

Electricity and heat producer ELCEN purchased certificates at half the price in January and February, but electricity producer Energy Complex EC Oltenia did not have the funds necessary to make the purchase earlier so during April, EC Oltenia purchased a total of 2.4 million CO2 emission certificates at prices ranging from 43.5 to 44.5 euros per certificate. The company has spent almost 100 million euros of state aid it recently received from the Government, based on its restructuring plan. The purchase of certificates was urgently needed in order to cover last year's emissions by the plant. However, the timing could not be worse.

Last week, the Ministry of Energy said that the granted state aid is in line with the restructuring plan for the company, which has been approved by the European Commission. However, despite the Government's claim, the opinion of the European Commission on amended restructuring plan for EC Oltenia will be available in late April.

In early March, the European Commission initiated an in-depth investigation into the restructuring plan of EC Oltenia expressing doubts about the process. The plan should meet the principal conditions of the 2014 Guidelines on State aid for rescuing and restructuring non-financial undertakings in difficulty to be declared compatible with the internal market regulations. The EC asked Romania to submit its comments and provide all the information that may help it assess the restructuring aid within one month. Earlier in April, Minister of Energy Virgil Popescu said that the Government prepared a new restructuring plan of coal-based electricity producer Energy Complex (EC) Oltenia, which is well received by the European Commission. According to the new plan, EC Oltenia will operate just two coal-fired units at TPP Rovinari by 2026-27, which means 1,000 MW less in coal-fired capacity, since the initial version envisaged 1.650 MW of coal-fired capacity in operation in 2026.