

Electricity prices capped at fairly low levels; energy efficiency investment not incentivised (official)

Romania has quite advantageous legislation in terms of consumers and prices are capped at quite low levels, especially for electricity, which is why measures and investment in energy efficiency could be limited, Zoltan Nagy-Bege, the deputy-chair of the National Energy Regulatory Authority (ANRE), told a specialist conference on Tuesday.

"Energy efficiency will have a very important role because, in the end, you can overcome crisis following two directions: increase production and decrease consumption. We have quite advantageous legislation from the consumer's point of view and prices are capped at certain levels, which are quite low especially for electricity. As long as prices stay at this level, it is measures and investment in energy efficiency will likely not be incentivised and its potential will be limited," Nagy-Bege told the conference on energy transition obstacles and opportunities during crises.

He added that the energy sector, especially in light of the ongoing crisis, is undergoing an increasingly rapid change.

"Very important and worth acknowledging technological changes are happening - and if at a legislative level we manage to understand these new technologies and the need for change, then probably future legislation will reflect such understanding. The better we understand the need for change and what legislation these new technologies entail, the faster and easier we will have the legal basis to integrate these new technologies. And here, first of all, I am referring to measures designed to make the energy system and networks more flexible."

The ANRE official added that Romania will need investment in networks to integrate the new renewable energy production facilities, for which, in Romania's case, financing is even offered from the Modernisation Fund. He mentioned that EUR 1.4 billion is allocated from the Modernisation Fund for investment in networks, one billion for distribution networks and 400 million euros for Transelectrica, for the transmission network.