

Rețele Electrice companies attract new European funding, of over 300 million lei, for investments in medium and low voltage networks in Giurgiu and Caraș Severin counties

Bucharest, September 27, 2024 - The Ministry of Energy and the companies Rețele Electrice Muntenia and Rețele Electrice Banat (part of the PPC group in Romania) have signed two new non-reimbursable financing contracts through the Modernization Fund, for projects aimed at electricity distribution infrastructure in Giurgiu and Caraș Severin counties.

The two investment projects that will be carried out by the electricity distribution companies have a total value of 331 million lei (excluding VAT), of which the amount covered by the Modernization Fund will be over 244 million lei (excluding VAT).

Rețele Electrice Muntenia will implement a project in the villages **of Călugăreni, Crucea de Piatră and Moșteni-Brăniștari in Giurgiu County**, where 115 transformer substations will be modernized; of these, 78 will be new substations. The medium voltage network will be replaced over a length of 96 km, respectively 49 km for the low voltage network and almost 1,700 connections will be replaced. The total value of the Giurgiu project is over 127 million lei, excluding VAT, and its maximum value that is provided from the Modernization Fund amounts to 97.1 million lei.

In the town **of Bocșa in Caraș Severin County**, with a population of approximately 17,000 inhabitants, **Rețele Electrice Banat** will partially modernize the medium and low voltage networks by replacing cables and conductors over distances of almost 38 km for medium voltage networks, respectively 81 km for low voltage networks. The medium voltage network will be partially underground. Also, 47 transformer substations will be modernized, some of which will be passed from the poles (overhead) to concrete envelope substations. The network elements will be transferred to a remote control system and over 7,300 connections will be restored. The total value of the project amounts to 204 million lei, excluding VAT, of which the maximum insured value from the Modernization Fund is 146 million lei.

The validity term of the contracts is the end of the period of monitoring the sustainability of the projects, i.e. 5 years from the date of commissioning of the investments.

Mihai Pește, general manager of Rețele Electrice: *"We have secured new projects in Giurgiu and Caraș Severin counties as part of our strategy to modernize the electricity grids, which will thus become more resilient, and consumers in these communities will benefit from electricity supply services at modern standards."*

So far, the total value of the projects from non-reimbursable funds signed through the Modernization Fund by the three Rețele Electrice companies (including those referred to above) amounts to over 1.4 billion lei excluding VAT, of which the value of the grants is over 1.1 billion lei, excluding VAT.

The Rețele Electrice companies operate networks with a total length of over 133,000 kilometers in three important areas of the country: Muntenia Sud (including Bucharest), Banat and Dobrogea, covering a third of the local distribution market, and are developing an investment program to improve the quality of services, the safety and performance of the networks and the local implementation of the environmental standards of the PPC group. The electrical networks operated by the three Electric Networks companies number 287 transformer stations and over 24,000 transformer substations.