

Electricity and Gas Law no. 123/2012 will undergo further changes. Reintroduction of previously banned bilateral electricity trading contracts could be part of legislation upgrade. Attending the annual conference of the Association of Electricity Suppliers in Romania - AFEER, Chairman of the Committee for Industries and Services of the Chamber of Deputies, Iulian Iancu, said that the amendments to Law 123 could enter the parliamentary debate in February 2016 targeting mainly bilateral contracts.

We must find ways to reintroduce bilateral contracts, said Iulian Iancu. Romania now has transparency platforms and tools to monitor the competition trends, rules of engagement are competitive and there are no reasons to hold the reintroduction of bilateral contracts, added Iancu.

The representatives of the Energy Ministry confirmed the importance of bilateral long-term contracts, without this type of contracts there can be no investments in the energy sector. From this perspective, Ministry is working on an analysis to see how many countries have restrictions that Romania has in terms of electricity trading.

According to State secretary in Ministry of Energy Bogdan Badea the root of the problem were the bilateral contracts of Hidroelectrica with some private electricity traders and ban of bilateral contracts led to complete market disturbance.

Under the new proposals, the competitive wholesale market will have directly negotiated bilateral contracts, bilateral contracts after the auction on the centralized market of bilateral contracts, contracts for the import and export of electricity negotiated directly etc. Currently, Art. 23 of the Energy Act stipulates that electricity transactions are conducted on the competitive market in a transparent, public, centralized and non-discriminatory. According to ANRE Order 78/2014 all market participants were forced to conclude contracts on the OPCOM platform with tender form with accurate values, fixed and constant throughout the contract. As a result, dozens of lawsuits, filed by operators and organizations, are pending before the Court of Appeal. The Ministry of Energy has started a diagnostic analysis on the entire package, which will include all necessary changes both in primary legislation and secondary.