



NUCLEARELECTRICA

Current report in accordance with ASF Regulation no. 5/2018 regarding issuers of financial instruments and market operations

Report date: 27.10.2022

Name of the issuing entity: Societatea Nationala NUCLEARELECTRICA S.A.

Registered office: 65, Polona street, District 1, Bucharest

Phone/fax number: 021-203.82.00 / 021 – 316.94.00

Sole Registration Code with the Trade Register Office: 10874881

Order number: J40/7403/1998

Subscribed and paid share capital: RON 3.016.438.940

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

**To: Bucharest Stock Exchange
Financial Supervisory Authority**

Important event to be reported: U.S. Trade and Development Agency (USTDA) has awarded a grant of 14 million \$ to RoPower Nuclear SA (RoPower), the project company for the development of the small modular reactors recently established by Nuclearelectrica and Nova Power & Gas

SN Nuclearelectrica SA announces that on October 27th, 2022, U.S. Trade and Development Agency (USTDA) has awarded a grant of 14 million \$ to RoPower Nuclear SA (RoPower), the project company for the development of the small modular reactors recently established by Nuclearelectrica and Nova Power & Gas. The grant will be used for the front-end engineering and design (FEED) study to advance the development project of Romania's first SMR nuclear power plant.

The preliminary study will include key project development elements such as a layout and plot plan for the site, a budget estimate, and an environmental impact analysis execution plan. The FEED study builds on a recently completed 1.2 million \$ USTDA study that identified suitable sites, technology options, and a licensing roadmap for the SMR project. The FEED study will incorporate the recommendations of the IAEA SEED mission requested by Nuclearelectrica in august 2022.

“We are following through on a commitment that President Biden made during the launch of the Partnership for Global Infrastructure and Investment in June, when he announced U.S. government support for this important small modular reactor project in Romania,” said Enoch T. Ebong, USTDA’s Director. “Multiple U.S. government agencies and the U.S. private sector are working in partnership with Romania to achieve its energy security and climate objectives. Together, we are advancing

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Paid and subscribed capital: 3.016.438.940 lei.

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ambitious and consequential projects that are shaping a cleaner and more secure energy future for Eastern Europe and the world”.

“Through this new grant offered by USTDA, we are proud Romania is recognized as a trustworthy and experienced partner in deploying the first SMR in Europe,” said Cosmin Ghita, CEO of Nuclearelectrica. *“We come with 26 years of experience in safe nuclear operations and more than 50 years of experience in nuclear industry development; we have an experienced regulator and a reliable supply chain, as well as a professional educational system in technology and engineering. We have all the assets and we stand ready with United States, following our countries’ more than 50 years of partnership in the nuclear field, to deploy the most advanced civil nuclear technology and promote the benefits of nuclear energy as an affordable, clean, reliable and resilient source of energy.”*

The first power plant based on the NuScale SMR design is expected to begin operation in the United States by the end of the decade. The USTDA-funded FEED study will facilitate the deployment of this design to Romania by focusing on its adaptation to site-specific requirements at the preferred site Doicești Power Station, which is the location of a former coal-fired power plant.

“NuScale is proud to have the continued support of the USTDA in bringing the clean, reliable benefits of a NuScale SMR to Romania,” said John Hopkins, NuScale Power President and Chief Executive Officer. *“To have the U.S. government’s support through FEED Phase 1 speaks to the role NuScale’s technology will play in strengthening Romania’s energy security and providing zero-carbon energy for generations to come. Moreover, it speaks to Romania’s track record in safe nuclear operations and the capability to successfully deploy our SMR technology.”*

The SMR plant, which would also be the first in Europe, will advance Romania’s clean energy transition and energy security goals. RoPower, Nuclearelectrica’s SMR project company, selected Oregon-based NuScale Power OVS, LLC, to carry out the FEED study. The U.S. Department of State contributed funding toward USTDA’s grant award.

[President Biden announced](#) U.S. government support for Romania’s civil nuclear development and this FEED study at the G-7 Leader’s Summit in Germany on June 26, 2022. The grant also follows the announcement by Special Presidential Envoy for Climate John Kerry and Romanian president Klaus Iohannis at COP 26 in 2021 of plans to build a first SMR plant in Romania.

This project advances USTDA’s [Global Partnership for Climate-Smart Infrastructure](#), which President Biden launched in April 2021.

Nuclearelectrica is Romania’s nuclear energy producer. The company owns Cernavoda Nuclear Power Plant which operates the two CANDU nuclear units, each with an installed capacity of 700 MW, which are two of the most performant units in the world and Pitesti Fuel Manufacturing Plant which manufactures the fuel bundles, the company aiming at achieving integrated fuel cycle. To support Romania’s energy security and decarbonation goal, Nuclearelectrica’s civil nuclear development plan which includes refurbishment of Unit 1, developing two more CANDU units and deploying the first SMR in Europe.

Nuclearelectrica has a major role at national level, contributing over 18% of nuclear energy in total energy production and 33% in total CO₂-free energy production in Romania.

General information regarding the partnerships between the United States and Romania

- In March 2019, Nuclearelectrica and NuScale signed a Memorandum of Understanding (MOU) in order to evaluate the development, licensing and construction of a small modular reactor (SMR) in Romania.
- On 9 October 2020, Romania signed with the United States an Intergovernmental Agreement (IGA) in the field of nuclear energy, which was also ratified by the Romanian Parliament,

according to Law no.199/2021, having wide support and being adopted with a majority of votes.

- Moreover, in October 2020, US Exim Bank expressed, through a Memorandum of Understanding (MOU) with the Romanian Ministry of Energy, an interest to finance major energy investment projects in Romania, including nuclear ones, adding up to a total value of \$7 billion.
- On 4 November 2021, at United Nations Conference on Climate Change (COP26), NuScale and Nuclearelectrica have signed a Teaming Agreement to advance the implementation of the first small scale modular reactor in Europe, in the presence on Romanian Minister of Energy, Mr. Virgil Popescu. The importance of the strategic partnership between US and Romania and the role of SMRs was highlighted in their speeches at COP26 by U.S. Secretary of Energy Jennifer M. Granholm, U.S. Department of Energy, Special Presidential Envoy for Climate John Kerry and Klaus Iohannis, President of Romania, as well of US President Joe Biden.
- At the beginning of 2021, Nuclearelectrica received \$1.2 million from the USTDA to identify and evaluate the potential sites for the small modular reactors. In May 2022, after finalizing the study, several adequate potential sites were identified. The site of the former thermal power plant at Doicești, Dambovita County, Romania was selected as candidate site for further in-depth studies and developments.
- On 24 May 2022, Nuclearelectrica, NuScale si Nova Power & Gas (the owner of the emplacement) signed a Memorandum of Understanding (MOU) to analyse the development of the first small modular reactor (SMR) in Romania on the site of the former thermal power plant at Doicești, Dambovita District.
- In June 2022, US President Joe Biden announced the allocation of a grant of \$14 million for the next stage of the development of NuScale small modular reactors in Romania – the Preliminary Front-End Engineering and Design (FEED) study for the SMR project in Romania. The FEED study consists in a series of engineering and design activities and studies, technical analyses of the site, as well as licensing and authorization activities will be conducted on the site of the former power plant at Doicești, in compliance with all the international and national standards. Moreover, within the FEED Study, there will be applied the recommendations of IAEA, following the IAEA Site and External Events Design (SEED) mission developed in august 2022, at the request on Nuclearelectrica.
- In September 2022, Nuclearelectrica SA and Nova Power & Gas SRL launched RoPower Nuclear SA, the project company for the development of small modular reactors in Romania, on the site of the former coal-fired power plant in Doicesti, Dambovita County.

Cosmin Ghita
Chief Executive Officer