

According to the National Energy Regulatory Authority's (ANRE) estimate, the subsidies the Romanian Government committed to pay to energy suppliers in order to cover the difference between the capped electricity and natural gas prices and the actual market prices would reach 8 billion euros in 2022 alone.

The magnitude of the subsidies raised concerns among energy suppliers, who claim that they are disbursed with long delays, even for subsidies under the previous scheme launched in late 2021.

In principle, the subsidies should be financed from the supplementary tax on the extra profits of energy (natural gas and electricity) producers over the same period under a mechanism that includes automatic balancing: the higher the wholesale energy prices are, the higher the subsidies and the tax levied. The new support scheme was introduced in April and will expire at the end of March 2023, with the subsidies expected to be phased out gradually.

Under the Government emergency ordinance 27/2022, drafted and published without any assessment of the impact on the budget, the residential electricity consumers pay, between 1 April 2022 and 31 March 2023, a capped price of 0.14 euros/kWh (for those with an average monthly consumption of maximum 100 kWh) and 0.16 euros/kWh (for average consumption between 100 and 300 kWh).

Non-residential consumers, excluding large industrial consumers, who have other support schemes, pay 0.2 euros/kWh.

Regarding natural gas, all residential consumers have a final price guaranteed at 0.063 euros/kWh, while industrial consumers pay 0.077 euros/kWh of gas.