



# Integrators of the Energy Market

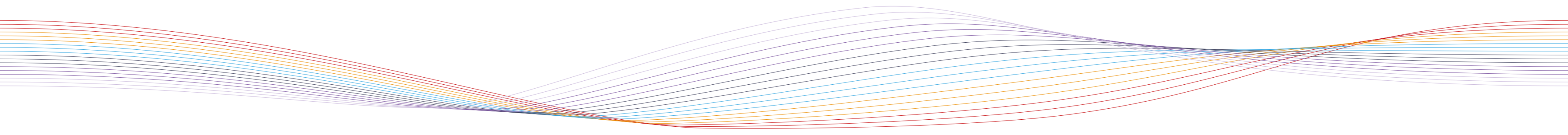
**Luka Jazbec**

***Vice-Chair of the Board, Energy Traders Europe***

**AFEER IX. Annual Conference, 19.03.2025**

# Who are Energy Traders Europe?

- **170 members**
- **From over 30 countries**
- **Active across Europe.**
- **And in Brussels.**
- **We promote transparent, competitive, well functioning markets.**



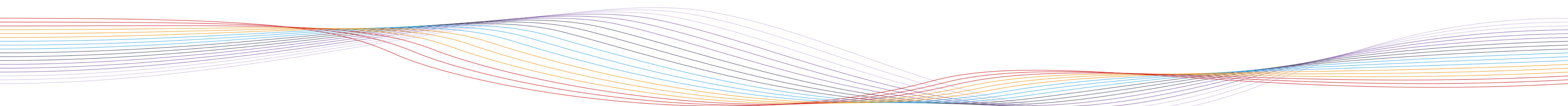
# Fundamentals of Romania

- ✱ **Lots of end-customers**
- ✱ **Sizeable and diverse production**
- ✱ **Significant cross-border capacities**
  
- ✱ **Short consultations (if at all)**
- ✱ **Significant regulatory volatility**
- ✱ **Market exits and low liquidity**

| Electricity  | Natural Gas   |
|--|---|
| almost 9 million households, 300 thousand businesses (!) | about 4.5 million households, 220 thousand businesses (!) |
| almost 2,000 units with over 17 GW, of which 35% RES     | almost 90% of consumption covered domestically            |
| 500 MW RO-RS, 800 MW RO-HU, 1,800 MW RO-BG               | ...not very transparent                                   |

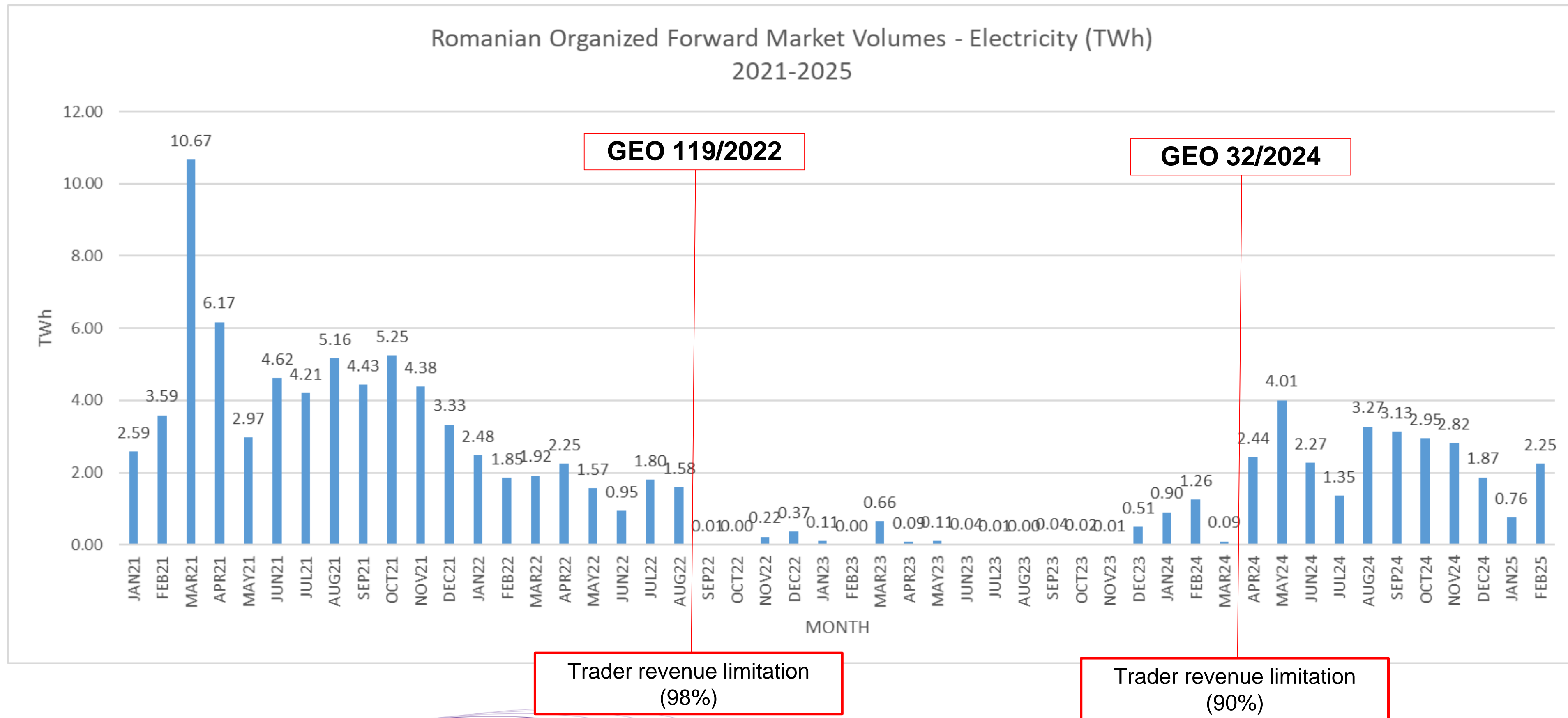


| Electricity and natural gas trading „contribution“        |
|---|
| 98% from 01.09.2022 (GEO 119/2022)<br><b>PROLONGATION</b> |
| 90% from 01.04.2024 (GEO 32/2024)<br><b>PROLONGATION</b>  |
| 80% from 01.04.2025 (GEO 6/2025)                          |



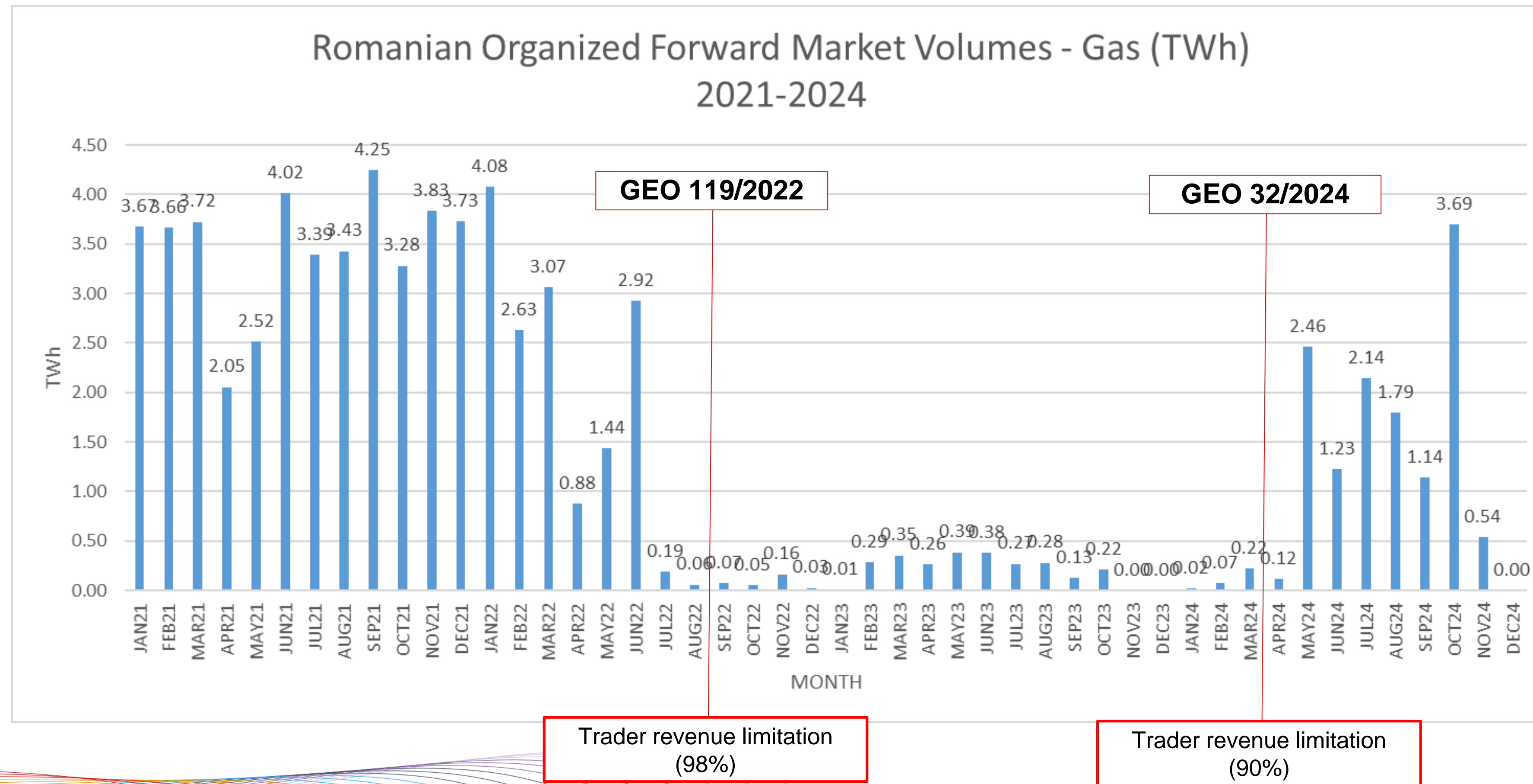
# Fundamentals of Romania

## ✶ Market exits and low liquidity



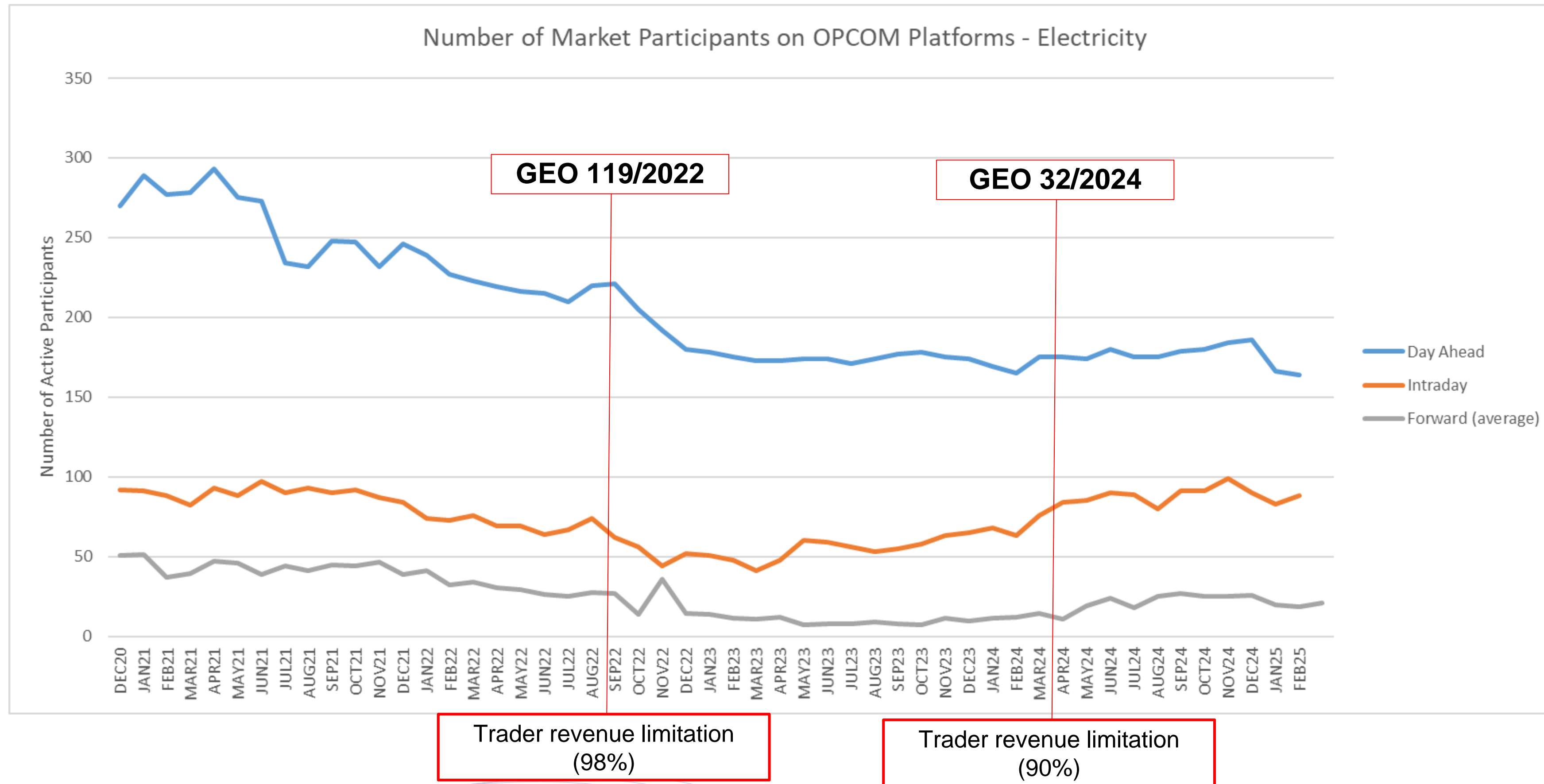
# Fundamentals of Romania

## Market exits and low liquidity

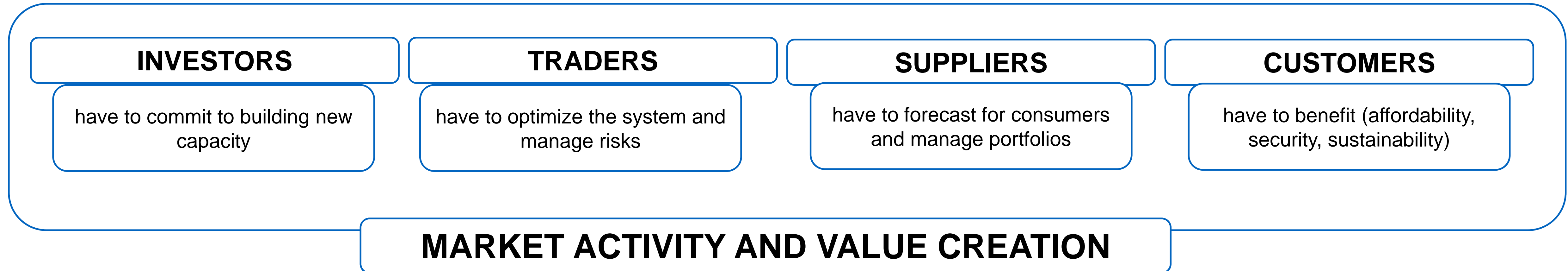


# Fundamentals of Romania

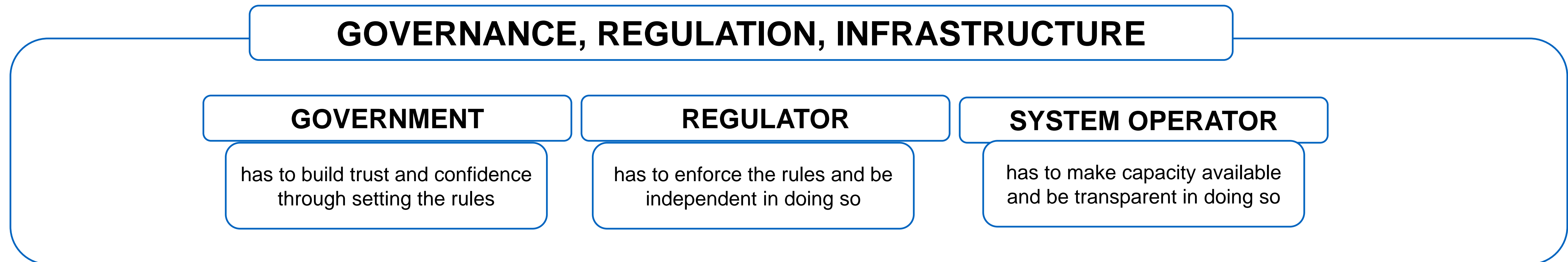
## 🌟 Market exits and low liquidity



# Integrators of the Energy Market



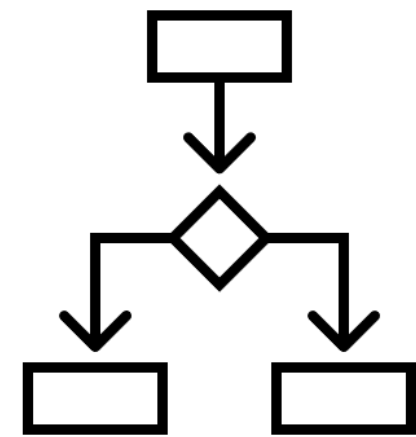
... enabled by ...



# A Partnership with Significant Potential ....

... and severely undermined:

- ✱ Repetitive prolongation of measures with local-level non-constitutionality and EU-level infringement proceedings undermines trust in decision-making.



NEWS ANNOUNCEMENT | 3 October 2024 | Directorate-General for Energy | 5 min read

## October infringement package – key decisions on energy

### Letters of formal notice and additional letter of formal notice

#### The Commission calls on ROMANIA to remove restrictions on the pricing and export of electricity and gas

Today, the European Commission decided to open an infringement procedure by sending a letter of formal notice to **Romania** (INFR(2024)2194) for restricting the freedom of market participants to determine their wholesale prices of electricity and gas as well as the export of gas. More specifically,

#### The Commission calls again on ROMANIA to remove restrictions on the pricing and export of electricity

Today, the Commission also decided to follow up on an open infringement procedure by sending an additional letter of formal notice to **Romania** (INFR(2023)2032) for restricting the export of electricity and limiting the freedom of market participants to determine their wholesale prices. The Commission



### COMUNICAT DE PRESĂ, 7 noiembrie 2024

În ședința din data de 7 noiembrie 2024, Curtea Constituțională, în cadrul controlului de constituționalitate *a posteriori*, a decis, cu unanimitate de voturi:

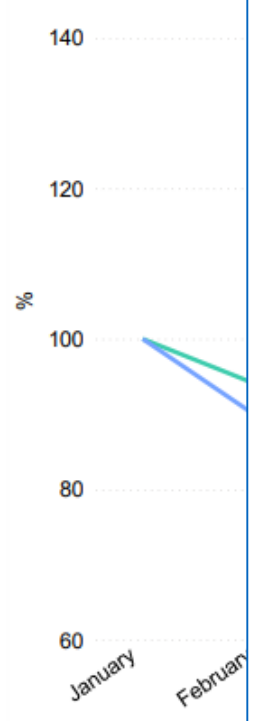
– **A admis** excepția de neconstituționalitate și a constatat că sunt neconstituționale dispozițiile art.15 și cele ale Anexei nr.6 din OUG nr.27/2022 privind măsurile aplicabile clienților finali din piața de energie electrică și gaze naturale în perioada 1 aprilie 2022-31 martie 2023, precum și pentru modificarea și completarea unor acte normative din domeniul energiei, cu modificările și completările ulterioare.

**ACER**  
European Union Agency for  
Cooperation of Energy Regulators

**Assessment of market  
emergence in electricity  
2023 Market**

14 July 2023

Figure 18: Evolution of market emergence in electricity



Note: The traded volumes have been normalised, with January 2022 as the reference, to illustrate relative changes.



Decision Year

All

NRA, Member State

ANRE (RO)

Type of REMIT Breach

All

Status

All

| Decision Year | NRA, Member State | Market Participant  | Type of REMIT Breach | Fine  | Status       | Source               |
|---------------|-------------------|---|----------------------|---|--------------|----------------------|
| 2024          | ANRE (RO)         | EFT Furnizare SRL   | Article 5            | RON 50,497,126.22 (approx. EUR 10,144.873**)  | Appealed     | <a href="#">Link</a> |
| 2024          | ANRE (RO)         | Energy Republic Trading S.R.L.                                  | Article 5            | RON 6,336,705.37 (approx. 1,286,984.86 EUR**) | Appealed     | <a href="#">Link</a> |
| 2024          | ANRE (RO)         | Freepoint Commodities Europe LLP                                | Article 5            | RON 22,917,465.3 (approx. EUR 4,604,119**)    | Appealed     | <a href="#">Link</a> |
| 2024          | ANRE (RO)         | Land Power S.R.L.   | Article 5            | RON 7,736,057.2 (approx. EUR 1,571,193.22**)  | Appealed     | <a href="#">Link</a> |
| 2024          | ANRE (RO)         | Nova Power&Gas SRL  | Article 5            | RON 100,106,676.12 (approx. EUR 20,111,431**) | Appealed     | <a href="#">Link</a> |
| 2024          | ANRE (RO)         | Qmb Energ S.R.L.  | Article 5            | RON 3,933,081.9 (approx. EUR 798,808.93**)    | Appealed     | <a href="#">Link</a> |
| 2024          | ANRE (RO)         | Tinmar Energy SA  | Article 5            | RON 363,982,051.85 (approx. EUR 73,123,994**) | Appealed     | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | A Energy Ind S.R.L.   | Article 5            | RON 340,294 (approx. EUR 68,893**)            | Under Appeal | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Alive Capital S.R.L.  | Article 5            | RON 400,000 (approx. EUR 80,955**)            | Final        | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Alive Capital S.R.L.  | Article 5            | RON 800,000 (approx. EUR 161,911**)           | Final        | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Eft Furnizare S.R.L.  | Article 5            | RON 400,000 (approx. EUR 80,954**)            | Final        | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Energiataverde.Ro Furnizare S.R.L. (Fostă Apuron Energy S.R.L.) | Article 5            | RON 400,000 (approx. EUR 80,893**)            | Final        | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Entrex Services S.R.L.  | Article 5            | RON 400,000 (approx. EUR 80,842**)            | Final        | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Next Energy Partners S.R.L.                                     | Article 5            | RON 200,000 (approx. EUR 40,443**)            | Final        | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Nova Power & Gas S.R.L.   | Article 5            | RON 400,000 (approx. EUR 80,977**)            | Final        | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Premier Energy Srl  | Article 5            | RON 500,000 (approx. EUR 101,073**)           | Under Appeal | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | Qmb Energ S.R.L.  | Article 5            | RON 400,000 (approx. EUR 80,977**)            | Final        | <a href="#">Link</a> |
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| 2022          | ANRE (RO)         | Transformer Energy Supply S.R.L.                                | Article 5            | RON 400,000 (approx. EUR 80,918**)            | Final        | <a href="#">Link</a> |
| 2022          | ANRE (RO)         | W.E. Power Team S.R.L.  | Article 5            | RON 454,000 (approx. EUR 91,800**)            | Under Appeal | <a href="#">Link</a> |

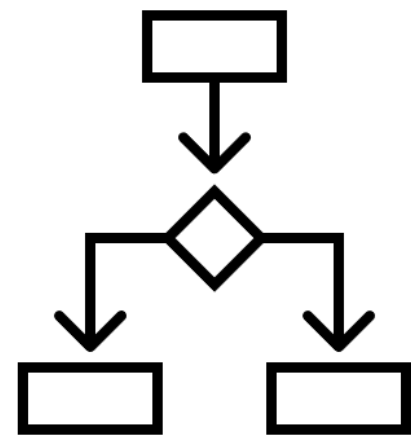
**Total Fines**  
**114,692,067 €**  
out of  
**250,364,726 €**

**Note: All information presented here is based on publicly available decisions. Additional decisions that have not been made public are not included in this table.**

# A Partnership with Significant Potential ....

## ... and severely undermined:

- ✱ Repetitive prolongation of measures with local-level non-constitutionality and EU-level infringement proceedings undermines trust in decision-making.
- ✱ Recent fines for 'market abuse' seem ad-hoc and inconsistent with international best practice, and undermine perceptions of regulatory predictability and fairness.
- ✱ Unequal terms and compliance requirements for international (non-resident) market participants, such as guarantee requirements under licensing conditions, undermine perceptions of a level-playing field
- ✱ Consultation times are short, transparency is low, and lack of inclusion of stakeholder viewpoints undermines trust in result in procedures as well as results



Total Fines =  
114,692,067 €  
out of  
250,364,726 €

# Consequences of Undermined Trust ...

*“It’s always been a challenging market, but recently, it feels like playing **Romanian roulette.**”*

*“... in the last 15 years that Romania as a state **makes some rules to attract international investors**, and when the investors come and build energy infrastructure with an expected cash flow, **they change the rules and ruin the projects (...)** When trust is broken once, it is **almost impossible to repair ...**”*

*“We have **left Romania, because of the hefty taxes** of 98% of the income out of power exports.”*

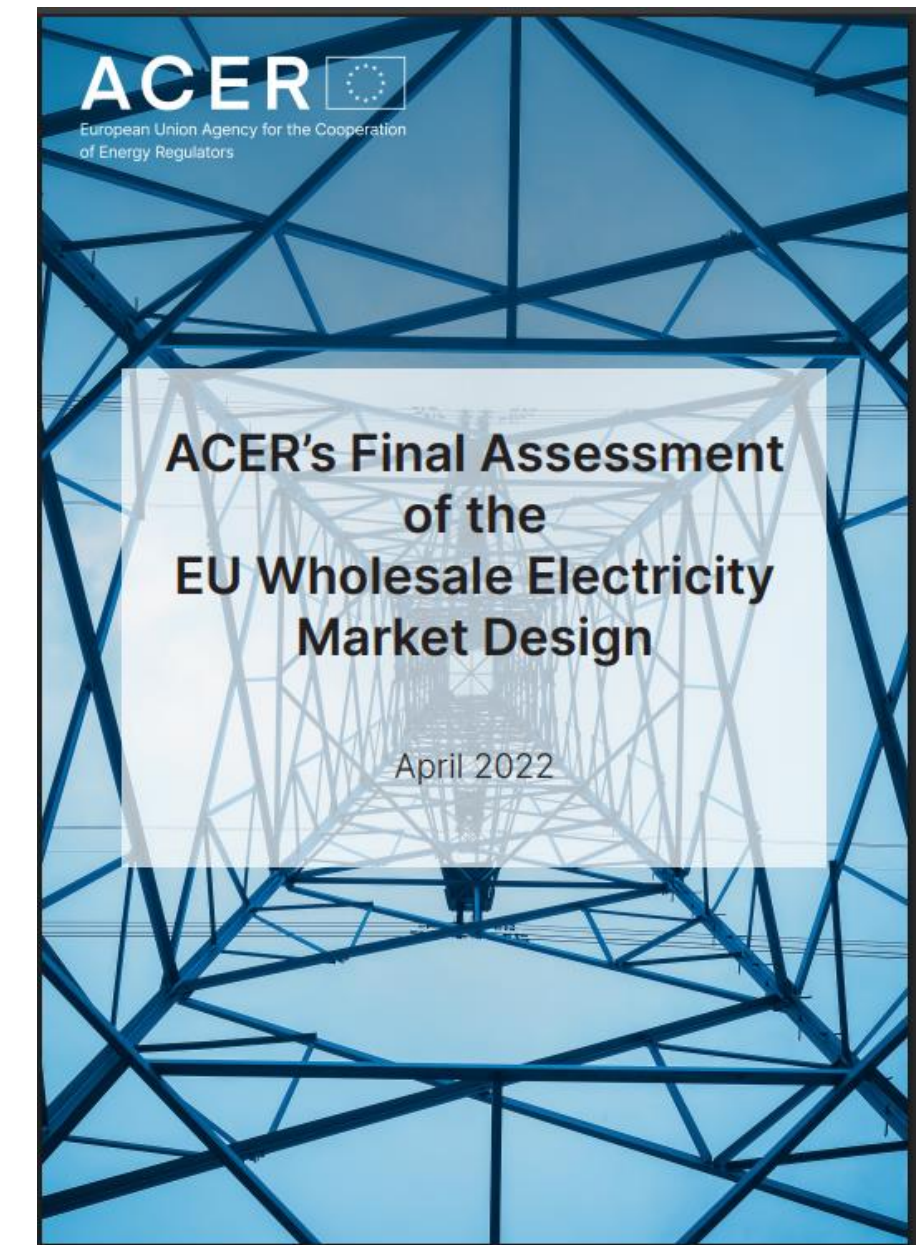
*“If the thinking is energy companies should be “first to be taxed in every crisis“ confidence will never return. **If they implement stable rules and stay consistent, maybe the international companies can get back.**”*

# ... are Causes of Concern for Romania



- ✱ **Market integration saved customers 34bn across Europe in 2021.**
- ✱ Markets without trading have higher prices and higher volatility.

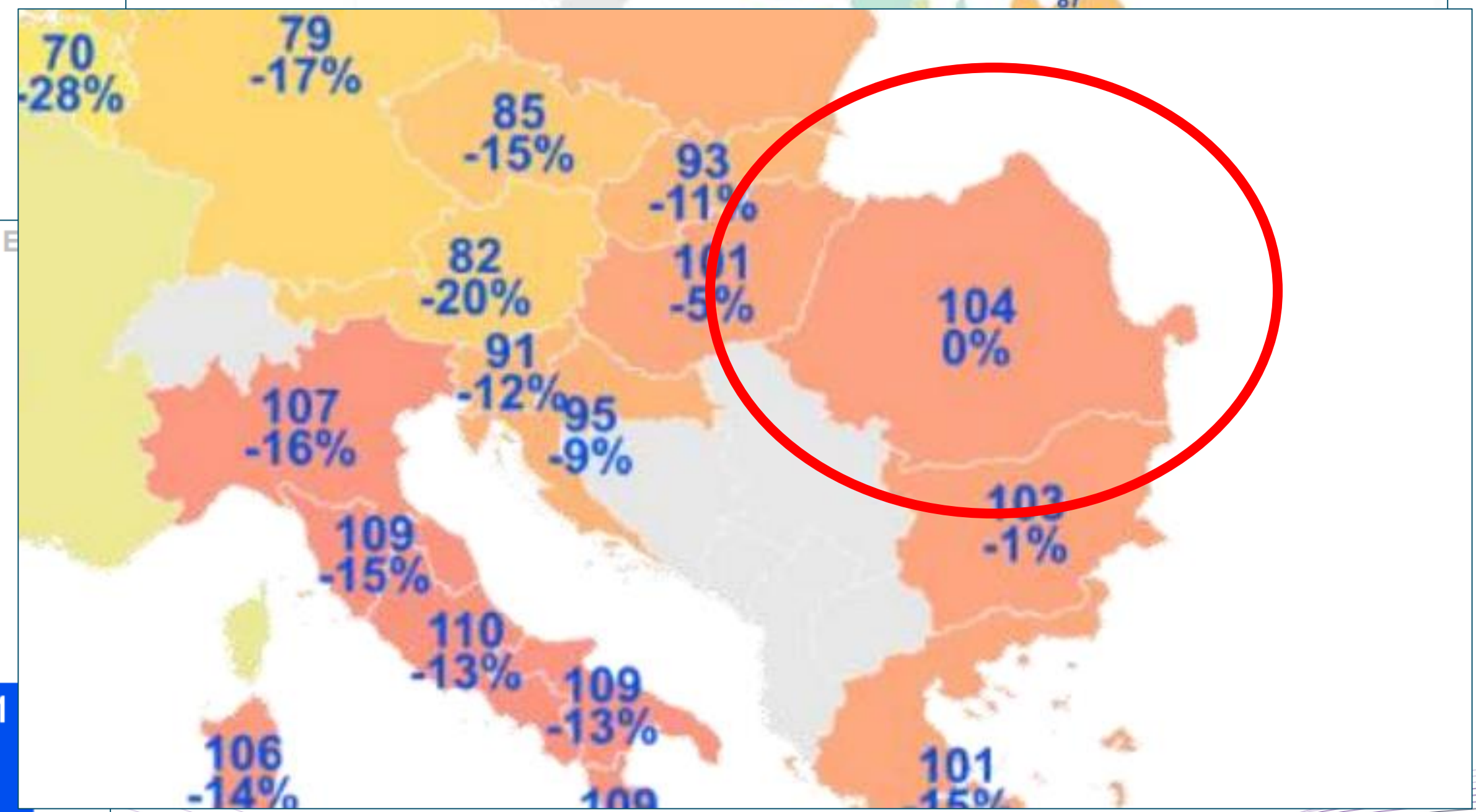
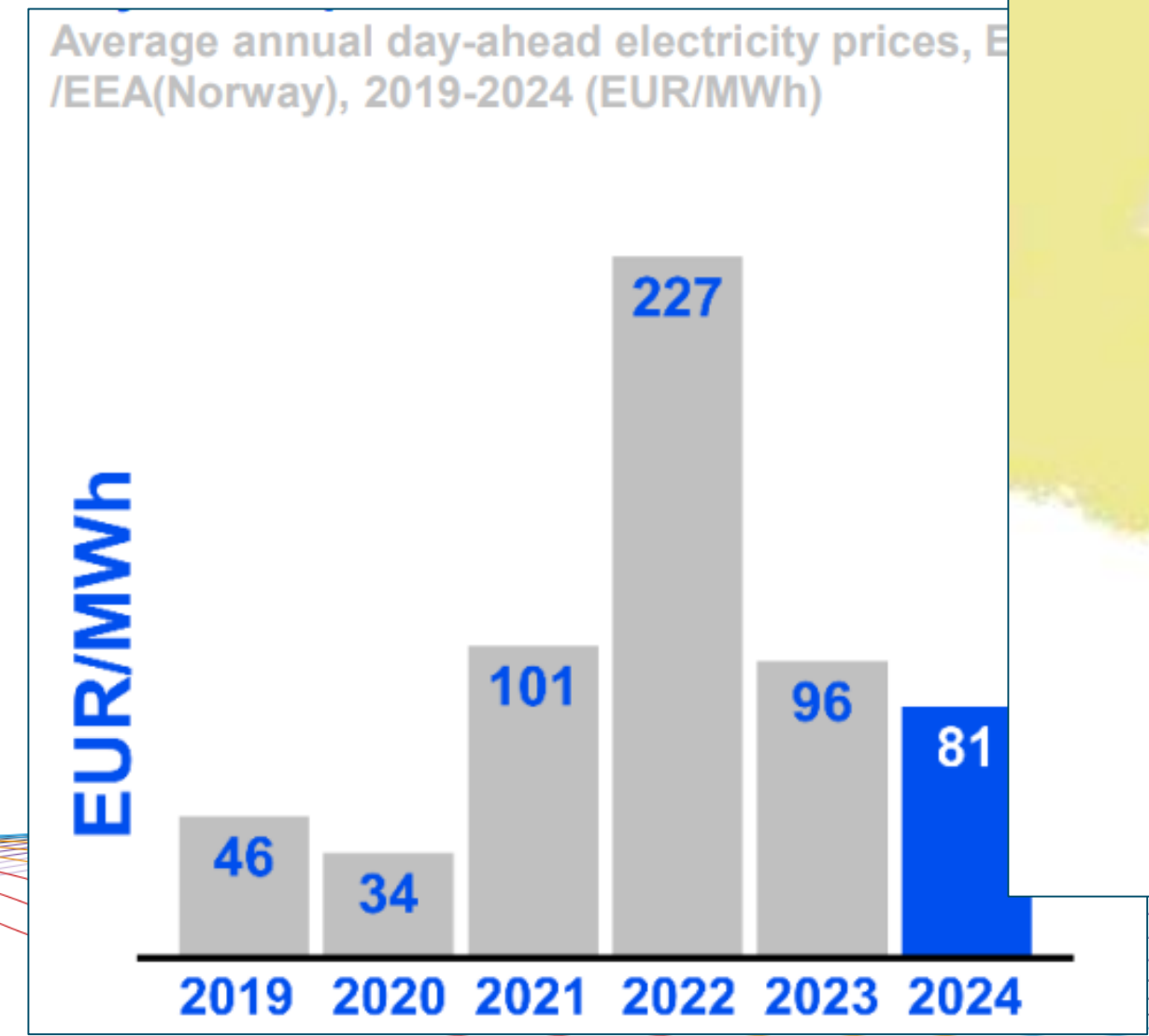
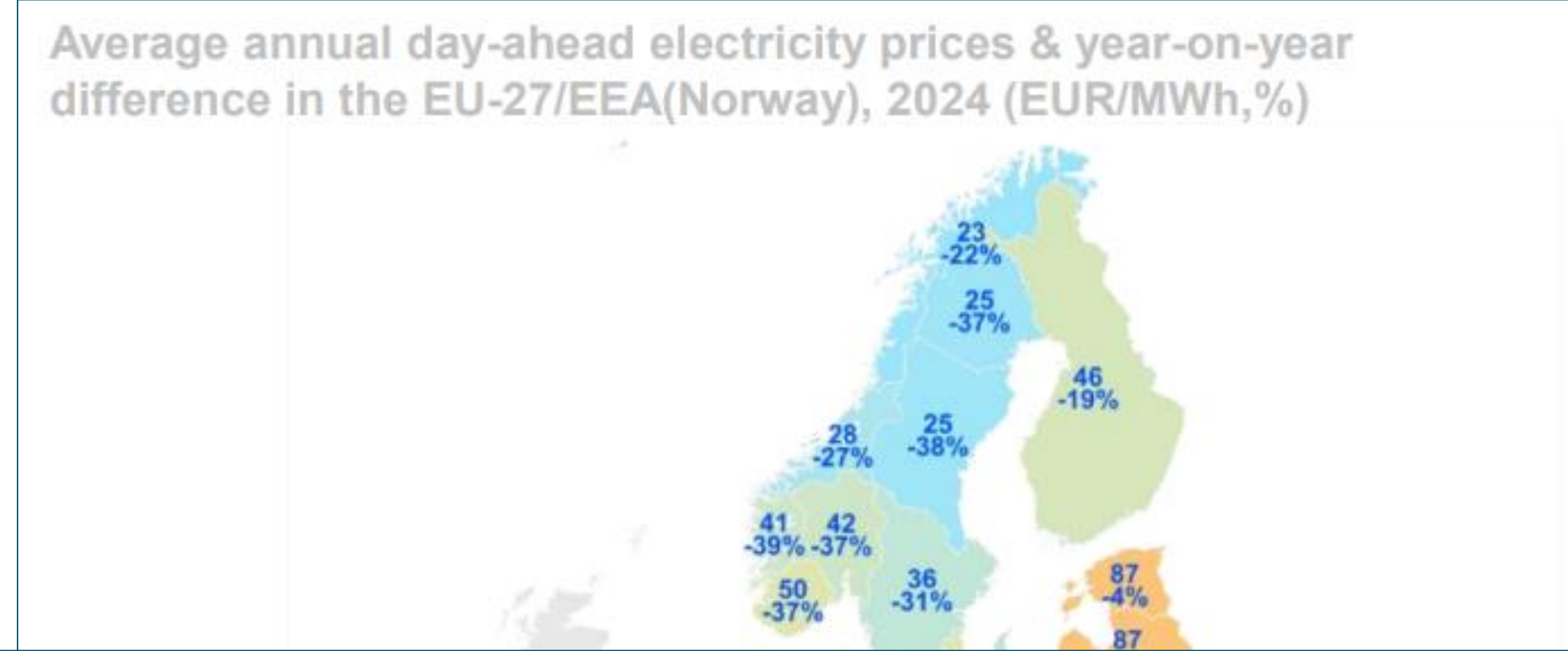
*“Overall, in 2021, cross-border trade delivered an estimated 34 billion Euros of benefits while helping to smoothen price volatility.”*



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## ... are Causes of Concern for Romania



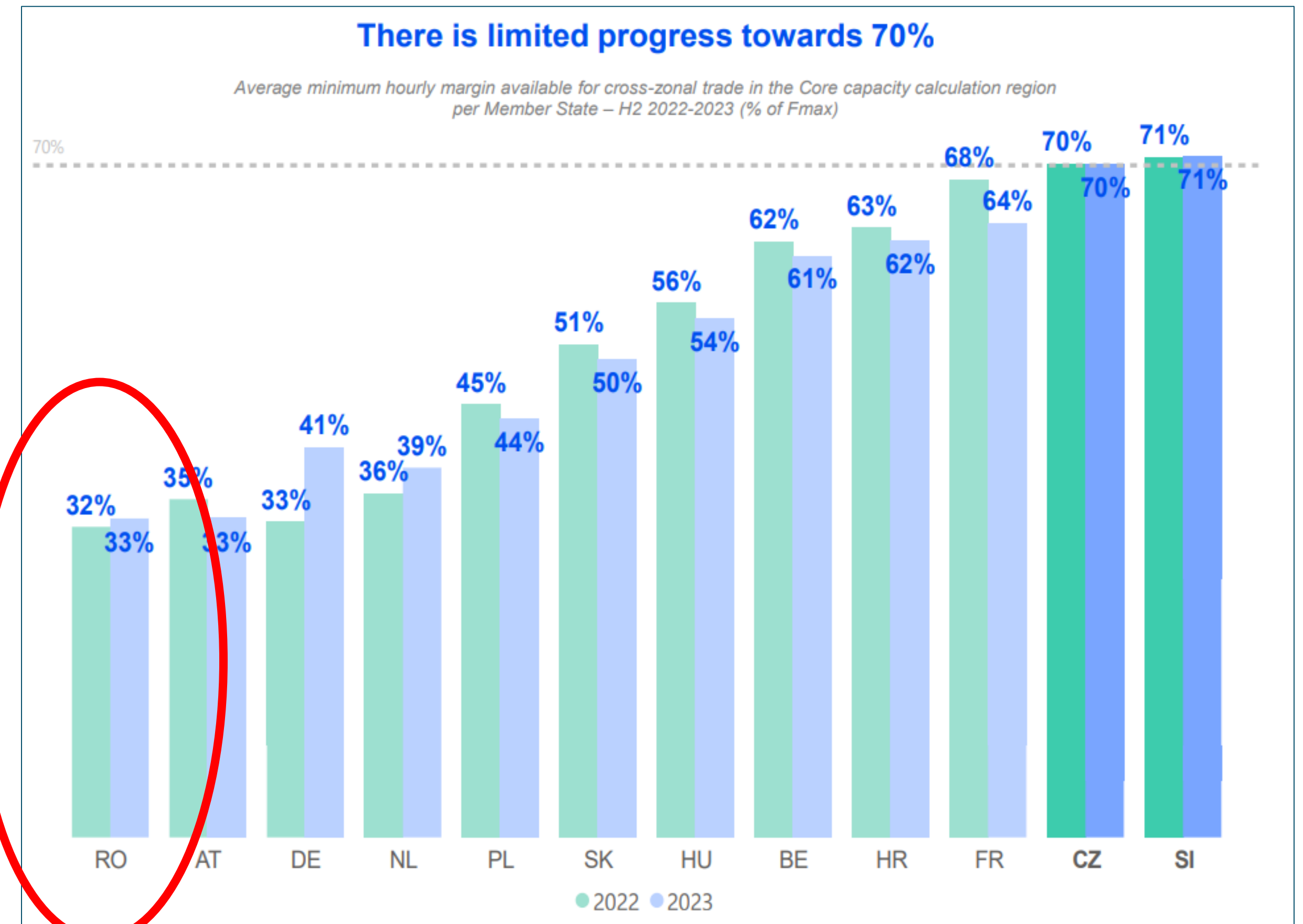
- ✱ Market integration saved customers 34bn across Europe in 2021.
- ✱ Markets without trading have higher prices and higher volatility.
- ✱ **Competition drives innovation and better quality of service.**
- ✱ **At a time when competitiveness and affordability are key – we have to take advantage of every opportunity.**



# ... are Causes of Concern for Romania



- \* Security of supply is more important than ever before.
- \* Recent events show the importance of regional and Europe wide resilience.

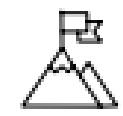


# ... are Causes of Concern for Romania



- ✱ Security of supply is more important than ever before.
- ✱ Recent events show the importance of regional and Europe wide resilience.
- ✱ **Decarbonisation is key to energy independence.**
- ✱ **A functioning energy market can drive jobs and growth – benefitting companies and customers.**

## Affordable Energy



Europe's energy prices are higher than those of trading partners, impacting competitiveness, especially for energy-intensive sectors



- [Affordable Energy Action Plan](#) will lower energy costs for business and citizens

- Tackling volatile prices by making Power Purchase Agreements more attractive for industrial users

- Switch to domestically produced clean energy



- Increase economy-wide electrification rate from 21.3% to 32% in 2030

- Install 100 GW of renewable electricity capacity every year until 2030





# A Way Forward?

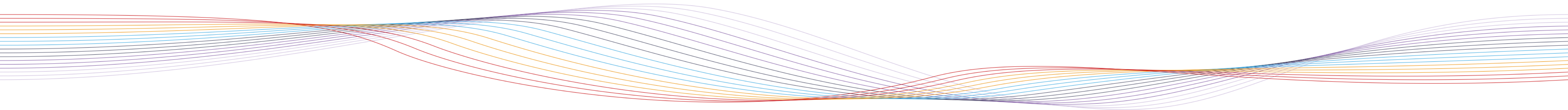
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| almost 2,000 units with over 17<br>GW, of which 35% RES     | almost 90% of consumption<br>covered domestically            |
| 500 MW RO-RS, 800 MW RO-<br>HU, 1,800 MW RO-BG              | ...not very transparent                                      |

*“If the thinking is energy companies should be “first to be taxed in every crisis“ confidence will never return. **If they implement stable rules and stay consistent, maybe the international companies can get back.**”*

# The Way Forward.

- ✦ **This is too big and too important a market to give up on.**
- ✦ **We want to do business here.**
- ✦ **We think there is an opportunity for a reset.**
- ✦ **But that does rely on things being done differently.**
- ✦ **And being done differently for a period of time.**



**Thank you for your attention.  
Please get in touch.**

