

Starting next year about 10 % of Romanian gas consumption will be covered by natural gas extracted in the Black Sea, said State Secretary at the Ministry Economy and Energy Nicolae Havrilet.

However, Havrilet did not specify the name of the company that will launch offshore gas extraction in the Black Sea, but referred to Black Sea Oil & Gas (BSOG), which plans to start production in the Midia offshore perimeter in the first half of 2021.

He said that Romanian energy production sector has suffered a major impact due to low demand, but it needs to recover. There is a strategy envisaging coal to natural gas transition, because Romania has the opportunity to extract offshore natural gas from the Black Sea. It is estimated that about 10 % of domestic consumption will be covered by the Black Sea gas in 2021, with the share increasing as investments come online.

Havrilet noted that Romania also needs to increase gas consumption (currently, it consumes about 10-11 billion cubic meters of gas annually), needs to invest in new production capacities, but also in gas infrastructure. The country has European support of one billion euros to expand its gas distribution infrastructure and Romania intends to use innovation funds to use natural gas to produce hydrogen. Also, many electricity producers want to invest in new opportunities, such as offshore wind farms, following a World Bank study that says that in the Romanian part of the Black Sea there is a wind potential for 80,000 MW. This will also help achieve the renewable energy targets assumed by Romania, to reach RES share of 30.7 % in total consumption by 2030, compared to 24 % today.