



**Introduction** On 22 July 2025, the Ministry of Energy launched for public consultation a draft Government Emergency Ordinance amending and supplementing Law No. 123/2012 on Electricity and Natural Gas (the "Draft GEO"). According to the explanatory memorandum, the Draft GEO aims to improve the organisation of the integrated electricity market, particularly to help prevent high electricity prices. The Draft GEO will remain open for public consultation until and including 1 August 2025. On 10 July 2025, the National Energy Regulatory Authority ("ANRE") released for public consultation a draft Order proposing amendments and additions to the Regulation governing ANRE's investigative activities, as approved by ANRE Order No. 62/2013 (the "Regulation"). With this initiative, ANRE seeks to revise and clarify the procedures for investigating and sanctioning breaches of energy regulations, aiming to enhance both the transparency and the efficiency of the investigative process (the "Draft Order").

**Main changes proposed by the Draft GEO**

**1. ANRE will be able to impose risk mitigation measures on energy suppliers**  
The Draft GEO gives ANRE extensive powers to manage energy market risks. Depending on the size of the supplier or the market structure, ANRE will be able to introduce obligations on:

- developing and implementing risk hedging strategies that safeguard the economic viability of customer contracts, while maintaining liquidity and ensuring the efficient functioning of markets in the short term;
- proactive measures to minimise the risk of supply disruption

**2. Monitoring the progress of smart grids**  
The Draft GEO introduces an obligation for ANRE to regularly monitor and assess the performance of transmission and distribution operators in the development of smart grids. This assessment will be based on a set of indicators established by the regulator, and the results will be published every two years in a national report. The report will include concrete recommendations addressed to both network operators and relevant public institutions.

**3. Flexible grid connection agreements**  
To accelerate the connection of new generation capacity, especially in areas with limited grid infrastructure, ANRE will develop a dedicated regulatory framework for flexible grid connection agreements. These agreements will allow phased connection to the network, with conditions tailored to actual available capacity. The framework will ensure that:

- flexible connections do not hinder further grid development;
- the transition from a flexible to a firm connection is based on clear and transparent criteria;
- in certain areas, flexible arrangements may become permanent solutions, including for energy storage projects.

These agreements will specify:

- the maximum injection and withdrawal capacity, including flexible capacity available on hourly timeframes;
- the applicable network tariffs for each type of capacity;
- the duration of the agreement and the estimated date for full connection.

Users benefiting from a flexible connection will also be required to install a certified power control system to ensure reliable and predictable network operation.

**4. New obligations for distribution operators**  
The Draft GEO introduces a series of measures aimed at enhancing transparency and fairness in the activities of distribution operators:

- a prohibition on discrimination between users, including renewable energy or citizen energy communities, regardless of any affiliation with the operator's own business interests;
- transparent publication of available capacity for new connections, with a high level of spatial granularity, while ensuring confidentiality and data security;
- quarterly updates of this information, including an indication of the possibility for flexible connections in congested areas;
- an obligation to provide a clear response to connection requests within three months, and to update the status of pending requests if a final decision is not yet available;
- digitisation of the process, ensuring that users can submit all documentation exclusively through online platforms.

These obligations do not apply to integrated operators serving less than 100,000 customers or operating in small, isolated systems.

**5. New obligations for electricity suppliers**  
Energy suppliers serving more than 200,000 customers will be required to offer, upon request:

- fixed-term contracts with a minimum duration of one year and fixed prices, available to all end-use customers;
- dynamic pricing contracts for customers equipped with smart metering systems.

If no supplier meets the 200,000-customer threshold, the obligation will apply to the supplier with the highest market share in the previous year.

**6. New legal framework for renewable energy sharing**  
The Draft GEO introduces an expanded legal framework for energy sharing, enabling active customers to share electricity from renewable sources with other users - either directly or through organising entities. Active customers may share renewable energy among themselves via private

agreements or through a legal entity. Participation in energy sharing does not need to constitute the participants' main business or professional activity. To streamline the process, active customers may appoint a third party as an energy sharing organiser. The organiser will act as the interface with suppliers and network operators, including with respect to applicable tariffs and charges. The sharing organiser or other third party may own or manage a generation or storage facility up to 6 MW without being classified as an active customer, unless it participates in the sharing project, according to the regulations of the competent authority. The organiser is required to provide non-discriminatory services under transparent terms, prices, and conditions. Active customers involved in energy sharing will have the right to deduct the amount of shared electricity fed into the grid from their total metered consumption, within the imbalance settlement period, without prejudice to the application of taxes, charges and network tariffs, which must be set in a non-discriminatory manner. Participants will retain all rights and obligations associated with their status as end-use customers under the law. Transmission and distribution system operators will be responsible for monitoring, collecting, validating and reporting shared energy data on a monthly basis. They must also establish appropriate IT systems to support these functions. In addition, operators must provide a point of contact for registering energy sharing arrangements, offering practical guidance, receiving metering updates and, where applicable, validating calculation methodologies in a clear and transparent manner.

7. Potential new interventions in the event of an electricity price crisis The Draft GEO proposes the establishment of a legal framework for temporary public interventions in the event that the EU Council formally declares an electricity price crisis, either at a regional or EU-wide level. Under such circumstances, the Romanian Government would be able to adopt exceptional measures concerning electricity supply pricing. Specifically, temporarily regulated prices may be introduced for small and medium-sized enterprises (SMEs), but only for up to 70% of the consumption recorded during the corresponding period of the previous year. This limitation is intended to maintain incentives for demand reduction and to avoid significant market distortions. In exceptional cases, regulated prices below cost may also be applied to household consumers, subject to strict safeguards:

- the measure may apply to no more than 80% of average household consumption;
- all suppliers must be treated equally and without discrimination;
- suppliers must be compensated in a transparent and non-discriminatory manner;
- all suppliers willing to participate in the mechanism must be granted open access; and, most importantly, such measures must not adversely affect the functioning of the internal electricity market.

Main changes proposed by the Draft Order 1. Clarification on the applicability of the Regulation to natural persons ANRE proposes to repeal the provision according to which the Regulation also applies to natural persons holding management positions (i.e., officers, directors, managers) or other employees of market participants or associated operational structures subject to investigation (Article 2(b) of the Regulation). This amendment aligns the Regulation with Law No. 123/2012 on Electricity and Natural Gas ("Law No. 123/2012"), which refers to natural persons as market participants.

2. Repeal of provisions on imposing compliance measures The Draft Order provides for the repeal of provisions that allowed investigating officers to impose compliance measures (Article 22(2) and (3) of the Regulation). This amendment reflects the fact that such compliance measures—aimed at restoring legality and remedying non-compliant situations—are ordered by decision of the ANRE President, in line with the Regulation on the organisation and conduct of investigative activity in the field of energy, as approved by ANRE Order No. 25/2017.

3. Clarifications on the status of investigating officers The Draft Order clarifies how the status of investigating officer is established and certified, based on the person's role in the investigation. Investigators obtain this status under the Regulation and through the investigation decision issued by the ANRE President. Certification is provided by the investigator's identity card and the investigation decision. For other ANRE specialists assigned to the investigation team, the status of investigating officer is conferred and attested exclusively through the ANRE President's decision to initiate the investigation.

4. New procedural provisions on the minutes for the finding and sanctioning of a misdemeanour Under the current Regulation, if the offender or his legal representative is absent, refuses to sign, or is unable to sign the minutes of the finding and sanctioning of a misdemeanour, the investigation team must record this in the document and confirm the circumstances through a witness. The Draft Order introduces an exception to this rule: where the situation is documented using ANRE's audio-video equipment, witness confirmation is no longer required. In such cases, the existence of the recording must be explicitly mentioned in the

minutes.

5. Complaints against the minutes and suspension of enforcement Currently, the Regulation provides that a complaint against the minutes of the finding and sanctioning of a contravention may be filed with the court in whose jurisdiction the contravention was committed. The Draft Order complements this provision, in line with Government Ordinance No. 2/2001 on the legal regime of contraventions, by introducing an alternative jurisdiction: the complaint may also be filed with the court competent for the area where the offender has its office. Additionally, the Draft Order introduces two new paragraphs concerning suspension of enforcement of the minutes: "A complaint against the minutes of the finding and sanctioning of a contravention shall not suspend enforcement. The suspension of enforcement, in the case of fines, may be ordered by the court upon request, subject to the payment of a court bond of no more than 20% of the amount of the fine."

6. Repeal of the reporting obligation for PPATs The Draft Order provides for the repeal of provisions requiring persons professionally arranging transactions on the wholesale energy market (the "PPATs") to submit reports. In its current form, the Regulation provides that: (i) PPATs having reasonable grounds to suspect that a transaction may breach the proper functioning of the wholesale energy market must promptly report this to ANRE, and (ii) any other natural or legal person actually and directly affected by a potential breach of the legal provisions on the proper functioning of the wholesale energy market may also submit such a report. ANRE justifies this repeal on the grounds that the relevant obligations for PPATs are already covered by the REMIT Regulation<sup>1</sup>, which is directly applicable and binding in its entirety.