

The Romanian Competition Council has two ongoing investigations related to the electricity market liberalization for residential customers.

Romanian Minister of Energy Virgil Popescu said he suspects that an illegal cartel agreement has been formed in the retail electricity market. Minister Popescu explained that electricity suppliers did not purchase electricity in advance from the wholesale market at the lowest possible costs for delivering it to residential consumers, implying that the suppliers are now exposed to the high prices on the spot market. According to him, the suppliers expected that the authorities would return to regulated prices, and that is the reason why they haven't purchased electricity in advance for the second half of the year. Earlier this month, the Competition Council said that it has performed unannounced inspections at the headquarters of electricity distributors and suppliers CEZ and Electrica over anti-competitive practices, namely preventing the switch of customers from one supplier to another. According to Romanian media, the two companies are suspected of preventing their customers to change to another supplier. One of the practices would have been to threaten the consumers through the distribution companies, within these two groups, that the electricity supply interruptions would no longer be solved in timely manner if they choose to switch to another supplier. Another practice would have been discriminatory offers for consumers who expressed interest in changing their supplier.