

CEZ Romania's operating profit in the first nine months fell by 6.25% to 3 billion Czech crowns (EUR 109.07 million) from 3.2 billion kronor in the same period last year because of suspension of green certificates for wind farm Fântânele West. CEZ owns Romania Czech Fântânele parks (with an installed capacity of 347.5 MW), Cogeaalac (252.5 MW) and a series of micro hydropower plants with a total capacity of 18 MW.

In April, the group announced that it is willing to sell two wind farms in Dobrogea, if it gets a good offer for them. Later, in September, general manager of CEZ in Romania, Martin Zmelik, said the group had abandoned plans to sell.

In production and trading segment, CEZ Romania reported a EBITDA of 1 billion kronor (EUR 36.35 million) in the first nine months to half compared with a profit of 2 billion kronor in the same period last year.

The suspension of allocation of green certificates for wind farm impacted Western Fântânele negative 800 million kronor (29.1 million), and lower prices of green certificates have affected the result by 200 million kronor (7.3 million), it said in a report by the Czech group

“Despite the total cooperation of CEZ, the Romanian government has failed to honour its commitment to issue an order to ensure that the green certificates for parks Fântânele West and Cogeaalac be submitted prior to approval by the European Commission of their allocation” according to the report.

A June 2013 Government decision regarding renewable energy producers led to the postponement of the granting of the second green certificate for wind farms owned by CEZ Romania and suspended the granting of the certificate Fântânele West Green Park since November last year, a decision driven by the European Commission due to a delay in the notification process.

“In September, the Government decided that the situation requires the promulgation of a new law. The bill was approved on October 7 and was sent to Parliament for approval. However, Parliament will not take any action until after the presidential election, “the report said.

The price of green certificates fell to the legal minimum of 29.37EUR spring after the decision of the Government to reduce the share purchase electricity suppliers intended households, says CEZ.

Czech group notes that Romania will join, since November 19, coupling project electricity spot markets in the Czech Republic, Slovakia and Hungary, daily transactions will be made based on implicit allocation of cross-border capacity electricity.

The electricity production in CEZ Romania decreased by 9% in the first nine months at 0.851 TWh, due to unfavourable wind conditions in the first two months of the year. For the full year, CEZ expects a production of wind farms in Romania about 1.2 TWh, 3% less than last year.

On the distribution and sales, operating profit of CEZ increased by 60% from 1.2 billion kronor in the first nine months last year to 2 billion crowns (72.7 million euros) in the period from January to September of this year.

Sales of electricity to households increased by 3% in the mentioned period, about 1.12 TWh, but the total amount of electricity distributed to end consumers fell by 3% to 4.68 TWh.

Earnings per segment sales and distribution revenue was positively influenced by the CFR outstanding debt and the Romanian Post, while the additional costs associated with the special construction of the new tax had a negative impact of 100 million kronor (3.63 million euros).