The parties may agree on other legitimate and valid payment methods, in accordance with the contractual provisions.

Chapter VI. Termination of the Contract

Art. 18. (1) The contract terminates in the following cases:

a) upon the expiration of the contract duration established according to Art. 5 paragraph (1);

b) by automatic termination, in case of the user's non-compliance with the obligation specified in Art. 11 letter a) and under the conditions of Art. 16 paragraph (4);

c) in the event of force majeure or fortuitous event lasting more than 60 days, in accordance with the law, by mutual agreement;

d) at the request of the user.

(2) In the case specified in paragraph (1) letter d), the financial guarantee provided by the user will be enforced, and any amounts already paid under the contract will not be refunded.

Chapter VII. Assignment

Art. 19. (1) The parties have the right to assign this contract in whole or in part, and may transfer, through total or partial assignment, the rights and obligations assumed under the contract.

(2) The assignment is carried out with the agreement of the parties.

Chapter VIII. Force Majeure and Fortuitous Event

Art. 20. (1) In situations of force majeure or fortuitous events, according to Art. 1.351 paragraphs (2) and (3) of the Civil Code, the parties are exempt from liability for non-fulfillment of the obligations assumed under this contract for the entire period during which such conditions prevail.

(2) If the force majeure/fortuitous event lasts for more than 60 days, each party will have the right to request the termination of the Contract from the other party, in accordance with the law.

Chapter IX. Other Clauses

Art. 21. (1) The language governing the contract is Romanian.

(2) The contract will be interpreted in accordance with the laws of Romania.

Art. 22. (1) Any communication/notification between the parties regarding the fulfillment of this contract is considered validly fulfilled if it is transmitted to the other party in writing, to the

correspondence address, fax number, or email address specified in this contract, provided that a confirmation of receipt exists.

(2) If the communication/notification is transmitted by email or fax, it is considered received by the recipient on the first working day following the day it was sent.

(3) The verbal communications/notifications will not be considered by either party if they are not recorded through one of the methods specified above.

Art. 23. (1) The user is obliged to notify the TSO and DO, as applicable, of any changes occurring during the performance of the contract, regarding:

- a) persons authorized to represent the user;
- b) the name of the user;
- c) the registered office of the user and any significant changes regarding its operation, including those relating to the initiation of insolvency proceedings.

(2) The notification period is a maximum of 3 working days from the date the change occurred.

Art. 24. (1) The contract may be supplemented with specific provisions according to the parties' agreement, provided that these do not contradict the mandatory provisions and applicable regulations.

(2) When processing personal data in connection with this contract, each party agrees to comply with the applicable personal data protection legislation.

Art. 25. All modifications to the contract shall be made only through an additional act, signed by the parties.

Art. 26. The user expressly declares that they have acknowledged and assume all contractual clauses.

Art. 27. For non-fulfillment, in whole or in part, of the obligations specified in this contract, the parties are liable according to the legal provisions in force.

This contract was executed today,*), in 3 (three) original copies, of which one is for the user, one is for the TSO, and one is for the DO.

Legal representative of the TSO	Legal representative of the user	Legal representative of the DO
.....
Date of signing:	Date of signing:	Date of signing:

*) The contract date is the latest of the dates of signing by the legal representatives of the parties.