

Romania: E.ON Recording Profit due to the high gross grid tariff

Categories : [SEE Energy News](#)

Date : March 30, 2015

EBITDA profit of the company E.ON in Romania was increased last year, although, globally, the company reported the biggest net loss in its history, amounting to 3.1 billion euros.

Earnings before interest, taxes and amortization of the regional departments were increased by 24 million euros, primarily owing to higher earnings in Romania, France and interconnections departments. EBITDA was increased in Romania due to a high gross grid tariff in the distribution sector (which was mitigated by lower grid tariffs in the sales sector) and due to the measures taken to reduce costs“, it is stated in the report of the German company.

In regional departments, which include the companies in France, Belgium, Holland, Luxembourg, Slovakia, Romania, Italy and Spain, EBITDA grew from 212 million in 2012 to 236 million euros last year. At the group level, EBITDA was reduced to 8.3 billion euros last year, compared to 9.2 billion achieved in 2013.

E.ON reported the loss of 3.1 billion euros last year, due to the commissions amounting to 5.4 billion euros in Great Britain, Sweden and Italy. In 2013, the company's profit amounted to 2.5 billion euros. This is the highest annual loss of E.ON since its creation in 2000, by the merger of companies VEBA and Viagem.

At the end of last year, E.ON announced that the exploration and production of oil and gas and the conventional energy sources would be transferred to a new company. The main company will focus on renewable energy resources and the activities related to electricity and gas distribution.

Last year, gas sales to small and middle-sized consumers dropped from 118.2 billion KWh to 93.3 billion KWh, whereas gas supply declined in Romania, Great Britain, Germany and Holland, due to warm weather.

The revenue dropped from the 119.6 billion euros in 2013 to 111.5 billion euros. Investments within the group of countries, including Romania, progressed from 179 million euros in 2013 to 184 million euros last year, due to the increased investment in distribution network in Romania and to the heating project in Holland.