

## Romania: Reduced cogeneration tax

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As of 1 July, so-called cogeneration tax amounts to 0.33 euros/MWh. Previously, the level of this contribution was 0.4 euros/MWh. The National Energy Regulatory Authority (ANRE) reduced the contribution for efficient cogeneration, a tax paid in bills by all electricity consumers in order to support some of the thermal energy producers, by 16 %.

Prime Minister Ludovic Orban said that, following the finding of the inefficiency of the cogeneration tax, it will be reduced. He explained that the cogeneration tax was instituted to generate money needed for investments in cogeneration plants, but, although almost 2 billion euros have been raised since its establishment and so far, no money has been invested. He said that reducing or completely eliminating the cogeneration tax will reduce the cost of electricity for consumers – who currently pay more than 2.7 euros/MWh. He added that the Government is considering the establishment of a new support system, possibly similar to green certificates, but this decision will be taken following public consultations.