

CMS | Romania adopts short-term energy reforms to reduce consumer prices



On 4 September 2025, the Romanian government adopted a Memorandum addressing short-term reforms in the energy market designed to minimise the exposure of end consumers to increases in electricity prices. Before the policies contained in the Memorandum can be put into force, the following measures must be instituted:

Implementation of the Market Maker Mechanism

The purpose of the market maker mechanism is to ensure the liquidity of the energy and gas markets and the transparency of price setting in each market. The mechanism should have been applicable in electricity markets starting with 1st July 2025 but is not yet operational. The Memorandum requires electricity market operators (OPCOM and Romanian Commodities Exchange) to finalise the implementation infrastructure within three months while the Ministry of Energy will determine the companies in which it holds majority shareholding that will take part in the mechanism.

Extension of security mechanisms for wholesale electricity market transactions

In addition to the advance payment obligation or guarantee for electricity purchase contracts concluded on the forward market approved by ANRE in July 2025, a Central Counterparty (CCP) will be created to reduce speculative risk, strengthen trust in the electricity market and align itself with European and national legal frameworks (including EMIR – Regulation (EU) No 648/2012 and subsequent amendments). Once the CCP becomes operational (within an estimated six to twelve months subject to the authorisation of the Financial Supervisory Authority and assessment by ESMA and NBR), the electricity forward trading framework will be supplemented with the following parameters:

- clearing members will undertake only risks related to the CCP in its capacity as central counterparty, (having much lower risk compared to the counterparty risk of a market participating counterparty);
- a risk model for CCP transactions will be implemented to ensure that security mechanisms are aligned with the requirements of the EMIR Regulation. This model is designed to minimise systemic risks arising from the default of clearing members.
- costs for transaction securities will be optimised by calculating exposures and security obligations at the level the net portfolio position of the transaction.
- a mechanism for managing risks derived from a party's default will be created whereby, in addition to the securities of the clearing members, the resources of the CCP will be used.

Optimisation of the costs of purchasing energy for own technological consumption (CPT)

One proposed optimisation measure includes the implementation of a single buyer mechanism for CPT in line with IEA recommendations on grid-cost efficiency, thus creating the premises for decreasing the cost of the distribution tariff and the electricity price. This will be enacted within a three-month period during which ANRE will develop the methodology for making the single buyer mechanism operational.

Dynamic pricing and massive implementation of smart metering

In line with EC and Eurelectric recommendations, the use of dynamic tariffs (i.e. hourly price on Day Ahead Market) will be accelerated along with large scale deployment of smart meters. This is expected to reduce electricity costs up to 24% and lower dependence on high-cost imports during peak periods.

Although the Energy Supply Regulation adopted by ANRE Order 235/2019 as amended requires suppliers with more than 200,000 consumers to offer dynamic prices, only a small ratio of consumers use this benefit. To maximise the number of consumers using dynamic tariffs, ANRE will require electricity suppliers with more than 200,000 consumers to offer them digital solutions for monitoring access to dynamic tariffs in real time. EUR 150 million in EU funding will support the installation of smart meters by grid operators and the development of digital monitoring solutions by suppliers. Implementation of the measure is expected in 12 months.

Single approach for energy efficiency in public, economic and residential fields

Energy efficiency programmes will be consolidated under a single coordination framework in line with EU recommendations to ensure more efficient energy consumption. A new inter-ministerial task force will be established to centralise and monitor the use of funds while the Ministry of Energy is proposed as the lead coordinating authority.

Conclusion

These short-term reforms are expected to stabilise the Romanian electricity market, reduce risks and ensure fair prices for end consumers, while various instruments such as CCP, optimisation of security structures, dynamic tariffs and smart metering should enhance transparency and liquidity across the Romanian energy market and strengthen investor confidence.

These reforms are also expected to enhance the use of bilateral PPAs as a financing instrument by providing greater predictability in pricing and cost allocation.

Following the approval of the Memorandum, authorities such as the Ministry of Energy and ANRE are expected to draft and adopt secondary legislation to execute the measures (after the consultation process with market stakeholders). ANRE and the Ministry of Energy will monitor the progress and outcomes of these measures, which should be in place within two years.

For more information on opportunities in Romania's energy sector, contact your CMS client partner or these CMS experts: **Varinia Radu**, **Ramona Dulamea** and **Elena Vlasceanu**.