ROMANIAN ENERGY
REGULATORY AUTHORITY

ANNUAL REPORT

ROMANIAN ENERGY REGULATORY AUTHORITY

2024

www.anre.ro

SUMMARY

"Every decision made in 2024 took into consideration not only the present, but also the need to build a solid foundation for the future: a sustainable, safe, efficient and fair energy future for all consumers in Romania".

In a context in which the transition to a sustainable energy system is no longer a mere objective, but a necessity, 2024 was undoubtedly a year of strategic recalibration in the field of energy regulation. As a national regulatory authority, ANRE has assumed the role of an architect of stability and balance in an increasingly complex and interdependent market.

The annual report before you summarizes an intense and multidimensional activity, encompassing not only the key regulations on the electricity and natural gas markets, but also innovative measures in the field of tariffs, smart grids, digitalization and the integration of renewable sources. We have redefined the incentives for investments in transmission and distribution infrastructure, we have promoted transparency and competitiveness on the wholesale market, and in the retail segment we have strengthened consumer protection, facilitating information, switching suppliers and access to fair offers.

Through the strategic directions adopted — including the establishment of the new regulated rate of return for 2025–2029, the implementation of incentive pricing methodologies and the monitoring of investments through modern mechanisms — we have offered the market a predictable but demanding framework, aligned with the European standards and adapted to local challenges.

A special dimension of our activity was the strengthening of ANRE's digital and analytical capabilities, in order to support both data-driven regulatory decisions and dialogue with the public and institutional actors. Equally, we have engaged in an increasingly active cooperation on regional level, contributing to the development of an interconnected and resilient energy market in Central and South-Eastern Europe.

The report integrates the contributions of all ANRE departments and reflects the effort of an institution that carries out its mandate with responsibility, transparency and consistency. Every decision made in 2024 took into consideration not only the present, but also the need to build a solid foundation for the future: a sustainable, safe, efficient and fair energy future for all consumers in Romania.

I am thankful to the entire ANRE team for the professionalism it has shown and to all our institutional and sectoral partners for their collaboration.

George-Sergiu Niculescu
President

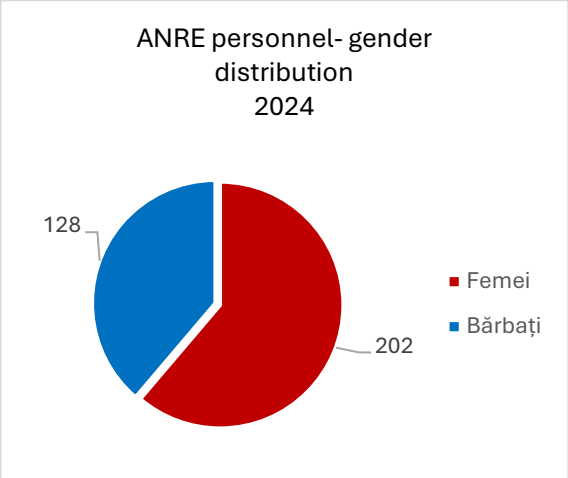
ANRE'S STATUS AND ROLE

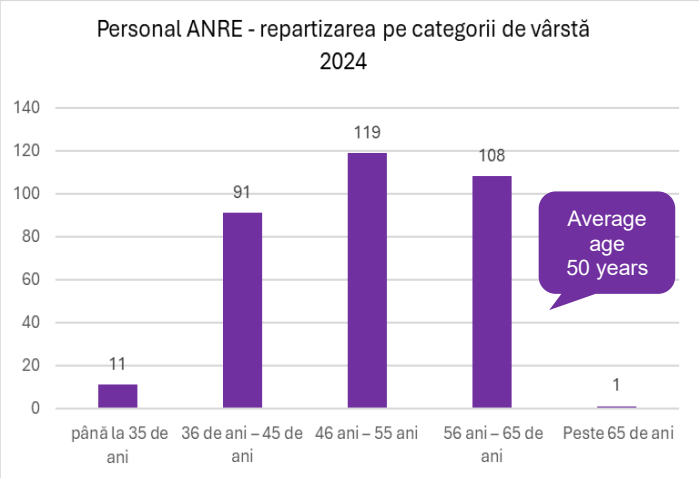
The Romanian National Energy Regulatory Authority – ANRE is an autonomous administrative authority, with legal personality, under parliamentary control, financed entirely from its own revenues, independent in terms of decision, organization and function, having as its object of activity the elaboration, approval and monitoring of the application of the set of mandatory regulations at national level necessary for the functioning of the electricity, heat and natural gas sector and market in conditions of efficiency, competition, transparency and consumer protection.

The regulatory activity of the Romanian National Energy Regulatory Authority is carried out on the basis of the Electricity and Natural Gas Law no. 123/2012, and the Government Emergency Ordinance no. 33/2007 on the organization and functioning of the Romanian National Energy Regulatory Authority, approved with amendments and completions by Law no. 160/2012, these laws transposing into national legislation the provisions of the European regulations on the internal energy market.

BUDGET AND HUMAN RESOURCES

At the end of 2024, ANRE had a total of 330 employees, out of the total number of 349 positions, resulting in an occupancy rate of the personnel scheme of 94.5%. The distribution of staff by gender and age categories is shown below:





In order to ensure the intake of specialized personnel to meet the specific objectives of ANRE, during 2024, 13 hiring procedures were organized, as a result of which 9 hires were made. At the same time, 20 employees ceased their activity (for various reasons: retirement, resignation, agreement of the parties, etc.).

ANRE is an autonomous administrative authority, financed entirely from its own revenues. The financial statements for 2024 were prepared according to the legislation in force. The execution account of ANRE's income and expenditure budget concluded on December 31, 2024, is as following: the income made is worth 200,055,506 lei, the net expenditure made are worth 191,179,267 lei. The result of the budget execution represents a surplus in the amount of 8,876,239 lei.

Chapter I
WHOLESALE AND RETAIL ENERGY MARKET REGULATORY ACTIVITY

I.1. WHOLESALE ENERGY MARKET REGULATORY ACTIVITY

1. Wholesale electricity market regulatory activity

During 2024, the regulations related to the wholesale electricity market were mainly aimed at implementing various provisions of primary legislation, both on European and national level, in parallel with participating in the implementation of the new European market model. The regulations on the wholesale electricity market were mainly aimed at updating the framework for participation in the coupled electricity market of the second market operator, the Romanian Commodity Exchange and introducing intraday auctions in the Romanian bidding area. The rules for the explicit allocation of interconnection capacity on the Romania-Moldova and Romania-Serbia borders have also been updated.

As far as the balancing market is concerned, the concept of elastic demand has been introduced, allowing the TSO in Romania to purchase a quantity of energy, for automatically or manually activated energy, at a price that will be set by the TSO, but which cannot be lower than the marginal price, if it is positive, and higher than the marginal price, if it is negative.

At the same time**,** the trial period of the power plants that are connected to the SEN [1] was reevaluated, in relation to the test program established together with the network operator. The maximum duration of the trial period has been reduced, depending on the category in which power plants are classified, and the remuneration method of the energy injected into the grid has been changed with the PZU[2] price recorded in the settlement interval in which the energy was produced, but not more than 400 lei/MWh. An obligation has been introduced for network operators to provide suppliers with timely information on the measured values of their consumption, in order to facilitate proactive measures to balance their portfolios, taking effect from 1 January 2025.

Regarding the regulations on the connection of electricity production capacities from renewable sources to public interest networks, ANRE implemented in secondary legislation the provisions of art. 25 para. (2^2) of *the Law on Electricity and Natural Gas no. 123/2012*, which establishes that if the network operators do not have sufficient capacities to connect all the electricity generation capacities for which the connection has been requested, they may apply market-based methods for allocating the existing capacity of the networks.

Also, a new regulation was approved for the implementation of the provisions of Articles 26-30 and 46 of *Law no. 121/2024 on offshore wind energy*, which establish the rules on the connection of offshore wind power plants to the electricity transmission network.

During 2024, the Commission for the Settlement of Disputes on Access to Electricity Networks (Commission) received 11 requests for the settlement of disputes arising between network operators and individuals and legal entities, concerning certain stages in the process of connecting certain places of production or consumption to the electricity networks. In nine of the cases, the Commission submitted to the President of ANRE, for approval, draft decisions on the settlement of disputes. In two of the cases, the parties communicated that they had reached an amicable agreement. At the same time, from the cases addressed to the Commission for resolution, certain aspects that have been or will be considered in the regulatory activity have been highlighted, to complete or clarify the provisions of the applicable normative acts.

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[1] SEN – national energy system

[2] PZU – next day market

2. Regulatory activity of the wholesale natural gas market

During 2024, the regulations related to the wholesale natural gas market were mainly aimed at implementing the various provisions of the primary legislation, both at European and national level, and aimed to ensure continuity and security in supplying end customers, ensuring their own consumption and affordability of the price.

In accordance with the provisions of art. 6a para. (1) letter b) of *Regulation (EU) 2017/1938* of the European Parliament, as amended by *Regulation (EU) 2022/1032* of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and *(EC) No 715/2009* as regards gas storage, starting with 2023, EU member states are required to build up a natural gas stock in storage deposits representing 90% of the capacity of existing storage deposits.

In order to comply with these provisions, *ANRE Order no. 1/31.01.2024 was issued* for the approval *of the Methodology for determining the level of the mandatory minimum natural gas stock to be constituted in underground storage deposits between April 1, 2024 and October 31, 2024*.

In order to establish the minimum level of natural gas stock that each holder of the natural gas supply license that has end customers in its portfolio, respectively each PET[3] direct customer, has the obligation to constitute the stock in underground storage deposits by October 31, 2024, *ANRE Decision no. 360/28.02.2024* was approved.

Although the storage obligation was 90% of the storage capacity of the underground natural gas storage system at national level, as of November 1, 2024, the deposits were 102.61% full.

According to art. 3a para. (1) of *Regulation (EC) no. 715/2009*, ANRE issued *Decision no. 154/31.01.2024* on the certification of the storage operator S.N.G.N. ROMGAZ S.A. Natural Gas Storage Subsidiary DEPOGAZ Ploiesti S.R.L., respectively *Decision no. 155/31.01.2024* on the certification of the storage operator DEPOMUREȘ S.A.

Considering the provisions of Article 26 of *Regulation (EU) 2017/459*, in order to **determine the appropriateness of initiating an incremental capacity project,** an assessment of the demand on the incremental capacity market has been carried out. The transmission operators LLC "*Gas Transmission System Operator of Ukraine*", Bulgartransgaz EAD and FGSZ Zrt., together with Transgaz SA prepared and submitted to the national regulatory authorities *the Reports on the evaluation of the demand for incremental capacity,* which resulted **in the need to initiate incremental** capacity projects for the interconnection points between the 3 transmission systems. In accordance with the incremental capacity project proposal, transmission system operators from Romania, Ukraine, Bulgaria and Hungary have proposed to develop existing interconnection capacities at interconnection points.

In this context, the regulatory authorities approved the proposals for incremental capacity projects between the natural gas transmission systems at the interconnection points between the 3 transmission systems. Thus, ANRE approved *Decision no. 797/22.04.2024* on the approval of the proposal for an incremental capacity project between the natural gas transmission systems of Romania and Ukraine, at the joint interconnection point Isaccea 1/Orlovka 1, *Decision no. 798/22.04.2024* on the approval of the proposal for an incremental

[3] PET - thermal energy producer

capacity project between the natural gas transmission systems of Romania and Bulgaria, at the Negru Vodă 1/Kardam joint interconnection point, as well as *Decision no. 853/10.05.2024* on the approval of the proposal for an incremental capacity project between the natural gas transmission systems of Romania and Hungary, at the Csanádpalota joint interconnection point.

In order for SNTGN TRANSGAZ SA to be able to make available to the market, until 30.06.2024, the model contract for incremental capacity, *ANRE Order no. 11/22.05.2024* was approved for amending and supplementing *the Order of the President of ANRE no. 130/2020* regarding the establishment of measures for the reservation of transmission capacity at the interconnection points of the National Gas Transmission System in Romania with the transportation of natural gas from Romania's neighboring countries.

3. District heating regulation activity

Based on the provisions *of the Law on the Public Service for the Supply of Thermal Energy no. 325/2006, republished, with subsequent additions,* ANRE has the status of regulatory authority within the meaning of this normative act. Thus, ANRE develops, establishes and monitors the application of the set of mandatory regulations at national level necessary for the functioning of the public heat supply service in a centralized system, in conditions of efficiency, competition, transparency and consumer protection.

In the field of regulations specific to the field of district heating, in 2024 the following were developed and approved:

1. Order of the President of ANRE no. 71/24.09.2024 for the approval of the Methodology for establishing, adjusting and modifying the prices and tariffs related to the activities of production, transport, distribution and supply of thermal energy within the public service for the supply of thermal energy in a centralized system, except for the production of thermal energy in cogeneration plants.

2. Order of the President of ANRE no. 70/2024 for the approval of the Regulation for the issuance of technical approvals on energy efficiency within the District Heating Program.

3. Order of the President of ANRE no. 69/2024 on the approval of the Performance Standard for the public service of centralized heat supply.

4. Order of the President of ANRE no. 7/2024 for the approval of the Regulation on the distribution of thermal energy consumption among consumers in condominium-type buildings, in case of using cost distribution systems for heating and hot water for consumption.

According to *Law no. 325/2006*, *republished, with subsequent additions,* ANRE published on its website the Report on the state of the public service of heat supply in a centralized system for the previous year.

I.2.RETAIL ENERGY MARKET REGULATORY ACTIVITY

1. Retail Electricity Market

The electricity market in Romania operates in accordance with the European regulations on the internal energy market, which establish requirements related to the production of energy from renewable sources, environmental policy, the integration of balancing markets, as well as the

interconnection of energy systems, respectively Directive 944/2019 of the European Parliament and of the Council *on common rules for the internal market in electricity and amending Directive 2012/27/EU and* Regulation 943/2019 of the European Parliament and of the Council *on the internal market in electricity*. According to European law, market participants are free to set the price of electricity.

Pursuant *to Law no. 123/2012, as subsequently supplemented,* starting with January 1, 2021, the regulated tariffs applied to household customers were eliminated. From the price structure, only network services tariffs remained regulated by ANRE, namely the transmission service tariff, system service tariff and the electricity distribution service tariff.

Considering the increase in the price on the electricity and natural gas markets at international level starting with the end of 2021, as well as the impact for the Romanian consumers, the Romanian Government has adopted compensation and support schemes for the payment of electricity and gas bills, so that the prices of electricity and natural gas paid by final customers do not aggravate the level of energy poverty. Thus, in 2024, suppliers applied capped prices for electricity billed to household and non-household customers, in accordance with the provisions of GEO 27/2022[4].

GEO 27/2022 was amended by Law 206/07.07.2023 so that, starting with 14.07.2023, the final price invoiced by each electricity supplier was the minimum value between the capped price, the contractual price and the final price calculated as the sum of the components of acquisition, supply, regulated tariffs, taxes and legal contributions. Also, in accordance with the provisions of art. 1 para. (11) of *GEO 27/2022*, the price applicable for the period January 1, 2023 – March 31, 2025, from the standard offers for final customers in the electricity market, developed and published by the suppliers, may not exceed the value of the capped final price.

In 2024, ANRE issued Order no. 94/2024 amending the Order of the President of ANRE no. 90/2015 regarding the approval of the framework contracts for the electricity distribution service, which regulated the relations between the concessionaire distribution operators and the electricity producers regarding the financial obligations and payment methods for the distribution service provided.

Also, Order no. 6/2024 supplemented the Regulation on the supply of electricity to final customers in order to clarify the method of publishing the standard offers of supply of electricity under the universal service regime, in the case of individuals/legal entities that sell electricity to customers supplied directly from the electrical installations related to the production units/from the electricity networks that they operate or located in proximity of these networks. At the same time, the provisions regarding the information contained in the invoice have been harmonized with the legislation on invoicing in the RO e-Invoice system.

2. Natural Gas Retail Market

Starting with July 1, 2020, the natural gas market has been completely liberalized, and the natural gas supply prices are no longer set by ANRE. Thus, in accordance with the provisions *of the Law on Electricity and Natural Gas no. 123/2012*, on the competitive natural

[4] Emergency Ordinance no. 27/2022 on the measures applicable to final customers in the electricity and natural gas market between April 1, 2022, and March 31, 2023, as well as for the amendment and completion of certain normative acts in the field of energy, approved with amendments and completions by Law no. 206/2022, as subsequently amended and supplemented

gas market, commercial transactions are made wholesale or retail, and prices are formed based on supply and demand, as a result of competitive mechanisms.

Following the increase in the price on electricity and natural gas markets at international level, the Government adopted temporary measures to support the population and mitigate the financial impact of the payment of electricity and natural gas bills in the winter season 2021-2022, and between April 1, 2022, and March 31, 2025. In accordance with the provisions of art. 1 para. (2) of *GEO 27/2022*, for consumption between April 1, 2022, and March 31, 2025, the final price invoiced by natural gas suppliers was capped. Also, the price applicable for the period January 1, 2023, to March 31, 2025, from the standard offers for final customers in the natural gas market, developed and published by the suppliers, did not exceed the value of the capped final price.

At the same time, all natural gas suppliers have an obligation to ensure to the final customers a minimum level of quality of supply established by the performance standard approved by ANRE. For non-compliance, they must pay compensation/penalties/penalty interest to the affected end customer, in the amount and under the conditions provided for in this standard.

Also, the natural gas supplier has the obligation to establish a communication system with its end customers, which ensures the takeover, registration, analysis, establishment of measures and resolution of their complaints regarding the natural gas supply activity, in compliance with the rights and obligations of each party, in accordance with the framework procedure approved by *ANRE Order no. 16/2015*.

During 2024, the Regulation on the supply of natural gas to end customers was revised by Order 6/2024 to harmonize the provisions regarding the information contained in the invoice with the legislation on invoicing in the RO e-Invoice system.

3.Electricity and Gas Online Switching Platform (POSF)

The online platform for changing electricity and natural gas suppliers at national level is accessible to end customers in order to identify the electricity and natural gas supply contracts they have concluded and to change the supplier through it.

Through this platform, ANRE has optimized the operational processes in the energy market for the benefit of the end consumer, by reducing bureaucracy and strengthening competition, reducing the duration of changing the supplier to 24 hours.

The following are registered in the POSF platform: 141 electricity suppliers, 91 natural gas suppliers, 69 electricity network operators and 37 natural gas network operators. There are approx. 50,000 end customers who have created a user account in POSF.

In 2024, the integration of economic operators in the field of electricity and natural gas with the POSF continued. Network operators and electricity and natural gas suppliers have uploaded and continuously update metadata for consumption sites and for supply and network contracts.

The online platform for changing the electricity and natural gas supplier is available at: https://posf.ro/

5. Comparators of supply offers

ANRE has developed and improved two online tools for comparing the standard offers for the supply of electricity and natural gas in Romania for end customers, as interactive web applications, one for electricity and one for natural gas.

At the same time, by *Order no. 106/2014* and *Order no. 189/2018*, all electricity/natural gas suppliers that carry out the supply activity to end customers and that develop and publish standard offers by their own means have the obligation to introduce the standard offers published on their own websites and information related to them in the Comparators database.

The Comparator for standard offers for the supply of electricity[5] and for standard offers for the supply of natural gas[6] are independent and non-commercial instruments, the purpose of which is to allow the comparison of the supply prices and the conditions offered by the electricity/natural gas suppliers, before choosing a certain supplier or a certain standard offer. The Comparator applications are managed by ANRE and are continuously developed and updated.

At the same time, by transposing the provisions *of Directive (EU) 2019/944* of *the European Parliament and of the Council of 5 June 2019 on common rules for the internal market in electricity,* relating to the obligation of Member States to ensure that household customers and micro-enterprises with an expected annual consumption of less than 100 000 kWh have free access to at least one tool for comparing suppliers' offers, including the offers of contracts for the supply of electricity with dynamic prices, in *the Law on Electricity and Natural Gas no. 123/2012*, the legal framework applicable at national level regarding **contracts with dynamic prices** was created, including obligations for electricity suppliers regarding the provision of adequate information to final customers, as regards the particularities of this type of contract.

During 2024, ANRE has continuously developed and updated the Comparators made available to customers on ANRE's website, respectively on the page of the Online Supplier Change Platform (POSF.ro), introducing new functionalities, such as: the possibility for suppliers to upload information on how to conclude contracts and the documents necessary for concluding contracts or the possibility of duplication by suppliers of the submitted offers, in order to facilitate the process of introducing them in case there are no major differences.

The number of views of the comparators doubled in 2024 compared to 2023, because of the increase in the interest of end customers to change their supplier and choose, by comparison, the most suitable offer.

6. Liberalization of energy markets

6.1. Electricity

Until the liberalization of the electricity market on December 31, 2020, out of the total number **of 8,924,187 consumption places belonging to household customers, 34%** of them had concluded contracts related to the supply of electricity on a **competitive basis**.

Until December 31, 2024, based on the data reported by electricity suppliers, 68% **out of the total number of consumption places belonging to household customers of 9,511,356** signed contracts related to the supply of electricity under a competitive regime, and 32% concluded contracts under the universal service regime or under the regime of last resort.

6.2. Natural Gas

[5] https://posf.ro/comparator?comparatorType=electric
[6] https://posf.ro/comparator?comparatorType=gas

Until the liberalization on June 30, 2020, out of the total number of 3,844,474 household customers, 12% had concluded contracts related to the supply of natural gas under a competitive regime.

By December 31, 2024, approximately 63.84% of the total number of household customers signed contracts related to the supply of natural gas under a competitive regime.

7. Supply of electricity under universal service

Starting with January 1, 2022, in accordance with the provisions *of Law no. 123/2012,* the universal service is guaranteed only to household customers and is provided by electricity suppliers who have concluded contracts in the competitive market with household customers. Electricity suppliers who have concluded contracts in the competitive market with household customers have an obligation to send the universal service offer to the household customer who requests this offer.

The electricity price in the universal service offer is composed of the electricity purchase component, which includes the grid injection component of the transmission tariff, and the supply component, and is valid for a period of at least 3 months.

The price applied to customers benefiting from universal service is set by each provider, according to competitive criteria, given that it must be reasonable, competitive, easily comparable, transparent and non-discriminatory**.**

The invoice model for household customers, approved by *ANRE President's Order no. 13/2023*, contains the information set out in Annex I of Directive (EU) 2019/944 of the European Parliament and of the Council on common rules for the internal electricity market and amending Directive 2012/27/EU and in the Electricity Supply Regulation.

ANRE considered simplifying the electricity bill issued for household customers, so that the elements in the bill allow the household customer a better understanding of how to determine the value of the bill, and the additional information included in the annex to the bill to help the household customer in optimizing their own electricity consumption.

8. Supply of last resort

8.1. Supply of electricity as a last resort

The supply of electricity in the last resort regime is carried out in accordance with the provisions *of the Regulation on the last resort supply of electricity* (hereinafter referred to as the *FUI EE Regulation*), approved by *Order no. 91/2022*.

For the duration of the support scheme established by *GEO 27/2022,* the *FUI EE Regulation* established a mechanism for the rotation of customers in the FUI, in descending order of the market share for the last month for which there is data published on ANRE's website. Consequently, each FUI is allocated a calendar month, when it has the obligation to automatically take over the places of consumption of customers who end up in the situation of not having the supply of electricity from any source assured.

In 2024, the supply of last resort was provided for an average number of **45,929 consumption places,** compared to 2023, when it was provided for an average number of **83,546 consumption places.**

During the period of application of *GEO 27/2022*, the prices for the supply of electricity as a last resort were capped, with the FUI invoicing the electricity consumption of the customers taken over in accordance with its provisions.

8.2. Supply of natural gas as a last resort

The supply of natural gas as a last resort is still an activity related to the regulated market, being carried out under the conditions regulated by ANRE through *Order no. 173/2020* on the approval *of the Regulation on the supply of last resort of natural gas*, with subsequent amendments and completions, hereinafter referred to as *the FUI GN Regulation***.**

For the period of application of the support scheme established by *GEO 27/2022,* the *FUI GN Regulation* established a mechanism for the rotation of customers by FUI, in ascending order of market share for the last month for which there is data published on ANRE's website. Consequently, each FUI is allocated a calendar month, in the order of the ranking published by ANRE, during which it has the obligation to take over, automatically or upon request, the places of consumption of customers who end up in the situation of not having assured the supply of natural gas from any source.

During 2024, the supply of last resort was provided for an average number of **45,198 consumption places,** compared to 2023, when it was provided for an average number of **50,751 consumption places.**

During the period of application of *GEO 27/2022*, the prices for the supply of natural gas as a last resort were capped, with the FUI invoicing the natural gas consumption of the customers taken over in accordance with its provisions.

9. Performance standard for the supply activity

9.1. Performance indicators for the electricity supply activity

Regarding the quality indicators and the degree of fulfillment of the specific performance indicators for the activity of supplying electricity to end customers, carried out during 2024 by the electricity suppliers, according to the information submitted by them, the following resulted:

- a total of 6,540,786 claims from end customers for non-compliance with the quality indicators **were registered, and electricity suppliers paid compensation to 147,230 final customers, in the amount of 1,362,649 lei**,

- the degree of compliance by electricity suppliers with the quality indicators (QI), which is achieved by determining the specific performance indicators (PSI), is presented in the following table:

2024	Achievement of the CI specific performance indicator (%)

Specific Performance Indicator - ISP	Household	Non-household
IC1 - response time to a request for the submission of a supply offer	99,96%	99,92%
IC2 - response time to a request for the conclusion of a supply contract	100,00%	100,03%
IC3 - response time to a request for modification/completion of a supply contract	100,00%	99,94%
IC4 - response time to a request for an issued invoice	99,98%	99,82%
IC5 - the response time to a notification regarding the interruption/limitation of the supply at the place of consumption, as the case may be, unjustifiably ordered by the supplier	99,58%	100,00%
IC6 - the time for transmitting to the RO a request for resumption of supply at the place of consumption, the interruption/limitation of which was ordered by the supplier	97,05%	99,36%
IC7 - the time of transmission to the RO of a received request whose object is related to the field of activity of the RO	99,72%	99,75%
IC8 - the time of transmission to the applicant of the response received from the RO	99,92%	99,67%
IC9 - response time to a request regarding the change of supplier process	99,96%	99,62%
IC10 - the response time to a request related to the supply activity, the object of which is not among the quality indicators expressly provided for in the standard	98,52%	99,92%
IC11 - time to answer a telephone call made through the telephone service (call center) - *(compensations for non-compliance with the guaranteed level of the indicator are granted starting with January 1, 2024)*	81,18%	82,80%
TOTAL 2024	**93,26%**	**95,91%**
	93,53%	

Source: Reports of economic operators based on *ANRE Order no. 83/2021*.

9.2. Performance indicators for the natural gas supply activity

Regarding the quality indicators and the degree of fulfillment of the specific performance indicators, according to the information submitted by the natural gas suppliers, **at the level of 2024**, the following were found:

- a total number of 2,234,031 claims from end customers for non-compliance with the quality indicators were registered, and natural gas suppliers paid compensation to 90,345 end customers, in total amount of 108,841 lei,

- the degree of compliance by natural gas suppliers with the quality indicators (QIs), which is achieved by determining the specific performance indicators (PSIs), is presented in the following table:

Year 2024	Achievement of the CI specific performance indicator (%)	
Specific Performance Indicator (ISP)	**Household customers**	**Non-household customers**
IC1 - response time to a request for the submission of a supply offer	90,24%	94,24%
IC2 - response time to a request for the conclusion of a supply contract	100,00%	98,26%
IC3 - response time to a request for modification/completion of a supply contract	99,04%	99,62%
IC4 - response time to a request for an issued invoice	98,51%	99,12%
IC5 - the response time to a notification regarding the interruption/limitation of the supply at the place of consumption, as the case may be, unjustifiably ordered by the supplier	99,05%	100,00%
IC6 - the time for transmitting to the RO a request for resumption of supply at the place of consumption, the interruption/limitation of which was ordered by the supplier	100,02%	100,03%
IC7 - the time of transmission to the RO of a received request whose object is related to the field of activity of the RO	99,97%	99,93%
IC8 - the time of transmission to the applicant of the response received from the RO	99,98%	100,00%
IC9 - response time to a request regarding the change of supplier process	100,00%	100,00%
IC10 - the response time to a request related to the supply activity, the object of which is not among the quality indicators expressly provided for in the standard	99,81%	99,99%
IC11 - time to answer a telephone call made through the telephone service (call center) - *(compensations for non-compliance with the guaranteed level of the indicator are granted starting with January 1, 2024)*	82,55%	83,00%
TOTAL	**88,44%**	**93,36%**
	88,94%	

Source: Reports of economic operators based on *ANRE Order no. 83/2021*

10. The information activity of the end customers carried out by the suppliers

One of the activities carried out by ANRE, in terms of protecting the rights of end customers, consists in **monitoring compliance with the obligations established by suppliers, regarding the information activity** they carry out in relation to the end customers in their portfolios, the purpose being to ensure correct, ample and complete information from end customers.

In this regard, ANRE has established a **unitary reporting system** for electricity/natural gas suppliers, which would ensure a rigorous framework conducive to fulfilling their obligations

to inform end customers in their portfolios. The activity of informing customers is carried out by the supplier, mainly, in the following ways:

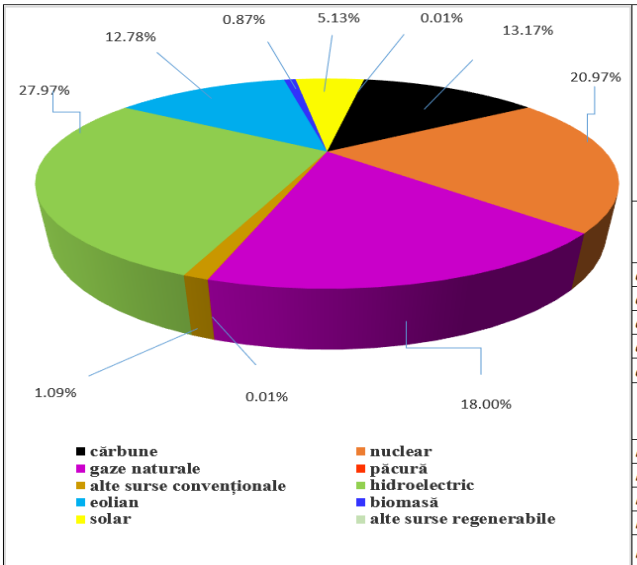
a) publication on its own website;
b) posting at the single points of contact, including at the general information points;
c) publication in the media;
d) sending informative materials to customers;
e) written answers, in paper or e-mail format, or by telephone to customer questions.

11. The structure of the electricity production in Romania by types of primary energy sources and the values of the environmental indicators associated with the electricity produced at national level, for each type of primary source

In accordance with *the provisions of the Electricity Labelling Regulation*, approved by *ANRE President's Order no. 61/2016*, based on the electricity producers' declarations regarding the total amount of electricity produced, the structure of the electricity production in Romania by types of primary energy sources was calculated, and is presented in the table below.

In 2024, the national average specific values of CO2 emissions and radioactive waste resulting from electricity production were 179.72 g/kWh and 0.005 g/kWh, respectively. By referring to these values, electricity suppliers will specify in the labels they will develop whether the electricity they supplied to end customers in 2024 had an impact on the environment *below/above* the national average.

Starting from the data obtained in the process of developing the national label, the following graph shows the structure of electricity produced in dispatchable and non-dispatchable production units, reported by 665 electricity producers, calculated by types of conventional and unconventional resources.



Structura pe tipuri de surse primare de energie a producției de energie electrică din România		Producția de energie electrică în România în anul 2024 (%)
A.	***Surse convenționale:***	***53.24%***
a1	cărbune	13.17%
a2	nuclear	20.97%
a3	gaze naturale	18.00%
a4	păcură	0.01%
a5	alte surse convenționale	1.09%
B.	***Surse regenerabile:***	***46.76%***
b1	hidroelectric	27.97%
b2	eolian	12.78%
b3	biomasă	0.87%
b4	solar	5.13%
b5	alte surse regenerabile	0.01%

Impact asupra mediului la nivelul României:
Emisii specifice de CO2: **179.72 g/kWh**
Deșeuri radioactive: **0.005 g/kWh**

Conform Ordinului președintelui ANRE nr. 61/2016, cu modificările și completările ulterioare - Regulament de etichetare a energiei electrice (www.anre.ro)

The resulting values for the average consumption of the consumption tranche were published on the ANRE website; for 2024, the normalized average customer

consumption/year/month/tranche calculated according to the information submitted by suppliers to ANRE is presented in the table below:

End customers	Consumption instalments	Average consumption/customer/normalized/year	Average consumption/customer/normalized/month
Households		*kWh/customer/year*	*kWh/customer/month*
	YES	557,52	46,46
	DB	1.773,42	147,78
	DC	3.307,30	275,61
	DD	5.274,42	439,54
	OF	16.159,85	1.346,65
End customers	**Consumption tranches**	**Average consumption/customer/normalized/year**	**Average consumption/customer/normalized/month**
Non-households		*MWh/customer/year*	*MWh/costumer/month*
	TAKES	8,50	0,71
	IB	110,05	9,17
	IC	531,96	44,33
	ID	3.141,87	261,82
	IE	27.300,27	2.275,02
	IF	84.751,64	7.062,64
	IG	267.395,93	22.282,99

Chapter II

NETWORK TARIFFS AND INVESTMENT MONITORING

III. NETWORK TARIFFS AND INVESTMENT MONITORING

III.1. ELECTRICITY SECTOR

Regulatory framework and network tariffs in the field of electricity

1.1. Evolution of the regulatory framework on methodologies for setting regulated tariffs in the field of electricity during 2024

In 2024, ANRE proceeded to develop new methodologies for setting network tariffs, applicable starting with the fifth regulatory period (2025-2029), which would ensure both the harmonization of methodologies for all regulated activities in the electricity and natural gas sectors, and the introduction of new provisions. The regulated rate of return on invested capital (RRR), applied to the setting of tariffs for electricity and natural gas transmission and distribution services, for the fifth regulatory period, was also established. The regulatory framework on the monitoring of investment works and maintenance works for the operation of electricity networks in safe, reliable and efficient conditions, as well as the technical condition of electricity networks of public interest, has been completed. The regulated tariffs in the field of electricity and natural gas have been established according to the legal provisions. Scenarios were developed regarding the evolution of electricity consumption in the SEN. The monitoring of the performance indicators of the electricity and natural gas transmission, system and distribution service continued.

The following orders were approved:

ANRE President's Order no. 50/10.07.2024 on the approval of the Methodology for setting the maximum price for the acquisition by the TSO of the system service for voltage regulation in the electricity transmission network.

In accordance with the provisions of art. 36 para. (16) of the *Law*, the establishment of the method of calculating the maximum price for the acquisition by the transmission system operator of the system service for voltage regulation in the transmission electricity network shall be made by ANRE in accordance with the regulations in force.

The TSO acquires the system service for voltage regulation in the RET[7], under *the conditions of the Law*, through transparent, non-discriminatory and market-based procedures. The procurement procedures take into account a maximum price established in conditions of economic efficiency in accordance with ANRE regulations.

The methodology establishes the method of calculation by the TSO of the maximum price for the purchase of the system service for voltage regulation in the RET.

ANRE President's Order no. 55/06.08.2024 on the establishment of the regulated rate of return on invested capital, applied to the setting of tariffs for electricity and natural gas transmission and distribution services, for the fifth regulatory period

In accordance with the provisions of art. 75 para. (1) letter a), art. 79 para. (5) letter c) and art. 178 para. (1) letter b) of Law no. 123/2012 on electricity and natural gas, with subsequent amendments and completions, the regulated rate of return on invested capital (RRR), used to

[7] RET - Electrical Transmission Network

establish the regulated tariffs related to electricity and natural gas transmission and distribution services, was approved. For the fifth regulatory period, this rate was set at **6.94%,** expressed in real terms, before tax. The fifth regulatory period covers the following intervals, depending on the type of activity:

- electricity transmission activity: January 1, 2025 – December 31, 2029,
- electricity distribution activity: January 1, 2025 – December 31, 2029,
- natural gas transmission activity: October 1, 2025 – September 30, 2030,
- natural gas distribution activity: January 1, 2025 – December 31, 2029.

When establishing the RRR for the fifth regulatory period, it was envisaged to achieve an optimal balance between maintaining the interest in making the investments necessary to ensure the quality of electricity and natural gas transmission and distribution services and ensuring a reasonable level of profits for transmission and distribution operators. It was also considered to support the development, in the most cost-effective way, of safe, reliable, efficient and non-discriminatory systems that are consumer-oriented, in line with the general objectives in the field of electricity and natural gas, respectively.

ANRE proceeded to establish the value of the regulated rate of return on invested capital based on the data presented in the study contracted by auction on SEAP[8] – *"Establishing the elements for calculating the weighted average cost of capital for the fifth regulatory period, for natural gas and electricity* transmission and distribution activities", prepared by the consultant Pricewaterhouse Coopers Management Consultants SRL (PwC), as well as on the basis of the expert information included in the annual reports issued by the Council of European Energy Regulators (CEER).

ANRE President's Order no. 67/17.09.2024 on the approval of the Methodology for setting tariffs for the electricity distribution service and the Order of the President of ANRE no. 68/17.09.2024 on the approval of the Methodology for setting tariffs for the electricity transmission service

ANRE promotes a regulatory framework in line with the national and European objectives regarding energy transition as well as with the realities of the economic environment faced by network operators and users and contains short-term and long-term incentives, in accordance with the provisions of the Energy and Natural Gas Law no. 123/2012.

The methodologies for establishing the regulated tariffs for the transmission and distribution of electricity applicable in the fifth regulatory period (2025-2029), approved by the orders of the President of ANRE no. 67/2024 and no. 68/2024 provide for the recognition in the regulated tariff of the return on invested capital, calculated as the product between the regulated rate of return (RRR) and the value of the regulated asset base (BAR). In addition, the methodologies contain provisions that encourage investments in electricity grids, including anticipatory investments, given that investments in Romania's electricity transmission and distribution networks are essential for the continuation of the infrastructure modernization process, for the integration of renewable energy, the reduction of losses, the increase of energy security, to

[8] SEAP - Electronic Public Procurement System

support the transition to a sustainable energy system, adapted to European requirements and new technologies, as well as to ensure a more efficient and efficient service for consumers.

Thus, the methodologies provide the granting of incentives by increasing the value of RRR by 1 percentage point for the investment volume in electricity networks that exceeds a threshold equal to the depreciation cost recognized in the regulated revenue recovered by operators through distribution and transmission tariffs.

At the same time, the methodologies provided the introduction of a mechanism to encourage the modernization and digitization of electricity transmission and distribution networks. Thus, this incentive mechanism of reward/penalty consists of increasing/decreasing the RRR by 0.5 percentage points correlated with the level of performance achieved by operators regarding the development of a smart grid that promotes energy efficiency and the integration of energy produced from renewable sources. An evaluation of the level of performance will be carried out annually in relation to the values of the set of indicators to be approved by ANRE. The indicators taken into account reflect the quality of the distribution/transmission service, the degree of integration of electricity production from renewable sources, storage facilities and flexibility services, as well as the level of digitalization of electricity networks. The implementation of smart grid technology and advanced grid management tools will not only increase reliability but support the integration of renewable energy production with minimal disruption.

Also, taking into account the advantages of attracting a large volume of non-reimbursable funds for investments in electricity networks, incentive provisions for electricity distribution and transmission operators have been included in the methodologies, respectively the increase of RRR by 0.5 percentage points for fixed assets related to investments in electricity distribution networks made from own funds within projects co-financed from non-reimbursable European funds, put into operation during the fifth regulatory period, as well as provisions regarding the recognition of operating expenses related to accessing non-reimbursable funds, applicable starting with the fifth regulatory period.

The methodologies include measures to support research activity related to the field of activity and to facilitate innovation in areas such as cybersecurity, flexibility and interconnection services.

The methodologies provide for the recovery of the costs for the purchase of electricity to cover the CPT through a separate tariff component and the elimination of the CPT[9] costs from the linearized revenue to which specific tariff limitation rules apply, given the dependence of these costs on the evolution of prices on the energy market.

1.2. Approval of regulated tariffs for electricity networks of public interest during 2024

The regulated network tariffs, which ANRE approves in the field of electricity according to the legal provisions, are charged by the network operators based on the regulated contracts for the connection to the network, respectively for the use of the network, namely for the provision of the transmission service, for the purchase of system services and for the provision of the electricity distribution service.

[9] CPT - technological own consumption

1.2.1 Tariffs for the transmission service and for the electricity distribution service provided by the concessionaire distribution operators

In 2024, the tariffs applicable from January 1, 2025 were approved, as follows:

Tariffs for the electricity transmission service

ANRE President's Order no. 99/20.12.2024 on the approval of the tariffs for the electricity transmission service and the price of reactive electricity for the National Electricity Transmission Company "Transelectrica" S.A., valid from January 1, 2025, as well as the values of the investment plans for the fifth regulatory period.

In 2024, ANRE analyzed the substantiated requests of the electricity transmission and system operator (TSO) and approved, through ANRE Order no. 99/20.12.2024, the following tariffs applicable from 1 January 2025:

Specification:	U.M.	Approved level
Tariff for the introduction of electricity into the energy transmission network, respectively, as the case may be, into the distribution networks (TG)	lei/MWh	3,29
Tariff for the extraction of electricity from the networks (TL)	lei/MWh	33,03

The tariff for the introduction of electricity into the transmission network, respectively, as the case may be, into the electricity distribution (TG) networks applicable from 1 January 2025 presents a reduction in real terms of 17% compared to the tariff approved on 1 January 2024, which is mainly due to the following factors:

- changing the allocation coefficient between producers and end customers of the value of the cost to cover the forecasted own technological consumption and its correction, from 35% for 2024 to 25% for 2025. We specify that, according to the provisions of art. 100 para. (5) of the *Methodology for setting tariffs for the electricity transmission service, approved by ANRE Order no. 68/2024,* this coefficient is determined annually by TEL and corresponds to the exported electricity production established on the basis of the operating regimes of the SEN;

- the corrections corresponding to the CPT regulated income which are in turn allocated to the two categories of users according to the aforementioned allocation coefficient and which for 2023 are negative.

The tariff for the extraction of electricity from TL networks applicable from January 1, 2025, shows an increase in real terms of 14.8% compared to the tariff approved on January 1, 2024, mainly determined by the following factors:

- increase in the purchase price of electricity to cover the own technological consumption forecast for 2025 compared to the price included in the tariffs approved on January 1, 2024 (approx. 30%);

- increasing the amount of electricity to cover its own technological consumption (about 4%);

- the increase in capital costs related to the assets constituted according to *GEO no. 27/2022 on the measures applicable to final customers in the electricity and natural gas market during*

the period April 1, 2022 – March 31, 2023, as well as for the amendment and completion of certain normative acts in the field of energy, with subsequent amendments and completions and *The methodological norms regarding the recognition in tariffs of the additional costs with the purchase of electricity to cover the own technological consumption compared to the costs included in the regulated tariffs, approved by ANRE Order no. 129/2022,* , due to the creation of new assets in 2024 and the increase in the RRR used for 2025 compared to the RRR used for 2024.

Tariffs for the electricity distribution service provided by concessionaire distribution operators

In 2024, ANRE analyzed the substantiated requests of the concessionaire distribution operators and approved **the Orders of the President of ANRE no. 95 - 98 of 20.12.2024 on the approval of the specific tariffs for the electricity distribution service, the price for reactive electricity and, as the case may be, the tariffs for the introduction of electricity into the electricity distribution networks, valid from 1 January 2025, as well as the values of the investment plans for the fifth regulatory period for concessionaire distribution operators.**

Thus, the average tariffs per country, by voltage levels, calculated as a weighted average of the tariffs approved for concessionaire electricity distribution operators **applied** from January 1, 2025, with the distributed quantities of electricity are as follows:

- the average tariff for high voltage – 34.44 lei/MWh,
- average tariff for medium voltage – 106.94 lei/MWh,
- the average tariff for low voltage – 332.13 lei/MWh.

Compared to the values of the average tariffs applied from 01 January 2024, the average tariffs registered an increase of 7% for high voltage, 12% for medium voltage and 14% for low voltage, which also applies to household customers.

Among the factors that influenced the increased level of tariffs, we mention:

- the price of electricity on the energy market, which has seen significant increases since the second half of 2021;
- the increase in inflation, with an effect on the increase in the level of costs recognized in tariffs;
- the level of investments made by operators;
- the legislative changes that have occurred, which establish new obligations for operators, such as the reduction of the interval for reading measurement groups from six months to three months;
- the legislative provisions aimed at including in the tariffs of network operators certain non-energy costs, such as: the value of the design and execution works regarding the connection of household customers, authorized individuals, individual enterprises, family businesses and public institutions, or the value of the inefficient share of investments related to the works for the extension of the electricity distribution networks carried out through co-financing, which are located within the built-up areas of the localities. Starting with 2025, operators will register a new category of important costs that will be included in the tariffs, namely the tax on special constructions.

Tariff for the purchase of system services

The tariff for the acquisition of system services is determined based on the Methodology for setting tariffs for system service, approved by ANRE Order no. 116/2022.

According to the above-mentioned methodology, on 1 May and 1 August 2024, respectively, the TSO requested the revision of the tariff for the purchase of system services in order to correct significant deviations from the forecast that was the basis of the tariff in force.

Thus, during 2024, following ANRE's analysis, the condition of tariff revision was met, leading to the approval of tariffs applicable from June 1, 2024 and September 1, 2024, through the following orders:

1) ANRE President's Order no. 15/29.05.2024 on the approval of the tariff for the acquisition of system services for the transmission and system operator National Electricity Transmission Company "Transelectrica" - S.A.;

2) ANRE President's Order no. 57/28.08.2024 regarding the approval of the tariff for the acquisition of system services for the transmission and system operator National Electricity Transmission Company "Transelectrica" - S.A.

We specify that the evolution of the tariff for the purchase of system services is mainly influenced by the purchase prices of these services, which in 2024 showed an unexpected evolution for certain types of reserves (the reserve for the restoration of the frequency with automatic activation and the reserve for the restoration of the frequency with manual activation in the downward direction), which led to the two revisions of the tariff.

At the same time, according to the above-mentioned methodology, on October 1, 2024, the TSO submitted the proposal for the approval of the tariff for the purchase of system services applicable from January 1, 2025. Following the analysis carried out by ANRE of the costs and revenues forecast for 2025, it resulted that the level of the tariff for the acquisition of system services for 2025 remains at the level approved by ANRE Order no. 57/2024.

1.2.2. Tariffs for the electricity distribution service provided by distribution operators other than concessionaire operators

The tariffs for the electricity distribution service provided by distribution operators other than concessionaire operators are approved by ANRE at the request of distribution operators that own, operate, maintain and develop distribution networks within industrial parks and platforms or in areas delimited by heritage and that have connected users – beneficiaries of the distribution service.

The tariffs are determined based on *the Methodology for setting the tariff for the electricity distribution service by operators, other than concessionaire distribution operators, approved by ANRE Order no. 102/2016*.

During 2024, five decisions were approved on the approval of tariffs for the electricity distribution service provided by distribution operators, other than concessionaire operators, and seven decisions on the termination of the applicability of decisions on the approval of such tariffs.

2. Monitoring investments in electricity grids (grid expansions, investment plans, smart grids, correlation between 10-year plans, PCIs and national plans)

The regulatory framework on which ANRE fulfilled in 2024 its legal duties to monitor investment works and maintenance works for the operation of electricity networks in conditions of safety, reliability and efficiency, as well as the technical condition of electricity networks of public interest, was completed by approving the following regulations:

2.1.1. ANRE Order no. 3/21.02.2024 for the approval of the Procedure for the approval of the investments of the transmission system operator and the concessionaire distribution operators, consisting of installations for the production of electricity from renewable energy sources located in their own transformer stations

The procedure was carried out under the conditions in which the network operators (TSOs/DSOs) do not have the right to carry out electricity production activities in accordance with the provisions of art. 38 para. (1) and (2) and art. 48 para. (1) and (2) of the Law on Electricity and Natural Gas no. 123/2012, with subsequent amendments and completions.

Following the receipt from the European Commission of a letter of clarification regarding the interpretation of the provisions of Directive (EU) 2019/944 on the ownership and use by network operators of electricity production and storage facilities, strictly for the provision of their own services, it resulted that the possibility of the operator to produce electricity strictly for its own consumption is not entirely excluded. The network operator may carry out the activity of electricity production, but only for the supply of administrative consumption and/or its own services from the transformer power station to which the generation capacities are connected, without evacuating the surplus into the electricity grid of public interest.

The procedure includes the conditions that an investment consisting of electricity production facilities from renewable energy sources, located in its own transformer power station, must meet in order to obtain the ANRE approval necessary for inclusion in the network operator's investment plan.

2.1.2. Decision no. 2624/10.12.2024 for the approval of the method of covering the expenses forecast for 2025 from the revenues obtained from the allocation of cross-border interconnection capacity

Based on the obligations provided under art. 19, para. (5) of Regulation (EU) 943/2019, C.N.T.E.E. Transelectrica shall determine in advance how the revenues obtained from the allocation of cross-border interconnection capacity will be used and shall submit to the regulatory authority the proposal for the use of these revenues for the following year.

The TSO's proposal regarding the coverage of the expenses forecast for 2025 for the priority objectives provided for in art. 19, para. (2) to Regulation (EU) 943/2019, from the revenues obtained from the allocation of interzonal capacity, detailed in accordance with the provisions of art. 4 of the Methodology for the use of congestion revenues, approved by ACER Decision no. 38/2020, was subject to analysis, amendments and approval decision at the level of ANRE regarding the classification of the cost categories provided for in art. 3 of the aforementioned methodology.

2.1.3. Decision of the President of ANRE no. 2715/17.12.2024 approving the Development Plan of the electricity transmission network for the period 2024-2033

The approval by decision of the President of ANRE of the RET Development Plan (PDRET) for the period 2024-2033 confirmed that the principles established by the Law on the Development of the National Energy System (SEN) were complied with when drafting it, attributed to this document the mandatory nature provided for in the Law and made available to electricity market participants the information on the development strategy of the SEN in conditions of preserving the operational safety of the Its.

The staggering of the investment works identified as necessary for the fulfillment of the objectives pursued and the estimation of the value of the necessary funds for financing the planned investment works were approved and activities that C.N.T.E.E. Transelectrica must carry out until the next edition of the development plan were provided in the form of obligations included in the annex to the decision.

ANRE verified the compliance of the content of the PDRET 2024-2033, the conditions and principles for its elaboration, the source and structure of the data used and the criteria applied in the elaboration of the plan with the provisions of art. 9 and 10 of the Procedure on the substantiation and criteria for the approval of the investment plans of the transmission system operator and of the electricity distribution operators approved by the Order of the President of ANRE no. 98/2022 and with the principles established by ENTSO-E in order to develop the community-wide plan for the development of the TYNDP network, carried out based on the provisions of art. 30 para. (1) letter (b) and art. 48 para. (1) of Regulation (EU) 943/2019 on the internal electricity market.

2.2. Monitoring of investments in electricity grids

The monitoring of investments in electricity networks is presented in *the Report on the achievement of performance indicators for electricity transmission, system and distribution services and the technical status of electricity transmission and distribution networks - 2024 which is* published on the ANRE website at: https://anre.ro/despre/rapoarte/ section *Reports – Performance indicators for transmission, supply and distribution services* (hereinafter referred to as the Report on performance indicators and technical status of networks).

2.2.1. Monitoring of investment projects in cross-border interconnection capacities

According to the TSOs' regular reports, the current status of the projects of common interest supported by the transmission system operator, included in the RET Development Plan, which are part of the priority corridor "North-South Electricity Interconnections in Central and South-Eastern Europe ("NSI East Electricity") is as follows:

PCI code	TYNDP code	PDRET Code	Description	Sche-duled PIF	Remaining step
2.5.1	259.1205	F11.1	Construction of a new 400 kV s.c. interconnection OHL between Oradea (RO) and Jozsa (HU), with a length of 120 km (30 km on the territory of Romania and 90 km on the territory of Hungary).	2030	Uninitiated

2.5.2	259.1833	F11.3	Increasing the transmission capacity of the existing 220 kV OHL from Urechești to Târgu Jiu (RO), with a length of 22 km.	2028	For the work "Reconductor of the 220 kV axis Urecheşti - Tg Jiu Nord - Paroşeni - Baru Mare - Hăşdat", the design tender was resumed. The technical analysis phase is ongoing.
2.5.3	259.1834	F11.3	Increase the transmission capacity of the existing 220 kV OHL from Târgu Jiu to Paroșeni (RO), with a length of 38 km.		
2.5.4	259.1835	F11.3	Increasing the transmission capacity of the existing 220 kV OHL from Paroșeni to Baru Mare (RO), with a length of 20 km.		
2.5.5	259.1836	F11.3	Increase the transmission capacity of the existing 220 kV OHL from Hășdat to Baru Mare (RO), with a length of 44 km.		
12.2	-	A41	The CARMEN project involves the development of the first PCI Smart Grid in Romania with a cross-border impact,	2028	The public procurement procedure for the execution of works began in October 2024, the contract being estimated to be signed in 2025. The documentation for obtaining the building permits for the Gutinaș, Roșiori and Suceava stations has been drawn up, and they are to be issued.

Also, at this moment there are ongoing investment projects with the status of projects of common interest on the previous lists of PCIs, respectively the projects:

- PCI 3.8: TYNDP 138 (Black Sea Corridor) project, consisting of:
- 3.8.4: 400 kV Cernavoda - Stâlpu OHL;
- 3.9.5: 400 kV Gutinaș – Smârdan OHL.

- PCI 3.22: TYNDP 144 "Mid Continental East Corridor" project, consisting of:
- 3.22.1: 400 kV interconnection OHL Resita (Romania) – Pancevo (Serbia);
- 3.22.2: 400 kV Iron Gates – Resita OHL and extension of the 220/110 kV Resita substation through the construction of the new 400 kV substation;
- 3.22.3: Switching to 400 kV of the 220 kV Resita – Timisoara – Săcălaz OHL, including the construction of the 400 kV Timisoara substation;
- 3.22.4: Switching to 400 kV voltage of the 220 kV OHL Arad – Timisoara/Săcălaz, including the construction of the 400 kV Săcălaz substation and the extension of the Arad substation.

According to TSOs' regular reporting, the current status of these projects is as follows:

PCI code	TYNDP code	PDRET Code	Description	Scheduled PIF	Remaining step
3.8.4	138.273	F.5-F.8	400 kV LEA Cernavoda – Pillar with entry-exit at Gura Ialomitei station	2027	PIF LEA Cernavodă – Stâlpu carried out in June 2023. The estimated term for commercial operation is considered the estimated term for the PIF "400kV Stâlpu substation (new substation), modernization of 110kV and MV cells
3.8.5	138.275	F.4	400 kV LEA Gutinaş - Smardan	2026	Works execution contract in progress. The documentation for the issuance of the GD for the definitive removal and temporary occupation of areas from the forest fund has been revised according to the MMAP observations. Between 27.04.2023 and 08.11.2024, 5 revisions of the documentation for obtaining the GD for removal from the forest fund were submitted to the MMAP. On 20.11.2024, the draft GD removal from the forest fund and temporary occupation of the forest areas necessary for the construction of the 400kV d.c. Gutinaș-Smârdan LEA was posted on the MMAP website for public debate. The works are delayed due to the fact that the land related to the LEA 400kV d.c. site was not made available to the contractor. Gutinaș-Smârdan that crosses forest areas, as well as the land necessary to carry out the coexistence works. GD no. 174/27.02.2025 removal from the forest fund and temporary occupation of the forest areas necessary for the construction of the 400kV d.c. Gutinaș-Smârdan OHL.
3.22.1	144.238	-	400 kV LEA Resita (Romania) – Pancevo (Serbia)	2018	The execution works were completed on 30.03.2018. Commercial operation began after the completion of the 400kV Resita substation in Feb. 2025.
3.22.2	144.269	F.1.1+ F.1.2	400 kV LEA The Iron Gates – Anina – Resita	2024	PIF carried out in March 2024
3.22.3	144.270	F.2.1+ F.2.2	Switching to 400 kV voltage of the 220 kV Resita – Timisoara/Săcălaz OHL, including the	2028	For the 400kV and 110kV Timișoara substations, the contract for the execution of works C112/29.01.2019 was signed. The execution contract C112/2019 was denounced by the Judicial administrator of the

			construction of the 400 kV Timisoara substation		Romelectro company through the address 21070/5.05.2022. The restart of the project was approved by the OTS Directorate by note 28863/17.06.2022. In December 2022, the revised Specifications were approved in the CTES in order to resume the procurement of works. The Design and Execution Contract C918/8.10.2024 was signed with Electromontaj S.A. and the start order for the design activity was issued.
3.22.4	144.270	F.3.1+ F.3.2+ F.3.3	Switching to 400 kV voltage of the 220 kV Arad – Timisoara/Săcălaz OHL, including the construction of the 400 kV Săcălaz substation and the extension of the Arad substation	2030	1. Banat Axis – et. III – LEA 400kV Timisoara/Sacalaz – Arad - The Design Contract C29/8.03.2018 in progress at the Timisoara Investment Service is concluded; - On 25.10.2024, the announcement was published in SEAP, the deadline for submitting bids is 28.01.2025; - Estimated PIF: 2027 2. Banat Axis, et. III - Refurbishment of the 110kV Arad substation and the 400kV Arad substation - The design contract C1/5.01.2023 has been completed, concluded for the preparation of SF 110kV, SF integrator 110kV+400kV and CS; - In preparation of procurement documentation; - Estimated PIF: 2029. 3. Banat Axis, et. III – Refurbishment of the 400kV Săcălaz substation - Contract C26/28.03.2024 was concluded for the purpose of drawing up the SF integrator and CS execution. - On 18.04.2024, the Start Order for the design activity was given. - Estimated PIF: 2030.

2.2.2. Monitoring the implementation of the 10-year electricity transmission network development plan

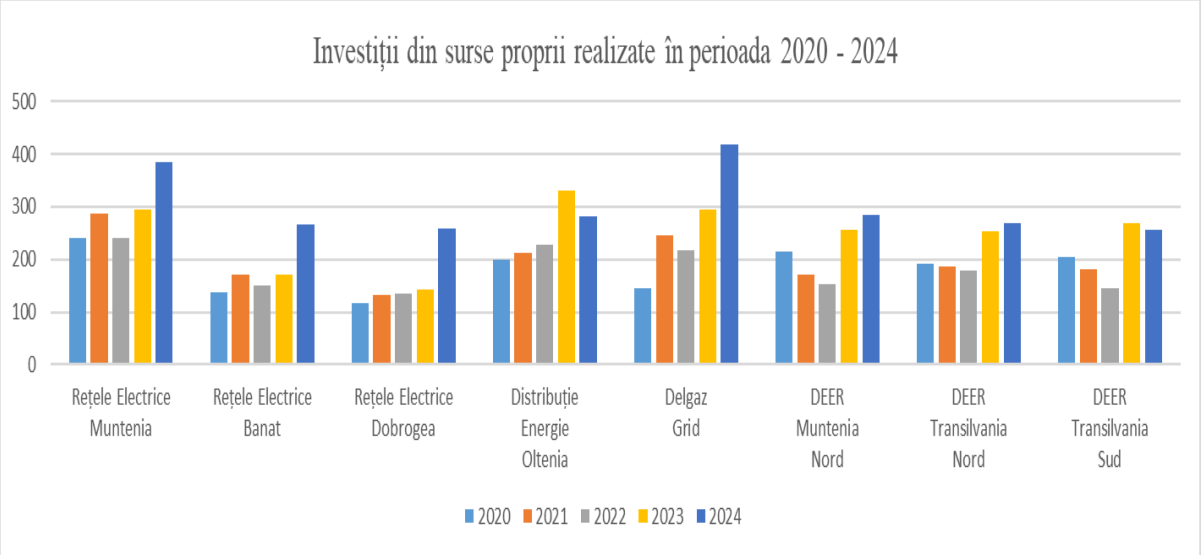
The RET Development Plan is updated every two years, so that, at the time of drafting the current report, the RET Development Plan for the period 2024-2033 is in force, which was approved by ANRE Decision no. 2715/17.12.2024, document published on the website of CNTEE Transelectrica SA at:https://www.transelectrica.ro/ro/web/tel/planul-de-dezvoltare-ret-2024-2033.

A report covering the status of each investment project at the end of 2024 can be found in Annex no. 1 to the *Report on performance indicators and technical status of networks.*

2.2.3. Monitoring the implementation of the DSO's investment plans for 2024

Setting the necessary investment and maintenance works in the electricity distribution networks at a level sized to ensure their safety, reliability and efficiency is the exclusive responsibility and legal obligation of the distribution operators. They establish investment and maintenance programs based on analyses and evaluations carried out within the asset management activity.

The value of investments made from own sources by concessionaire distribution operators and put into operation in 2020-2024 is shown in the following figure:

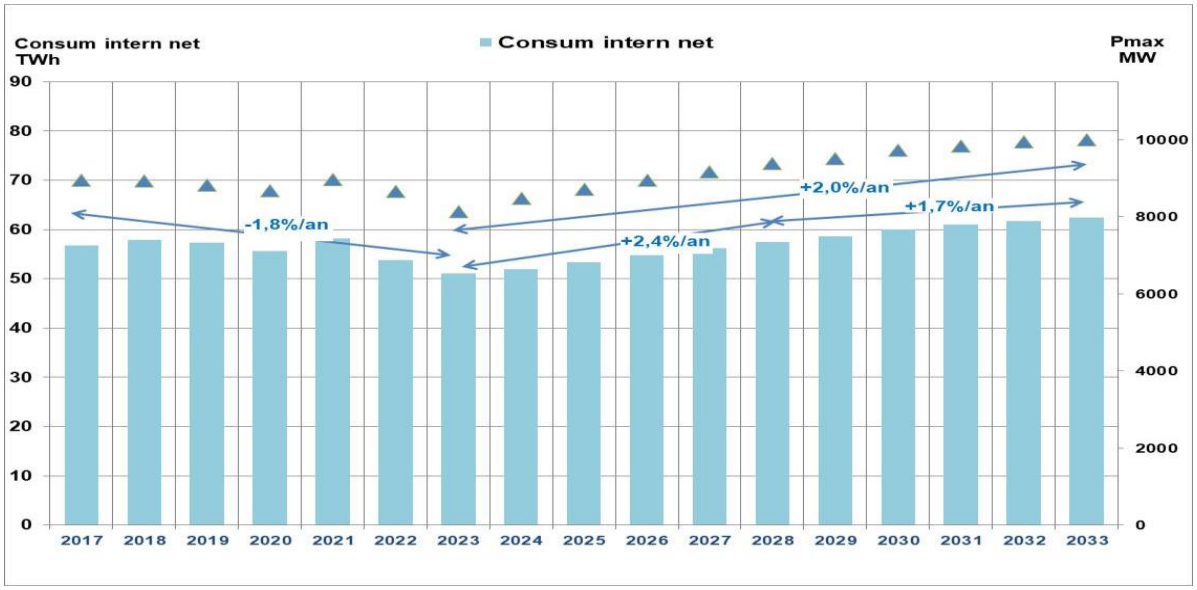


2.2.4 Technical operation aspects: network congestion management, performance standards, network security, grid connection, technical cooperation of TSOs with third parties, investment in generation capacities in relation to operational safety

ANRE monitors the forecast of the balance between electricity resources and consumption for the next 5 years and the estimation of the evolution of the security of electricity supply for a period between 5 and 15 years, implicitly planning the commissioning of new generation capacities based on the information and analyses presented by the TSO within the RET development plan and the RET investment plan for the period 2024-2033, From which we present some extracts:

Scenarios regarding the evolution of electricity consumption in the SEN

The **reference scenario** created in line with the projections and recent developments in the indicators of the economy considered a GDP evolution with an average annual dynamic of ≈3.4% over the medium term, in the period 2023-2028, followed by an average annual growth of the economy of 2.4% in the period 2028-2033. This trend of GDP growth, correlated with the key elements of European energy policy, committed to improving energy efficiency, corresponds, on the electricity demand side, to an evolution with average annual growth dynamics of ≈2% over the entire period 2023-2033 (respectively 2.4% in the period 2023-2028 and 1.7%, in the period 2028-2033). Evolution of net domestic electricity consumption in the period 2017-2033 - baseline scenario:



3. Monitoring the technical condition and maintenance level of the electricity transmission and distribution networks

The monitoring of the technical status of electricity networks is presented in *the Report on the achievement of performance indicators for electricity transmission, system and distribution services and the technical status of electricity transmission and distribution networks - 2024*, a report published on the ANRE website at https://anre.ro/despre/rapoarte/ , Reports section – Performance indicators for transmission, supply and distribution services.

The technical condition of the electricity networks is monitored by ANRE through the annual monitoring of the duration of operation of the installations, in relation to the volume of investment and maintenance works carried out by the network operators, as well as through the performance indicators of the service.

4. Monitoring the performance indicators of the electricity transmission, system and distribution service, the reconnection time after planned repairs and after unplanned outages

The monitoring of the performance indicators is presented in *the Report on the achievement of the performance indicators for electricity transmission, system and distribution services and the technical status of the electricity transmission and distribution networks - 2024*, published on the ANRE website at https://anre.ro/despre/rapoarte/ Reports section – Performance indicators for transmission, supply and distribution services.

5. Monitoring the SMI implementation process

The results of the implementation of the Smart Metering System (SMI) until 31.12.2024 are presented in *the Annual Report on the status of the implementation of the smart electricity metering systems as of 31.12.2024* according to the Calendar for the implementation of the smart electricity metering systems at national level for the period 2019-2028, approved by the Decision of the President of ANRE no. 778/08.05.2019, with subsequent amendments and completions, published on the ANRE website at the address https://anre.ro/despre/rapoarte/ in the Smart Metering Systems section.

II.2. NATURAL GAS SECTOR

1. Evolution of network tariffs

1.1 Evolution of the regulatory framework on methodologies for setting regulated tariffs in the field of natural gas during 2024

In accordance with the provisions of the *Electricity and Natural Gas Law no. 123/2012*, and the *Petroleum Law no. 238/2004*, the price and tariff systems on the regulated natural gas market are established by ANRE

The regulated activities related to natural gas systems for which ANRE has issued normative acts and/or established regulated tariffs in 2024 are the following:

- natural gas transmission,
- natural gas distribution.

For the two regulated activities, in 2024, the tariffs were established according to the provisions:

- The Methodology for establishing the regulated tariffs for natural gas transmission services, approved by ANRE President's Order 41/2019, and
- The Methodology for establishing the regulated tariffs for distribution services in the natural gas sector approved by ANRE Order no. 217/2018.

Considering the end on December 31, 2024 for the distribution activity, respectively on September 30, 2025, for the natural gas transmission activity, of the transition year to the fifth regulatory period, ANRE proceeded to develop new pricing methodologies, applicable starting with the fifth regulatory period, which would also ensure the harmonization of the methodologies for setting the regulated tariffs for all regulated activities in the electricity and natural gas, as well as the introduction of new provisions for the purpose of:

- the determination of distribution system operators to make investments in the system only in conditions of efficiency by introducing a correlation relationship between the level of remuneration of the system and the volumes distributed;
- the establishment of a new mechanism for the redistribution of efficiency gains;
- the implementation of a new way to update the regulated asset base and to correlate its level with the net book value;
- change in the treatment of certain categories of costs.

Regarding the regulatory framework for the natural gas transmission activity, ANRE submitted to public consultation the draft Order on the approval of *the Methodology for setting regulated tariffs for natural gas transmission services,* which would apply in the fifth regulatory period, respectively October 1, 2025 – September 30, 2030.

Regarding the regulatory framework for the natural gas distribution activity, ANRE approved by ANRE President's Order no. 89/2023, *the Methodology for establishing regulated tariffs for distribution services in the natural gas sector* applicable during the fifth regulatory period, respectively October 1, 2025 – September 30, 2030.

1.2. Natural gas transmission activity

1.2.1. Tariffs for natural gas transmission services through the National Gas Transmission System (NTS)

Until the approval of the new methodology, these tariffs were established in accordance with the provisions of the Methodology for establishing regulated tariffs for natural gas transmission services, approved by ANRE Order 41/2019, , and include a set of "entry/exit" tariffs established for the group of entry points, respectively for the group of exit points in/from the NTS in which the capacity is reserved, as well as a volumetric tariff for the use of the NTS determined as a postage stamp tariff.

The capacity reservation tariffs for firm and interruptible transmission services, on a long-term and short-term basis, for the group of entry/exit points (gr), as well as the volumetric tariff for the use of the National Transmission System (except for the Isaccea – Negru Vodă transmission pipelines, for which separate tariffs apply) practiced between October 1, 2024 and September 30, 2025 by SNTGN Transgaz S.A., are those approved by ANRE Order no. 16/2024.

1.2.2. Tariffs for the natural gas transmission service through the natural gas transmission pipelines Isaccea 2, 3 - Negru Vodă 2, 3

ANRE approved by ANRE Order no. 16/2024 the extension of the deadline provided for in the Order of the President of ANRE no. 149/2020 on the approval of the total revenue and transmission tariffs for the natural gas transmission activity on the natural gas transmission pipelines Isaccea 2, 3 - Negru Vodă 2, 3 and establishing measures regarding its applicability.

1.2.3. Tariffs for connection to the natural gas transmission system

In 2024, for the connection to the NTS, the tariffs calculated and approved based on the Methodology for calculating the tariffs related to the process of connection to the transmission and distribution systems in the natural gas sector and for determining the average value of a connection were applied, approved by the Order of the President of ANRE no. 9/2022.

1.3. Storage activity

Considering the provisions of art. 179 para. (2) letter g) of the Law on Electricity and Natural Gas no. 123/2012, the activity of underground storage of natural gas is no longer part of the regulated market, in the sense that the operators of natural gas storage have the right to set competitive prices for this activity.

1.4. Natural gas distribution activity

The tariff system for **the natural gas distribution activity** includes tariffs differentiated by categories of customers, for each of the licensed distribution operators, established based on **the Methodology for establishing regulated tariffs for distribution services in the natural gas sector**, approved by **ANRE Order no. 217/2018,** with subsequent amendments and completions.

In 2024, the categories of customers for which the distribution tariffs, the transit tariff and the proximity distribution tariff were differentiated were the following:

1. Differentiated customers according to annual natural gas consumption:

	Annual natural gas consumption (MWh)	
Customer category	**Minimum**	**Maximum**
C.1		≤ 280
C.2	> 280	≤ 2,800
C.3	> 2,800	≤ 28,000
C.4	> 28,000	≤ 280,000
C.5	> 280,000	

2. Customers benefiting from a proximity distribution tariff – C.6;
3. Customers benefiting from the transit distribution tariff – C.7.

1.5. Evolution of natural gas distribution tariffs

In accordance with the provisions of the Methodology for establishing regulated tariffs for distribution services in the natural gas sector, approved by ANRE Order no. 217/2018, ANRE approves the regulated distribution tariffs valid starting with July 1 of each year.

In application of the provisions of the mentioned normative act, ANRE proceeded to calculate the regulated revenues of the operators and approved 27 orders establishing the regulated tariffs for the provision of the distribution service, respectively the orders no. 24 - 47, 56 and 81/2024.

For the two large natural gas distribution operators, DISTRIGAZ SUD REŢELE S.R.L. and DELGAZ GRID S.A., the distribution tariffs approved by:

- ANRE Order no. 26/2024 on the establishment of the regulated tariffs for the provision of the natural gas distribution service provided by DISTRIGAZ SUD REŢELE S.R.L., as follows:

Customer category	**Minimum annual consumption MWh**	**Maximum consumption annual MWh**	**Distribution tariffs lei/ MWh**
C.1.		≤ 280	60,92
C.2.	> 280	≤ 2,800	57,43
C.3.	> 2,800	≤ 28,000	54,77
C.4.	> 28,000	≤ 280,000	42,44
C.5.	> 280,000		12,00
C 6.	Customers benefiting from a proximity distribution tariff		7,00
C.7.	Transit Distribution Tariff		5,05

- ANRE Order no. 47/2024 on the establishment of the regulated tariffs for the provision of the natural gas distribution service provided by DELGAZ GRID S.A., as follows:

Customer category	Minimum annual consumption MWh	Maximum consumption annual MWh	Distribution tariffs lei/ MWh
C.1.		≤ 280	66,17
C.2.	> 280	≤ 2,800	62,50
C.3.	> 2,800	≤ 28,000	57,30
C.4.	> 28,000	≤ 280,000	52,98
C.5.	> 280,000		50,02
C.7.	Customers benefiting from transit distribution tariff		6,60

As of July 1, 2024, distribution tariffs recorded a significant increase mainly due to:

- the major increase in the costs of the natural gas distribution service with the forecast inflation for 2024 of 4.60%.
- the increase in capital costs following the achievement in 2023 of a record investment volume, both in connections to new consumers and in extensions of distribution systems in the concessioned areas.
- reduction of the amount of natural gas distributed in 2023 by approx. 8%.

1.6. Tariffs for connection to distribution systems

In 2024, for the connection to distribution in the natural gas sector, the tariffs calculated and approved based on the Methodology for calculating the tariffs related to the process of connection to the transmission and distribution systems in the natural gas sector and for determining the average value of a connection, approved by the Order of the President of ANRE no. 9/2022.

2. Monitoring of investments in natural gas networks (network extensions, investment plans, correlation between 10-year plans, PCIs and national plans)

2.1.Regulatory framework in the course of 2024

The Law on Electricity and Natural Gas no. 123/2012, , provides for the obligation of the transmission and system operator, natural gas distributors, storage operators, as well as operators of liquefied natural gas (LNG) and hydrogen terminals to develop and submit to ANRE the investment plans through which they develop transmission systems, distribution and storage, as well as LNG and hydrogen terminals in safe, economically efficient and environmentally friendly conditions.

The analysis of the investments planned and made by natural gas systems is carried out within ANRE in accordance with the provisions *of the Procedure on the substantiation and criteria for the approval of the investment plans of the transmission and system, distribution and storage operators of natural gas, as well as of the LNG/hydrogen* terminals, approved by **ANRE Order no. 38/2019**, with subsequent amendments and completions and of the methodologies for establishing the regulated tariffs in the field of natural gas applicable to each regulated activity.

According to the provisions *of the Procedure* and Methodologies, the costs related to regulated activities, including capital ones, are recovered through regulated tariffs, only to the extent that they have been carried out in a prudent manner, respectively it is demonstrated that they are necessary, opportune, efficient and reflect the market price conditions.

2.2. Monitoring the implementation of the development plan of the National Gas Transmission System

The transmission system operator (TSO) shall draw up the ten-year development and investment plan, based on the national strategy and the European development plan drawn up by ENTSOG, in accordance with the current state and future evolution of natural gas consumption and sources, including imports and exports of natural gas, in compliance with the principles set out in *Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC*, including investments related to projects of common interest. They have a cross-border impact on the system's interconnection capacity and benefit from certain facilities, including non-reimbursable funding, granted at national and European level.

Considering the national assessment regarding the adequacy of the capacities of the transmission system, in accordance with the provisions of art. 8 para. (4) of *Regulation (EC) no. 715/2009 of the European Parliament and of the Council of 13 July 2009 on the conditions for access to the networks for the transmission of natural gas and repealing Regulation (EC) no. 1775/2005*, in 2024 the TSO presented *the Development Plan for the National Gas Transmission System for the period 2024-2033* (*PDSNT 2024-2033*).

After analyzing it and considering the proposals received following the public consultation held, ANRE approved by **Decision no. 2717/17.12.2024.**

One of the obligations of the NTS operator provided for in the Annex to Decision 1956/2023, approving the PDSNT 2022-2013 – revised 2023, was to analyze the possibility of including in the development plan of the national transmission system for 10 years the projects for the transport of pure hydrogen or in mixture with natural gas, in correlation with the national and European legislation on natural gas and hydrogen.

Thus, in the context of the consumption and decarbonization targets proposed by: PNIESC[10] (2021), Directive (EU) 2018/2021 on the promotion of energy from renewable sources (currently under review), Fit-for-55, REPowerEU (2022), taking into account the fact that the role of hydrogen will not only be as a raw material but also as an energy carrier and fuel, the future value chain will incorporate the following segments:

- The production of renewable hydrogen, considered a priority, and, to a lesser extent, low-carbon hydrogen obtained through the electrolysis of water and, at a future stage, through the pyrolysis of methane gas, after 2030;

- Storage of hydrogen, in gaseous, liquid form, as a carrier of liquid-organic hydrogen (LOHC), or ammonia.

- Transportation and distribution of hydrogen in gaseous form.

[10] PNIESC - Integrated National Plan for Energy and Climate Change

Considering the projects dedicated to hydrogen transport, the total estimated value of the investment works for the development of the NTS included in the PDSNT 2024-2033 is approx. EUR 9621.3 million, broken down as follows:

- 4152.6 million euros represents major projects, of which:
  - 499.4 million euros - major FID projects.
  - 236.8 million euros - major A non-FID projects.
  - 3416.4 million euros – major non-FID projects.
- 527 million euros – internal NTS development projects, of which 269.5 million euros for the extension of the NTS in order to connect, in application of the provisions of art. 125 of the Law.

- 4941.7 million euros - major non-FID LA projects dedicated to hydrogen transport.

2.3. Status of major natural gas transmission projects included in the *PDSNT 2024-2033*

The status as of 31.12.2024 of the major natural gas transmission projects included in the PDSNT 2024-2033, submitted by the TSO within *the Report on the status of the implementation of the projects in the 10-year investment and development plan* approved by ANRE, according to its obligation provided for in art. 40 para. (2) of the *Procedure regarding the substantiation and criteria for the approval of the investment plans of the transmission and system, distribution and storage operators of natural gas, as well as of the LNG terminals*, approved by ANRE Order no. 38/2019, with subsequent amendments and completions, is presented in the following table:

Project name	Works included	Stage
***Development on the territory of Romania of the NTS on the Bulgaria - Romania - Hungary - Austria Corridor* BRUA - Phase II** (project A non FID)	The construction of 50 km of pipeline on the Recaș - Horia route and the expansion of the capacity of the 3 compressor stations in Podișor, Bibești and Jupa and of the SMG Horia station in order to ensure the transport capacity of 4.38 bln. Smc/year to Hungary.	The Technical Project and DTAC have been completed. The final financing decision will be taken depending on the results of the incremental capacity process according to the provisions of the CAM CN code. Construction and commissioning will take place between 2025 and 2027.
Development of the Transmission Corridor for the takeover of natural gas from the Black Sea coast (Tuzla-Podișor). (FID project)	Construction of 308.3 km of pipeline on the Tuzla – Podisor direction, which will connect the natural gas sources available from the Black Sea coast and the BRUA corridor. It will interconnect with the T1 international transmission pipeline.	The feasibility study, the technical project, the DTAC, the environmental agreement and the building permit have been completed. The construction is at an advanced stage of execution (about 85%), and the commissioning will take place in 205.
Expansion of the Bulgaria - Romania - Hungary - Austria bidirectional transport corridor (BRUA phase III) (LA non FID project)	Rehabilitation/replacement of existing pipes belonging to NTS; construction of new pipelines installed in parallel with the existing pipelines on the Onești-Coroi-Hațeg-Nădlag corridor; development of 4 or 5 new compressor stations with a total installed capacity of approx. 66-82.5MW, in order to increase the natural gas transmission capacity to Hungary to 5.32 bln. mc/year.	The pre-feasibility study has now been completed. In order to optimize and streamline the implementation process and attract non-reimbursable funding, the corridor was divided into two projects. 1. Ensuring the reversible flow on the Romania-Hungary interconnection

		2. Development of SNT Onești and Băcia: The estimated deadline for completion is 2028-2029, subject to the evolution of capacity demand.
Romania-Serbia interconnection (project A non FID)	Construction of a new interconnection pipeline on the Recaș-Mokrin direction with a length of approx. 97 km of which approx. 85 km on the territory of Romania and 12 km on the territory of Serbia. The pipe will be coupled to BRUA phase I. Construction of a natural gas metering station located on the territory of Romania.	The feasibility study, the technical project and the specifications have been completed. The technical project is being updated, being declared of national importance for accessing non-reimbursable funds. DTAC and building permit are estimated for 2025. The construction will take place between 2026-2028, and the commissioning will take place in 2028.
Development/Modernization of the Natural Gas Transmission Infrastructure in the North-West of Romania (LA non FID project)	**Stage 1:** Construction of the transmission pipeline and related installations, on the Horia-Borș direction. **Stage 2:** Construction of the transmission pipeline and related facilities, in the Borș-Abrămuț direction; Construction of a compressor station at Mediești Aurit; Construction of the transmission pipeline and related facilities, on the Huedin-Aleșd direction. **Stage 3:** Construction of the transmission pipeline and related installations, in the direction of Abrămuț – Mediești Aurit; Construction of the transmission pipeline and related installations, on the Sărmășel–Mediești Aurit direction.	The project is in an early stage. For each of the three stages, the pre-feasibility studies were completed. The estimated completion times are: - 2026 for Stage 1 - 2027 for Stage 2 - 2028 for Stage 3
Increase of the natural gas transmission capacity of the Romania-Bulgaria interconnection on the Giurgiu-Ruse direction (LA non FID project)	Construction of a new transmission pipeline and related facilities; Construction of a new Danube underpass and expansion of SMG Giurgiu. It is envisaged to increase the capacity from 1.5 to 5 billion cubic meters/year.	The pre-feasibility study has been completed. The design is estimated for 2025, construction in 2026-2027, and commissioning for 2027.
Eastring-Romania (LA non FID project)	Construction of a bidirectional flow interconnection gas pipeline with an annual capacity of between 20 bln. mc/year (phase 1) and 40 bln. mc/year (phase 2), connecting Slovakia with the EU's external border via Bulgaria, Hungary and Romania, in order to access gas reserves in the Caspian region and the Middle East.	The feasibility study has been completed, according to which the implementation of the project will be carried out in two phases, as follows: Phase 1 – Maximum capacity of 20 billion cubic meters/year, with a completion date of 2030; Phase 2 – Maximum capacity of 40 billion cubic meters/year, proposed deadline for 2033.
Monitoring, control and data acquisition system for cathodic protection stations related to NTS	Implementation of the centralized acquisition, command and monitoring system for cathodic protection stations, with the benefits of ensuring durability and safety in operation.	The feasibility study has been completed, but is under review (year 2025). The project is estimated for 2025-2026, the construction will be carried out in 2026-2027, and the commissioning will take place in 2027.

Development of the SCADA system for SNTGN	Modernization of the hardware and software architecture of the SCADA system by migrating to a decentralized architecture, having the control distributed on administrative-organizational units. Stage 1 – Modernization of hardware and software infrastructure; Stage 2 – Equipping the new SRMs; Stage 3 – Interconnection with other Transgaz SCADA systems.	The feasibility study, the project and the specifications have been completed. At the moment, Phase 1 is underway and is estimated to be completed in 2025. For the other two stages, the estimated deadline for completion is 2026.
Modernization of SMG Isaccea 2 and SMG Negru Voda 2 in order to achieve the bidirectional flow on the T2 pipeline (project A non FID)	Modernization of the Isaccea 2 and Negru Vodă 2 gas metering stations in order to ensure the bidirectional flow at the borders with Ukraine and Bulgaria on the T2 transit pipeline. Stage 1 – Creating the possibility of bidirectional gas flow on T2; Stage 2 – Replacement of the metering systems at SMG Isaccea 2 and Negru Vodă 2.	Stage 1 has been completed. Phase 2 is at an early stage and will be developed based on the results of the market demand assessment for incremental capacity for the interconnection points located on the T2 pipeline. Estimated deadline for completion – 2028.
Modernization of SMG Isaccea 3 and Negru Voda 3 in order to achieve the bidirectional flow on the T3 pipeline (LA non FID project)	Modernization of the Isaccea 3 and Negru Vodă 3 gas metering stations in order to ensure the bidirectional flow at the border with Ukraine and Bulgaria on the T3 transit pipeline. Stage 1 – Creating the possibility of bidirectional gas flow on T3; Stage 2 – Replacement of the metering systems at SMG Isaccea 3 and Negru Vodă 3.	Stage 1 has been completed. Phase 2 is at an early stage and will be developed based on the results of the market demand assessment for incremental capacity for the interconnection points located on the T3 pipeline. Estimated deadline for completion – 2028.
Interconnection of NTS to the LNG Terminal located on the Black Sea shore (LA non FID project)	Realization of the interconnection of NTS to an LNG terminal on the Black Sea coast by building a transmission pipeline, about 25 km long, from the Black Sea coast to the T1 and T2 pipelines.	The project is in an early stage. Thus, the financing decision is estimated for 2026, the construction will be carried out in the period 2027-2028, and the commissioning will take place in 2028.
LNG terminal located on the Black Sea shore (LA non FID project)	Construction of an LNG terminal on the Black Sea coast, with the aim of diversifying the sources of natural gas supply. This will allow the quantities of LNG from the Caspian Sea and the Middle East to be taken over.	The project is at an early stage and will be implemented depending on the results of the market demand assessment for capacity reservation. Estimated deadline for completion – 2028.

2.4.Status of major natural gas storage projects included in the *PDSNT 2024-2033*

The status of the major natural gas storage projects included in the PDSNT 2024-2033, according to the Report on the status of project implementation in the 10-year investment and development plan submitted by the TSO, is presented in the following table:

Project name	Works included	Stage

Modernization of the storage system in the Bilciureşti warehouse	Increasing the daily delivery capacity of the Bilciurești warehouse to 20 mln. cubic meters/day and increasing the storage capacity by 108 mln. mc/cycle. The work involves the modernization of the Bilciurești technological facilities and the drilling of 4 new wells (Stage 1), respectively the construction of a Butimanu-Bilciurești collector, the modernization of the cooling system (M3 Butimanu), 39 injection/extraction wells and the construction of 11 km of Bilciurești – Butimanu pipeline (in Stage 2).	The work is carried out in two stages. The first of them was completed in the second half of 2024. For the second phase, the related contractual agreements were signed in December 2024. The construction will take place between 2025 and 2027, and Commissioning is scheduled for 2027.
Increasing the underground storage capacity at the Gherceşti warehouse	Completion of the storage system infrastructure to ensure operation at the capacity of 600 mln. mc/cycle. The work consists of the construction of new compression, measurement, drying stations, the modernization of 20 injection-extraction wells, the interconnection with the NTS and the introduction of "hydrogen ready" engines.	The feasibility study and the technical project are completed. At the moment, Depogaz identifies the sources of financing by attracting loans and external funds. The construction is estimated for the period 2026-2028, and the commissioning will take place in 2028.
New underground natural gas storage deposit in Fălticeni (Moldova)	Increasing the storage capacity to ensure the security of natural gas supply by transforming one or more depleted fields: Pocoleni, Comăneşti, Todireşti or Davideni into underground storage, construction of compression, measurement, drying stations, injection-extraction wells and interconnection with the NTS.	The feasibility study is currently being prepared and is estimated for 2025. The project is conditional on obtaining agreements from Romgaz and NAMR for. Transformation of a depleted deposit into a storage deposit. The technical project, DTAC and CA are estimated for 2026-2028, the tender documentation is estimated for 2028, the construction will be carried out in 2029-2032, and the commissioning will take place in 2032.
Increase of underground storage capacity at the Sărmăşel landfill (Transylvania)	Development of the Sărmăşel landfill, increasing the storage capacity from 900 to 1500 million cubic meters/cycle, the injection and extraction capacity, by expanding the existing facilities with the following objectives: • drilling of 38 new wells; • 48.7 km of adduction pipes; • 8 technological groups; • 19.2 km of collector pipes; • 3 compression units; • 2 gas drying plants; • Separation and measurement plant (ISM); • Renewable energy production system; • Connection to the SNT.	The feasibility study and the technical project have been completed, the financing decision has been made. The modernization works for 12 wells have been completed. 6 new wells are under construction, whose completion will take place in 2025. The other stages will take place starting in 2024, with commissioning scheduled in 2026 for phase II and 2030 for phase III.

Modernization of the natural gas storage infrastructure - Bălăceanca	Increasing the daily delivery capacity of the Bălăceanca warehouse to 1.6 mln. cubic meters/day. The work involves the achievement of the following objectives: • drilling of 3 new wells; • systematization of collectors; • extension and modernization of the compressor station; • extension and modernization of the drying station; • modernization of the measurement panel; • modernization of existing wells; • digitization of the storage process.	The feasibility study has been completed. The completion of the works is estimated to take place between 2026 and 2032, and the commissioning is scheduled for 2032.
Storage unit – Depomureş	Refurbishment and development of the Târgu-Mureş underground storage deposit by increasing the daily injection/extraction capacity (stage I) and the storage capacity to 400 mln. mc in stage I and to 600 mln. mc in stage II, by achieving the following objectives: - central gas station, - new storage manifold, - increasing operating pressure, - new probes.	The feasibility study and the FEED study have been completed. Also, phase I is being executed, the construction and commissioning being estimated for 2026. A non-reimbursable financing of 12.77 mln. euro.

2.5. Monitoring the implementation of the transmission system operator's annual investment plans

SNTGN Transgaz S.A. made investments in 2024 totaling 207,315,796 lei, representing 95.3% of the plan assumed for this year, the entire value representing financing from its own sources.

Of the total value of investments made with financing from own sources mentioned above, 181,081,866 lei represents the total value of tangible and intangible assets related to the system, respectively over 87% of the total.

Among the most significant objectives put into operation in 2024, the following projects can be listed:

- Platărești - Bălăceanca natural gas transmission pipeline;
- Natural gas transmission pipeline Dn 600 Mihai Bravu – Silištea, Danube undercrossing;
- Access/connection works to the NTS;
- Refurbishment of pipes, connections, regulation and metering stations;
- Acquisition of equipment, namely automotive machinery, computer technology, computer programs, work equipment and for improving working conditions, security and surveillance systems.

2.5.1. Investment plan for 2025

For 2025, SNTGN Transgaz S.A. forecast investments in a total amount financed from its own sources of 2,415,151,755 lei, of which investments in the system of 2,342,630,406 lei representing 97% of the total and investments in endowments of 72,521,349 lei.

The structure of the investment plan includes about 92% of the value of works to increase the capacity of NTS, 5% modernization works, respectively refurbishment and modernization of

pipes, connections, regulation and metering stations and 3% purchases of equipment, respectively automotive machinery, computer technology, computer programs, work equipment and for improving working conditions, security and surveillance systems. Among the most important investments planned in order to increase the capacity of the NTS are:

- Development on the territory of Romania of the southern transmission corridor for taking over natural gas from the Black Sea Shore (Black Sea Shore - Podișor);
- Natural gas transmission pipeline for CET Mintia natural gas supply (including electricity supply, cathodic protection and optical fiber);
- Deta – Moravița transmission pipeline;
- Bentu and Siliștea Bucharest – Cotu Ciorii transmission pipeline;
- 12 connection works and SRMP.

2.6. Monitoring the implementation of the annual investment plans of natural gas storage operators

The total value of investments planned in 2024 by DEPOGAZ was 71,582,561 lei. Of this value, tangible and intangible assets related to the storage system accounted for about 72%, respectively 64,253,212 lei, the rest representing equipment purchases. The investments made had a total value of 66,830,271 lei, being fully financed from own sources.

By relating the realized value of tangible and intangible assets in the system, in the amount of 42,216,383 lei, to their planned value, of 64,253,212 lei, resulted in a degree of fulfillment of the investment plan in 2024, established in accordance with the provisions of art. 34 para. (2) of the Procedure approved with ANRE Order no. 38/2019, of 65.7%.

The most important works carried out consisted of:
- Modernization and refurbishment of the Butimanu Warehouse;
- Modernization and refurbishment of the Bilciurești Landfill;

For 2025, DEPOGAZ forecast investments totaling 68,713,000 lei, of which 61,000,000 lei represent tangible and intangible assets for the system - mainly wells, installations and infrastructure related to the modernization of the Sărmășel underground storage deposit (about 75% of the total).

The storage system operator DEPOMUREȘ has planned investments for 2024 totaling 701,832 lei, of which 117,500 investments in the system and 584,332 investments in facilities. As for the investments made, they were 700,348 lei, consisting of 117,500 lei investments in the system and 582,848 lei investments in endowments.

For 2025, DEPOMUREȘ has forecast investments worth 325,000 lei, the entire amount being allocated to endowments.

2.7. Monitoring the implementation of annual investment plans for natural gas distribution systems

The total value of investments planned by natural gas distribution operators for 2024 was 1,199,297,477lei, up by more than 8% compared to the previous year's plan, of 1,108,992,782 lei.

Of the total planned value, investments financed from own sources amounted to 946,773,093 lei, down by about 6% compared to the value for 2023, of 1,005,329,043 lei. The structure of

these investments is 88.6% of work in system capacities and 11.4% in endowments.

By relating the value of the investments made in objectives belonging to the system, of 877,364,322 lei, to their planned value, of 837,518,667 lei, it is ascertained the fulfillment of the obligation to achieve the value of the assumed plan in a proportion of more than 104%, established in accordance with the regulatory framework, respectively of art. 34 para. (2) of the Procedure approved with ANRE Order no. 38/2019.

2.8.Investment plan for 2025

For 2025, distribution system operators planned to make investments totaling 1,161,012,185 lei, the value from own sources being 964,128,706 lei, and the value financed from non-reimbursable funds of 196,883,479 lei. Of these, 844,863,634 lei represent the value of direct investments in the system, respectively 87.6% of the total.

3. Technical condition and maintenance of natural gas transmission and distribution systems

In 2024, no changes were made to the regulatory framework applicable to the analysis of investments in natural gas networks.

Thus, the monitoring of the technical condition of the natural gas systems of public interest during 2024 was carried out based on the following regulations:

- *Procedure regarding the substantiation and criteria for the approval of the investment plans of the transmission and system, distribution and storage operators of natural gas, as well as of the LNG/hydrogen terminals*, approved by ANRE Order no. 38/2019, with subsequent amendments and completions,
- *The performance standard for the natural gas transmission and system service*, approved by ANRE Order no. 140/2021,
- *The performance standard for the natural gas distribution service*, approved by ANRE Order no. 131/2022.

3.1.Technical status of natural gas transmission systems

The natural gas transmission activity is carried out by S.N.T.G.N. Transgaz S.A. as the sole operator of natural gas transmission and system, based on the operating license of the national gas transmission system no. 1933/20.12.2013, approved by ANRE, valid until 08.07.2032.

The transport of natural gas is ensured by main pipelines and supply connections, with a **total length of 13,992 km**, with diameters between 25 mm and 1200 mm, as well as by their installations, equipment and endowments, at pressures between 6 bar and 63 bar, which ensure the collection of natural gas extracted from the production perimeters, from underground storage deposits and those from imports and their transport for delivery to end customers in the domestic and foreign natural gas market.

During 2024, the national transport system recorded the following changes:

- ❖ the total length of pipes and connections (including the BRUA line) increased by about 0.21%, respectively about 29 km;
- ❖ Measuring stations and measuring directions increased by 16 – an increase of approx. 1.3% respectively 1.2% compared to the previous year;
- ❖ 2 cathodic protection stations were decommissioned, which represents an increase of approx. 0.18% compared to the previous year;
- ❖ 22 new gas odorization stations were put into operation, bringing the total number of them to 1,093 – which represents an increase of about 2% compared to the previous year;

3.2.Technical status of natural gas distribution systems

The 26 natural gas distribution operators, holders of the licenses granted by ANRE, owned on 31.12.2024 natural gas distribution pipelines and related connections with a **total length of 63,130 km**. Of these, a share of 71.21% is represented by polyethylene nets, which are the ones that have experienced a marked development in the last 25 years.

Compared to the previous gas year, the expansion of the national gas distribution network by 2,308 km is noteworthy, which represents an increase of about 3.8%.

3.3.Monitoring compliance with the time periods required for connections and repairs

3.3.1. Monitoring compliance with the time periods required for connections and repairs in the transmission system

From the records submitted, at the level of Transgaz, in the gas year 2023-2024, no connection installation was executed and put into operation.

The main causes that led to delays in these connections to the NTS were given by the difficulties encountered by the operator in carrying out the investments, as follows:

- the late obtaining of the approvals required by the urban planning certificates, reflected in the postponement of the deadlines for obtaining building permits (OCPI permits, environmental permits, archaeological permits, etc.);
- the conduct of the public procurement procedure, for which either no bids are submitted, or involves multiple clarifications in stages: technical, financial, eligibility, there are often cases in which the procedure has been resumed several times as a result of the non-fulfillment by the economic operators of the requirements of the tender specifications. The minimum time interval between two successive tender procedures is 3-4 months;
- legislative changes regarding the adjustment of prices in execution contracts (GEO 15/2021 and GEO 47/2022).

The measures proposed by the operator to reduce these deadlines refer to the correlation of legislative provisions that allow the smooth running of the investment process. In addition, since the operator has no control over some stages of the connection process, it proposes to reconsider the performance indicator provided by the standard both in terms of duration and in terms of the date against which it is to be measured and monitored.

3.3.2. Monitoring compliance with the time periods required for connections and repairs in distribution systems

In the 2023-2024 gas year, distribution operators (DSOs) registered a total number of 73,573 connection requests, whose average resolution time was 10.74 days.

In this context, for the 33,821 connections that the distribution system operators executed and put into operation between 01.10.2023 and 30.09.2024, there was an average duration of 191.9 days, calculated from the date of registration of the applicant's application if it was accompanied by the complete documentation or from the date of completion of the documentation.

There is a reduction in the average connection period by about 25 days compared to the one recorded in the previous gas year, which was 217 days. Thus, it is noted that the difficulties that distribution system operators encountered during the previous years were better managed, mainly with obtaining the necessary permits and authorizations to carry out the works.

3.4.Monitoring performance indicators

3.4.1. Monitoring of the performance indicators of the transmission service and the natural gas system

In accordance with the provisions of art. 8 letter g) of the Government Emergency Ordinance no. 33/2007 regarding the modification and completion of the Electricity Law no. 13/2007 and the Gas Law no. 351/2004, approved by Law no. 160/2012, , in the fulfillment of its duties and competences, ANRE has the obligation to ensure consumer protection, including by imposing quality standards of public services in the natural gas sector.

In order to achieve this objective, the Performance Standard for the Natural Gas Transmission and System Service *(hereinafter referred to as the* Standard*) was approved by ANRE Order no. 140/2021*, which provides for the obligation of the transmission system operator (TSO) to monitor and report the indicators provided for in the standard for each gas year by December 1 of the following gas year. The standard provides limits for each indicator, the exceeding of which leads to the payment of compensation to the affected applicants/consumers.

The performance indicators for the natural gas transmission and system service refer to:

- registration and settlement of requests/notifications/complaints of users regarding the natural gas transmission and system service;
- access to the natural gas transmission system;
- connection to the natural gas transmission system;
- restoration of land and/or goods affected by works on the infrastructure of the natural gas transmission system;
- compliance with the conditions for handing over and taking over natural gas;
- limitation/interruption of the provision of the natural gas transmission and system service.

According to the monitoring carried out by ANRE, all the performance indicators of the natural gas transmission and system service for the gas year 2023 - 2024 have values above the reference ones, their degree of compliance with the minimum levels imposed by the standard being 100%.

Compared to the previous gas year (01.10.2022 - 30.09.2023), it is highlighted that all performance indicator values are maintained at a level close to the maximum level, which

denotes the assurance and maintenance of the regulated level of quality of the natural gas transmission service provided by S.N.T.G.N. Transgaz S.A.

3.4.2. Monitoring of natural gas distribution service performance indicators

The monitoring of the performance indicators of the natural gas distribution service is carried out in the gas year 2023-2024 based on *the Performance Standard for the natural gas distribution service*, approved by ANRE Order no. 131/2022.

The performance indicators for the distribution service refer to:

- registration and resolution of user notifications/complaints/requests regarding the natural gas distribution service;
- access to DS and/or contracting the natural gas distribution service;
- compliance with natural gas delivery-takeover services;
- connection to the natural gas distribution system;
- restoration of land and/or goods affected by the execution of works on the objectives of the natural gas distribution system;
- interruption/limitation/resumption of the provision of the natural gas distribution service.

The standard provides limits for each indicator, the exceeding of which leads to the payment of the applicants/consumers affected by compensations consisting of fixed amounts and additional amounts, which depend on the number of days of delay.

The comparative analysis with the equivalent indicators recorded in the previous year reveals a quasi-constant maintenance of the values of the performance indicators, the variations compared to those related to the previous gas year (2022-2023) being insignificant. Of the 27 indicators, 24 fell within the requirement provided by the standard, and for the other 3 the minimum threshold could not be reached. Similar to the situation recorded in the previous gas year, the 3 indicators in question refer to the connection of users to the natural gas distribution system (execution of connections and pipelines), a process that has faced constant difficulties in the last 10 years.

3.5.Monitoring of annual maintenance programs in natural gas systems

3.5.1. Implementation of the annual maintenance program in the national gas transmission system

The maintenance activity is carried out in accordance with *the Technical Norms for the design and execution of natural gas transmission pipelines*, approved by ANRE Order no. 118/2013, with subsequent amendments and completions.

The degree of fulfillment of the maintenance plan in 2024 by the TSO is approx. 70%, a value below the minimum threshold imposed by the regulatory framework.

In general, the natural gas transmission and system operator invokes difficulties in carrying out maintenance works, including the delay in obtaining the right of access to the land, temporary removal of the land from the national forest fund, discoveries of archaeological sites during the execution period, delays in the supply of materials, the conduct of public procurement procedures, etc.

3.5.2. Carrying out annual maintenance programs in natural gas storage systems

In the storage systems, the Procedure approved by ANRE Order no. 38/2019, provides that the operators must perform a minimum of 90% of the planned maintenance work.

While Depomureș registered a lower amount of maintenance work, Depogaz substantially exceeded the planed value, which led to an overall maintenance above the threshold. Corrective maintenance involves unscheduled damages or malfunctions, and its absence, reflected in the performance of works of lower value than the plan, could indicate that the technological installations operated within normal parameters and did not require interventions or repairs at the ex-ante estimated level.

3.5.3. Carrying out annual maintenance programs in natural gas distribution systems

The operation, maintenance, repair and rehabilitation of natural gas systems is carried out in compliance with *the Technical Norms for the design, execution and operation of natural gas supply systems*, approved by ANRE Order no. 89/2018.

It is noted that at the level of the entire country, in 2024, the minimum degree of achievement provided by the regulatory framework was met and even exceeded, namely the obligation to carry out maintenance works worth at least 90% of the planned one, assumed by the operators. Operators who distribute for more than 100,000 consumers have exceeded both preventive and corrective maintenance programs. The same trend was followed by small distribution operators, which significantly exceeded the maintenance work they have forecasted for 2024.

Chapter III

LICENSES, AUTHORIZATIONS AND CERTIFICATES

1. Authorization and licensing activity in the field of electricity

During 2024, ANRE granted 154 establishment permits for energy objectives totaling about 4470.127 MW, of which 3824.577 MW solar, 573.072 MW wind, 64.98 MW storage and 7.498 MW hydrocarbons.

The number of authorizations, licenses and confirmations of issued licenses in 2024 is presented as follows:

License Type	Number
Establishment permits for electricity production capacities from solar sources	137
Establishment authorizations for the realization of electricity production capacities from solar sources + storage capacities	2
Establishment permits for the realization of electricity production capacities from wind sources	9
Establishment permits for the realization of hydrocarbon electricity production capacities	3
Authorizations for the establishment of electricity storage capacities	3
Licences for the operation of electricity generation capacities, including electricity generation capacities from cogeneration power plants and/or storage of electricity added to them	44
Provisional licences for the operation of electricity generation capacities, including electricity generation capacities from cogeneration power plants and/or storage of electricity added to them	2
Licenses for the activity of electricity supply	39
Licenses for the activity of electricity distribution	5
Licenses for the activity of the electricity trader	9
Licenses for aggregation activity	2
Confirmations of licenses from EU member states for the activity of the electricity trader	3
Confirmations of the classification of the distribution system as a closed system	13
TOTAL NUMBER	**271**

At the same time, ANRE authorized individuals, as electricians (4901), respectively project verifiers (628) and quality and extrajudicial technical experts in the field of technological electrical installations (222), in accordance with the provisions *of the Regulation for the authorization of electricians in the field of electrical installations, respectively project verifiers and quality and extrajudicial technical experts in the field of technological* electrical installations, approved by the Order of the President of ANRE no. 66/2023, as subsequently amended.

In accordance with the provisions *of the Regulation for the certification of economic operators who design, execute and verify electrical installations*, approved by ANRE President's Order

no. 134/2021, ANRE continued to issue certificates for the provision of the design, execution and verification of electrical installations for 1312 economic operators.

2. Authorization and licensing activity in the field of natural gas

In accordance with ***the provisions of the Regulation for the granting of establishment authorizations and licenses in the natural gas sector***, approved by the Order of the President of ANRE no. 199/2020, with subsequent amendments and completions, during 2024, at the request of economic operators, ANRE granted/amended **establishment authorizations and licenses in the natural gas sector** as follows:

No. Crt.	Type of authorisation	Establishment permits granted in 2024
1.	Authorisation for the establishment of biogas/biomethane production facilities	1
2.	Authorization for the establishment of the direct natural gas pipeline	3
3.	Authorization for the establishment of the natural gas distribution system	71
Total		75

No. Crt.	License Type	Licenses granted in 2024
1.	Natural Gas Supply License	13
2.	Biogas/biomethane supply license	1
3.	License to operate the natural gas distribution system	2
4.	Natural Gas Trader License	7
5.	Confirmation of EU licensed natural gas supply license	2
6.	EU Licensed Natural Gas Trader License Confirmation	3
Total		33

In accordance with the provisions ***of the Regulation for the authorization of economic operators carrying out activities in the field of natural gas***, approved by the Order of the President of ANRE no. 132/2021, with subsequent amendments and completions, during 2024, at the request of economic operators, a number of 806 design, execution and exploitation authorizations in the natural gas sector were granted.

In accordance with the provisions ***of the Regulation for the authorization of individuals carrying out activities in the natural gas sector***, approved by the Order of the President of ANRE no. 65/2023, with subsequent amendments, 2527 authorizations were granted.

In accordance with the provisions ***of the Regulation for the certification of project verifiers and technical experts for objectives/systems in the natural gas sector***, approved by ANRE President's Order no. 133/2021, as subsequently amended, during 2024, ANRE granted 53

certificates for project verifiers and 16 certificates for technical experts for objectives/systems in the natural gas sector.

3. Authorization and licensing activity in the field of thermal energy

Granting, modifying, suspending or withdrawing licenses in the field of public heat supply service

In 2024, the legal framework for granting licenses in the field of public heat supply service, represented by the *Regulation for granting licenses in the field of centralized heat supply service* approved by ANRE President's Order no. 61/2022, hereinafter referred to as the *Regulation,* was revised by ANRE President's Order no. 5/2024.

In 2024, the number of requests for licensing in the field of public heat supply service increased, as a result of the fact that the territorial administrative units carried out the economic efficiency analysis of the public heat supply service, choosing in most cases, depending on the specifics of the locality, to keep direct management, as a way of managing this public service. There have been granted/amended 13 SPAET[11] licenses and have been granted 2 provisional SPAET licenses.

Granting, modifying, suspending or withdrawing authorizations for carrying out the activities of installation and operation of the cost distribution systems for heating and hot water for consumption in condominium-type buildings

In the fourth quarter of 2024, a new *Regulation for the granting of authorizations for the installation, commissioning, repair and operation of cost sharing systems approved* was issued by the Order of the President of ANRE no. 63/10.09.2024, which, among other things, establishes the procedure for confirming the right of economic operators, foreign legal persons, registered in an EU/EEA/Switzerland member state, to provide cross-border services for the development of the activity of installing/operating the cost distribution systems for heating/hot water for consumption, in condominium-type buildings, in Romania.

For 2024, the situation of granting/modifying/withdrawing the types of authorizations listed above is statistically presented as follows:

Subject matter of the request	No. of authorizations granted	No. of permits concerned
Granting/approving/modifying authorizations for the installation of heating cost distribution systems	1	1
Granting of authorizations for the installation of cost distribution systems for hot water for consumption	1	0
Granting/approving authorizations for the operation of heating cost sharing systems	1	1
Granting of authorizations for the operation of cost sharing systems for hot water for consumption	1	0
Total by request types	**4**	**2**

[11] SAPET - public thermal energy supply service

Chapter IV

RENEWABLE ENERGY SOURCES, COGENERATION AND HYDROGEN

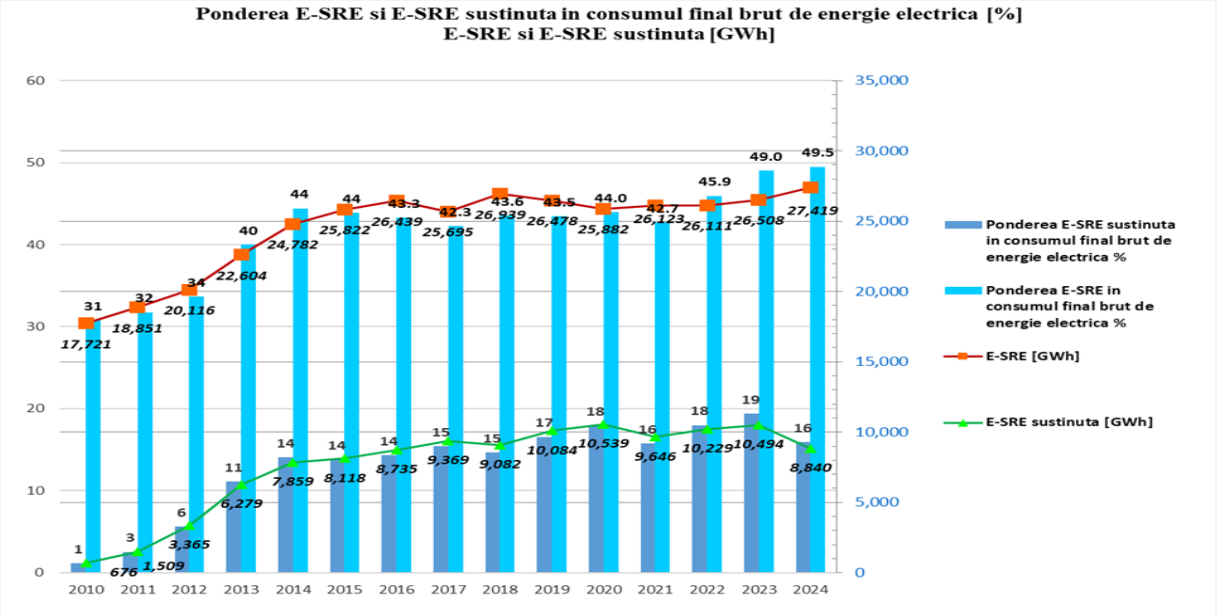
1. PRODUCTION OF ELECTRICITY FROM RENEWABLE SOURCES

Fulfilment of the national target on the share of E-RES in gross final electricity consumption

The electricity achieved in 2024 in the E-RES production units was 24,905 GWh, of which 8,840 GWh benefited from the CV[12] promotion system, the remaining 16,065 GWh was produced both in hydroelectric plants with an installed capacity of more than 10 MW that do not benefit from the CV support scheme, other E-RES production units that do not benefit from the CV support scheme and in renewable power plants belonging to prosumers.

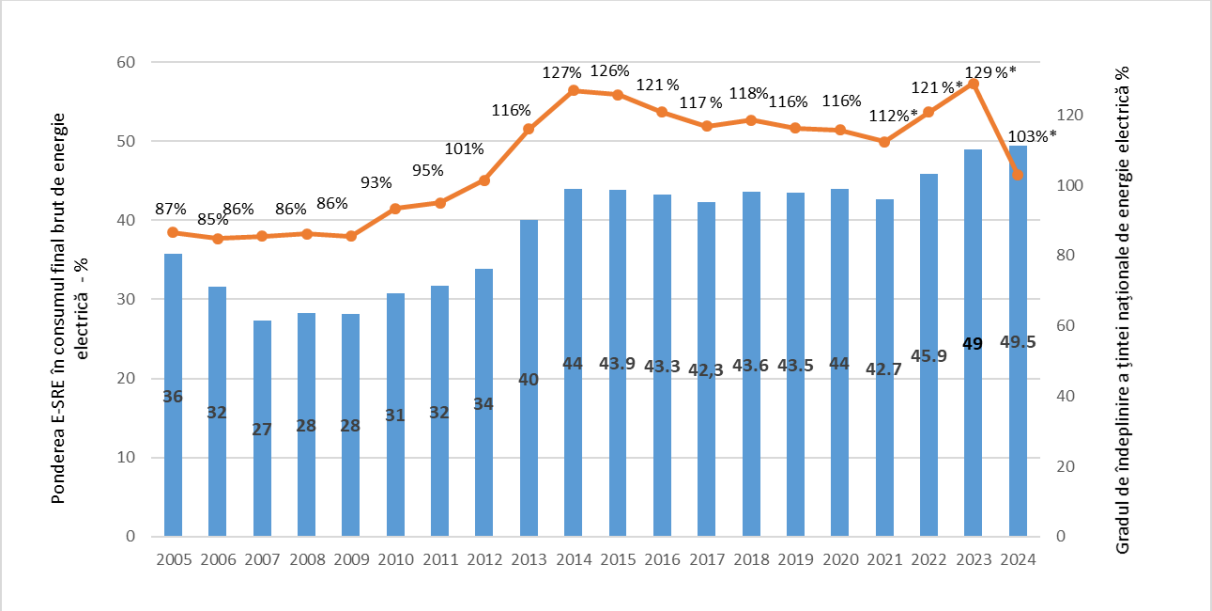
The share of electricity produced from renewable sources (E-SRE) in the gross final consumption of electricity in 2024 was 49.5%, the calculation of this share being carried out by ANRE in the context of the provision of art. 20 para. (2) of Law no. 220/2008, according to the methodology described in Directive (EU) 2018/2001, Annex II. Thus, the value of 48.1% for 2024 considered in the National Integrated Energy and Climate Change Plan 2025-2030 (PNIESC) 2025-2030 updated in 2024 was exceeded.

The evolution of the share of electricity produced from renewable sources in Romania's gross final electricity consumption in the period 2005-2024 is presented in the following figure:



The figure below shows the evolution of the national target for the share of E-RES in gross final electricity consumption in the period 2005-2024.

[12] CV – green certificates



System for the promotion of electricity produced from renewable energy sources

The green certificate (CV) promotion system established by *Law no. 220/2008* was applied to producers for electricity produced from renewable sources, based on the accreditation decision issued by ANRE, for commissioning, respectively refurbishment of groups/power plants carried out until December 31, 2016.

At the end of 2024, the number of accredited E-RES producers was 709, and the accredited installed capacity in the E-RES production units was 4629 MW, down by 24 MW compared to 2023, representing the electricity capacities for which the accreditation period has expired.

In 2024, GEO no. 134/2024 was adopted, which exempted the operator of storage facilities from the obligation to purchase annual and quarterly CVs. For the year 2024, by Order no. 2/2025, ANRE set the mandatory quota for the purchase of green certificates at 0.496 hp/MWh, so that the average impact on the consumer for 2024 is 14.5 euros/MWh.

Based on the provisions of Article 20 of *Law no. 220/2008*, ANRE monitors the development and functioning of the CV market, prepares and makes public annually on its website, until June 30, a report on the functioning of the system for the promotion of electricity from renewable sources.

System for the promotion of electricity produced in power plants from renewable sources with installed electrical power of not more than 400 kW belonging to prosumers

In 2024, there was a significant increase in the number of prosumers, from 114109 to 198756 at the end of the year, an increase of approximately 85000 prosumers.

Most of the connection certificates issued by distribution operators certified as prosumers belong to individuals, with a percentage of 89%, the remaining 11% belong to prosumers who are legal entities.

There is also a significant increase in the installed power of prosumers, from 1502 MW at the beginning of the year to 2379 MW at the end of the year, an increase of about 900 MW.

The territorial distribution of the installed power[13] of prosumers in 2024 highlights significant differences between counties. This discrepancy underlines **the need for regionally adapted support measures** to ensure a balanced development of prosumers in Romania.

Given the evolution of the number of prosumers and their installed power in 2024, congestion or lack of capacity is expected to occur for connecting new renewable capacities in the electricity grids of distribution operators. Microgrids and local energy markets are expected to emerge, as well as aggregators and energy communities.

Considering the data reported by distribution operators and the analyses carried out by ANRE based on these reports, starting with June 2024, the most recent data regarding prosumers is published on the ANRE website in the section dedicated to prosumers, respectively the subsection in the section - **Information on prosumers**[14].

Guarantees of origin - GO

During 2024, ANRE issued 23,878,069 GO, compared to 24,023,656 GO issued in the previous year, for 418 producers of E-RES, by 21.87%, more than the number of applicants in the previous year.

Most GOs issued in 2024 were for energy produced from hydropower, 64.75% of the total GO issued, which totaled 15,460,125 GO, slightly down from 2023. The rest of the technologies have registered increases in terms of no. of GO received (issued), for electricity produced from solar sources emitting 51.12% more GO than in 2023, and for electricity produced from wind energy with 23.96% more GO than in 2023.

ANRE monitors the situation of guarantees of origin for electricity produced from renewable energy sources, the results obtained being included in an annual report that can be found on ANRE's website.

2. PROMOTION OF ELECTRICITY PRODUCED IN HIGH-EFFICIENCY COGENERATION

In 2024, ANRE approved 11 regulations allowing the application of the bonus support scheme for the promotion of high-efficiency cogeneration and three regulations applicable to cogeneration producers who have not accessed the bonus support scheme

The total amount of electricity produced in high-efficiency cogeneration that benefited from the bonus for the period January – December 2024 was 2.317 TWh, up by approx. 62.94% compared to the value corresponding to 2023, as a result of the fact that some of the producers who could not access the extension of the support scheme in 2022 accessed later, during 2023, the request for access to the extension of the scheme can be made by producers until December 10, 2023 at the latest, according to the provisions of the Government Decision no. 1215/2009.

[13] The map can be accessed interactively at https://www.datawrapper.de/_/NtzIB/

[14] *https://anre.ro/consumatori/energie-electrica/cum-devin-prosumator/*

The value of the contribution for the promotion of high-efficiency cogeneration approved by ANRE for the second half of 2024 is 9.4 lei/MWh, excluding VAT, the one for the period starting with November 1, 2024, is 7.8 lei/MWh, excluding VAT, and the one for the first half of 2025 was reduced to 3.5 lei/MWh, excluding VAT.

Following the analysis on the overcompensation of the activity of producing electricity and heat in high-efficiency cogeneration for the evaluation period 01.01.2023 - 31.12.2023, it was found that, from the application of the support scheme for the mentioned period for 32 power plants for the production of electricity and heat in cogeneration (in the commercial operation of 23 producers), at 3 plants (2 producers) there was an overcompensation of the electricity and heat production activity in cogeneration, in a total amount of 5,482,571 lei. The decisions of the President of ANRE regarding the amount of the overcompensation were the basis for the issuance of decisions and invoices by C.N. Transelectrica S.A. for the recovery of the found value of the overcompensation of the activity of producing electricity and heat in high-efficiency cogeneration related to the evaluation period 01.01.2023 - 31.12.2023.

Chapter V

ENERGY MARKET MONITORING
Main developments in the wholesale and retail electricity and natural gas market

Energy Market Monitoring Reports

The monitoring activity of the electricity market was carried out based on the provisions of the Methodology for monitoring the wholesale electricity market (PAN Methodology), approved by ANRE Order no. 18/2023 and the Retail Market Monitoring Methodology (PAM Methodology), approved by ANRE Order no. 17/2023. In order to ensure the transparency of the information characterizing the electricity market and its components, ANRE prepares and publishes monthly monitoring reports on the wholesale (PAN) and retail (PAM) electricity market, which contain aggregate and summary data on the functioning of the national electricity system and the electricity market.

The natural gas market monitoring activity was carried out based on the provisions of the Natural Gas Market Monitoring Methodology, approved by ANRE Order no. 5/2013. In order to ensure the transparency of the information characterizing the natural gas market and its components, ANRE prepares and publishes monthly reports on the monitoring of the natural gas market, which contain aggregate and summary data on the functioning of the natural gas market.

The changes in the national primary legislation and the increase in the complexity of the types of data and indicators required by the competent European institutions/organizations (ACER/CEER) based on European regulations have led to an increase and diversification of the natural gas market monitoring activity.

Energy Market-Specific Analysis

As regards the analysis/evaluation activity for the purpose of assessing the functioning mode and assessing the level of efficiency/performance, competition and transparency of the wholesale and retail electricity market in Romania, various analyses of the activity of participants in the wholesale and retail electricity market were carried out starting from the trading data collected on the basis of the PAN Methodology and the PAM Methodology. Where elements were identified that raised suspicions of violation of the legislation/regulatory framework in force, which required a detailed analysis, notes of necessity were drawn up, in order to open control actions, or notification notes, as the case may be.

Starting with the need to verify the way in which the participants in the PAN complied with the provisions of art. 15 para. (3) of GEO no. 119/2022 for amending and supplementing GEO. No. 27/2022, ANRE carried out an analysis of the market for directly negotiated bilateral contracts, both in terms of contracting and quantities delivered in 2023.

To facilitate the reporting of the contractual information required by the legal provisions mentioned above, ANRE has developed an in-house IT application (spv.anre.ro) for market participants.

To assess the functioning of this market, specific indicators were calculated, based on the trading data reported by market participants according to the monthly reporting obligations of the PAN Methodology (ex-post data), indicators that allowed assessments of the level of concentration and efficiency, as well as comparisons with the other components of the PAN.

The application of the provisions of Regulation (EU) no. 1227/2011 of the European Parliament and of the Council of 25 October 2011 on the integrity and transparency of the wholesale energy market (REMIT), as amended by Regulation (EU) no. 1106/2024

The activity of preliminary analysis of suspected cases of violations of the provisions of REMIT continued, based on secondary legislation, starting from the notifications sent on the ACER Notification Platform reported by other directorates of ANRE. Thus, during 2024, 2 preliminary analyses were carried out on possible cases of market manipulation, as defined in art. 5 of REMIT, with proposals regarding the start/non-start of an investigation according to the legal provisions (as the case may be).

Based on the provisions of REMIT, Implementing Regulation (EU) no. 1348/2014, of ACER Decision no. 1/2012 and ANRE Order no. 1/2015, with subsequent amendments and completions, ANRE continued to verify and update the information in the National Register of Participants in the Wholesale Energy Market. In 2024, there were 71 new participants in the wholesale electricity and natural gas markets, up by more than 50% compared to the previous year, so that at the end of 2024 there were 882 participants with an ACER code.

ANRE continued to provide guidance to market participants who requested clarifications on the procedure for granting the ACER code, updating or correcting registration data. The trading and fundamental data of market participants are transmitted by 3 Registered Reporting Mechanisms - OPCOM, BRM and TRANSGAZ.

1. Main developments in the wholesale and retail electricity market in 2024

Structure of electricity produced and delivered from monitored production units

Based on the provisions of the PAN Methodology, in 2024 the monthly monitoring process of the electricity production sector continued, focusing on the activity of the PAN monitored producers. They are defined as holders of the license for the operation of electricity production capacities (with or without storage facilities), who have concluded a contract with TSOs for the provision of the electricity transmission service and the system service and to whom the tariff for the transmission service – the component of energy introduction into the grid (TG) for electricity delivered to the electricity transmission network and to the electricity distribution network is applied.

From the data collected monthly from the 144 producers monitored by PAN, it appears that in 2024, the amount of electricity produced in production units with an installed capacity of more than 5 MW was 50.23 TWh, of which approx. 47.59 TWh were delivered to the transmission and distribution networks, down by approx. 10% compared to the previous year.

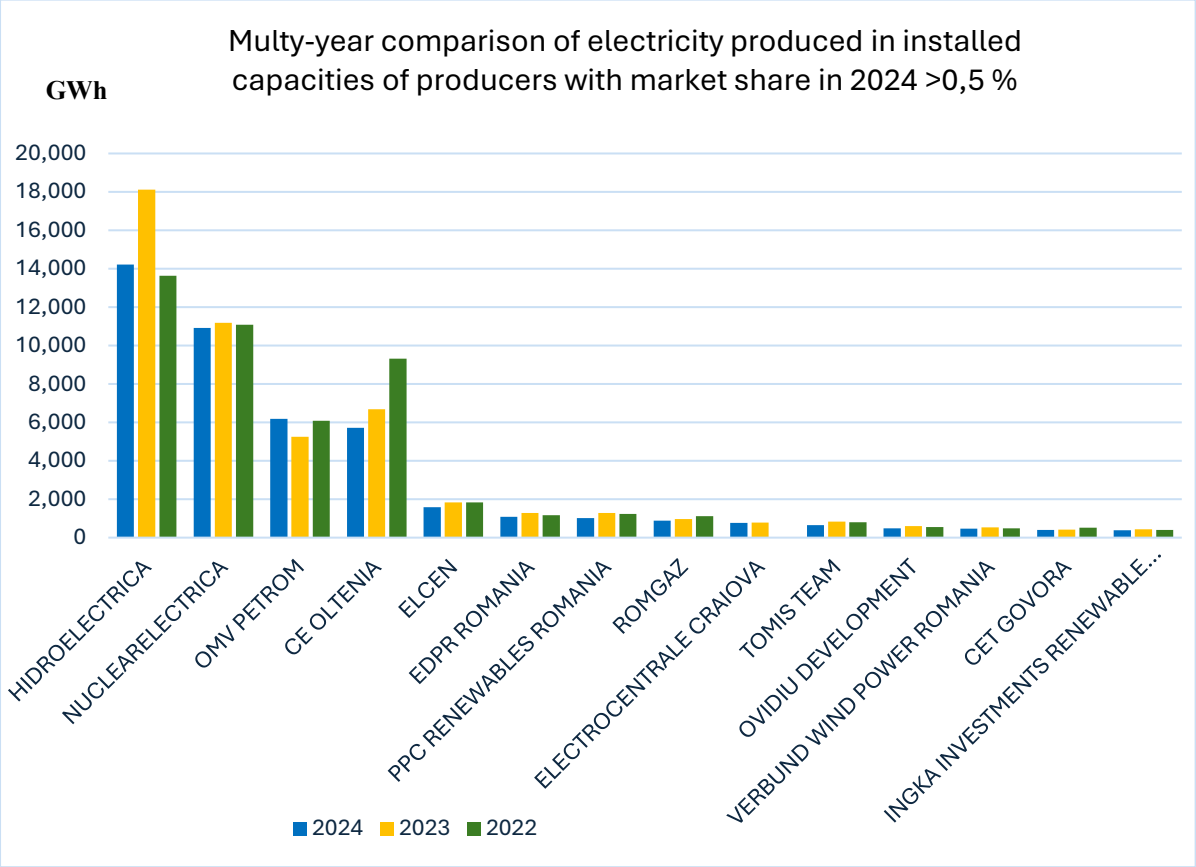
The values of the annual concentration indicators of the last 3 years, calculated according to the electricity produced, are within the limits that separate markets with a moderate degree of concentration from those with a high degree of concentration.

Indicators of concentration of electricity produced	2022	2023	2024
C1 (%)	25.45	32.33	28.31

C3 (%)	63.55	64.24	62.33
HI	1542	1708	1585

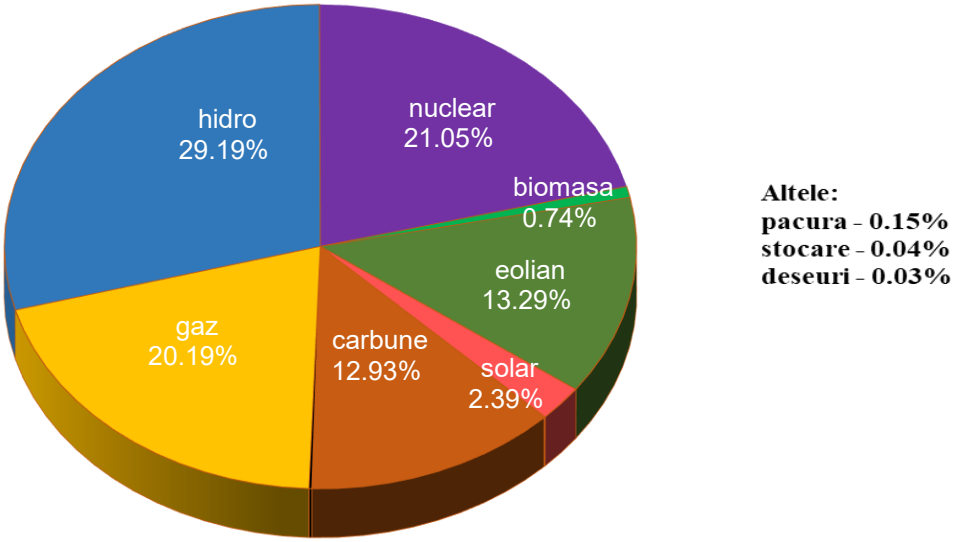
We specify that the same indicators, calculated for the electricity delivered to the networks by the PAN monitored producers, are published monthly in the Report on the results of the electricity market monitoring.

The following chart shows the ranking of PAN monitored producers whose market shares are above 0.5% of the total annual electricity production in 2024, with comparisons at the level of the last 3 years.



We present below the structure by types of primary sources of electricity production delivered to the networks by the PAN monitored producers in 2024.

Energy mix of primary production sources
(electricity delivered to the network by monitored producers in the retail market) 2024



The structure of Romania's energy mix in terms of energy delivered to the networks has been maintained compared to previous years, the most important source of energy production remaining hydropower, followed by nuclear and natural gas.

Based on the data reported according to the PAN Methodology regarding the energy delivered to the networks by the PAN monitored producers and the commercial import/export (determined on the basis of the import/export contracts concluded by the participants and the energy imported/exported by the transfer agent CNTEE Transelectrica SA through the PZU[15] and PI[16] coupled spot markets), the Report on the results of the electricity market monitoring publishes the domestic consumption achieved by the SEN, which, starting with January 2023, represents the monthly consumption achieved at the level of the entire SEN, reported by CNTEE Transelectrica SA.

Developments on the wholesale electricity market

The electricity market operates according to the rules established by the primary legislation, mainly the Law on Electricity and Natural Gas no. 123/2012, through the European regulations as directly applicable acts and through the regulatory framework developed by ANRE. The participants in the wholesale electricity market having the possibility to conclude transactions on organized markets, directly negotiated bilateral transactions and transactions for the import and export of electricity.

Similar to 2023, the centralized electricity purchase mechanism established within OPCOM[17] through Annex no. 11 of GEO no. 27/2022, approved with amendments and completions by Law no. 206/2022, participation in the additional monthly tenders related to this mechanism

[15] PZU – Day-Ahead Market
[16] PI – Intraday Market
[17] OPCOM - Electricity and Natural Gas Market Operator

becoming voluntary starting with April 2024, according to the provisions introduced by GEO no. 32/2024.

The Day-Ahead Market (PZU) has been operating since June 2021 in a mechanism coupled in the European SDAC project and through flow-based coupling, starting with June 2022. The intraday market (PI) operates in conjunction with the markets of 23 other EU Member States in the European SIDC project.

The spot markets managed by BRM became operational as of May 22, 2024, PI, and November 19, 2024, PZU, respectively.

We present below the annual volumes delivered on each of the components of the wholesale market in the period 2022 – 2024 and their evolution in 2024 compared to the values of the previous year. The ratio of the delivered volumes to the domestic consumption achieved by the NES provides a reference for assessing their dimensions. The data is presented only for the markets on which volumes delivered in the analyzed month were reported. We specify that all volumes are reported in RO hours, all prices include the TG component.

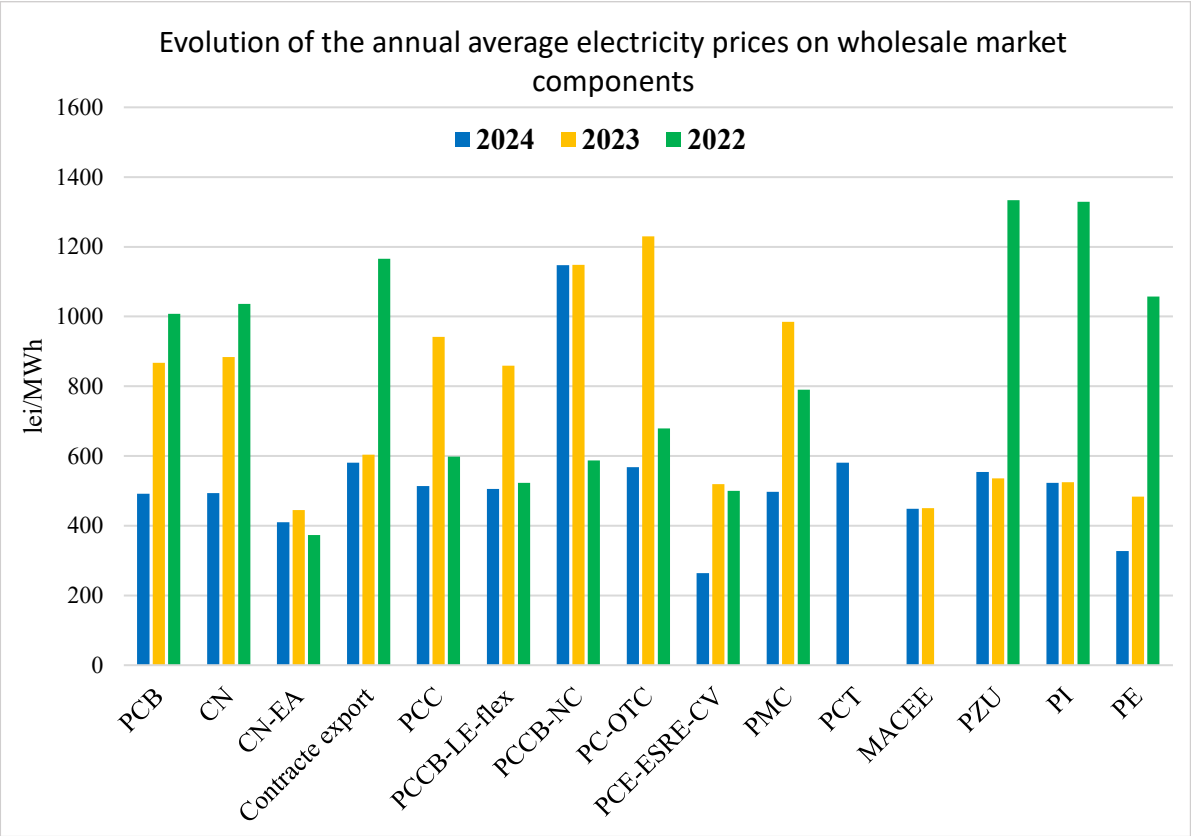
The monthly evolution of these volumes, their share of the domestic consumption achieved by SEN and the average prices achieved on the respective components of the wholesale market are published monthly on the ANRE website, within the Monthly Reports on the results of the monitoring of the electricity market.

COMPONENTS OF THE WHOLESALE MARKET	2022 (GWh)	2023 (GWh)	2024 (GWh)	Evolution 2024/ 2023 (%)	Weight 2024 from the consumption internal performed SEN1
1. The bilateral contract market	7794	8347	9200	▲10.2	16.6
• Sale on directly negotiated contracts (CN)	7461	8047	8897	▲10.6	16.1
• Sale on Negotiated Contracts Aggregate Entity (CN-EA)	333	300	302	▲0.7	0.5
2. Export contract market2	2867	2303	2375	▲3.1	4.3
3. Centralized markets for bilateral contracts, of which:	43379	16426	9804	▼40.3	17.7
• CMBC-LE-flex	20562	11801	7422	▼37.1	13.4
• CMBC-NC	2609	481	154	▼68.0	0.3
• PC-OTC	19948	3386	1607	▼52.5	2.9
• PCE-ESRE-CV	256	291	490	▲68.4	0.9
• PMC3	4	467	111	▼76.2	0.2
• PCT4	-	-	20	-	0.04
4. MACEE	-	16087	13549	▼15.8	24.5
5. PZU5	25577	17033	19713	▲15.7	35.6
6. FT5	1128	1489	2471	▲66.0	4.5
7. EP	1967	1959	1601	▼18.3	2.9

Notes:

1. *The value of the indicator Domestic consumption achieved by the NES in 2024 was 55320 GWh, this indicator being presented monthly in the Public Electricity Market Monitoring Reports. At the year level, the aggregated data also include the final corrections reported by CNTEE Transelectrica SA based on the PAN Methodology and were published in the Electricity Market Monitoring Report for December 2024.*
2. *The quantities related to the export contracts are those reported by the participants in the wholesale market and do not include the quantities exported through CNTEE Transelectrica, in its capacity as transfer agent for coupled PZU and coupled IP.*
3. *The volumes delivered in 2022 correspond to the transactions concluded on the Electricity Market for Large End Customers (PMC) organized at OPCOM, and those delivered in 2023 and 2024, to the transactions concluded on the Electricity Market for Large End Customers (PMC), organized at BRM.*
4. *The volumes delivered in 2024 correspond to the transactions concluded on the Electricity Forward Contracts (PCT) Market, organized at BRM.*
5. *The quantities traded on the PZU and PI are those published by the designated electricity market operators (OPEED), respectively OPCOM and BRM.*

The following chart shows the average annual prices for each component of the wholesale market compared to the values of 2022 and 2023.



Note: with the exception of PZU and PE (deficit price), the annual average prices are determined as weighted averages and the average export price also took into account the export made through CNTEE Transelectrica SA, in its capacity as transfer agent for the coupled PZU/PI; all prices include the TG component of the transport tariff and do not include VAT, excise duties or other taxes.

Although the average annual value of the average imbalance price registered a downward trend, during 2024 there were also peaks in prices on settlement intervals.

In the period 2022-2024, Romania recorded an alternating evolution of the export-import balance, from the position of net importer in 2022 to net exporter in 2023 (balance of almost 3 TWh) and returning to the position of net importer in 2024 with energy volumes exceeding 3 TWh.

BALANCE (Commercial Export – Commercial Import)	2022	2023	2024
Volume (GWh)	-1247	2992	-3027

Evolution of the components of the wholesale electricity market

In 2024, the volume of electricity deliveries related to the components of the wholesale market was 58.7 TWh, down 7.7% compared to 2023.

Compared to the previous year, increases in the volumes delivered were recorded on the market of directly negotiated bilateral contracts, export contracts, PCE-ESRE-CV, PZU and PI, while the volumes delivered on the PMC (organized at BRM) and on the other centralized markets of contracts organized at OPCOM and on the EP were decreasing.

Against the background of the application of the provisions of the primary legislation on support schemes (GEO no. 27/2022,), the size of the electricity market shrank for the second consecutive year, with the centralized contract markets recording a sharp decrease, with a low number of transactions with delivery in 2024, mainly determined by the obligation imposed on producers to sell 80% of the available electricity through MACEE[18]. Thus, the volume of electricity conveyed through MACEE accounted for 23.7% of the volume of deliveries on the wholesale market in 2024.

Centralized markets for contracts administered by market operators

We present below the volumes traded in 2024 on forward contracts with deliveries on different time horizons (for 2024 or future years), on the components of the centralized contract market on which transactions were concluded in the analyzed year, the average annual trading prices (weighted averages) and the number of contracts traded.

The summary of electricity transactions concluded on OPCOM platforms in 2024 and the evolution compared to the previous year is presented in the following table.

Market Type	Volume traded		Weighted average price		Number of contracts traded	
	GWh	Evolution compared to 2023 (%)	lei/MWh	Evolution compared to 2023 (%)	Number	Evolution compared to 2023 (%)

[18] MACEE - Centralized electricity procurement mechanism

CMBC-LE-flex	17532	1008.8	506.67	▼33.0	545	▲505.6
CMBC-NC	1229	5767.7	545.05	▼34.4	3600	▲1233.3
PCE-ESRE-CV	798	▲52.9	269.82	▼1.4	132	▲36.1
PC-OTC	5054	-	517.92	-	-	-

No bids were submitted on the centralized market for universal service, on the electricity market for large final customers and on the centralized market for the award of electricity contracts for long delivery periods.

On all centralized markets of bilateral contracts administered by OPCOM, there were increases in the volume traded, while the prices traded decreased compared to the previous year.

In the following table, we present the summary of electricity transactions concluded on time in 2024, in lei/MWh or Euro/MWh, on BRM platforms. All transactions were concluded through the simple competitive mechanism.

Market Type	Volume traded GWh	Weighted average price lei/MWh	Euro/MWh	No. of contracts
PMC	1828	545.42		34
PCT	121	512.50		2
	186		95	1

Centralized Electricity Purchase Mechanism (MACEE)

In accordance with the provisions of Annex 11 to GEO no. 27/2022 on the measures applicable to final customers in the electricity and natural gas market during the period 1 April 2022 – 31 March 2023, as well as for the amendment and completion of certain normative acts in the field of energy, approved with amendments and completions by Law 206/2022, with subsequent amendments and completions, the Centralized Electricity Procurement Mechanism (MACEE) was established, with a series of obligations being established for ANRE.

According to the provisions introduced by GEO no. 32/2024, participation in the additional monthly tenders related to MACEE has become voluntary starting with April 2024.

The year 2024 was the second year in which deliveries were recorded on contracts concluded with OPCOM as sole purchaser. Given the specifics of this market, out of the total 13549 GWh delivered during the year, a quantity of 11654 GWh (representing 86% of the quantity delivered) was traded at the annual auction for deliveries in the months of 2024, to which is added a quantity of 1895 GWh (approx. 14%), which was traded at the additional monthly auctions organized for the months of February-December 2024.

Both the price paid by the single buyer OPCOM to the producers for the quantities sold by them through MACEE, and the price paid by the buyers to the same single buyer for the purchased energy was the one established by the primary legislation: 450 lei/MWh for the electricity allocated following the annual auction and the additional monthly auctions organized in February and March 2024 and 400 lei/MWh for the electricity allocated following the conduct of the additional monthly auctions, organized starting with April 2024.

During the year, the maximum number of buyers who participated in the auctions organized by OPCOM (annual, monthly) was 54 license holders, while, as sellers, a maximum of 9 producers participated in this mechanism.

The largest monthly quantities from the annual auction and from the additional ones organized for each month of 2024 were delivered in January and February 2024 (over 1700 GWh monthly), and the lowest quantities were recorded in September (800 GWh). In the rest of the months, the monthly quantities varied in the range of 840-1200 GWh. The purchase concentration indicators, calculated according to the annual quantities delivered, had low values (C1 17% and C3% 36%).

The market for directly negotiated bilateral contracts

In relation to the obligation to report the essential data and information from the bilateral contracts concluded by direct negotiation on the NAP within 2 working days from the date of their conclusion, according to the provisions of art. 15 para. (3) of GEO no. 27/2022, market participants have at their disposal the ANRE spv.anre.ro portal, the section of directly negotiated bilateral contracts. Any amendment by addendum to the contracts in force (contract price, contracted quantity, delivery period) shall also be reported.

At the level of 2024, the conclusion/amendment by addenda of a number of 1711 directly negotiated bilateral sale-purchase contracts was reported, of which 968 were new contracts, and 743 addenda to the contracts already in force.

From the point of view of the directly negotiated bilateral contracts being delivered in 2024, the processing and analysis of the trading data reported based on the PAN Methodology showed that a quantity of approx. 9.2 TWh, up by more than 10% compared to the 2023 quantity, representing approx. 16.6% of the domestic consumption made in SEN, while the quantity purchased approached 10.5 TWh, also higher than that of the previous year.

We specify that the difference between the quantity delivered for sale and the quantity delivered for purchase is determined by the specifics of the transaction data collection method according to the PAN Methodology, namely the sale is reported only by producers holding capacities with installed capacities greater than 5 MW.

Of the 233 participants monitored based on the PAN Methodology, active in 2024, more than half delivered electricity on directly negotiated contracts (concluded in 2024 or in previous periods), over 37% of the participants bought quantities on this type of contracts, and 40 of the participants carried out contracts both as sellers and buyers, an increasing number compared to the previous year.

Compared to 2024 data, there is an increase in the quantity of negotiated contracts by more than 9% when buying and over 10% when selling, while the average annual price, both for purchase and sale, decreased by almost half compared to the average prices recorded in 2023.

Day-ahead market – PZU

The volume of electricity traded on the PZU in 2024 increased by approx. 15.7% compared to the previous year. The monthly share of transactions carried out on the PZU from the domestic consumption made by the SEN varied between 29.3% (June) and 44.6% (March), while at the level of the entire year 2024, this share was 35.6%, increasing compared to the previous year.

It is worth mentioning that, as of November 19, 2024, the day-ahead market (PZU) managed by the electricity market operator BRM, as OPEED[19], became operational.

Cumulatively at the level of the day-ahead markets administered by OPCOM and BRM, the average annual price calculated in RO hours as a weighted average was 554.52 lei/MWh, up by approx. 3.4% compared to the average of 2023.

As of June 8, 2022, the Romanian day-ahead market has moved to the next stage provided for by Commission Regulation (EU) 2015/1222 of July 24, 2015, establishing guidelines on capacity allocation and congestion management (CACM Regulation), through the implementation of the CORE FB MC (flow-based coupling) project.

Intraday Market – PI

The PI is a voluntary market that offers participants standard trading tools, designed to facilitate the adjustment of the contract portfolio as close as possible to the moment of electricity delivery and a better management of possible imbalances, thus contributing to the maintenance of production and consumption in balance.

Since November 19, 2019, the intraday market in Romania has been operating in conjunction with the markets of 23 other EU member states participating in the European SIDC (Single Intra-Day Coupling) project. The new trading rules have been developed and approved by all regulatory authorities in the participating countries and by ACER in accordance with the provisions of the CACM Regulation.

As of May 22, 2024, as the trading date, the PI managed by the electricity market operator BRM, as OPEED, became operational.

Compared to the previous year's values, the volume of electricity traded in 2023 on PI registered an increase of approx. 66% (37.4% increase in the volume traded on IP – OPCOM and the initiation of transactions on PI – BRM), while the weighted average transaction price, calculated by ANRE as the average of the monthly average prices on PI weighted with the monthly volumes traded in 2023 (RO hours) on PI managed by OPCOM and BRM, was 522.59lei/MWh, was 522.59lei/MWh, registering a decrease of 0.5% compared to the average of 2023.

Balancing Market

Based on the provisions of ANRE Order no. 127/2021[20], starting with July 1, 2024, only balancing service providers, which own reserve supply units/reserve supply groups qualified for the supply of standard products for balancing the system, operate on the balancing market. Thus, at the end of 2024, 24 such balancing service providers were registered.

On the same market, 162 Balancing Responsible Parties (PREs) operated, of which 10 PREs were responsible for balancing for at least one other participant, 3 distinct PREs belonging to TSOs (for the purchase of energy for the consumption of their own stations, for fulfilling the quality of transfer agent for PZUs and PIs), another 4 belonging to OPCOM (to ensure the role

[19] OPEED - Nominated Electricity Market Operator

[20] *ANRE Order no. 127/2021 for the approval of the Regulation on the clauses and conditions for the providers of balancing services and for the reserve frequency stabilization providers and of the Regulation on the clauses and conditions for the parties responsible for balancing and for the amendment and repeal of certain orders of the President of the National Energy Regulatory Authority, with subsequent amendments and completions*

of counterparty for PZUs, PI, IDA and sole purchaser for MACEE) and 3 PRE belonging to BRM as electricity market operator, ID counterparty and forward market operator.

In 2024, the size of the PE[21] was smaller by approx. 18% compared to the previous year. If the volume traded increased by 30% compared to the similar one in 2023, the decrease was almost 60% of that recorded in 2023.

The annual values of the C1 and HHI concentration indicators in 2024, determined based on the energy actually delivered by the producers for each type of regulation and direction, remained, as in previous years, within the range of values specific to a highly concentrated market. Basically, the first 3 manufacturers ensured over 90% of the volume on the secondary control, and over 80% of the volume on tertiary control. The producer Hidroelectrica was also this year the dominant participant in all types of control, both upwards and downwards, being followed, but at a distance, by the producer Complexul Energetic Oltenia.

The average annual deficit and surplus prices recorded in 2024 (calculated as arithmetic averages of monthly values) were lower than the similar ones in the previous year. Thus, the average deficit price in 2024 was 327.20 lei/MWh, down from the previous year's price (483.90 lei/MWh), while in the case of the average surplus price the decrease was much higher, the annual average reaching only 73.66 lei/MWh compared to 2023 (354.76 lei/MWh).

System services market

To cover the reserve needs established by UNO-DEN[22] to maintain the level of safety in the operation of the SEN, CNTEE Transelectrica SA acquired in 2024 the secondary frequency-power regulation (RS) reserve and the one corresponding to the rapid tertiary regulation (RTR) by organizing auctions, according to the legal provisions in force. In 2024, no tenders were organized for the acquisition of the slow tertiary control reserve, assessing that imbalances in the PE can be covered with RS and RTR under the conditions of interconnected operation at the European Imbalance Clearing Platform (IGCC).

On this market, 17 balancing service providers were active, for at least one of the 2 types of control reserve for which tenders were organized.In alphabetical order, they are: AOT Energy, Bepco, Oltenia Energy Complex, Bucharest Electrocentrale, Craiova Electrocentrale, Electro Energy Sud, Electrogrup, Elektra Green Power, Elektra Wind Power, Energy Innovative Solutions, Ground Investment Corp, Hidroelectrica, Megalodon Storage, Nova Gas & Power, Nova PS 170, OMV Petrom, True Energy Management.

Of these, the dominant participant was Hidroelectrica, with market shares at the annual level of over 50% for both types of system services, followed by the Oltenia Energy Complex with approx. 24% on the secondary adjustment reserve and almost 19% on the fast tertiary reserve. The annual values of the C3 and HHI concentration indicators keep this market as in previous years, within the range of values specific to a highly concentrated market.

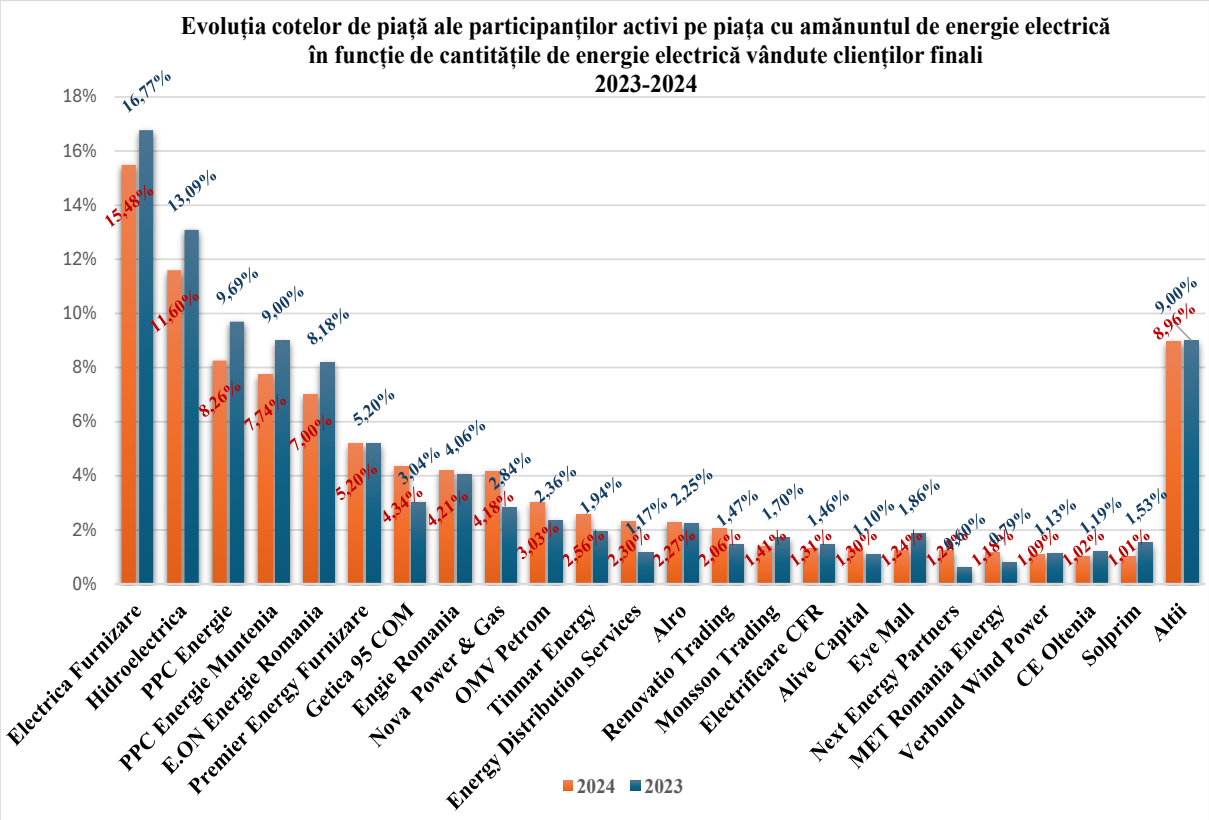
[21] PE – Balancing market

[22] UNO-DEN - Operational Unit – National Energy Dispatcher

Retail electricity market

During 2024, 91 economic operators operated on PAM[23]. Of this total 50 are license holders whose main activity is the supply of electricity (including suppliers of last resort who operate both in the last resort and competitive segments) and 41 are license holders for the commercial exploitation of electricity production capacities with installed capacities over 5 MW, whose main activity is the production of electricity, but which have complementary supply rights.

We present below the market shares of the participants in the PAM, in the period 2023-2024, determined according to the electricity supplied to all household and non-household customers, regardless of the supply regime (competitive, universal service (SU) and last resort (UI)).



Note: The 'Other' category comprises 77 PAM participants in 2023 and 72 in 2023 whose individual market shares are below 1%.

During 2024, the share of vulnerable household customers in the total number of household customers was 1%.

The evolution of consumption and the number of household and non-household customers who are supplied with electricity on the PAM, structured by consumption tranches, in the period 2023–2024 is presented in the following graphs.

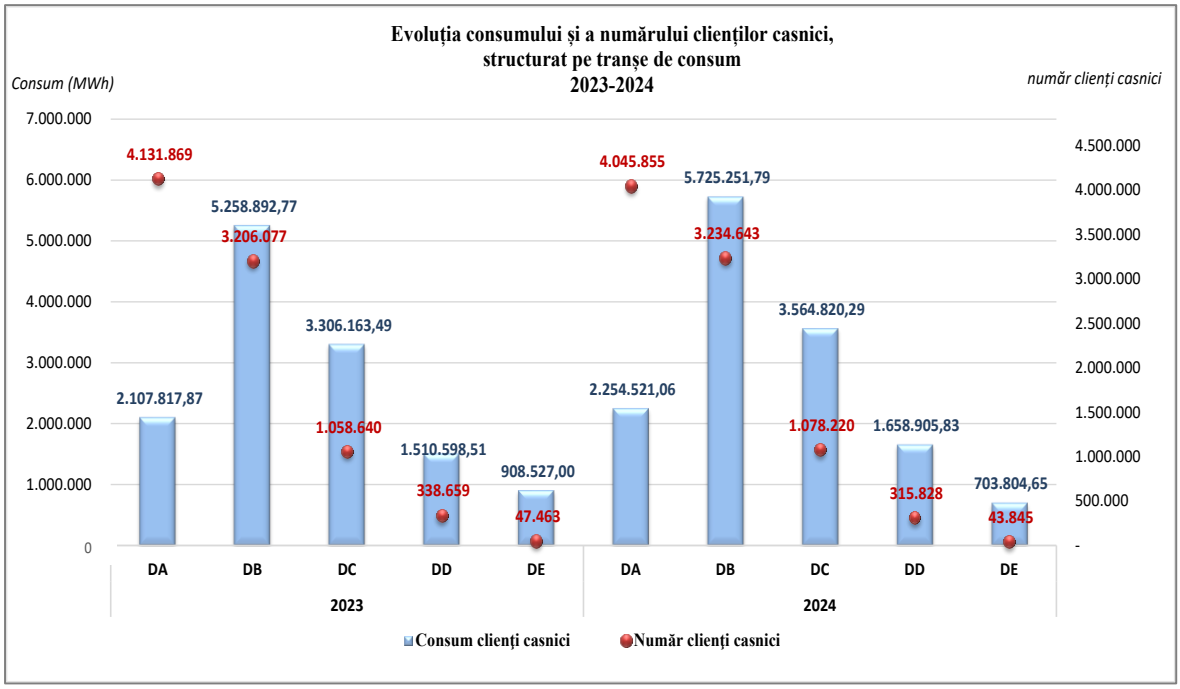
The structure by consumption tranches by categories of final customers is presented in accordance with the annual consumption intervals provided for each tranche in Regulation

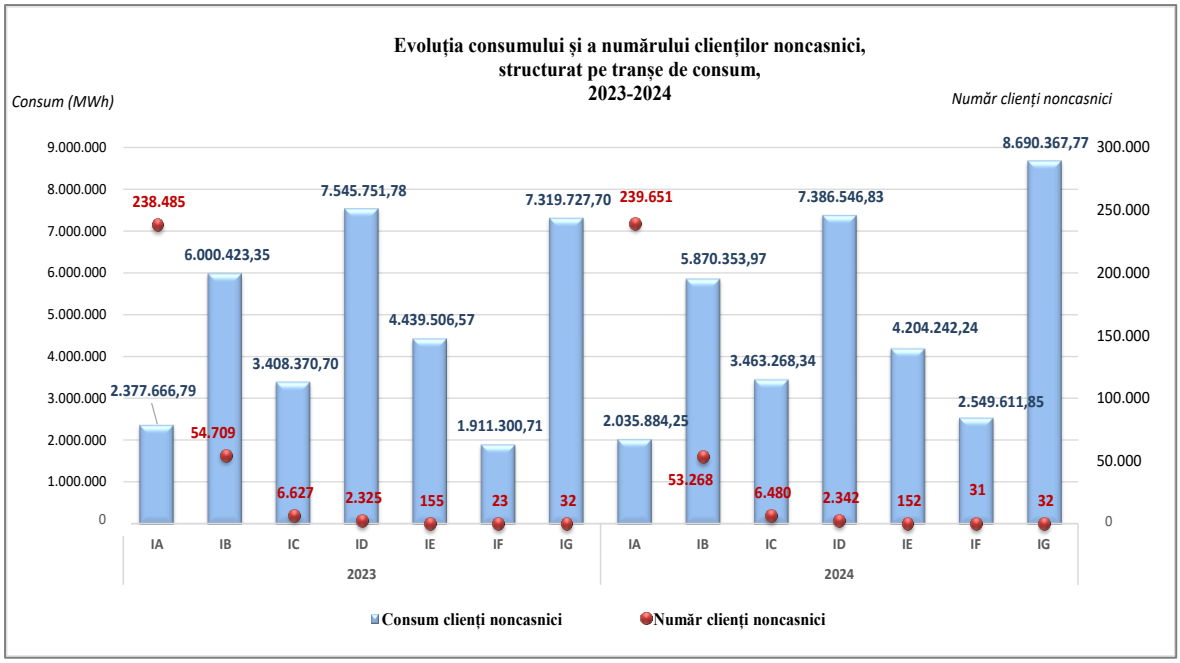
[23] Retail market

(EU) 1952/2016. The classification of customers in consumption brackets is based on their annual consumption forecast.

Consumption tranches household customers	Annual electricity consumption (kWh)	
	minimum	maximum
Tranche YES		<1000
DB tranche	≥1000	<2500
DC Trance	≥2500	<5000
Trance DD	≥5000	<15000
Trance DE	≥15000	

Consumption tranches Non-household customers	Annual electricity consumption (MWh)	
	minimum	maximum
IA tranche		<20
Tranche IB	≥ 20	<500
Trance IC	≥ 500	<2000
Trance ID	≥ 2000	<20000
Trance IE	≥ 20000	<70000
FI tranche	≥ 70000	<150000
IG tranche	≥ 150000	





The consumption of non-household customers increased by approx. 3.6% compared to the previous year, to a number of customers approximately 1.3% lower. The highest consumption increases compared to the previous year were recorded for non-household customers in the IF category by about 33% and IG, by 19%, given a slight increase in the number of customers in the IF tranche and an equal number of customers in the IG tranche.

The consumption of household customers registered an increase of approx. 6.2% compared to the previous year, to a number of customers approximately 2.9% higher. The highest increase in consumption compared to the previous year was recorded in the DD category, by about 9.8%, given a decrease of about 6% in the number of customers.

On PAM, the consumption of end customers in 2024 was approx. 48.1 TWh, up by 4.37% compared to the consumption recorded in the previous year.

The weighted average prices presented in the following two tables were calculated at national level for 2024, aggregated by consumption tranches, based on the data collected from the suppliers active on the MAP intended for reporting to EUROSTAT, according to the reporting obligations that Romania has under Regulation (EU) 1952/2016.

The average prices collected are based on the final prices invoiced to household and non-household end customers in 2024, in accordance with the provisions of GEO no. 27/2022, , and include the electricity purchase component (with TG included), the supply component, the regulated tariffs for the network services in force during the billing period (the tariff for the electricity distribution service corresponding to the voltage level related to the delimitation point between the OD and the customer's installations, the tariff for the transmission service - the electricity extraction component from network and tariff for the system service), excise duties or other taxes and VAT.

-lei/MWh-

Consumption tranche for household customers	Semester I 2024	Semester II 2024	Year 2024
YES	811,32	792,98	802,15
DB	834,74	825,82	830,28
DC	936,59	926,62	931,60
DD	995,07	978,10	986,59
OF	941,81	929,21	935,51

-lei/MWh-

Consumption tranche Non-household customers	Semester I 2024	Semester II 2024	Year 2024
TAKES	1.036,63	1.044,15	1.040,39
IB	1.021,83	1.028,64	1.025,23
IC	946,79	988,27	967,53
ID	911,02	967,54	939,28
IE	878,59	948,54	913,56
IF	891,98	953,26	922,62
IG	680,63	741,19	710,91

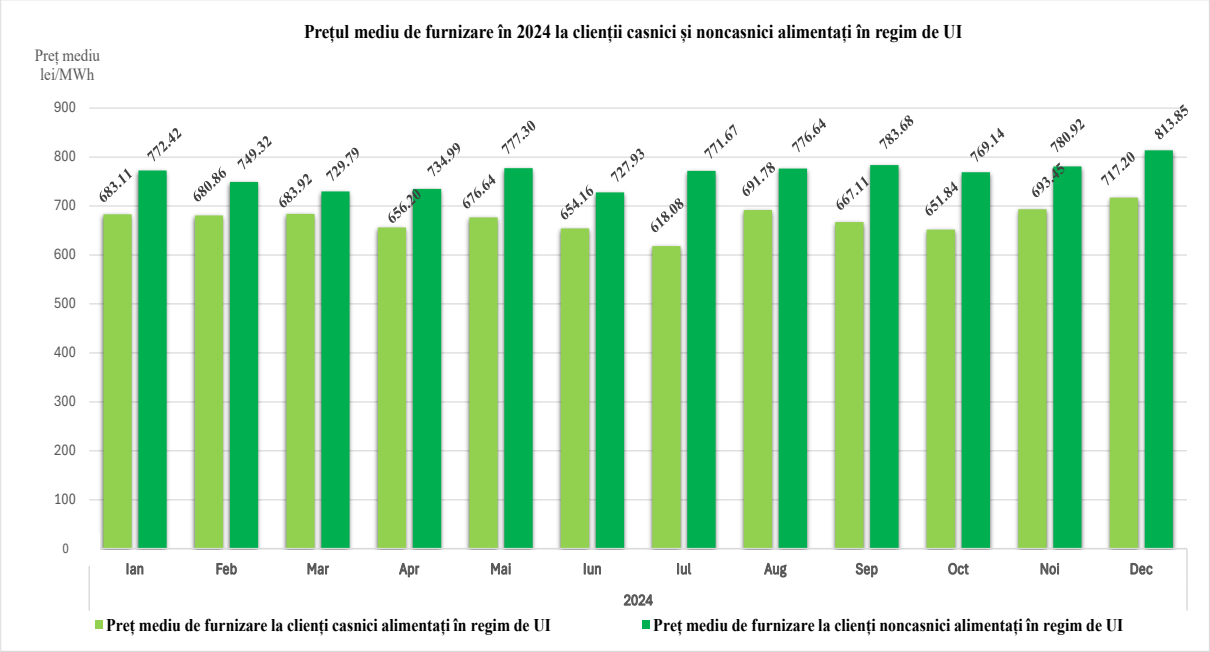
The following tables show the values of the structural indicators of the competitive component of the retail market and the number of active suppliers in 2024, calculated for each consumption tranche defined for household and non-household customers by *Regulation (EU) 1952/2016.*

Concentration indicators **Total PAM** *- Year 2024-*	**Consumption tranches Household customers**					
	YES	**DB**	**DC**	**DD**	**OF**	**Total**
C1 (%)	30	32	35	35	58	**31**
C3 (%)	67	64	63	74	84	**60**
HI	2046	1969	2014	2298	3787	**1852**
Consumption (GWh)	2255	5725	3565	1659	704	**13907**
No. of active suppliers	26	28	25	23	26	**32**

Concentration indicators Total PAM *- Year 2024-*	**Consumption tranches Non-household customers**							
	TAKES	**IB**	**IC**	**ID**	**IE**	**IF**	**IG**	**Total**
C1 (%)	23	24	15	10	11	19	22	**11**
C3 (%)	61	53	38	27	31	43	41	**26**
HI	1535	1297	816	509	631	954	890	**485**
Consumption (GWh)	2036	5870	3463	7387	4204	2550	8690	**34200**
No. of active suppliers	64	72	62	60	34	19	26	**93**

In 2024, the rate of switching providers by household and non-household customers, defined as the voluntary action by which a final customer chooses to switch to another supplier, determined according to the volume of electricity, in accordance with the criteria established by ACER and CEER for the Annual Report on the Monitoring of the Internal Energy Market, was about 13%. The rate of switching providers by non-household customers, calculated according to the volume of electricity supplied, was 17.89% in 2024, down from 30.21% in 2023.

On the electricity market, 5 FUIs were active on the electricity market for final customers served by suppliers of last resort between January 1 and December 31, 2024, from which information was collected on the number of customers, the quantities of electricity sold and the average supply price.



The average supply prices presented reflect the final prices invoiced to end customers, collected from the suppliers active on the PAM. We specify that these prices do not include VAT, excise duties or other taxes, but include the regulated tariffs for network services, in force during the billing period (the tariff for the electricity distribution service corresponding to the voltage level related to the delimitation point between the DSO and the customer's installations, tariff for the transmission service - the component of electricity extraction from the grid and the tariff for the system service).

The results of the monitoring activity, respectively the main indicators specific to the wholesale and retail electricity market and their monthly evolution, can be accessed on the ANRE website, within the Monthly Reports on the results of the electricity market monitoring.

2. Main developments in the natural gas market in 2024

The annual consumption of natural gas reached approximately 106.05 TWh in 2024. An increase of 3.50% compared to 2023.

The number of participants on the natural gas market in Romania has changed steadily since the market was liberalized, especially in the natural gas supply sector, including, in 2024:

- one operator of the National Transmission System – S.N.T.G.N. Transgaz S.A;
- 12 producers: S.N.G.N. Romgaz S.A., OMV Petrom S.A., Amromco Energy S.R.L., Black Sea Oil&Gas S.A., Dacian Petroleum S.R.L., Foraj Sonde S.A., Gas Plus Dacia S.R.L., Mazarine Energy România S.R.L., Petro Ventures Resources S.R.L., Raffles Energy S.R.L., Serinus Energy România S.A., Stratum Energy Romania LLC;
- 2 storage operators: S.N.G.N. Romgaz S.A. – Natural Gas Storage Subsidiary Depogaz Ploiesti S.R.L. and Depomureș S.A.;
- 28 distribution operators - the largest being Distrigaz Sud Rețele S.R.L. and Delgaz Grid S.A.;
- 75 suppliers active on the natural gas market;
- 22 traders active on the natural gas market.

Wholesale natural gas market

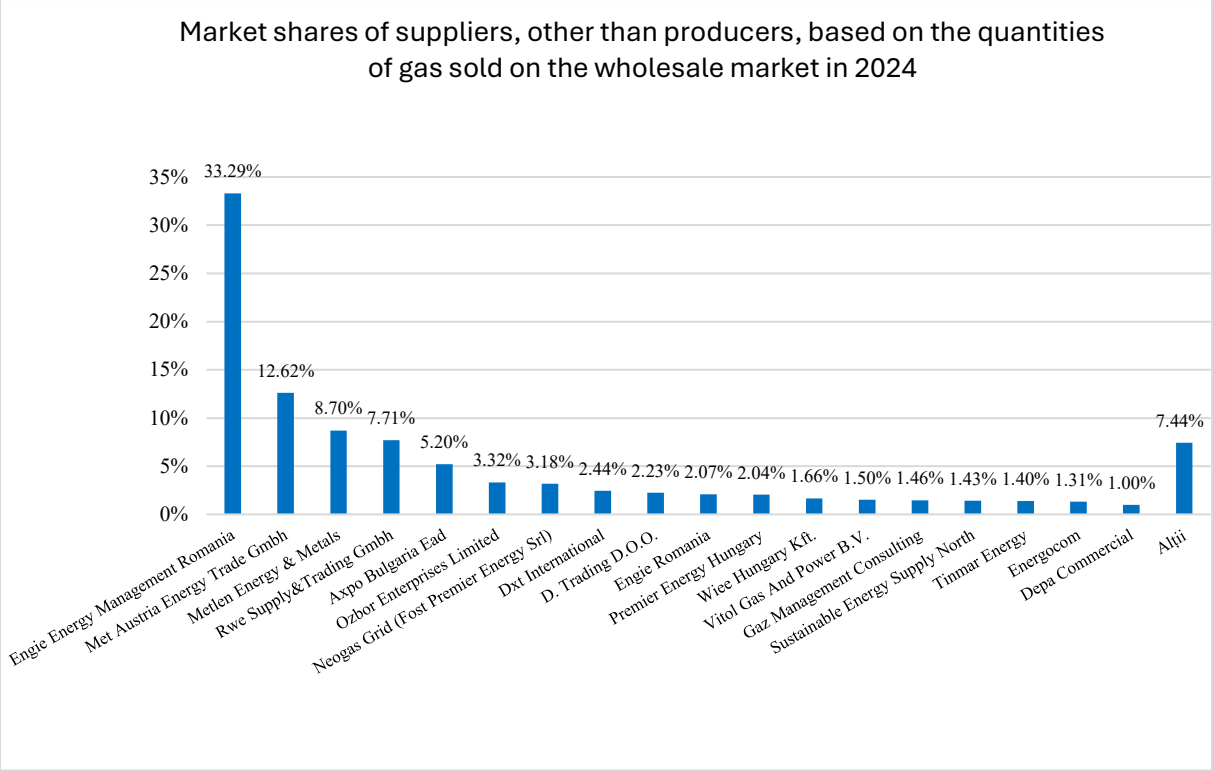
The domestic production of natural gas in 2024, current production and extracted from storage, which entered consumption accounted for approximately 82.24% of the total sources.

The amount of natural gas produced in 2024 was 100.064 TWh.

The following table shows the concentration indicators for 2024 for suppliers active on the wholesale natural gas market, other than producers. The indicators were calculated by relating the quantity sold by a supplier on the wholesale market to the total quantities of natural gas sold in that year by all suppliers on the wholesale market, except for the quantities sold by natural gas producers.

Wholesale supplier concentration indicators, year 2024	C1 (%)	C3 (%)	HI
Value	33,29	54,61	1.487,40

The chart below shows the market shares of suppliers, other than producers, according to the quantities of natural gas sold on the wholesale market in 2024.



Note: The Others category includes 74 suppliers that hold a market share of less than 1% of the total sales on the wholesale natural gas market.

The import of natural gas that entered consumption in 2024 accounted for 17.76% of the total sources. It includes, in addition to current imports, the extraction of natural gas from external sources from underground storage deposits, but excludes quantities stored in underground storage deposits from current imports.

In 2024, there is a slight increase in the quantities of imported natural gas compared to the previous year, because of the increase in annual consumption.

Natural gas storage

The natural gas storage activity in the summer period is necessary for the optimal functioning of the Romanian market, since the current production together with the current import fail to cover the monthly consumption needs in the winter period. Since the current production is more than the consumption in the summer period, storage becomes a necessity for natural gas producers, in the situation where suppliers do not purchase quantities for storage, necessary for consumption in the cold period.

Type of economic operator	Stock as of October 31, 2024 (MWh)
Producers	8.943.531,747
Rest of the market participants*	25.836.554,321
Totally stored	**34.780.086,068**

**suppliers and the transmission system operator*

On the national gas market two underground gas storage operators operate: Depomureş S.A. and S.N.G.N. Romgaz S.A. – Natural Gas Storage Subsidiary Depogaz Ploiesti S.R.L.

Centralized marketplaces

In 2024, the quantities of natural gas traded on the centralized markets, on the platforms managed by BRM, totaled 32.58 TWh, and no transactions were carried out on the platforms managed by OPCOM.

The following table contains the quantities of natural gas traded in 2024, on each of BRM's trading platforms: Gas Forward Single and Double Competitive, Gas Forward Central Counterparty BRM, Day Ahead and Within Day, together with the related prices, determined as a weighted average of natural gas prices without tariffs included, according to the reports of the Romanian Commodity Exchange, with the quantities related to the transactions concluded on the respective platforms, the traded quantities to be delivered later.

Transactions on the platforms managed by BRM, in 2024	Quantity traded (MWh)	Weighted average price (lei/MWh)
Total quantities traded	**32.589.478**	**159,15**
- Forwad single and double competitive gas	6.522.836	152,81
- Gas Forward Central Counterpart BRM	8.004.507	178,35
- Day ahead BRM	14.751.190	152,98
- Within day BRM	3.310.945	152,68

Bilateral contracts concluded through direct negotiation

In accordance with the provisions of art. 15 para. (3) of GEO no. 27/2022, market participants have the obligation to report within two working days on the ANRE spv.anre.ro portal, in the section of bilateral contracts concluded on the wholesale market through direct negotiation, the data on these contracts.

Between January 1 and December 31, 2024, market participants reported the signing of 372 bilateral contracts concluded through direct negotiation and 135 addenda to the contracts already reported. In the analysis of bilateral contracts concluded through direct negotiation on the wholesale natural gas market, contracts concluded on the domestic market, reported by participants as buyers, were taken into account, except for import contracts. The addenda to the contracts in force brought changes regarding the contract price, the quantity of natural gas contracted or the delivery period.

Natural Gas Retail Market

In 2024, 61 natural gas suppliers operated on the competitive natural gas retail market. This number includes 7 natural gas suppliers that have separately reported the activity carried out in the last resort regime.

The total number of final natural gas customers in December 2024 was 4,735,288, of which 219,566 non-household customers (approximately 4.64%) and 4,515,722 household customers (approximately 95.36%).

The total natural gas consumption recorded in 2024 was approximately 106.05 TWh, registering an increase of 3.50% in 2024 compared to 2023.

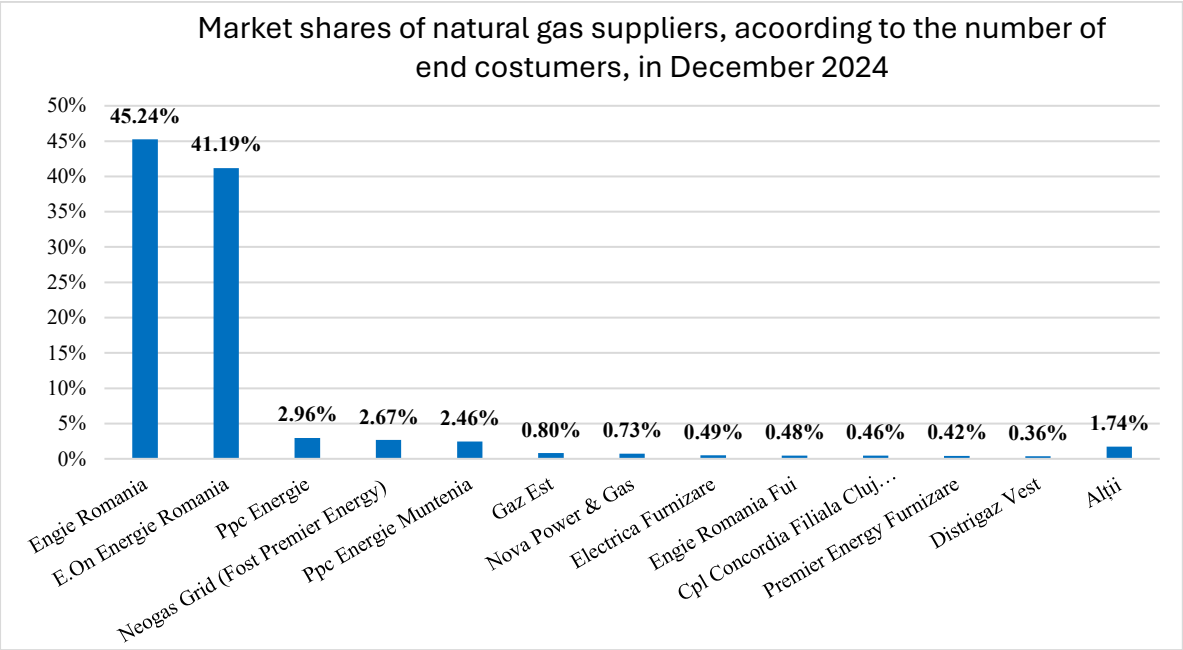
Within the total consumption of the natural gas sector, a part is represented by consumption specific to the activities in the sector or consumption of operators in relation to specific technological processes: technological consumption, energy consumption and deviations due to measurement instruments, in accordance with the provisions of the Natural Gas Market Monitoring Methodology, approved by ANRE Order no. 5/2013.

Except for the specific consumption mentioned, in 2024, the consumption of end customers provided by suppliers was approximately 97.13 TWh (includes surpluses and deficits of UR - end customers, from the relationship with Transgaz), registering an increase of 2.42% compared to 2023.

End customers	No. of clients	End customer consumption (TWh)	Share of total consumption of end customers
Households	4.515.722	34,10	35,11%
Non-households	219.566	63,03	64,89%
Total	**4.735.288**	**97,13**	**100,00%**

In 2024, household customers accounted for 95.36%, and non-household customers accounted for 4.64% of the total number of end customers. The following table shows the number and consumption of end customers for each month of 2024.

The market shares of natural gas suppliers, determined according to the number of final customers, in December 2024, are presented in the chart below.



The Other category comprises 47 suppliers with a market share of less than 0.3% of the total retail customers.

Average sale price of natural gas to end customers in 2024

The final price for the consumption of natural gas of household and non-household end customers, including for end customers taken over as a last resort, was invoiced in accordance with the provisions of GEO no. 27/2022:

a) maximum 0.31 lei/kWh, VAT included, in the case of household customers;

b) maximum 0.37 lei/kWh, VAT included, in the case of non-household customers, with the exceptions provided for in GEO no. 27/2022.

We specify that the prices presented in the table below have been collected from natural gas suppliers that have end customers in their portfolio, in the format requested by Eurostat, in accordance with the provisions of Regulation (EU) 2016/1952 of the European Parliament and of the Council of 26 October 2016 and represent average invoiced prices (in accordance with the provisions of GEO no. 27/2022, with subsequent amendments and completions).

The sales prices by categories of final customers (including for customers supplied in the last resort regime - UI), depending on the consumption tranches, are presented as follows, in 2024:

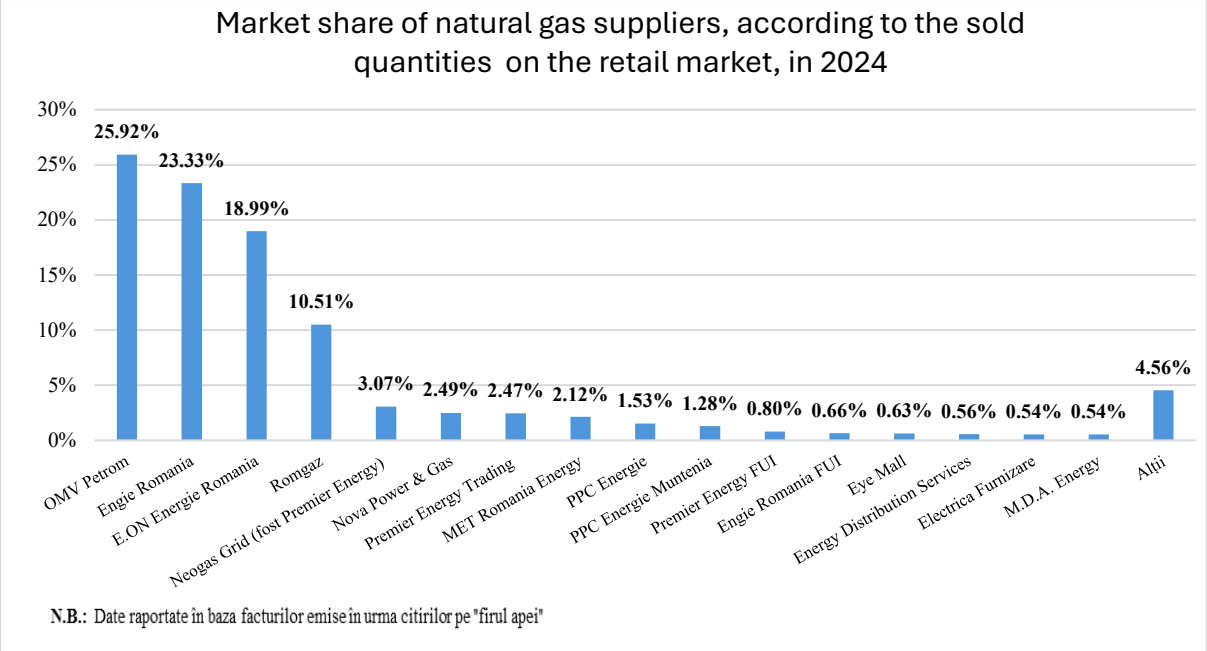
Client type		**Annual consumption tranche (MWh)**		**Price without tariffs* (lei/MWh)**	**Price with tariffs** (lei/MWh)**
		Minimum	**Maximum**		
End customers Household	D1		≤ 5.56	167,44	235,12
	D2	> 5.56	≤ 55.56	170,28	235,88
	D3	> 55.56		173,38	238,90
Non-household End customers***	I1		≤ 280.00	203,78	266,19
	I2	> 280.00	≤ 2,800.00	199,76	260,23
	I3	> 2,800.00	≤ 28,000.00	184,02	241,14
	I4	> 28,000.00	≤ 280,000.00	170,93	197,83
	I5	> 280,000.00	≤ 1,120,000.00	150,69	160,28
	I6	> 1,120,000.00		180,00	187,61

*Note: * The average selling price corresponding to each category of final customers does not include the tariffs related to the transmission and/or distribution services necessary for the transmission of natural gas to the final customer's place of consumption, other taxes, excise duty or VAT;*

*** The average sale price corresponding to each category of final customers includes the tariffs related to the transmission and/or distribution services necessary for the transmission of natural gas to the final customer's place of consumption and does not include other taxes, excise duty or VAT;*

The categories of customers in the chemical industry and producers of electricity and heat were excluded, except for the consumption of the population.

The market shares of the 61 suppliers active on the retail natural gas market in 2024, determined according to the quantities of natural gas sold, are presented in the following chart.



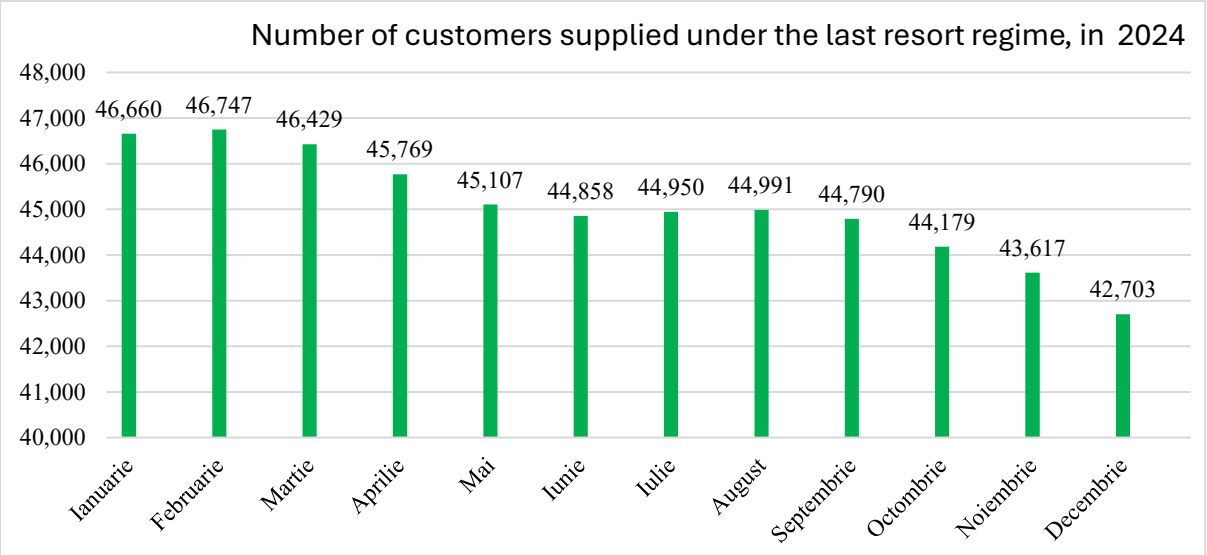
The Other category comprises 45 suppliers with a market share of less than 0.5% of total retail sales .

Note: The total number of suppliers active on the retail natural gas market comprises seven suppliers that have separately reported their activity as a last resort (two suppliers are included in the list of suppliers with a market share of more than 0.5% and five suppliers are included in the Other category).

The total number of final natural gas customers, without UI customers, in December 2024 was 4,692,585.

End customers served by providers of last resort (UI)

The following chart shows the evolution of the number of final customers supplied as a last resort in 2024.



The average sale price of natural gas to final customers supplied in the last resort (UI) regime, in 2024, depending on the connection system and consumption class, is as follows:

Client type	Connection system	Consumption class	Price (lei/MWh)
Household end customers	End customers connected to upstream pipelines	A1 Annual consumption of up to 280,000.00 MWh	151,87
	Customers connected in the distribution system	C1 Annual consumption up to 280.00 MWh	168,00
		C2 Annual consumption between 280.01 MWh and 2,800.00 MWh	171,02
Non-household end customers	End customers connected to upstream pipelines	A1 Annual consumption of up to 280,000.00 MWh	175,87
	Customers connected to SNT	B1 Annual consumption of up to 280,000.00 MWh	190,48
		B2 Annual consumption of over 280,000.01 MWh	180,69
	Customers connected in the distribution system	C1 Annual consumption up to 280.00 MWh	208,97
		C2 Annual consumption between 280.01 MWh and 2,800.00 MWh	208,92
		C3 Annual consumption between 2,800.01 MWh and 28,000.00 MWh	198,60
		C4 Annual consumption between 28,000.01 MWh and 280,000.00 MWh	176,83
		C5 Annual consumption over 280,000.01 MWh	220,08

Notes: The average sale price corresponding to each category of final customers does not include the tariffs related to the transmission and/or distribution services necessary for the transmission of natural gas to the place of consumption of the final customer, other taxes, excise duty or VAT.
The average sale price of natural gas related to final customers supplied in the last resort regime (UI) is reported in accordance with the legislation in force.

Indicators of concentration of the retail natural gas market

The following table shows the retail market concentration indicators in 2024. These indicators were calculated by relating the quantity sold by a supplier on the retail market to the total quantities of natural gas sold in that year by suppliers on the retail market.

Retail Market Concentration Indicators, Year 2024	C1 (%)	C3 (%)	HI
Value	25,92	68,24	1.720,54

The results of the monitoring activity can be accessed on the ANRE website, within ***the Monthly Reports on the natural gas market***[24]. The monitoring results published in this annual report may differ from those published in the monthly natural gas market monitoring reports, as a result of the corrected reports resubmitted by the economic operators.

[24] https://anre.ro/despre/rapoarte/

Collection, analysis, verification of support schemes

By *GEO no. 118/2021*, approved with amendments and completions by *Law no. 259/2023*, *GEO no. 3/2022, GEO no. 27/2022*, approved with amendments and completions by Law no. 206/2022, the Government of Romania established a scheme for compensating/capping electricity and natural gas prices.

In 2024, ANRE validated and submitted for settlement to the Ministry of Energy, respectively to the Ministry of Labor, Family, Youth and Social Solidarity – ANPIS[25], 482 settlement requests totaling 3,139,928,710.98 lei, of which 361 settlement requests were related to the electricity sector in the amount of 2,996,192,782.89 lei and 121 settlement requests related to the natural gas sector in the amount of 143,735,928.09 lei.

[25] ANPIS - National Agency for Payments and Social Inspection

Chapter VI
CONTROL ACTIVITY, INVESTIGATIONS AND COMPLAINTS RESOLUTION

VIII. 1. CONTROL ACTIVITY

ANRE's control activity aims to prevent and limit deviations from specific legislation in the field of electricity and natural gas, as well as to protect the rights and legitimate interests of the natural / legal persons participating in the activities of the field. The activity was carried out both through **inspection-type control actions** carried out in accordance with the **annual control** program, approved by the President of ANRE, as well as through the verification **and surveillance** control actions, resulting from the monitoring activities of the specialized departments within ANRE and from the activity of dealing with petitions, complaints and reclamations received from individuals/legal entities.

In 2024, ANRE carried out a number of 411 inspection-type control actions, 130 verification-type actions and a number of 504 surveillance-type control actions.

The topics of the control actions carried out at the holders of licenses in the field of electricity and in the field of natural gas, consisted mainly in verifying the way in which the legal provisions in force were complied with:

- compliance by electricity and natural gas suppliers with the provisions of *GEO 27/2022* in the billing activity of electricity and natural gas consumption to end customers,
- compliance in 2023, by natural gas producers carrying out offshore extraction activities, with the legal obligation to sell, the necessary quantities of natural gas resulting from the current domestic production activity, related to the fulfillment of the bidding obligation provided for in *the Electricity and Natural Gas Law no. 123/2012*, with subsequent amendments and completions, at the price of 150 lei/MWh, to the suppliers of household customers, in order to ensure during that period the consumption needs of household customers, to the suppliers of thermal energy producers or directly to the thermal energy producers, only for the quantity of natural gas used for the production of thermal energy in cogeneration plants and in thermal power plants intended for population consumption;
- verifying the compliance by distributors with the framework formats of the technical connection approvals, connection contracts and connection certificates and reimbursement clauses for household consumers and household prosumers whose electrical installations are connected to low voltage, the value of the connection design and execution works, respectively clauses for the reimbursement of the equivalent value of the electricity metering group or, as the case may be, of the measurement and protection block, fully equipped;
- compliance with the provisions of the regulations regarding access and/or connection to natural gas distribution systems and/or upstream supply pipelines;
- compliance with the provisions of the regulations on access and/or connection to electricity transmission/distribution systems;
- compliance with the method of calculating the tariffs for connection to the electricity distribution network;
- issuing invoices related to electricity/natural gas consumption to end customers (compliance with deadlines, content and issuance mode);
- compliance with the legal provisions regarding the issuance of invoices for electricity produced and delivered by prosumers;

- quantitative compensation between electricity produced from renewable sources and that delivered to the electricity grid by prosumers, natural and legal persons who own power plants from renewable sources with an installed electrical power of no more than 200 kW per place of consumption;
- change of electricity supplier;
- verification of the way of bidding, concluding and carrying out electricity supply contracts.

As a result of the control actions carried out, in 2024 **570 reports of finding and sanctioning contraventions were drawn up, with a number of** 1295 contravention sanctions **being applied for the irregularities found**, distributed as follows:

- **852** in the field of electricity;
- **415** in the field of natural gas;
- **24** in the field of renewable energy;
- **4** in the field of thermal energy.

Through the reports of finding and sanctioning the contraventions, fines were imposed in the total amount of **40,432,831.11 lei, sources that make revenues to the state budget.**

The main acts committed by the individuals/legal entities subject to control actions, for which contravention sanctions were applied in 2024, consisted in non-compliance with the legal provisions regarding:

- the obligation to purchase/pay the value of the green certificates not purchased by the licensed economic operators in the field of electricity;
- non-compliance in 2023, by natural gas producers carrying out offshore extraction activities, with the legal obligation to sell the necessary quantities of natural gas resulting from the current domestic production activity, related to the fulfillment of the bidding obligation provided for in *the Electricity and Natural Gas Law no. 123/2012*, with subsequent amendments and completions, with the price of 150 lei/MWh, to the suppliers of household customers, in order to ensure during that period the consumption needs of household customers, to the suppliers of thermal energy producers or directly to the producers of thermal energy, only for the quantity of natural gas used for the production of thermal energy in cogeneration plants and in thermal power plants intended for the consumption of the population;
- the performance indicators established by the performance standards for electricity and natural gas distribution services, for electricity and natural gas supply activities,
- access to natural gas distribution systems;
- connection to electricity networks of public interest;
- connection to the natural gas distribution system;
- non-compliance with the validity conditions of certificates and authorizations held in the electricity and natural gas sector;
- design, verification, execution, reception and commissioning of natural gas use installations;
- design, verification, execution, reception and commissioning of electrical installations;

- failure to provide/submit the data, documents and/or information requested within the deadlines set by ANRE or their incomplete or erroneous provision/presentation, as well as/or failure to carry out the measures within the deadlines ordered by ANRE and/or unjustified refusal to comply with the summons sent by ANRE.

The ascertaining agents applied through the minutes of finding and sanctioning contraventions and **complementary compliance measures**, following 6 inspection control actions, through which **the suspension/cessation of activity for 6 economic operators certified by ANRE were proposed**. At the same time, the ascertaining agents ordered, through the minutes of finding and sanctioning the contraventions, also compliance measures, based on the provisions *of the Law on Electricity and Natural Gas no. 123/2012*, with subsequent amendments and completions. These are coercive, mandatory measures, ordered following control actions to restore legality and/or correct application of regulations or to remedy an existing non-compliant situation.

Among **the compliance measures ordered by the ascertaining agents**, we mention the following:

- payment of compensations due to end customers for non-compliance with the minimum quality requirements regarding the provision of electricity and/or natural gas supply and/or distribution services provided by the performance standards issued by ANRE for the provision of these activities;
- fulfillment of the validity conditions associated with the certificates/authorizations intended for the execution and/or verification activity and the design activity of the electrical installation works;
- the fulfillment by the distribution operators, other than the concessionaire operators, of the conditions imposed by law for the performance of the electricity distribution service (issuance of technical connection permits and conclusion of contracts with the users of the electricity network, metering and billing of the electricity supplied)
- updating the technical parameters of the establishment authorization/distribution license in the natural gas sector;
- modification of the natural gas use installation according to the technical norms for the design, execution and operation of natural gas supply systems;
- highlighting the mandatory elements, provided for by the regulations in force, in the invoice issued to individual prosumers:
- monitoring by the distribution operator of the continuity and quality of electricity by installing an analyzer at the place of consumption of the user of the electricity network of public interest;
- the granting by the operator of the natural gas distribution system of compensation for financing the design and execution of the connection installation related to the applicant's place of consumption, in equal annual installments, within a period of 5 years from the date of commissioning of the natural gas use installation related to the applicant's place of consumption;
- reception and commissioning of the installations for connection to the natural gas distribution system.

VIII.2. INVESTIGATION ACTIVITY

The investigation activity is carried out in accordance with the provisions *of the Regulation for the organization and conduct of the investigation activity in the field of energy regarding the functioning of the wholesale energy market*, approved by the Order of the President of ANRE no. 25/2017, with subsequent amendments and completions, as well as in accordance with *Regulation (EU) no. 1227/2011 of the European Parliament and of the Council of 25.10.2011, on the integrity and transparency of the wholesale energy market* (*REMIT),* with subsequent amendments and completions. In 2024, amendments and additions to these two were adopted.

In **2024, ANRE completed a number of 20 investigations at licensed electricity and natural gas producers and suppliers** operating on the wholesale energy market (17 in the field of electricity and 3 investigations in the field of natural gas). The purpose of the investigations carried out by ANRE is to verify the compliance of the participants in the wholesale energy market with the provisions of *REMIT,* as well as with other specific European regulations.

As a result of these investigative actions, ANRE applied contravention sanctions in 7 of them. According to the provisions of *the Law*, the sanctions applied were related to the turnover, achieved from the licensed activity, of the year prior to the sanction. Also, in 2024, ANRE applied two contravention sanctions, for acts of obstruction of the investigation, to a participant in the wholesale electricity market.

The economic operators sanctioned in 2024, as well as the amount of the sanctions applied, are presented in the following table:

Crt. No.	**Name of economic operator**	**Field**	**Amount of fine applied [in lei]**	**The month of completion of the investigation**
1.	EFT FURNIZARE S.R.L.	EE	50.497.126,22	January 2024
2.	TINMAR ENERGY S.A.	EE	363.982.051,85	January 2024
3.	NOVA POWER & GAS S.R.L.	EE	100,106,676.12 1	January 2024
4.	FREEPOINT COMMODITIES EUROPE LLP United Kingdom	EE	22.917.465,30	January 2024
5.	ENERGY REPUBLIC TRADING S.R.L.	EE	6.336.705,37	March 2024
6.	LAND POWER S.R.L.	EE	7.736.057,20	March 2024
7.	QMB ENERG S.R.L.	EE	3.933.081,90	March 2024
Contravention sanctions for obstructing the investigation				
1.	LORD ENERGY S.R.L.	EE	52.384,93	November 2024
2.	LORD ENERGY S.R.L.	EE	52.384,93	November 2024
Total fines applied in 2024			555.613.933,821	

In 2024, amendments and additions were made to the *Regulation for the organization and conduct of the investigation activity in the field of energy on the functioning of the wholesale energy market*, approved by the Order of the President of ANRE no. 25/2017,

with subsequent amendments and completions, as well as to the *Procedure regarding the establishment and individualization of contravention sanctions related to turnover, by the Regulatory Committee of the National Energy Regulatory Authority*, approved by the Order of the President of ANRE no. 13/2022, with subsequent amendments and completions.

VIII.3. SOLVING COMPLAINTS IN THE FIELDS OF ELECTRICITY, THERMAL ENERGY AND NATURAL GAS

3. 1. Resolution of complaints in the field of electricity and natural gas

The analysis and formulation of the answers regarding the issues presented in the complaints was carried out under the provisions of *the Procedure for the settlement of complaints of interested parties in the energy sector*, approved by the Order of the President of ANRE no. 194/2020, with subsequent amendments and completions, and the legislation applicable to the electricity and natural gas sectors.

In 2024, **21,575** complaints by individuals and legal entities benefiting from the services provided by economic operators in the electricity and natural gas sectors were registered and resolved. In the electricity sector, **19,091** complaints were registered and in the natural gas sector **2,484** complaints.

3.1.1. Electricity

The main problems reported by the complainants are presented in the following table:

Top 5 problems complained about in the electricity sector		
Nr.crt.	Name	No. of issues
1.	Electricity billing in the competitive market	10.632
2.	Prosumers: commercial aspects, contract, marketing rules	2.749
3.	Prosumer – Technical aspects, Connection	1.353
4.	Quality	1.051
5.	Read Measurement Group	869

For the complaints that required additional verifications, control actions were requested, through the Control Directorate. Thus, in 2024, 35 **notes of necessity and** 214 notification notes were **drawn up**.

3.1.2 Natural gas

The main problems raised by the complainants are set out in the following table.

Top 5 problems complained about in the natural gas sector		
Nr.crt.	Name	No. of problems
1.	Natural gas billing	10.632
2.	Connection to natural gas distribution systems	2.749

3.	Works on the user installations	1.353
4.	Realization of user installations	1.051
5.	Construction of pipes/connections	869

For complaints that required additional checks, control actions were requested. Thus, in 2024, 24 **notes of necessity and** 133 notification notes **were drawn up**.

Pre-contractual dispute resolution activity

Through the specific activity carried out by ANRE, the activity of resolving pre-contractual disagreements in the electricity and natural gas sector is also ensured, based on the provisions *of the Procedure for settling disagreements arising at the conclusion of contracts in the energy sector*, approved by ANRE President's Order no. 128/2020, as subsequently amended.

In 2024, no request for the resolution of pre-contractual disagreements was registered.

Complaint resolution work against network operators

Through the specific activity carried out by ANRE, the activity of solving complaints against network/system operators in the energy sector is also ensured, based on the provisions *of the Regulation on the settlement of complaints against network/system operators in the energy sector, approved by the Order of the President of ANRE no. 47/2021.*

In 2024, no complaint was registered against energy network operators.

Activity of solving complaints in the field of thermal energy

In 2024, 354 complaints formulated by individuals and legal entities that benefited from or requested services provided by economic operators in the thermal energy sector, located in the regulatory area of ANRE, were registered and resolved.

The main categories of problems identified in the solved petitions in the thermal energy sector in 2024:

CRT. NO.	MAIN PROBLEMS REPORTED	NUMBER OF COMPLAINTS	[%]
1	Distribution of thermal energy costs	162	46%
2	Quality of thermal energy supplied by the operator	69	20%
3	Others	67	19%
4	Mandatory installation of distributors	36	10%
5	Disconnection from the central heating system	12	3%
6	Requests regarding the amendment of some regulations	8	2%

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An extended version of the ANRE Annual Activity report 2024 is available, in Romanian, at:

https://anre.ro/despre/rapoarte/.

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