



CFR NETWORK STATEMENT - 2020

ANNEX 23.f **METHODOLOGY OF CALCULATING THE RATE FOR THE SERVICE
"ELECTRIC POWER FOR TRACTION"**

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COMPANIA NATIONALA DE CAI FERATE CFR SA

The delivery price is determined by the provider according to Annex no. 5 – "Determination of the delivery price and electric energy counter value" to the „Standard model of the Contract on supplying traction electric power”- Annex no. 19 of the CFR Network Statement The methodology of calculating the rate for the service "electric power for traction" provided in Annex no. II of Law no. 202/2016, is:

No.	Component of the rate		Modality of calculating	Unit of measurement	Component elements
1.	Delivery price for the electricity	P_L	$P_L = P_A + P_E + P_P + P_R + P_F$	Lei/MWh	
a)	Electric energy purchase price	P_A	$P_A = \sum F_i / \sum C_i$	Lei/MWh	the counter value of the quantities of electric energy purchased on the regulated markets (PCCB-LE, PZU, Pi, PND) related to the total quantity.
b)	Price for energy balancing	P_E	$P_E = E / \sum C_i$	Lei/MWh	the costs discounted with the part responsible for balancing related to the consumption of active electric energy of the railway traction network.
c)	Price for energy markets	P_P	$P_P = P / \sum C_{1-8}$	Lei/MWh	-costs for carrying out the activity on the markets (PCCB-LE, PZU, PCV, etc.); -costs for energy transactions and green certificates; -costs for obtaining railway traffic data; -the amount of these costs is related to the consumption of active electric energy of the railway traction network
d)	Price of the reactive energy	P_R	$P_R = \sum R_{1-8} / \sum C_{1-8}$	Lei/MWh	the counter value of the reactive electric energy invoiced by the concessionaire distributors in relation to the consumption of active electric energy of the railway traction network.
e)	Price supply activity	P_F	$P_F = C_F + C_{PR}$	Lei/MWh	C_F – the estimated counter value of the expenses with the employees involved in the activity of electricity supply to which are added the direct material costs, the operating and overhead expenses for these employees. This is related to the estimated energy consumption of the railway traction network. C_{PR} – estimated counter value of the profit of the supply activity related to the estimated electricity consumption of the railway traction network. The amount ($C_F + C_{PR}$) is negotiated with the railway transport operators and is constantly applied for the calendar year. The negotiated value for 2020 is 22.60 lei / MWh.

No.	Component of the rate		Modality of calculating	Unit of measurement	Component elements
2.	Counter value of regulated components			Lei	
a)	Tariff for introducing the energy into the transport network	V_G	$C_j * T_G$	Lei	C_j – the amount of electricity billed to the consumer in the month of consumption; T_G – tariff for introducing the energy into the transport network.
b)	Tariff for the electricity distribution	V_D	$C_j * T_{medD}$	Lei	T_{medD} – average distribution tariff to the railway traction network
c)	Tariff for transportenergy extraction	V_T	$C_j * T_{medT}$	Lei	T_{medT} – average transport tariff to the railway traction network
d)	Tariff for national system services	V_S	$C_j * T_S$	Lei	T_S – regulated tariff for national system services
e)	Contribution to high efficiency cogeneration	V_C	$C_j * T_C$	Lei	T_C – regulated tariff for contribution to high efficiency cogeneration.
f)	Green certificates	V_V	$C_j * K_{CV} * P_{CV}$	Lei	K_{CV} – mandatory estimated share of green certificates for the month of consumption; P_{CV} – purchase price for the certificates set according to regulations.
g)	Electricity excise	V_A	$C_j * K_a$	Lei	K_a – Electricity excise used for commercial purposes regulated by the Fiscal Code.

NOTE - According to the legislation in force, the regulated tariffs are mentioned separately on the invoice.