

Romanian Minister of Energy Virgil Popescu said that it is expected that the European Commission will approve the restructuring plan of state-owned coal-based electricity producer Energy Complex (EC) Oltenia in January 2022.

In late 2020, the Romanian Government has signed the Memorandum for the restructuring of state-owned EC Oltenia under a five-year program that involves some 2 billion euros of support from both state and the European Union's decarbonization program. The memorandum involves 1.33 billion euros of state aid, out of which 250 million was already extended as a rescue loan that the company could not return. The company will use the state aid for financing the purchase of CO2 certificates over the period when the group is replacing its traditional coal-fired power unit with more modern gas-fired units and renewable energy capacities.

In April, the Government prepared a new restructuring plan of EC Oltenia, which should be 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.

Installed capacity of TPP Rovinari will be reduced from 3,570 MW in 2021 to 660 MW in 2027, which is a 82 % reduction in six years. This will also result in the reduction of annual CO2 emissions from 8.6 million tons in 2021 to 2.6 million tons in 2027. He also added that, after 2025, the remaining two units will solely operated on market principle, without and subsidies.