

Electrocentrale Galati is indirectly controlled by the Ministry of Economy and Energy through the company Electrocentrale Grup which is insolvent since 2014. The reorganization plan of this electricity and steam producer provides for the sale of the company's main assets and operations for a minimum of some 19 million euros. Potential buyers natural gas producer are Romgaz, the main creditor of Electrocentrale Galati and Liberty steel plant, the main customer of energy produced by the plant, the two companies already agreeing in principle to build a new gas-fired power plant on the Danube. This was submitted to the court by the company's judicial administrator Meastro at the end of August, but it was rejected by the Galati Electrocentrale creditors' meeting in early October.

The decisive factor was the negative vote of Romgaz, the largest creditor with total receivables of over 28 million euros. The total debts of Electrocentrale Galati amounts to 32.5 million euros.

In June, Romgaz and Liberty Galati, the largest steel mill in Romania owned by UK-based Liberty Steel, agreed to sign a Memorandum of Understanding (MoU) which envisages the establishment of a joint venture with a view to the development of greenfield investment projects, respectively the development of a gas-fired combined heat and power (CHP) plants and renewable energy projects using wind and solar power. Through this MoU, the two companies agree to work together in order to ensure that there is a unified and receptive approach to the implementation of investment projects, which can be financed from both equity and from external sources through the joint venture type company that will seek to attract European funds through the Green Deal financing mechanism and/or through the financing schemes available in Romania. The implementation period of these investment projects will be between 3.5 and 4 years, in which both companies will cooperate and make joint efforts for investment projects to become a reality and a model of good practice in the Romanian economy.