

According to a E&Y survey, the Romanian wind power industry has posted RON 4 billion losses in 2014 and 2015. The survey, titled "Analysis of the financial performance and of the balance sheet of wind power industry in Romania" was commissioned by the Romanian Wind Energy Association.

The survey, drafted exclusively using information provided by companies to the Registry of Commerce, reveals „worrying results for investments in the field of wind power energy which, totalling around EUR 5 million, represent by far the most important investment in the Romanian energy system after 1989,” according to a press release sent by the RWEA. Without legislative changes to support investors, the association argues, the net loss of the wind power industry grew last year by RON 1.9 billion, totaling about RON 4 billion (around 900 million) in the years 2014 and 2015.

Moreover, RWEA warns, the renewable energy sector is in financial deadlock. Thus, in the two years analyzed, the value of assets dropped sharply by RON 4.1 billion. In addition, the association points out, the repayment of loans took on to build wind power plants is 30 years, while the shelf life of a plant is 20 years.

According to Claudia Brandus, RWEA President, „The wind industry, like, in fact, the entire renewable energy sector, is suffering. The investors are stuck in a revolving door: they continued to gather losses in 2015, their assets are devaluing, they reached the to reimburse loans. The proof is in the E&Y survey,” she said. The reason behind the dire situation is represented by the numerous legal changes, most of the time drafted without impact assessment studies and analyses, RWEA argues.

Given that the average price of electricity, recorded in 2015, is RON 166/Mwh, according to OPCOM figures, as well as the current one, the association argues, „it is obvious that new plants, such as wind power plants need state aid, as per European rules on return of investment. In the case of wind power energy, REWA warns, the state aid is not customized to the needs of the industry, and is „pushing it towards bankruptcy.”

source: business-review.eu