

Research RES LEGAL – Support system

Country: Romania

1. Overview of support system

| | |
|-----------------------------------|--|
| Overview of support system | In Romania, electricity from renewable sources is mainly promoted through a quota system. Electricity suppliers are obliged to present a certain number of so-called "green certificates", which are issued for electricity from renewable sources. This quota system has not yet been applied as it is currently probed for state aid by the European Commission. In addition to support through the quota system, renewable energy is subsidised by the Romanian Environmental Fund. |
| Support schemes | <ul style="list-style-type: none"> • Quota system: In Romania, the main means of promotion is a quota system based on quota obligations, tradeable certificates, and minimum and maximum prices. Electricity suppliers are obliged to present a certain number (or quota) of green certificates (art. 8 Law no. 220/2008). These tradeable certificates are allocated to the producers of electricity from renewable sources (art. 6, 10 Law no. 220/2008). This quota system has not yet been applied as it is currently probed for state aid by the European Commission. According to the regulatory authority ANRE, the law in question is expected to be authorised by the European Commission within the next few months. However, certain changes to the Law may be necessary to obtain the Commission's authorisation. • 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 electricity generation projects. |
| Promoted technologies | The quota system applies to all technologies (art. 3 Law no. 220/2008). |
| Statutory provisions | <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) • 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) | Legea nr. 73/2000 privind Fondul pentru mediu |
| Full name | | Legea 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 | Law no. 73/2000 on the Environmental Fund |
| Abbreviated form | Electricity Law | Law no. 220/2008 | Law on the Environmental Fund |
| Entry into force | 22.02.2007 | 03.11.2008 | 11.05.2000 |
| Last amended on | 13.05.2010 | 03.09.2010 | 08.11.2007 |
| Future amendments | | | |
| Purpose | Regulating the electricity market. | Establishing a legal framework to promote the use of renewable energy. | This Act established the Romanian Environmental Fund to mitigate negative effects on the environment. |
| Relevance for renewable energy | The Electricity Law establishes a policy framework for the promotion and grid access of electricity from renewable sources. | The Law establishes a framework for the promotion of renewable electricity generation. | One of the Fund's environment targets is to promote 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/ordonaanta_fondul_mediu_196_2005.php http://www.dreptonline.ro/legislatie/ordonaanta_fondul_mediu_196_2005.php http://www.dreptonline.ro/legislatie/lege_fondul_mediu_modificare_ordonanta_196_2005.php |
| Link to full text of legal source (English) | http://www.minind.ro/domenii_sectoare/leg_armonizata/energie/EnergyLAW13_2007_27_07.pdf | http://www.res-legal.de/fileadmin/translations/Rum%C3%A4nien_Gesetz_220-2008.pdf | |

| | | | |
|--|--|---|--|
| | The English translation does not provide information on the latest amendment of the Act. | The German translation does not provide information on the latest amendment of the Act. | |
|--|--|---|--|

| | | | |
|--|--|--|--|
| Name of legal source (original language) | Ordin nr. 714/2010 pentru aprobarea Ghidului de finantare a Programului privind cresterea productiei de energie di surse regenerabile | | |
| Full name | | | |
| Name of legal source (English) | Order no. 714/2010 Approving the Subsidy Guidelines for the Programme for the Promotion of Electricity Generation from Renewable Sources | | |
| Abbreviated form | Order no. 714/2010 | | |
| Entry into force | 21.05.2010 | | |
| Last amended on | | | |
| Future amendments | | | |
| Purpose | Establishing guidelines for subsidies under the Programme for the Promotion of Electricity Generation from Renewable Sources. | | |
| Relevance for renewable energy | The Programme also applies to projects for renewable electricity generation. | | |
| Link to full text of legal source (original language) | 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 |

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 | The Romanian Environmental Fund subsidises projects for the protection of the environment. Under its Programme for the Promotion of Electricity Generation from Renewable Sources, grants are allocated to projects for renewable electricity generation. There is at least one call for applications per year. The last call was open from 15 June to 15 July 2010. The application period for 2011 has not yet been set. | |
| 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 |
| | Hydro-electricity | eligible |
| Amount | The maximum subsidy is 50% of the eligible project costs. An exception is the region of Bucharest-Ilfov, where the maximum subsidy is 40% of the eligible project costs (art. 21 par. 1 Order no. 714/2010). The subsidy is subject to a maximum of 30 m Lei (approx. 7.13 m Euro) per project (art. 21 par. 2 Order no. 714/2010). The total budget for the 2010 application round was 900 m Lei (approx. 214 m Euro) (Dispozitia presedintelui Administratiei Fondului pentru Mediu, no. 166 of 07.02.2011). | |
| Beneficiaries | 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 specified. | |
| 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 may not be calculated prior to 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. Loan (Name of support scheme)

| | | |
|--|-------------------------------|--|
| Abbreviated form of legal source(s) | | |
| Country-specific support system | | |
| Promoted technologies | General information | |
| | Wind energy | |
| | Solar energy | |
| | Geothermal energy | |
| | Biogas | |
| | Biomass | |
| Hydro-electricity | | |
| Amount | | |
| Beneficiaries | | |
| Procedure | Procedure | |
| | Competent authority | |
| Flexibility Mechanism | | |
| Funding | State | |
| | Consumers | |
| | Grid operator | |
| | System operator | |
| | Distribution mechanism | |

4.3. Feed-in tariff (name of scheme)

| | | |
|-------------------------------------|---------------------|--|
| Abbreviated form of legal source(s) | | |
| Country-specific support system | | |
| Promoted technologies | General information | |
| | Wind energy | |
| | Solar energy | |
| | Geothermal energy | |
| | Biogas | |
| | Biomass | |
| | Hydro-electricity | |
| Amount | General information | |
| | Wind energy | |
| | Solar energy | |
| | Geothermal energy | |
| | Biogas | |
| | Biomass | |
| | Hydro-electricity | |
| Degression | General information | |
| | Wind energy | |
| | Solar energy | |
| | Geothermal energy | |
| | Biogas | |
| | Biomass | |
| | Hydro-electricity | |
| Cap | | |
| Eligibility period | | |
| Beneficiaries | | |
| Procedure | Procedure | |
| | Competent authority | |

| Flexibility Mechanism | | |
|-----------------------|------------------------|--|
| Funding | State | |
| | Consumers | |
| | Grid operator | |
| | System operator | |
| | Distribution mechanism | |

4.4. Premium Tariff (name of support scheme)

| | | |
|--|----------------------------|--|
| Abbreviated form of legal source(s) | | |
| Country-specific support system | | |
| Promoted technologies | General information | |
| | Wind energy | |
| | Solar energy | |
| | Geothermal energy | |
| | Biogas | |
| | Biomass | |
| | Hydro-electricity | |
| Amount | General information | |
| | Wind energy | |
| | Solar energy | |
| | Geothermal energy | |
| | Biogas | |
| | Biomass | |
| | Hydro-electricity | |
| Degression | General information | |
| | Wind energy | |
| | Solar energy | |
| | Geothermal energy | |
| | Biogas | |
| | Biomass | |
| | Hydro-electricity | |
| Cap | | |
| Eligibility period | | |
| Beneficiaries | | |
| Procedure | Procedure | |
| | Competent authority | |

| Flexibility Mechanism | | |
|-----------------------|------------------------|--|
| Funding | State | |
| | Consumers | |
| | Grid operator | |
| | System operator | |
| | Distribution mechanism | |

4.4. Quota system

| | | |
|--|--|--|
| Abbreviated form of legal source(s) | <ul style="list-style-type: none"> • Electricity Law • Law no. 220/2008 | |
| 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 to present a certain number of green certificates (art. 8 Law no. 220/2008). The failure to satisfy this obligation carries a penalty (art. 12 par. 2 Law No. 220/2008). Furthermore, Law no. 220/2008 sets out the conditions under which operators of renewable energy systems may receive green certificates (art. 6 par. 1 Law no. 220/2008) and trade them (art. 10, 11 Law no. 220/2008). Electricity generators may sell electricity on the wholesale market (art. 14 par. 1 Law No. 220/2008). Electricity generated by small-scale systems may be sold to the electricity suppliers at a guaranteed price (art. 14 par. 2 Law No. 220/2008). This quota system has not yet been applied as it is currently probed for state aid by the European Commission. According to the regulatory authority ANRE, the Law in question is expected to be authorised by the European Commission within the next few months. However, certain changes to the Law may be necessary to obtain the Commission's authorisation.</p> | |
| Promoted technologies | General information | Basically, all technologies are eligible (§ 3 par. 1 Law No. 220/2008). |
| | Wind energy | 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 are no more than 10 years old, and have already been used for electricity generation within the territory of another state or were in operation before the Law came into effect become ineligible after 7 years (art. 3 par. 2 letter c, Law no. 220/2008). |
| | Solar energy | 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 are no more than 10 years old, and have already been used for electricity generation within the territory of another state or were in operation before the Law came into effect, cease to be eligible after 7 years (art. 3 par. 2 letter c, Law no. 220/2008). |
| | Geothermal energy | 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 are no more than 10 years old, and have already been used for electricity generation within the territory of another state or were in operation before the Law came into effect, cease to be eligible after 7 years (art. 3 par. 2 letter c, Law no. 220/2008). |
| | Biogas | Eligible (art. 3 par. 1 letters g-i, Law no. 220/2008). There are several types of biogas: <ul style="list-style-type: none"> • biogas (art. 3 par. 1 letter g, Law no. 20/2008), • gas produced from waste (art. 3 par. 1 letter h, Law no. 20/2008), • gas produced from anaerobic digestion of sewage sludge (art. 3 par. 1 letter i, Law no. 20/2008). |

| | | |
|---------------|--|--|
| | | 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). Biogas systems that are no more than 10 years old, and have already been used for electricity generation within the territory of another state or were in operation before the Law came into effect, cease to be eligible after 7 years (art. 3 par. 2 letter c, Law no. 220/2008). |
| | Biomass | Eligible (art. 3 par. 1 letter e, Law no. 220/2008). There are two types of biomass: <ul style="list-style-type: none"> • biomass (art. 3 par. 1 letter e, Law no. 220/2008) and • liquid biofuels for energy generation that were produced from biomass but are not used in the transport sector (art. 3 par. 1 letter f, 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). Biomass systems that are no more than 10 years old, and have already been used for electricity generation within the territory of another state or were in operation before the Law came into effect, cease to be eligible after 7 years (art. 3 par. 2 letter c, Law no. 220/2008). |
| | Hydro-electricity | Only systems whose installed capacity does not exceed 10 MW are eligible (art. 3 par. 1 letter a, Law no. 220/2008). The eligibility of new hydro-power stations ends after 15 years (art. 3 par. 2 letter a 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 period of application | <p>Amount of quota per year: The percentage of electricity from renewable sources promoted under the green certificates scheme is as follows:</p> <ul style="list-style-type: none"> • in 2011: 10% • in 2012: 12% • in 2013: 14% • in 2014: 15% • in 2015: 16% • in 2016: 17% • in 2017: 18% • in 2018: 19% • in 2019: 19.5% • in 2020: 20% • from 2020 to 2030: at least 20% <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>Number of certificates: 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 (i), Law no. 220/2008). • Modernised hydro-electric plants: 2 certificates per MWh of electricity generated (art. 6 par. 2 letter a (ii), Law no. 220/2008). • 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). • Wind energy: until 2017: 2 certificates, from 2018: 1 certificate per MWh of electricity generated (art. 6 par. 2 letter c, Law no. 220/2008). • Geothermal energy, biogas, gas produced from waste, gas produced from anaerobic digestion of sewage sludge, biomass, liquid biofuels for energy generation: 3 certificates per MWh of electricity generated (art. 6 par. 2 letter d Law no. 220/2008). Highly efficient CHP plants based on the above-mentioned renewable energy sources receive one additional certificate (art. 6 par. 4 Law No. 220/2008). • Solar energy: 6 certificates per MWh of electricity generated (art. 6 par. 2 letter e, Law no. 220/2008). <p>(art. 6 par. 2 Law No. 220/2008).</p> |
| | 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 a green certificate will be at least 27 Euros and at maximum 55 Euros. The certificate price will not differ according to technology. |
| | Fees and penalty charges | If a supplier 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). Every year, this price is adjusted by ANRE on the basis of the Romanian consumer price index (art. 12 par. 3 Law No. 220/2008). |
| 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). |
| | 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: As there is no basis for a claim, there is no entitled party.</p> <p>Obligated party: The persons obliged to satisfy an obligation are the electricity suppliers (art. 8 Law no. 220/2008). An electricity supplier is a legal entity that holds a supply permit and guarantees the supply of 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, suppliers shall submit green certificates (art. 8 Law |

| | | |
|----------------|-------------------------------|---|
| | | <p>no. 220/2008).</p> <ul style="list-style-type: none"> • Award of green certificates. Green certificates are issued by the transmission grid operator for electricity from renewable sources (art. 6 par. 1 Law no. 220/2008). For this reason, every month the distribution grid 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 producers shall also report to the transmission grid operators on how much renewable electricity they exported every month (art. 7 par. 2 Law no. 220/2008). 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 producers met their renewable certificate quotas the year before (art. 12 par.1 Law no. 220/2008). 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. This adjustment may be made by order of the President of ANRE (art. 4 par. 9 Law no. 220/2008). |
| | Competent authority | Green certificates. The Energy Regulatory Authority ANRE determines which systems may take part in the quota system (art. 6 par. 5 Law no. 220/2008). ANRE is also responsible for monitoring compliance with the quota obligations (art. 12 par. 1 Law no. 220/2008). 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. |

4.5. Tax regulation mechanisms (name of support scheme)

| | | |
|-------------------------------------|------------------------|--|
| Abbreviated form of legal source(s) | | |
| Country-specific support system | | |
| Promoted technologies | General information | |
| | Wind energy | |
| | Solar energy | |
| | Geothermal energy | |
| | Biogas | |
| | Biomass | |
| | Hydro-electricity | |
| Amount | | |
| Beneficiaries | | |
| Procedure | Procedure | |
| | Competent authority | |
| Flexibility Mechanism | | |
| Funding | State | |
| | Consumers | |
| | Grid operator | |
| | System operator | |
| | Distribution mechanism | |