

Briefing

25 June 2015

Registering as electricity trader / supplier in Romania – simplified rules for EU legal entities

1. Background

Earlier this year, the Romanian Regulatory Authority for Energy ("**ANRE**") adopted the Order No. 12/2015 approving a new Regulation for granting authorizations and licenses in the electricity field which provides that a legal entity registered in an EU member state, holding a valid license or similar document for carrying out electricity supply / trading activities, may undertake such activities in Romania, without a need to obtain a license from ANRE.

However, such provision was not sufficient in itself to enable the interested EU legal entities to register with the Romanian electricity markets, as further details on the actual steps to be followed were needed.

As a result, ANRE adopted the Order 91 / 2015 approving the Procedure for the acknowledgement of the right of foreign legal entities registered in EU member states to participate to the Romanian electricity markets ("**Procedure**"), which became effective as of its publication in the Official Gazette of Romania on 25 June 2015.

Based on this Procedure, instead of applying for a new electricity supply or trading license from ANRE, the EU legal entity which intends to register with the Romanian electricity markets, will have to follow the below described steps for the purposes of being acknowledged by ANRE as having the right to carry out such activities in Romania based on the license or similar document obtained in their home state.

2. Key-steps for registration

Pursuant to the Procedure, a legal entity registered in an EU member state ("**Applicant**") must cumulatively meet the following criteria before being confirmed the right to participate to the Romanian electricity markets:

- a. it has the right to undertake electricity supply / trading activities in the EU member state where it is registered, based on a valid license or other similar document granted by the energy regulatory authority or, as applicable, a different public authority in its home state; and
- b. files an application to ANRE for the acknowledgement of its right to undertake electricity supply / trading activities in Romania, as detailed below.

The documents to be submitted to ANRE for being granted the acknowledgement, are:

- a. standard application form in Romanian language;
- b. documents issued by the energy regulatory authority or, as applicable, a different public authority from the EU member state where the Applicant is registered, proving the Applicant's right to undertake electricity supply / trading activities in its home state (e.g. the electricity trading license and its terms and conditions);
- c. standardized affidavit, executed in authenticated form in front of a notary public;
- d. a document reflecting the turnover estimated to be achieved in connection with the electricity trading / supply in Romania; and
- e. proof of payment to ANRE of the documentation analysis tariff.

Following ANRE's verification of these documents, the decision regarding the acknowledgement of the Applicant's right to participate to the Romanian electricity markets is issued. Such decision remains valid as long as the license or the similar document granted to the Applicant in the originating EU member state is valid.



The Applicant has to pay an annual contribution to ANRE (currently amounting to 0.08 % of the achieved turnover, but may be changed in the next years). To this end, no later than the 20th of February each year, the Applicant must submit to ANRE an official letter specifying the turnover achieved during the previous year, as a result of the transactions and operations performed on the Romanian electricity markets.

In line with EU legislation, as of 7 October 2015, the EU legal entity applying for the acknowledgement of the right to participate to the Romanian electricity markets will have to provide ANRE with the sole identification code designated in the European register of market participants as per Article 12 (2) of the Commission Implementing Regulation (EU) No. 1348 / 2014 of 17 December 2014 on data reporting implementing Article 8 (2) and Article 8 (6) of Regulation (EU) No. 1227 / 2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency (REMIT).

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