

Research RES LEGAL – Support system

Country: Romania

1. Overview of support system

<p>Overview of support system</p>	<p>In Romania, electricity from renewable sources is mainly promoted through a quota system. Electricity suppliers and producers are obliged to present a certain number of so-called "green certificates", which are issued for electricity from renewable sources. In addition to being supported through the quota system, renewable energy is subsidised by the Romanian Environmental Fund.</p>
<p>Support schemes</p>	<ul style="list-style-type: none"> • Quota system. In Romania, the main means of promotion is a quota system based on quota obligations, tradable certificates, and minimum and maximum prices. Electricity suppliers and producers are obliged to present a certain number (or quota) of green certificates (art. 8 par. 1 Law No. 220/2008 as referred to in art. 1 par. 11 Emergency Regulation No. 88/2011). These tradable certificates are allocated to the producers of electricity from renewable sources (art. 6, 10 Law no. 220/2008 as referred to in art. 1 par. 9, 12 Emergency Regulation No. 88/2011). The quota system came into effect on 19 October 2011. • Subsidies: The Romanian Environmental Fund provides funding for projects for environmental protection. One of the schemes under the Fund is the "Programme for the Promotion of Electricity Generation from Renewable Sources", which also applies to energy generation projects.
<p>Promoted technologies</p>	<p>The quota system applies to all technologies (art. 3 Law no. 220/2008 as referred to in art. 1 par. 2 Emergency Regulation No. 88/2011).</p>
<p>Statutory provisions</p>	<ul style="list-style-type: none"> • Electricity Law (Legea nr. 13/2007, legea energiei electrice – Law No. 13/2007 on Electricity) • Law No. 220/2008 (Lege nr. 220/2008 pentru stabilirea sistemului de promovare a producerii energiei din surse regenerabile de energie – Law No. 220/2008 Establishing a System for the Promotion of Electricity Generation from Renewable Sources) • Emergency Regulation No. 88/2011 (Ordonanta de Urgenta privind modificarea si completarea Legii nr. 220/2008 pentru stabilirea sistemului de promovare a producerii energiei din surse regenerabile de energie – Emergency Regulation Amending and Supplementing Law No. 220/2008 Establishing a System for the Promotion of Electricity Generation from Renewable Sources) • Law on the Environmental Fund (Legea nr. 73/2000 privind Fondul pentru mediu – Law No. 73/2000 on the Environmental Fund) • Order No. 714/2010 (Ordin nr. 714/2010 pentru aprobarea Ghidului de finantare a Programului privind cresterea productiei de energie din surse regenerabile – Order No. 714/2010 Approving the Subsidy Guidelines for the Programme for the Promotion of Electricity Generation from Renewable Sources)

2. Basic information on legal sources

Name of legal source (original language)	Legea nr. 13/2007, legea energiei electrice	Legea nr. 220/2008 pentru promovarea energiei din SRE (220/2008)	Ordonanta de Urgenta nr. 88/2011 privind modificarea si completarea Legii nr. 220/2008
Full name		Legea nr. 220/2008 pentru stabilirea sistemului de promovare a producerii energiei din surse regenerabile de energie	Ordonanta de Urgenta privind modificarea si completarea Legii nr. 220/2008 pentru stabilirea sistemului de promovare a producerii energiei din surse regenerabile de energie
Name of legal source (English)	Law No.13/2007 on Electricity	Law No. 220/2008 Establishing a System for the Promotion of Electricity Generation from Renewable Sources	Emergency Regulation Amending Law No. 220/2008 Establishing a System for the Promotion of Electricity Generation from Renewable Sources
Abbreviated form	Electricity Law	Law No. 220/2008	Emergency Regulation No. 88/2011
Entry into force	22.02.2007	03.11.2008	19.10.2011
Last amended on	13.05.2010	03.09.2010	
Future amendments			
Purpose	Regulating the electricity market.	Establishing a legal framework to promote the use of renewable energy.	Amending and supplementing Law No. 220/2008
Relevance for Renewable Energy	The Electricity Law establishes a policy framework for the promotion of electricity from renewable sources and its access to the grid.	The law establishes a framework for promoting renewable electricity generation.	The law establishes a framework for promoting renewable electricity generation.
Link to full text of legal source (original language)	http://www.dreptonline.ro/legislatie/legea_energiei_electrice_13_2007.php	http://www.dreptonline.ro/legislatie/legea_220_2008_sistemul_promovare_producere_energie_surse_regenerabile_energie_republicata_2010.php http://www.legestart.ro/Ordonanta-29-2010-modificarea-completarea-Legii-220-2008-stabilirea-sistemului-promovare-producerii-energiei-surse-regenerabile-energie-%28MzU5NTc1%29.htm	http://www.dreptonline.ro/legislatie/oug_88_2011_modificare_stabilirea_sistemului_promovare_producere_energie_surse_regenerabile_energie.php

Link to full text of legal source (English)	http://www.minind.ro/domenii_sectoare/leg_armonizata/energie/EnergyLA W13_2007_27_07.pdf The English translation does not provide information on the latest amendment of the Act.	http://www.res-legal.de/fileadmin/translations/Rum%C3%A4nien_Gesetz_220-2008.pdf (German translation) The translation does not provide information on the latest amendment of the Act.	
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Name of legal source (original language)	Legea nr. 73/2000 privind Fondul pentru mediu	Ordin nr. 714/2010 pentru aprobarea Ghidului de finantare a Programului privind cresterea productiei de energie din surse regenerabile	
Full name			
Name of legal source (English)	Law No. 73/2000 on the Environmental Fund	Order No. 714/2010 Approving the Subsidy Guidelines for the Programme for the Promotion of Electricity Generation from Renewable Sources	
Abbreviated form	Law on the Environmental Fund	Order No. 714/2010	
Entry into force	11.05.2000	21.05.2010	
Last amended on	29.08.2008		
Future amendments	01.01.2012		
Purpose	This law established the Romanian Environmental Fund to mitigate negative effects on the environment.	Establishing guidelines for subsidies under the Programme for the Promotion of Electricity Generation from Renewable Sources.	
Relevance for Renewable Energy	One of the Fund's environment targets is to promote renewable electricity generation.	The Programme also applies to projects for renewable electricity generation.	
Link to full text of legal source (original language)	http://www.dreptonline.ro/legislatie/ordonanta_fondul_mediu_196_2005.php http://www.avocatnet.ro/content/articles/id_13003	http://www.moficial.ro/2010/0341.pdf (S.7-31)	
Link to full text of legal source (English)			

3. Further information

Institution (name)	Website	Name of contact person (optional)	Telephone number (head office)	E-mail (optional)
ANRE - Agenția Națională de Reglementare în Domeniul Energiei – Romanian Energy Regulatory Authority	http://www.anre.ro/		+ 40 21 311 22 44	anre@anre.ro
ISPE - Institutul de Studii și Proiectări Energetice – Institute for Studies and Power Engineering	http://www.ispe.ro/		+4 021 210 77 25	office@ispe.ro
AFM – Administratia Fondului pentru Mediu	http://www.afm.ro/		+4 021 319 48 49	afm@afm.ro
Ministerul Economiei – Ministry of Economy	http://www.minind.ro/		+ 40 21 202 54 26	
OPCOM S.A. – Societatea Comercială Operatorul Pieței de Energie Electrică – power market operator	http://www.opcom.ro/		+40 21 3071 450	secretariat@opcom.ro
Rubin Meyer Doru & Trandafir Lawyers Professional Corporation affiliated with HERZFELD & RUBIN, P.C.	http://www.hr.ro/		+40 21 311-1460	

4. Support schemes

4.1. Subsidy (name of support scheme)

Abbreviated form of legal source(s)	<ul style="list-style-type: none"> • Law on the Environmental Fund • Order No. 714/2010 	
Country-specific support system	<p>The Romanian Environmental Fund subsidises projects for the protection of the environment. Under the Programme for the Promotion of Electricity Generation from Renewable Sources, grants are allocated to projects for renewable electricity generation. There is usually one application round each year. According to the administrative body of the Environmental Fund, the next application round will open in 2012. The terms and conditions of grants are expected to change.</p>	
Promoted technologies	General information	All renewable electricity generation technologies except for biogas technologies are eligible (art. 22 Order No. 714/2010).
	Wind energy	eligible
	Solar energy	eligible
	Geothermal energy	eligible
	Biogas	not eligible
	Biomass	eligible
Amount	<p>The maximum subsidy is 50% of the eligible project costs. However, in the region of Bucharest-Ilfov, the maximum subsidy is only 40% of the eligible project costs (art. 21 par. 1 Order No. 714/2010). The subsidy is subject to a maximum of Lei 30 m (approx. € 7.13 m) per project (art. 21 par. 2 Order No. 714/2010). The total budget for the 2010 application round was Lei 900 m (approx. € 214 m) (Dispozitia presedintelui Administratiei Fondului pentru Mediu, no. 166 of 07.02.2011).</p>	
Beneficiaries	<p>The scheme applies to legal entities that have been carrying out business activities in Romania for at least 6 months and whose articles of association state that the company generates heat or electricity (art. 23 letters a-c Order No. 714/2010). The person or entity obligated is not explicitly defined.</p>	
Procedure	Procedure	<ul style="list-style-type: none"> • Application period: There may be one or several calls for applications per year (art. 5 par. 1 Order No. 714/2010). The calls are published on AFM's website (art. 6 par. 1 Order No. 714/2010). • Application: Applicants may apply only for one project per application period. All documents specified in the subsidy guidelines must be submitted together with the application (art.7 par.2-3 Order No. 714/2010). • Assessment and selection of applications: After the application period has closed, the submitted applications will be assessed on a points system by an examination board. Applicants will be awarded grants in the order of points achieved until the funds are exhausted (art. 9 Order No. 714/2010). • Agreement: The applicant and AFM conclude an agreement. Applicants who fail to implement their projects as intended are obliged to pay back the grant with interest (art.14 Order No. 714/2010).

		<ul style="list-style-type: none"> • Calculation of eligible expenses: The eligible project expenses will be reimbursed only after project implementation (art.16 Order No. 714/2010).
	Competent authority	Administratia Fondului pentru Mediu (AFM) manages the Romanian Environmental Fund and its programmes. It is responsible for the application procedure and monitoring (art. 3 Emergency Order No. 196/2005).
Flexibility Mechanism		
Funding	State	The costs are covered by AFM's budget. Thus, the state bears the costs.
	Consumers	
	System operator	
	Grid operator	
	Distribution mechanism	

4.2. Quota system

Abbreviated form of legal source(s)	<ul style="list-style-type: none"> • Electricity Law • Law No. 220/2008 • Emergency Regulation No. 88/2011 	
Country-specific support system	<p>The Electricity Law establishes the legal framework for the introduction of a quota system to promote electricity from renewable sources and stipulates the rights and obligations of the persons involved. Law No. 220/2008 complements this framework and obliges electricity suppliers and producers to present a certain number of green certificates (art. 8 par. 1 Law No. 220/2008 as referred to in art. 1 par. 11 Emergency Regulation No. 88/2011). The failure to satisfy this obligation carries a penalty (art. 12 par. 2 Law No. 220/2008 as referred to in art. 1 par. 15 Emergency Regulation No. 88/2011). Furthermore, Law No. 220/2008 sets out the conditions under which the operators of renewable energy systems may receive green certificates (art. 6 par. 1 Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011) and trade them (art. 10, 11 Law No. 220/2008 as referred to in art. 1 par. 12, 13 Emergency Regulation No. 88/2011). Electricity generators may sell electricity on the wholesale market (art. 14 par. 1 Law No. 220/2008 as referred to in art. 1 par. 16 Emergency Regulation No. 88/2011). Electricity generated by small-scale systems may be sold to the electricity suppliers for a guaranteed price (art. 14 par. 2 Law No. 220/2008 as referred to in art. 1 par. 16 Emergency Regulation No. 88/2011). The quota system came into effect on 19 October 2011.</p>	
Promoted technologies	General information	<p>Basically, all technologies are eligible (§ 3 par. 1 Law No. 220/2008). Those operators of RES systems that have already received green certificates before the quota system was introduced by Law No. 220/2008 will have a reduced eligibility period as described in art. 3 par. 3 Law No. 220/2008. The reduction will be equal to the period of time during which they received green certificates (art. 3 par. 8 Law No. 220/2008 as referred to in art. 1 par. 7 Emergency Regulation No. 88/2011).</p>
	Wind energy	<p>Eligible (art. 3 par. 1 letter b, Law No. 220/2008). In general, eligibility ends after 15 years (art. 3 par. 2 letter a, Law No. 220/2008). Wind power stations that have already been used for electricity generation within the territory of another state or were in operation on Romanian territory before the Law came into effect become ineligible after 7 years (art. 3 par. 2 letter c Law No. 220/2008 as referred to in art. 1 par. 3 Emergency Regulation No. 88/2011).</p>
	Solar energy	<p>Eligible (art. 3 par. 1 letter c, Law No. 220/2008). Systems put into operation after 01.01.2004 cease to be eligible after 15 years (art. 3 par. 2 letter a, Law No. 220/2008). Solar energy systems that have already been used for electricity generation within the territory of another state or were in operation on Romanian territory before the Law came into effect become ineligible after 7 years (art. 3 par. 2 letter c Law No. 220/2008 as referred to in art. 1 par. 3 Emergency Regulation No. 88/2011).</p>
	Geothermal energy	<p>Eligible (art. 3 par. 1 letter d, Law No. 220/2008). Systems put into operation after 01.01.2004 cease to be eligible after 15 years (art. 3 par. 2 letter a, Law No. 220/2008). Geothermal energy systems that have already</p>

		been used for electricity generation within the territory of another state or were in operation on Romanian territory before the Law came into effect become ineligible after 7 years (art. 3 par. 2 letter c Law No. 220/2008 as referred to in art. 1 par. 3 Emergency Regulation No. 88/2011).
	Biogas	<p>Eligible (art. 3 par. 1 letters g-i, Law No. 220/2008).</p> <p>There are several types of biogas:</p> <ul style="list-style-type: none"> • biogas (art. 3 par. 1 letter g, Law No. 20/2008), • gas produced from anaerobic digestion of waste (art. 3 par. 1 letter h Law No. 20/2008 as referred to in art. 1 par. 2 Emergency Regulation No. 88/2011) and • gas produced from anaerobic digestion of sewage sludge (art. 3 par. 1 letter i, Law No. 20/2008). <p>Systems put into operation after 01.01.2004 cease to be eligible after 15 years (art. 3 par. 2 letter a, Law No. 220/2008). Biogas systems that have already been used for electricity generation within the territory of another state or were in operation on Romanian territory before the Law came into effect become ineligible after 7 years (art. 3 par. 2 letter c Law No. 220/2008 as referred to in art. 1 par. 3 Emergency Regulation No. 88/2011).</p> <p>The operators of biogas systems are eligible for green certificates as set out in Law No. 220/2008 only if they present certificates of origin for the biogas used (art. 3 par. 9 Law No. 220/2008 as referred to in art. 1 par. 7 Emergency Regulation No. 220/2008).</p>
	Biomass	<p>Eligible (art. 3 par. 1 letter e, Law No. 220/2008).</p> <p>There are several types of biomass:</p> <ul style="list-style-type: none"> • biomass (art. 3 par. 1 letter e, Law No. 220/2008), • liquid biofuels for energy generation that were produced from biomass and are not used in the transport sector (art. 3 par. 1 letter f, Law No. 220/2008). <p>Systems put into operation after 01.01.2004 cease to be eligible after 15 years (art. 3 par. 2 letter a, Law No. 220/2008). Biomass systems that have already been used for electricity generation within the territory of another state or were in operation on Romanian territory before the Law came into effect become ineligible after 7 years (art. 3 par. 2 letter c Law No. 220/2008 as referred to in art. 1 par. 3 Emergency Regulation No. 88/2011).</p> <p>The operators of biomass systems are eligible for green certificates as set out in Law No. 220/2008 only if they present certificates of origin for the biomass used (art. 3 par. 9 Law No. 220/2008 as referred to in art. 1 par. 7 Emergency Regulation No. 220/2008).</p>
	Hydro-electricity	<p>Only systems whose installed capacity does not exceed 10 MW are eligible (art. 3 par. 1 letter a, Law No. 220/2008).</p> <p>The eligibility of new hydro-power stations ends after 15 years (art. 3 par. 2 letter a</p>

		Law No. 220/2008), modernised hydro-power stations cease to be eligible after 10 years (art. 3 par. 2 letter b Law No. 220/2008), and all other systems become ineligible after three years (art. 3 par. 2 letter d, Law No. 220/2008).
Amount	Amount of quota and obligation period	<p>Amount of quota per year: The percentage of electricity from renewable sources to be delivered is as follows:</p> <ul style="list-style-type: none"> • 10% in 2011 • 12% in 2012 • 14% in 2013 • 15% in 2014 • 16% in 2015 • 17% in 2016 • 18% in 2017 • 19% in 2018 • 19.5% in 2019 • 20% in 2020 • at least 20% from 2020 to 2030 <p>of the total annual electricity sold by an obligated person (in pursuance of art. 4 par. 4 and 5 Law No. 220/2008).</p>
	Adjustment of quotas	The quota for 2020-2030 will be determined upon resolution by the Ministry in charge (art. 4 par. 5 Law No. 220/2008). The adjustment of the quotas applicable from 2010 to 2020 is not explicitly regulated by law.
	Number of certificates according to technology	<p>The number of green certificates issued depends on the technology used:</p> <ul style="list-style-type: none"> • New hydro-electric plants: 3 certificates per MWh of electricity generated (art. 6 par. 2 letter a Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). • Modernised hydro-electric plants: 2 certificates per MWh of electricity generated (art. 6 par. 2 letter a Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). • Other hydro-electric plants (neither new nor modernised): 1 certificate per 2 MWh of electricity generated (art. 6 par. 2 letter b Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). • Wind energy: up until 2017: 2 certificates, from 2018: 1 certificate per MWh of electricity generated (art. 6 par. 2 letter c Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). • Geothermal energy, biogas, biomass, liquid biofuels for energy generation: 2 certificates per MWh of electricity generated (art. 6 par. 2 letter d Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). Highly efficient CHP plants based on the above-

		<p>mentioned renewable energy sources receive one additional certificate (art. 6 par. 4 Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). Systems based on the above-mentioned energy sources that use biomass from energy crops are also eligible for one additional certificate per MWh of electricity generated (art. 6 par. 5 Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011).</p> <ul style="list-style-type: none"> • Gas produced from anaerobic digestion of waste and sewage sludge: 1 certificate per MWh of electricity generated (art. 6 par. 2 letter a Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). Highly efficient CHP plants based on anaerobic digestion receive one additional certificate (art. 6 par. 4 Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). Systems based on anaerobic digestion that use biomass from energy crops are also eligible for one additional certificate per MWh of electricity generated (art. 6 par. 5 Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). • Solar energy: 6 certificates per MWh of electricity generated (art. 6 par. 2 letter f Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). <p>The following principles apply irrespective of which technology is used:</p> <ul style="list-style-type: none"> • During the trial period, a plant will (irrespective of the technology employed) be eligible for one certificate per MWh of electricity (art. 6 par. 7 letter a Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). • If a plant is supported under another government-funded programme, the number of certificates to be issued is set by the regulatory authority (ANRE) on a case-to-case basis. The number of certificates will be lower than the number usually awarded to a plant of the same technology (see the list of technologies above) (art. 6 par. 7 letter b Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011).
	Minimum price per certificate	Amount of subsidy: The amount of subsidy corresponds to the price per certificate achieved in the market. In pursuance of art. 11 par. 1 letter 1 Law no. 220/2008, during the years 2008-2025 the transaction value of one green certificate will be at least 27 Euros and at maximum 55 Euros. The certificate price will not differ according to the technology employed.
	Fees and penalty charges	If a supplier (or a producer) fails to meet the annual quota, he will be obliged to purchase the missing certificates at a higher price of 110 Euros each (art. 12 par. 2 Law No. 220/2008 as referred to in art. 1 par. 15 Emergency Regulation No. 88/2011). Every year, this price is adjusted by ANRE on the basis of the changes in

		the Romanian consumer price index (art. 12 par. 3 Law No. 220/2008 as referred to in art. 1 par. 15 Emergency Regulation No. 88/2011).
International applicability	International certificate trade	Certificates may be traded on the international market only if the applicable national quota for green certificates has been met (art. 10 par. 3 Law No. 220/2008 as referred to in art. 1 par. 12 Emergency Regulation No. 88/2011).
	Flexibility Mechanism	Romania may participate in joint projects for renewable electricity generation with other member states of the European Union to reach its renewable energy targets (art. 15 par.1 letter a (ii) Law No. 220/2008).
Beneficiaries	<p>Entitled party: There is no entitled party.</p> <p>Obligated party: The persons obliged to satisfy an obligation are the electricity suppliers and producers (art. 8 par. 1 Law No. 220/2008 as referred to in art. 1 par. 11 Emergency Regulation No. 88/2011). An electricity supplier is a legal entity that holds a supply permit and supplies electricity to one or several clients under a supply contract (art. 2 letter r Law No. 220/2008).</p>	
Procedure	Procedure	<ul style="list-style-type: none"> • Submission of green certificates. In order to provide evidence for the fulfilment of the quota, electricity suppliers and producers shall submit green certificates (art. 8 par. 2 Law No. 220/2008 as referred to in art. 1 par. 11 Emergency Regulation No. 88/2011). • Issue of green certificates. Green certificates are issued by the transmission grid operator for all electricity generated from renewable sources minus the electricity used to power the plant (art. 6 par. 1 Law No. 220/2008 as referred to in art.1 par. 9 Emergency Regulation No. 88/2011). For this reason, every month the system operators shall report to the transmission grid operators on the amount of renewable electricity exported to the grid (art. 7 par. 1 Law No. 220/2008). The electricity to be reported on includes electricity transmitted to the distribution grid operators and electricity directly supplied to end users (art. 7 par. 1 Law No. 220/2008 as referred to in art. 1 par. 10 Emergency Regulation No. 88/2011). Green certificates may be either acquired by generating renewable electricity or purchased from other producers (art. 10 par. 1 Law No. 220/2008). • Fulfilment of the quota obligation: Every year by 15 April, the Energy Regulatory Authority ANRE checks whether the electricity suppliers and producers met their renewable certificate quotas in the last obligation period (art. 12 par.1 Law No. 220/2008 as referred to in art. 1 par. 15 Emergency Regulation No. 88/2011). Every year by 1 March, ANRE may adjust the renewable electricity quotas applicable in the year before to the total capacity of renewable energy systems actually installed and to the electricity consumed. However, the adjusted quotas shall not exceed the maximum quotas set until 2020. This adjustment may be made by order of the President of ANRE (art. 4 par. 9 Law No. 220/2008 as referred to in art. 1 par. 8 Emergency Regulation No. 88/2011).

	Competent authority	Green certificates. The Energy Regulatory Authority ANRE accredits the systems to take part in the quota system (art. 6 par. 6 Law No. 220/2008 as referred to in art. 1 par. 9 Emergency Regulation No. 88/2011). ANRE is also responsible for monitoring compliance with the quota obligations (art. 12 par. 1 Law No. 220/2008 as referred to in art. 1 par. 15 Emergency Regulation No. 88/2011). The electricity market operator Opcom maintains and monitors trade flows on the green certificate market (art. 10 par. 2 Law No. 220/2008).
Funding	State	
	Consumers	The costs of the quota system are borne by the consumers through the electricity price.
	Grid operator	
	System operator	
	Distribution mechanism	According to ISPE, the costs arising from the purchase of green certificates are passed on to the consumers.