

The restructuring plan provides for total investments of 1.45 billion euros in the period 2021-2026. Romanian coal-based electricity producer Energy Complex (EC) Oltenia and the Ministry of Economy and Energy will send for approval to the European Commission the company's restructuring plan.

EC Oltenia has benefited from a state aid worth some 250 million euros and will either repay it within a maximum of six months or, if the company's financial situation does not allow this, it must send to the EC a restructuring plan or liquidation plan. In this context, the viable solution, the only one taken into account by the company's management and by the Government, is to continue the activity and, implicitly, to submit a restructuring plan that includes a decarbonization program that requires significant investments in the coming years. The restructuring plan reportedly involves the phased closure of four units in three thermal power plants operated by the company, but only after gas-fired units and four coal pits will be put into operation. Regarding CET Craiova 2, the restructuring program envisages the closure of the two current coal-fired units of 150 MW as of 2025. These capacities will be replaced by a 200 MW gas-fired cogeneration unit, which should be put into operation by the end of 2024. Regarding Isalnita, unit 8 will be closed as of 2025, followed by unit 7 in 2026. Each of these units should be replaced by a gas-fired unit with 400 MW output. Each will be put into operation a year before the closure of the coal-fired unit it replaces, in 2024 and 2025, respectively. Finally, in Turceni, a 330 MW unit 3 will be closed in 2025, after commissioning of a 400 MW gas-fired unit in 2024. In addition to coal to gas conversions, the decarbonization plan involves the construction of two small hydropower plants, one of 10 MW at TPP Turceni and one of 2 MW at TPP Isalnita. The construction of the first would start in 2022, and of the second in 2023. The project also includes the construction of solar power plants, of 300 MW in total, which would be installed on slag and ash de-posits at the Rovinari, Turceni and Isalnita thermal power plants, with the construction works starting in 2023, which should be completed in 2025.