

Romanian Government has submitted to the European Commission (EC) the procedures and the calendar for the liberalization of electricity and natural gas markets, less than one year after it regulated those markets for residential consumers under emergency ordinance (OUG) 114/2018.

The regulations were enforced for a period of three years, until spring 2022. At the time of the adoption of emergency ordinance, both markets were fully liberalised (both for residential and industrial consumers), even if only a small number of residential users had undergone the process of migrating to the free market.

Under the emergency ordinance, the price of natural gas sold to residential users was regulated and the electricity producers (particularly Hidroelectrica and Nuclearelectrica) were compelled to sell electricity at regulated, low prices to the household segment. The adoption of the emergency ordinance also triggered an infringement procedure by the European Commission.

The Government now gradually returns to the liberalisation process, but this is not going to happen overnight. The regulated natural gas prices will be maintained by the end of March 2020, while the transition process will be longer on the electricity market - until June 2021. During the transition period on the electricity market, Hidroelectrica and Nuclearelectrica will gradually reduce the volumes of electricity delivered at regulated prices.