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Bucharest, 26.10.2020

To: Emil Dimitrov

Minister of Environment and Water

Cc: Silviya Dimitrova

Director of EIA, SEA and Pollution Prevention Directorate Ministry of Environment and Water 22 Maria-Luisa Blvd. 1000 SOFIA e-mail: sdimitrova(at)moew.government.bg

Ref: Romania's answer to the Bulgarian letter no. 99.00.241/20.02.2020

Dear Minister,

We would like to thank you for the letters no.99-00-241/13.09.2019, as well as no.99-00-241/20.02.2020 sent us in the context of the transboundary SEA procedure developed by Romania for the "Romanian Energy Strategy 2019-2030 in the view of 2050" called further in this letter as "RES".

We are now at the end of the national SEA procedure and the purpose of our response to you is to inform Bulgaria about the modifications made to RES, as well as, to offer answers to the questions raised by the Bulgarian authorities and public in the above mentioned letters.

In the same time we would like to bring to you attention that the documents posted on 25.08.2020, on the Romanian web page at the link: http://www.mmediu.ro/articol/strategia-energetica-a-romaniei-2018-2030-cu-perspectiva-anului-2050/2143 are the revised RES (under the name "Romanian Energy Strategy 2020-2030 in the view of 2050"), the Environmental Report (Raportul de mediu) and the Appropriate Assessment Study (Studiul de evaluare adecvata) as they resulted from the national and transboundary consultations.

The revised documentation is available, for the moment, only in Romanian language and that is why we take this opportunity to come with a detailed answer, as follows:

The SEA procedure has come to its end (the procedure lasts for 3 and ½ years) and we are going to issue as soon as possible the Environmental Approval for RES which will be sent to you translated in English. The Environmental Approval will contain information about the SEA transboundary procedure and provisions as resulted from the Romanian - Bulgarian SEA procedure will be included.

We specify that the projects mentioned in RES represent the way in which RO wants to reach the targets for the energy field according to the European Commission recommendations.

The common EU targets for 2030 have been in the energy sector (page 23 in the revised text of the RES) and which can be revised upwards in 2023, if EU analysis show that the level of ambition needs to be increased:

- 40% reduction in GHG emissions compared to 1990;
- 32% share of energy from renewable sources in the final consumption of energy;
- 32.5% improvement in energy efficiency.

Romania's national targets assumed for 2030 in the energy sector (page 5 of the RES) are:

- 43.9% reduction of emissions related to ETS sectors compared to 2005, respectively by 2% of emissions related to non-ETS sectors compared to 2005;
- -30.7% share of energy from renewable sources in gross final energy consumption
- 40.4% reduction in final energy consumption compared to the 2007 PRIMES projection.

These Romanian targets are the same targets proposed as well within the National Integrated Energy Climate Change Plan of Romania for 2030 agreed with the European Commission in the field of energy.

In this manner, the projects by which these targets will be met have been revised and the RES brings improvements compared to the previous version, being a more realistic document by simply removing oversized investment projects. Thus, projects with low chances of realization, such as the 600 MW Coal Group at Rovinari, the Hydrotechnical Complex Turnu Măgurele-Nicopole and the Pumped Hydropower Plant Tarniţa-Lăpuşteşti are not in our view any more. These 3 projects are not going to be implemented in the period foreseen by the RES and they were removed from the RES.

Consequently the questions raised by Bulgaria regarding any transboundary impac, including the impact on the surface and underground water bodies caused by Hydrotechnical Complex Turnu Măgurele-Nicopole can be considered without object since the project will not be implemented in the future. The quality of drinking water will not be affected by this project.

The Environmental Report and the Appropriate Assessment Study elaborated for the Energy Strategy of Romania for the period 2019-2030, with the perspective of 2050, were elaborated within the strategic environmental assessment procedure. Being a strategic document, it does not present, in detail, technical elements that are essential in the analysis of the types of impact that can be determined at project level. The proposed monitoring programme both at strategic level and at project level will determine the aspects aimed at altering water quality and effects on ecological systems and components of natural capital.

All Romanian projects in the field of energy will be notified to Bulgaria in accordance with the European provisions in force.

The Environmental Report analyzed the population and human health in Chap. III.1.7, current situation, based on the available data at the time of the study and taking into consuderation that a more accurate assessment will be done at project level in future studies.

We mention that "Completion of groups 3 and 4 at Cernavoda NPP" has the final EIA decision named Environmental Agreement approved by Government Decision no. 737 / 25.09.2013.

The recommendations and proposals expressed by Bulgaria in the EIA transboundary procedure are included in the regulatory act issued by the Romanian state institutions and we see no need to be duplicated here.

It is known that the effects of operating nuclear power plants on the environment are minimal, manageable on the basis of very clearly defined regulations, directives and legislation specific to the EURATOM Treaty, including the radioactive waste, and also by international conventions.

Bulgaria is a Member State operating a nuclear power plant and developing new nuclear capabilities, and it certainly knows that this sector is very well regulated and verified by the European Commission and the IAEA.

The strategy is a programmatic document that proposes to make strategic investments for long time horizons. When starting any project presented in the Strategy, a series of other studies will be started, where, in addition to economic-financial and technological analyzes, the types of impact will be analyzed.

With the implementation of the Clean Energy for All Europeans legislative package, the new market model will increase the contribution of renewable energy sources, implement energy efficiency measures and decarbonise the energy production sector by developing energy capacities based on low carbon technologies.

Withinthe RES and the National Integrated Climate Change Energy Plan, Romania has set its national priorities in this context, taking into account the right of each Member State to establish its own energy mix.

Respecting this approach in determining the national targets, in the elaboration of the RES it was considered to facilitate the selection of the most efficient (including from the cost perspective) policies, measures and commitments that will contribute to the achievement of the national targets.

The decarbonisation of the energy production sector and the transition to a low-carbon energy mix, in particular the energy transition in the mono-industrial regions, which depend on the coal industry, play a particularly important role in achieving the decarbonisation targets.

Romania is considering the development of new energy capacities based on natural and renewable gases, to replace those based on coal and also by at least one nuclear unit by 2030, in order to maintain a high degree of security of electricity supply.

For reasons of ensuring energy security in an area with geopolitical vulnerabilities as well as maintaining a bearable price for final consumers, Romania remains a supporter of the principle of technological neutrality in the difficult process of transition to decarbonizing the economy.

In the context of an increasingly interconnected regional market, the availability of electricity is a factor influencing its transaction prices, in a way that is favorable to consumers throughout the region.

Therefore, increasing production capacity at the regional level, including in Romania, is a favorable prospect for the entire region.

The environmental objectives provided by art. 4 of the Water Framework Directive 2000/60/EC will be taken into account more accurately, in the implementation stage of the projects mentioned in RES during the EIA procedures. The aplicability of art.4(7) of the Water Framework Directive 2000/60/EC is always assessed into the integrated EIA procedure established by Law no. 292/2018 on the assessment of the impact of certain public and private projects on the environment. The appropriate assessments required by the Habitats Directive and by the Birds Directive are made, as well, within the integrated EIA procedure established by the same law (this law integrates the EIA, appropriate assessment (AA)and impact assessment on the water bodies)

Moreover, within the environmental impact assessment procedure for public and private projects, the competent authority in the field of environmental protection, and the competent authority in the field of water will decide whether the project requires the development of a water impact assessment study in order to complete the assessment done on the water body in the EIA procedure.

The physical changes generated by the proposed projects will be quantified when the projects are mature and will have feasibility studies and detailed technical studies that can take into account the reversible and irreversible changes, in the short or long term, that can directly or indirectly affect the components of natural environment.

Responses to comments received from the NGO Greenpeace - Bulgaria:

In the Environmental Report, the revision 06 July 2020, after the public debate, at *chap. II.4 The relationship* with other plans and programs, the National Integrated Energy and Climate Change Plan (NIECC Plan) is mentioned (point 11) being presented the summary of the document, and its relationship with the RES. In the last version of the RES the projects with low chances of realization, such as the 600 MW Coal Group at Rovinari, the Hydrotechnical Complex Turnu Măgurele-Nicopole and the Pumped Hydropower Plant Tarnița-Lăpuștești are excluded, they are not in our view any more for the period envisaged by the strategy.

It is important to mention that within NIECC Plan the level of Romania's ambition is bigger in reducing greenhouse gas emissions, increasing the share of renewable energy sources in the final energy consumption and in implementing energy efficiency measures. This increase took into account both the recommendations of the European Commission and the results of the 3 rounds of public consultation for NIECC Plan.

Both RES and NIECC Plan aim to decarbonize the energy sector by achieving five common objectives set at their level, namely: decarbonization (GHG emissions and absorption, energy from renewable sources); Energetic efficiency; energy security; internal energy market (interconnection of electricity networks, energy transmission infrastructure, market integration, energy poverty); research, innovation and competitiveness.

In the European context of achieving the envisaged climate neutrality targets, as well as in the context in which the funding allocated by the European Ecological Pact is considered insufficient to achieve the decarbonisation objectives, the need to continue or increase the national production of energy from nuclear sources is justified.

In support of this view, account is also taken of the increase in import prices, which will be felt when applying the carbon footprint at the border.

The role of the RES is to develop the necessary directions to provide a clear picture of the available potential, and the concrete projects that will be developed will take into account funding mechanisms implemented at European level and will be responding to the trajectories set to achieve the decarbonisation objective in the context of the circular economy.

The NIECC Plan presents concrete measures and strategic investment projects for 2030, in order to achieve the objectives and targets in the field of reducing greenhouse gas emissions, renewable energy resources and energy efficiency.

<u>Provisions that will be integrated in the Environmental Approval that is currently under elaboration for RES, as a result of Bulgaria's concerns:</u>

- 1. Bulgaria will be officially informed and notified in accordance with art. 3 of the Espoo Convention, on the conduct of the environmental impact assessment procedure for the projects provided for in the RES at the time of their implementation. Consequently, Bulgaria will assess case by case whether it will participate, as an affected party, in the procedure applicable to these projects.
- 2. The environmental objectives set out in the Water Framework Directive 2000/60/EC are compulsory met at project level in the framework of the environmental impact assessment procedure for all projects provided for in the RES.

- 3. During the EIA procedure of the projects proposed on waters, the environmental objectives of the Danube River Management Plan will be respected.
- 4. When implementing any project proposed on water or related to water, contained in or derived from the strategy, the environmental authorities shall take into account the protection of protected areas in accordance with Article 4 and Annex IV of the Water Framework Directive 2000/60/EC and in accordance with the Danube River Management Plan.
- 5. At project level, the EIA documentation will contain a description of the local climatic and meteorological conditions, specifying the current risks of extreme weather events;

 The EIA documentaion must contain, as well, the projected risks of extreme weather events during
 - operation of the projects, such as: heat waves, drought (including low water availability and quality and increasing water demand, extreme rainfall, floods caused by rivers and floods, storms and strong winds (including damage to infrastructure, buildings), landslides (if applicable), rising sea levels, storm surges, coastal erosion and saline intrusion (if applicable), periods cold, frost damage thawing.
- 6. Avoiding the implementation of projects that may lead to alteration of the chemical status of water bodies and their potential/ecological status.
- 7. Within the EIA procedures applicable to water-related projects, set out in or derived from the strategy, assessments of their impact on water bodies, protected species and habitats shall be carried out in accordance with the requirements of the environmental and water management authorities and in accordance with the provisions of Law no. 292/2018 on the assessment of the impact of certain public and private projects on the environment and of the Water Law no. 107/1996, with its subsequent amendments and completions.

I hope that the information provided above fully answers the Bulgarian concerns (particularly the removal from the Strategy of the 3 large projects) and, as a consequence, we can consider the transboundary SEA procedure for the RES as closed. I kindly ask you to confirm at your earliest convenience, taking into account the tight schedule for issuing the environmental approval, that Bulgaria agrees with this closure.

Furthermore, I kindly ask you to notify Romania with respect to any strategic/planning document prepared by the Bulgarian authorities, subject to the SEA Directive and/or SEA Protocol, such as documents similar to the Romanian Energy Strategy, which are likely to have significant transboundary effects on the Romanian territory. In this context, I would like to inquire into the procedures followed by Bulgaria in respect of the draft Sustainable Energy Development Strategy and would appreciate receiving a timely response.

Sincerely yours,

Costel ALEXE