

Energy Complex (EC) Hunedoara, the insolvent coal-based electricity producer, will be split into two separate companies and the process will be completed in September, said Romanian Minister of Economy and Energy Virgil Popescu. Each of the two new companies will operate thermal power plants.

Minister Popescu noted that the appointed judicial administrator of EC Hunedoara already completed the assessment of the company's assets and is currently working on the separation plan. According to him, the first company that will emerge from this process will consist of thermal power plant Paroseni and coalmines in Valea Jiului (Lupeni, Lonea, Vulcan and Livezeni), while the second company will operate thermal power plant Mintia. One of the two new companies will remain under the jurisdiction of the Ministry of Economy and Energy, while the other will be handed to local authorities.

Last month, EC Hunedoara said that it will import some 0.2 million tons of coal over the period of next two years. The company's coal production has decreased abruptly and is insufficient, although the power output halved as well over the past three years. The company's own coal production decreased from 61,376 tons per month in 2016 to only 33,951 tons per month in 2019.