

Romania: Farewell to suspicious electricity transactions?

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According to the Regulation on Amendments to the Law on the support system for promoting electricity from renewable sources, ANRE shall develop a regulatory framework for anonymous centralized green certificates market and a centralized market for renewable energy sources by September 1.

All market participants have to join the power exchange. This obligation also applies to renewable energy producers based on the Regulation approved by the Government. In this way, the authorities are hoping to bring order to the market and eliminate suspicious transactions with cheap electricity and green certificates.

Since autumn, renewable energy producers and suppliers will be obliged to trade green certificates exclusively anonymously on the centralized market of OPCOM power exchange. The Regulation supports the establishment of a platform for trading in renewable energy and green certificates on the centralized market, so producers and suppliers, both large and small, can find their place in the market, according to a statement by the Ministry of Energy.

By September 1, Energy Regulatory Authority ANRE shall develop a regulatory framework for anonymous centralized green certificates market and a centralized market for renewable energy sources with a state support scheme.

OPCOM can start preparing for the implementation of a centralized market for the electricity produced from renewable sources, supported with green certificates. This will be the anonymous market, which will enable a competitive, transparent, public, centralized and non-discriminatory trading in electricity produced from renewable sources.

According to experts in the field of renewable energy sector, speculations will be removed under conditions in which "green certificates could be the subject of a transaction between the producer as a seller and the supplier as a customer. With the exception of electricity producer engaged in a bilateral agreement with the supplier, that in a situation when the agreed number of green certificates is not achieved, it can purchase the difference on the centralized market for green certificates, just to bridge the gap."

Given that since the end of last year the Ministry of Energy opened a public consultation on this Regulation, the producers of renewable energy quickly finalized transactions with green certificates - some of which amounted to several million certificates - or long-term contracts for the period until 2023 or even 2036 (although the validity of the support schemes for renewable sources is foreseen until 2023). In fact, the anonymous market has collapsed before it has been established. Authorities hope that these agreements will be terminated, if conditions are created for trading at low prices on the power exchange.