

Romanian Minister of Energy Victor Grigorescu announced that the provisional Supervisory Board has been appointed at electricity producer Hidroelectrica, adding that the majority of its members are independent.

The appointment of this Supervisory Board is just temporary, until the Government approves the appointment of a Board under the 109 Emergency Ordinance.

On 21 June, the Bucharest Court decided on the closure of insolvency proceeding for the Romanian electricity producer Hidroelectrica. The company was in insolvency on two occasions recently. For the first time, the company was insolvent between June 2012 and June 2013, while it entered insolvency for the second time in February 2014.

Soon after the Court's ruling, Greg Konieczny, Portfolio Manager at Fondul Proprietatea, an investment fund which owns a minority stake in Hidroelectrica, said in the press release that the fund is concerned that even though the company's exit from insolvency has been expected since last year, it still does not have an independent Supervisory Board according to the Ordinance 109/2011. According to him, the closure of insolvency proceedings opens the way towards the company's initial public offering (IPO) at Bucharest Stock Exchange, which would be the first listing of state-owned company in the last two years and possibly the largest listing in the Romanian history.

The company's judicial administrator Remus Borza said earlier that despite lower electricity production in the beginning of 2016, Hidroelectrica could post record profit in the amount of 288 million euros this year. He explained that currently the reservoirs of its HPPs are 79 % filled, compared to 67 % at the end of May 2015. This means a reserve of 2.5 TWh of electricity, which should allow the company to sell more electricity at a higher price during summer, transmits [Serbia-energy.eu](http://serbia-energy.eu)