



Prime Minister's Office

Government Decision

Cessation of operations of power generation units 1 – 4 at the “Orot Rabin” power station¹

Decision number: 4080

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From: Prime Minister's Office

Department: Government Secretariat

Government: 34th Government, Binyamin Netanyahu

Government decision number 4080 dated 29.07.2018

Subject of the decision: Cessation of operation of power generation units 1 – 4 at the “Orot Rabin” power station

It was decided that:

Following government decision # 3859 dated 3.6.2018 regarding the reform in the electricity market and structural changes in the Israel Electric Corporation (hereinafter: government decision 3859):

- A. Work towards the cessation of routine operations of power generation units 1-4 at the “Orot Rabin” power station, so that their routine operations will cease no later than 1st June 2022, and as long as by this date all of the accumulated conditions described in clauses 1-2 below have occurred:
1. Sustainability in the supply of natural gas to the Israeli market has been achieved by the connection of three natural gas fields, each one of which will

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be connection to the national natural gas transmission system with a separate infrastructure.

The government acknowledges the statement by the Petroleum Commissioner that the schedule planned for the connection of the two other fields, in addition to the field that is connected today, is in line with what is stated in appendix 'A' below

2. The start of operations of the first CCGT, for a capacity of 600 megawatts, which will be established by a subsidiary of Israel Electric Corporation no later than 1.6.2022, conditional on what is stated in government decision 3859.

The government acknowledges the estimated timetable submitted by Israel Electric Corporation for the start of operations of the CCGT, in accordance with what is stated in Appendix 'B' below.

B. In order to implement clause 'A' –

1. The Minister of Energy shall be tasked to do everything that is required to implement what is stated in clause 29 of the Electricity Sector Bill (Amendment No. 16 and Temporary Order) to promote the power generation development plan for the planning of the construction of two power generation units at the "Orot Rabin" site, as stated in amendment 16.
2. The Minister of Energy shall be tasked, by the powers invested in him by law, to examine the scope and the level of preservation required of the ability to operate power generation units 1-4, including alternative solutions whilst paying attention to the market's needs in times of emergency and the costs of the solutions. Based on the characteristics of the alternative that will be chosen, the need to include it in the development plans will be examined, conditional on what is stated in clause 19 of the Electricity Sector Bill.
3. The Minister of Energy shall be tasked to examine reducing the use of power generation units 1-4, until the total cessation of their routine operations.
4. To instruct the Ministry of Finance's representatives on the National Council for Planning and Construction and the representatives of the other relevant ministries to undertake all the actions required for the National Council to reach a decision to promote the planning of the generation units as soon as possible, pursuant to any applicable law.

5. To instruct the Ministry of Environmental Protection to act speedily, as per its authority in this matter.
6. The Minister of Energy shall submit a report to the government every six months about the implementation of this decision and meeting of the schedule.

Appendix A: Work plan to connect two additional natural gas fields:

The “Leviathan” field:

- January 2019 – Conveying the platform’s jacket to its location, according to NOP 37 H
- August 2019 – Conveying the production platform
- December 2019 – Flow of first gas into the national transmission system

The “Karish-Tanin” field”

- January 2019 – Signing contract for the construction of the FPSO
- March 2021 – Flow of first gas into the national transmission system

Appendix ‘B’: Work plan and schedule for the construction and operation of the power stations and the cessation of operations of units 1-4:

Preparation of work plan with detailed schedule (the aforementioned does not detract from the ability to change the schedule) 1.10.2018

Submission of the plan for the construction of 2 CCGTs at “Orot Rabin”	30.03.2019
Start of construction of the first CCGT	1.1.2020
Start of operation of the first CCGT	1.6.2022
Cessation of operation of coal units 1-4	1.6.2022