



ROMANIAN ENERGY REGULATORY AUTHORITY

MONITORING, REMIT DEPARTMENT



ELECTRICITY MARKET MONITORING REPORT

JANUARY 2021

- This document represents an unofficial translation of the Romanian version of the document -

ANRE makes all the necessary efforts to present within the here above mentioned document, as accurately and concisely as possible, data based on market participants' reports. This document published by ANRE is for information purpose only. ANRE is not and will not be under any circumstances legally responsible for any inadvertencies regarding the information presented within the document or for the improper way the information is used.

TABLE OF CONTENTS

I. MAIN EVENTS IN THE DEVELOPMENT OF THE ROMANIAN ELECTRICITY MARKET.....	3
II. WHOLESALE ELECTRICITY MARKET.....	5
1. Structure of the wholesale electricity market.....	5
2. Wholesale electricity market participants.....	6
3. Generation structure of the National Power System by types of resources.....	8
4. The structure of trades on the wholesale electricity market.....	10
5. Structure of trades on the wholesale electricity market of different market participant categories.....	18
6. Concentration indicators for the wholesale electricity market and its components.....	28
7. Prices evolution on wholesale electricity market.....	30
III. RETAIL ELECTRICITY MARKET.....	37
1. Structure of the retail electricity market.....	37
2. Electricity market opening degree.....	37
3. Market shares of electricity suppliers.....	38
4. Concentration indicators of the retail electricity market.....	41
5. Evolution of the number of clients supplied under universal service regime.....	43
6. Evolution of the number of non-household clients supplied under inactive and last resort regime.....	44
7. Concentration indicators of the competitive retail electricity market.....	45
8. Evolution of the number of final clients supplied under competitive regime.....	46
9. Average selling prices to final clients on the competitive market.....	49
IV. TRANSMISSION AND SYSTEM OPERATOR CNTEE TRANSELECTRICA SA....	52
V. MARKET RULES EVOLUTION IN JANUARY 2021.....	53
VI. EXPLANATIONS AND ABBREVIATIONS.....	54
1. Explanations.....	54
2. Abbreviations.....	54

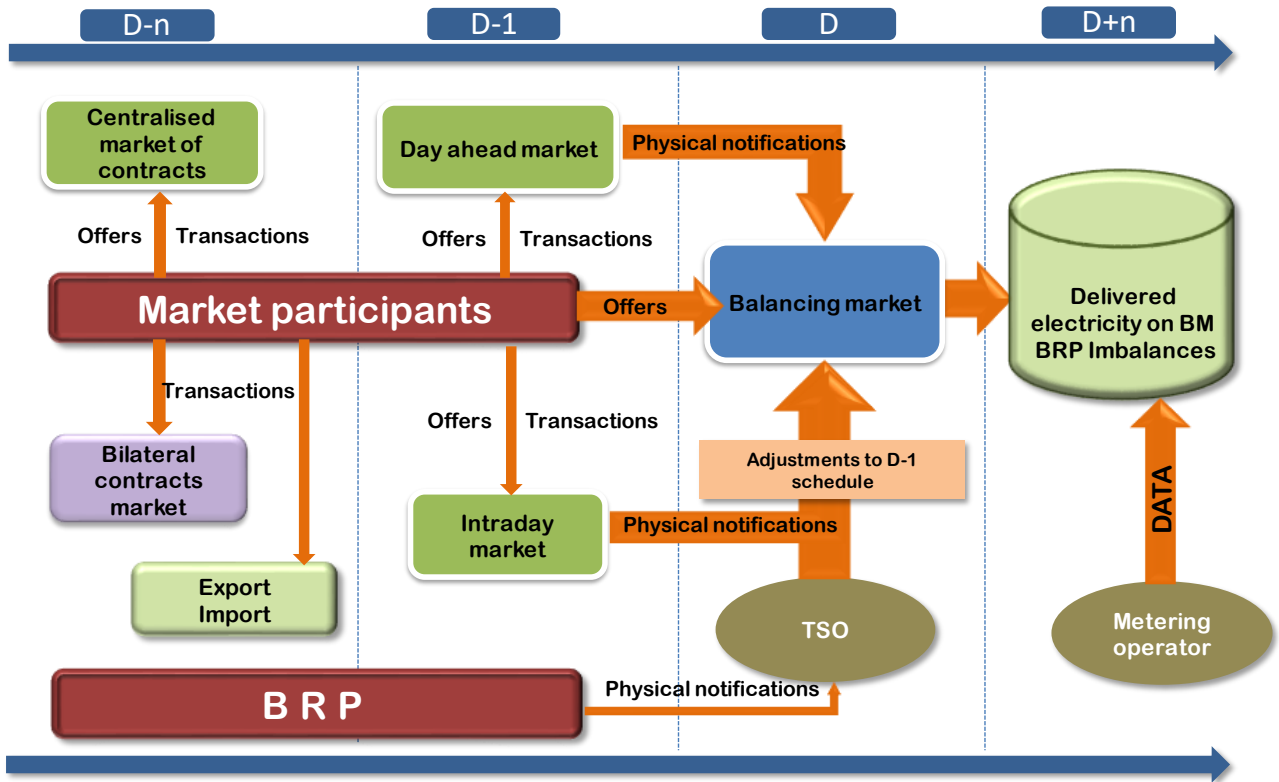
I. MAIN EVENTS IN THE DEVELOPMENT OF THE ROMANIAN ELECTRICITY MARKET

- **GD 365/1998** – vertically integrated monopoly – RENEL – was split into separated distribution and supply companies (SC Electrica SA) and generation companies (SC Termoelectrica SA and SC Hidroelectrica SA) were established within a new company - CONEL SA. Two other electricity generators (SN Nuclearelectrica SA and RAAN) were separately established;
- Transmission, system services and market administration were separately organised, within CONEL SA; the relationships between parties within the electricity sector were settled based on contracts;
- **GD 122/2000** – electricity market opening at 10%;
- **GD 627/2000** – CONEL holding is dissolved;
- **September 2000** – launch of the compulsory electricity spot market in Romania, operated by OPCOM and organized based on pool model;
- **GD 1342/2001** – SC Electrica SA splits in 8 subsidiaries for electricity distribution and supply;
- **GD 1524/2002** – SC Termoelectrica SA reorganizes in several separate legal entities for generation;
- **July 2005** – launch of the new market model, based on:
 - voluntary spot market, with both sides offers and bilateral settlement;
 - mandatory balancing market, with TSO as single counterparty;
 - financial responsibilities for balancing are allocated to the BRP;
- **GD 644/2005** – electricity market opening at 83.5%;
- **November 2005** – launch of the green certificates market;
- **December 2005** – launch of the centralized market for bilateral contracts;
- **March 2007** – launch of the centralized market for partially standardized bilateral contracts with continuous negotiation;
- **GD 638/2007** – fully opening of electricity and gas markets;
- **July 2007** – rules for capacity market established;
- **July 2008** – launch of the mechanism of direct debit and guarantee for electricity transactions on the day-ahead market (OPCOM as central counterparty);
- **August 2008** – process of legal unbundling of distribution and supply companies concluded;
- **August/October 2010** – launch of bilateral coordinated auctions for capacity allocation on interconnections with Hungary and Bulgaria;
- **July 2011** - launch of the intraday market;
 - GD 930/2010** – SC Electrica Furnizare SA established through the merger of the former last resort suppliers Electrica Furnizare Muntenia Nord, Electrica Furnizare Transilvania Nord and Electrica Furnizare Transilvania Sud;
- **June 2012** – a new entity obtains the generation license and enters on the electricity market - Complexul Energetic Oltenia SA, established in a dual system through the merger of the former SNLO Tg. Jiu, Complexul Energetic Turceni, Complexul Energetic Rovinari and Complexul Energetic Craiova (GD 1024/2011);
- **July 2012** – Law no. 123/2012 on electricity and natural gas enters into force;
- **September 2012** – the application of the first stage of the timetable of phasing out regulated electricity tariffs to final clients who choose not to exercise their eligibility rights, in accordance with the obligations assumed by the Romanian Government in relation with the IMF, World Bank and European Commission;
- **October 2012** – Law no. 160/2012 on the organisation and functioning of the Romanian Energy Regulatory Authority entered into force;
- **November 2012** - a new entity obtains the generation license and enters the electricity market - Complexul Energetic Hunedoara SA, established through the merger of the former Electrocentrale Deva and Electrocentrale Paroseni (GD 1023/2011);
- **December 2012** – launch of the organised electricity market for large clients;
- **July 2013** – launch of centralized market trading with continuous double negotiation of bilateral contracts for electricity;
- **August 2013** – removal of injection transmission tariff for the imported and respectively of the extraction transmission tariff for the exported quantities, and of the corresponding system services;
- **December 2013** – removal of the export tariffs applied by the electricity market operator;

- certification with conditions for CNTEE Tranelectrica SA as an independent transmission and system operator;
- application of last stage of the phasing out calendar for removal of the regulated tariffs applied to the final non-household clients who do not use their eligibility rights;
- **August 2014** – CNTEE Tranelectrica SA certification as NPS transmission system operator following the „independent system operator” model;
- **October 2014** – entry into force of Law no. 127/2014 amending the Law no. 123/2012;
- **November 2014** – the launch of the CZ-SK-HU-RO market coupling project, that encompasses the DAM markets from the Czech Republic, Slovakia, Hungary and Romania;
- **February 2015** – entry into force of the new centralized market for bilateral contracts with its components: Extended Auctions Mechanism (CMBC–EA), Continuous Negotiation Mechanism (CMBC–CN), Fuel Processing Mechanism (CMBC–FP);
- **February 2015** – implementing the centralized market for universal service;
- **November 2016** - entry into force of Law no. 203/2016 amending Law no. 123/2012 on electricity and natural gas;
- **July 2018** - entry into force of Law no. 167/2018 amending and supplementing Law no. 123/2012 on electricity and natural gas;
- **December 2018** – EGO no. 114/2018 regarding the introduction of some measures in the field of public investments and some fiscal-budgetary measures, the modification and completion of some normative acts and the extension of some deadlines;
- **March 2019** – EGO no. 19/2019 amending and supplementing EGO no. 114/2018 on establishing measures in the field of public investment and some fiscal-budgetary measures, the modification and completion of some normative acts and the extension of some deadlines;
- **July 2019** – introduction of the centralized market for electricity from renewable sources supported by green certificates.
- **November 2019** – launch of the Single Intraday Coupling (SIDC) through continuous trading of the Intraday electricity markets of Romania, Bulgaria, Hungary, Croatia, The Czech Republic, Poland, Slovenia, Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Latvia, Lithuania, Norway, Sweden, Holland, Portugal and Spain.
- **January 2020** – EGO no. 1/2020 regarding some fiscal-budgetary measures and for the modification and supplementation of some normative acts.
- **April 2020** - Introduction of the Centralized Market for Electricity Bilateral Contracts – Extended Auctions Mechanism (CMBC-EA-flex).
- **July 2020** – publication of Law no. 155/2020 on the modification and revision of Law no. 123/2012 on electricity and natural gas and on the modification and revision of other legislative acts;
- **September 2020** – introduction of the centralised market for long term contracts for electricity which aims to ensure the transparency of transactions through contracts for the sale and purchase of electricity for long delivery periods and equal opportunities for market participants.

II. WHOLESALE ELECTRICITY MARKET

1. Structure of the wholesale electricity market



- Markets administrated by Opcom SA (the electricity market operator)
- Market administrated by CNTEE Tranelectrica SA (balancing market operator)
- The structure is presented within 'Transactions on the wholesale market' table – chapter 4

J	Electricity Suppliers acting exclusively on the wholesale market ²	K	Electricity Suppliers acting also on the retail market
1	Axpo Bulgaria EAD	13	Crest Energy SRL
2	CEZ as	14	EFT Furnizare SRL
3	Danske Commodities/s Aarhus	15	Egger Romania SRL
4	EDF Trading Limited	16	Elcata MHC SRL
5	Elpetra Energy E.A.D.	17	Electric Planners SRL
6	Energi Danmark A/S	18	Electricificare CFR SRL
7	Energopro Energy Services EAD	19	Electrocarbon SA
8	Energovia EOOD	20	Electromagnetica SA
9	Energy Deta SRL	21	Elsid SA
10	Energy Republic Trading SRL	22	Energia Gas & Power SRL
11	Energy Supply D.O.O	23	Energy Distribution Services SRL
12	Energy Trading System OOD	24	Energy Grid SRL
13	Eolian Project SRL	25	Energy Trade Activ SRL
14	EVN Trading South East Europe	26	Engie România SA
15	Ezpada AG	27	Enol Grup SA
16	Freepoint Commodities Europe Ltd	28	Entrex Services SRL
17	GEN I trgovanje in prodaja elektricne energije doo	29	Evobits Information Technology
18	Grand Energy Distribution EOOD	30	Getica 95 Com SRL
19	Holding_Slovenske_Elektrarne	31	Grenerg SRL
20	Imperial Development SRL	32	Hermes Energy International SRL
21	Interenergo Energetski, Inzeniring d.o.o.	33	ICCO Energ SRL
22	Lord Energy SRL	34	ICPE Electrocond Technologies SA
23	MFT Energy A/S	35	Industrial Energy SA
24	MVM Partner Zrt	36	Izvor de Lumina SRL
25	Neptun SA	37	Liberty Galați SA
26	Nis Petrol SRL	38	Luxten LC SA
27	OMV Gas Marketing & Trading GmbH	39	Mazarine Energy Romania SRL
28	Petrol, Slovenska energetska druzba	40	MET Romania Energy SA
29	Ritam-4-TB ood	41	MVM Energy Trade Plus SRL
30	Statkraft Markets GmbH	42	Next Energy Parteners SRL
31	Verbund Trading Romania SRL	43	Nova Power&Gas SRL
		44	P.C. Management & Consulting SRL
		45	Photovoltaic Green Project SRL
		46	Plenerg SRL
		47	QMB Energ SRL
		48	RCS&RDS SA
		49	RES Energy Solutions SA
		50	Restart Energy One SRL
		51	Romelectro SA
		52	Stock Energy SRL
		53	Transenergo Com SA
		54	Transformer Energy Supply SRL
		55	Uzinsider General Contractor SA
		56	Veolia Energie România SA
		57	Werk Energy SRL
K	Electricity Suppliers acting exclusively on the wholesale market		
1	A Energy Ind SRL		
2	Absolute Energy SRL		
3	Aderro G.P. Energy SRL		
4	AIK Energy Romania SRL		
5	Alive Capital SRL		
6	Alro SA		
7	Anchor Grup SA		
8	Apuron Energy SRL		
9	Aqua Energia SA		
10	Axpo Energy Romania SRL		
11	Conarg Real Estate SRL		
12	Cotroceni Park SA		

¹ also use renewable sources for producing electricity;

² are also included the owners of a trading licence and foreign legal persons with the headquarter in another EU Member State, which obtained from ANRE the approval to be market participants on the organised Romanian electricity markets

*Electricity market participants report to ANRE technical/commercial data according to the Methodology for wholesale electricity market monitoring, approved by ANRE Order no. 67/2018, as well as according to the Methodology for retail electricity market monitoring, approved by ANRE Order no. 167/2019, with subsequent amendments and additions. The table above does not include the Balancing Responsible Parties (BRP). The updated BRP list is published on the Balancing Market Operator website, CNTEE TRANSELECTRICA SA - www.transelectrica.ro.

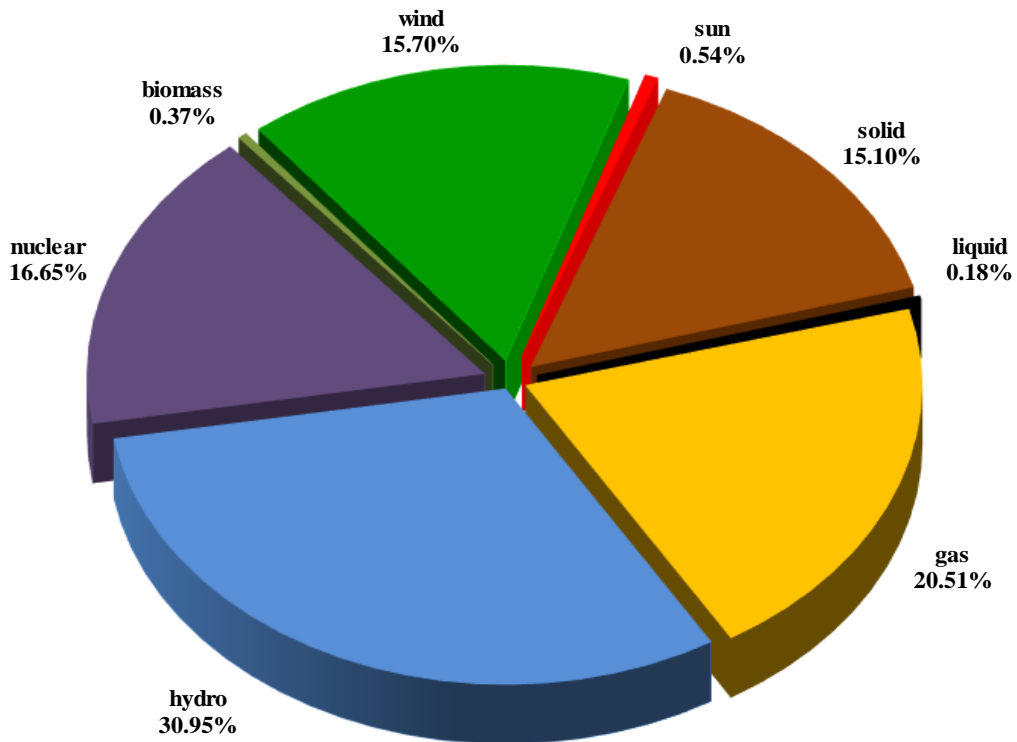
The monitored electricity generation license holders are producers holding dispatchable groups who on 31 August 2020 fulfilled the conditions set by CNTEE TRANSELECTRICA SA for participating in the Balancing Market, classified under the following power categories:

- hydro generation group with an installed power higher than 10 MW;
- thermal generation group (including biomass and nuclear) with installed power higher than 20 MW;
- wind, photovoltaic or internal combustion engine with installed power higher than 5 MW.

In accordance with the provisions of the Regulation on the programming of dispatchable production units, dispatchable consumers and dispatchable storage facilities, approved by ANRE President Order no. 61/2020, with subsequent amendments, CNTEE TRANSELECTRICA SA develops appropriate procedures for establishing the qualification conditions for dispatching.

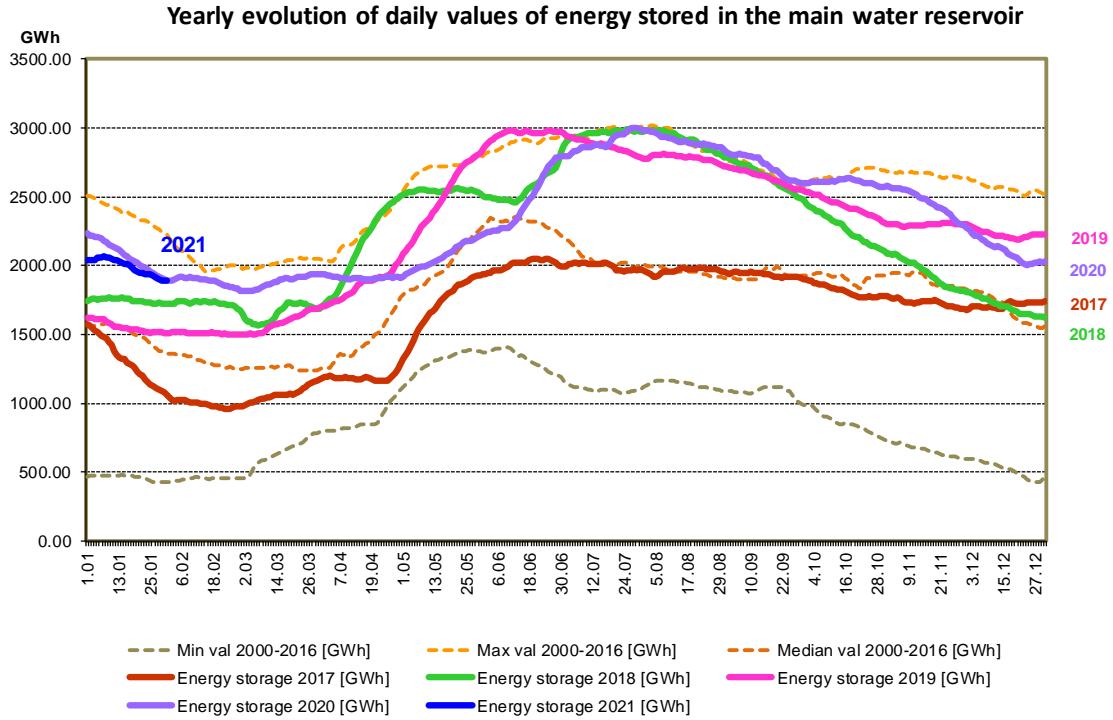
3. Generation structure of the National Power System by types of resources

Electricity structure by primary sources
(delivered by producers with dispatchable units)
-January 2021 -



Source: Monthly reports of producers – Electricity Market Monitoring Unit analysis

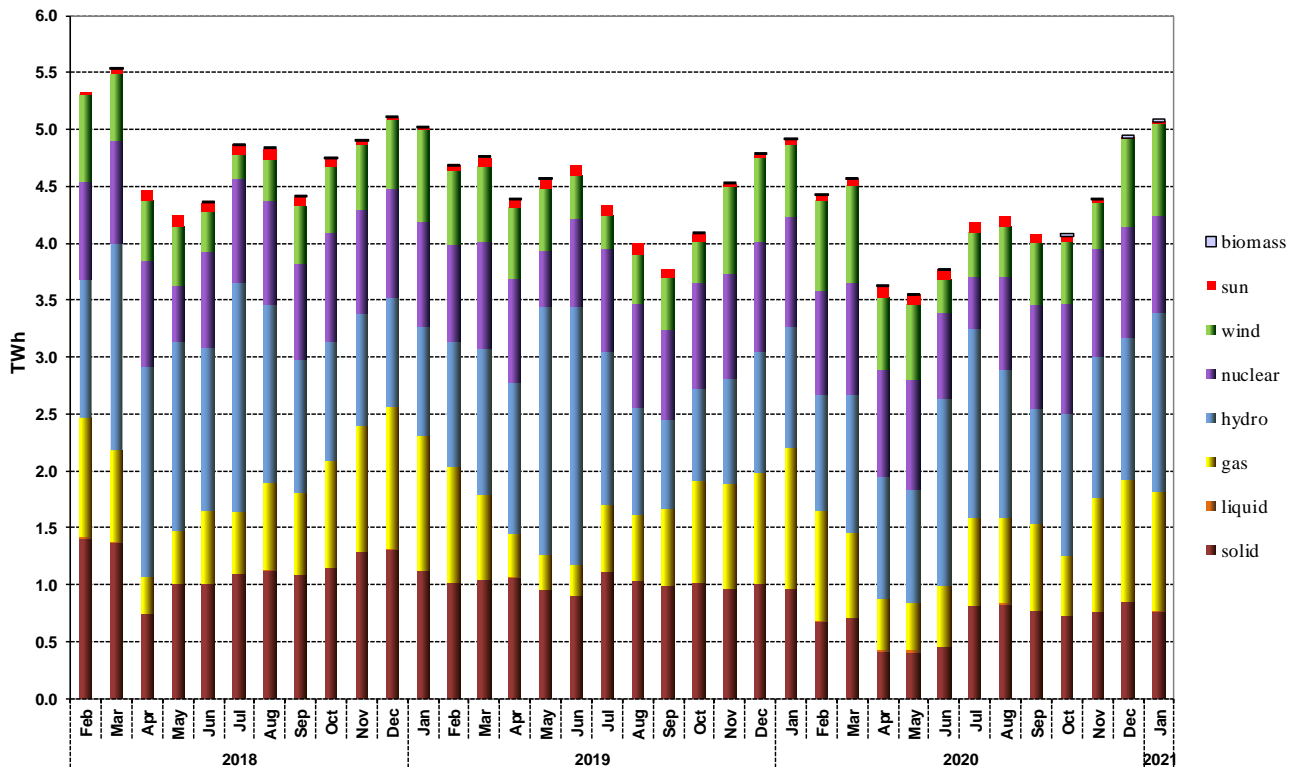
The electricity generated from hydro sources depends on the energy reserve in the main water reservoirs and at the same time it is influenced by it. The following graph presents the evolution of the daily amounts of energy stored in water reservoirs in 2021 compared to the daily values of the last 4 years and to the minimum, maximum and median values from 2000 - 2016.



Source: Monthly reports of Hidroelectrica S.A. – analysed by the Electricity Market Monitoring Unit

Evolution of the structure of the electricity delivered in the last 3 years is the following:

Evolution of electricity delivered by producers with dispatchable units by primary sources



Source: Monthly reports of producers – data analysed by Electricity Market Monitoring Unit

The following table presents the main data regarding the physical balance of electricity for January 2021, compared with the data for the similar period of 2020:

No.	INDICATOR	UM	January 2020	January 2021	%
0	1	2	3	4	$5=4/3*100$
1	Generated electricity	TWh	5.24	5.37	102.48
2	Delivered electricity	TWh	4.92	5.09	103.45
3	Import	TWh	0.78*	0.58	74.35
4	Export	TWh	0.57	0.50	73.07
5	Internal consumption (2+3-4)	TWh	5.13*	5.17	100.77
6	Consumption of households:	TWh	1.25	1.30	104.00
6.1	- on US/ regulated regime	TWh	0.78	0.75	96.15
6.2	- on the competitive market		0.47	0.55	117.02
7	Consumption of non-household clients:	TWh	3.06	3.09	100.98
7.1	- on US, last resort regime and inactive clients	TWh	0.10	0.08	80.00
7.2	- on the competitive market	TWh	2.96	3.01	101.68
8	Transmission–Injection component	TWh	4.82	5.00	103.73
9	Transmission–Extraction component	TWh	5.09	5.13	100.78
10	Transmission grid losses	TWh	0.09	0.12	133.33
11	Heat generated for delivery	Tcal	1544.02	1435.25	92.95
12	Heat in co-generation	Tcal	1233.84	1008.14	81.70

Notes:

1. The electricity produced and the electricity delivered are presented in accordance with the reports of the monitored production license holders - the producers who on 31.08.2020 operated dispatchable units on the Balancing Market;
 2. The imported/exported quantities do not include transits and cross-border exchanges of electricity by CNTEE Tranelectrica SA with neighbouring power systems in order to balance the system;
 3. The electricity for which a transport contract is concluded matches the electricity delivered from the plants with installed capacity of more than 5 MW connected to the transmission and distribution networks; the electricity extracted from the network for which a transport contract is concluded coincides with the electricity for which the electricity extraction tariff is charged (according to ANRE Order no. 214/2020, with subsequent amendments);
 4. The consumption of households is ensured under a regulated regime by suppliers of last resort for year 2020, respectively under US and last resort regime for the year 2021;
- *Differences with January 2020 Electricity Market Monitoring Report are determined by the corrections reported by market participants.

4. The structure of trades on the wholesale electricity market

The size of wholesale market depends on the sum of all trades of the market participants, exceeding the quantity physically transmitted from generation to consumption; the overall trades also include resales made in order to adjust the contractual position and to obtain a financial benefit.

Starting with the moment of entering into force of Law no. 123/2012 on electricity and natural gas, the structure of wholesale energy market was significantly changed through the introduction of the obligation to conduct all trades on the competitive market in a transparent, public, centralized and non-discriminatory manner. Therefore, after the entry into force of the law, all new trades on the wholesale energy market have to be concluded on the centralized markets, organized by Opcom SA, the only ANRE licensee for electricity market operation in Romania. The centralized markets which are presently functional are DAM (Day Ahead Market), CMBC (Centralized Market of Bilateral Contracts with Extended Auction mechanism - EA, with Continuous Negotiation mechanism - CN and with Fuel Processing mechanism - FP), ID (Intraday Market), CM-OTC – (Centralized Market with Double Continuous Negotiation for Electricity Bilateral Contracts), CM-LCM (Large Consumers Mechanism) and CMUS (Centralized Market for Universal Service). Also, at Opcom, starting with September 2019, the centralized market for electricity from renewable sources supported by green certificates has become

functional (CME-RES-GC). Also, at Opcom, starting with April 2020, the Centralized Market for Electricity Bilateral Contracts – Extended Auctions Mechanism (CMBC-EA-flex) became functional. Also, at Opcom, starting with September 2020, the centralized market for long-term electricity contracts (LTCM) became operational.

Besides the existing centralized markets, which ensure the transparent, public, centralized and non-discriminatory legal requirements, there are bilateral negotiated contracts concluded before the entering into force of the Law, still pending, and export and import contracts. At the same time, by Law no. 155/2020 for the amendment of Law no. 123/2012 on electricity and natural gas and regarding the amendment of other normative acts, a natural/legal person is allowed to contract, as a producer, the electricity produced in a new energy capacity, even if at the time of trading it does not yet have a production license.

By derogation from the obligation of transparent, public, centralized and non-discriminatory trading on the competitive electricity market, in accordance with Law no. 155/2020, market participants that mix the electricity produced by several energy sources or the loads of several clients may conclude bilateral contracts with the owners of those sources, respectively with the suppliers of the clients whose loads they mix.

The same law stipulates the possibility of concluding negotiated bilateral contracts between non-dispatchable producers from renewable energy sources and public authorities holding power plants from renewable energy sources with installed capacities of up to 3 MW per producer and the suppliers of final consumers for the sale of electricity and/or green certificates.

In accordance with the provisions of art. VII of the Order of the President of ANRE no. 65/2020 with subsequent amendments, long-term supply contracts between electricity market participants are also allowed.

Starting January 1, 2021, the regulated tariff for electricity supplied to the households by FUI was removed. Accordingly, to this fact, the regulated segment of the wholesale electricity market disappeared.

The following table presents the volumes traded and the average prices on each type of contracts and on the main components of the wholesale market, in the month under review compared to the previous month and the similar month from the previous year. The percentage of electricity volumes traded from the internal consumption (see table above) offers a reference for assessing the size of each of the specified markets.

The presented data are corresponding to the markets on which were reported transactions for at least in one of the analysed months. Prices presented above include only the injection component of the transmission tariff, in this way being comparable within a month and allowing the comparison with the previous month.

WHOLESALE MARKET TRADES	December 2020	January 2021	January 2020
1. BILATERAL CONTRACTS MARKET			
traded volume (GWh)	756	22	826
average price (lei/MWh)	187.13	155.57	146.56
% from internal consumption (%)	14.8	0.4	16.1*
1.1. Sales on regulated contracts			
traded volume (GWh)	736		801
average price (lei/MWh)	186.70	-	144.94
% from internal consumption (%)	14.4		15.6*
1.2. Sales on negotiated contracts¹⁾			
traded volume (GWh)	20	2	25
average price (lei/MWh)	203.16	258.34	199.10
% from internal consumption (%)	0.4	0.03	0.5

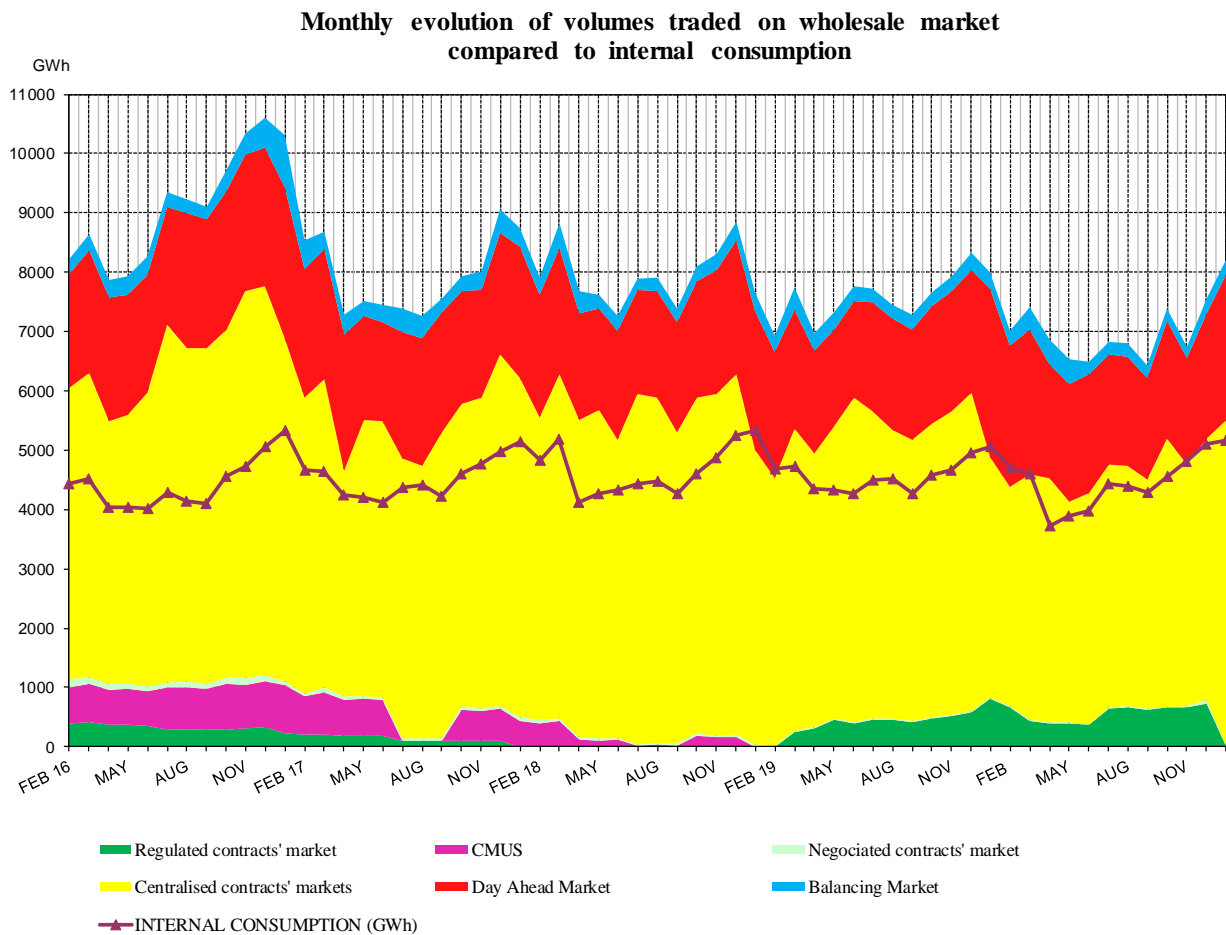
1.3. Sales on negotiated contracts within Aggregators			
traded volume (GWh)		21	
average price (lei/MWh)		147.25	-
% from internal consumption (%)		0.4	
2. EXPORT			
traded volume (GWh)	417	502	569
average price (lei/MWh)	235.18	244.46	233.75*
% from internal consumption (%)	8.2	9.7	11.0*
3. CENTRALIZED MARKETS OF BILATERAL CONTRACTS			
traded volume (GWh)	4409	5499	4049
average price (lei/MWh)	259.68	259.33	283.98
% from internal consumption	86.5	106.4	78.9
3.1. Extended auction mechanism CMBC-EA³⁾			
traded volume (GWh)	1134		
average price (lei/MWh)		416	1465
% from internal consumption	271.89	275.44	273.42
	22.2	8.0	28.5*
3.2. Extended auction mechanism CMBC-EA-Flex			
traded volume (GWh)	166	1240	
average price (lei/MWh)	239.11	255.96	-
% from internal consumption	3.3	24.0	
3.3. Continuous negotiation mechanism CMBC-CN³⁾			
traded volume (GWh)	899	623	770
average price (lei/MWh)	263.29	259.81	289.71
% from internal consumption	17.6	12.1	15.0*
3.4. CM-OTC mechanism³⁾			
traded volume (GWh)	2188	3143	1806
average price (lei/MWh)	254.26	259.85	290.30
% from internal consumption	42.9	60.8	35.2*
3.5. CME-RES-GC			
traded volume (GWh)	21	77	8
average price (lei/MWh)	174.57	201.01	238.73
% from internal consumption	0.4	1.5	0.1*
4. DAY AHEAD MARKET			
traded volume (GWh)	2118	2471	2852*
average price (lei/MWh) ⁴⁾	296.08*	281.36	257.14*
% from internal consumption	41.6	47.8	55.6*
5. INTRADAY MARKET			
traded volume (GWh)	73	83	63
average price (lei/MWh) ⁵⁾	331.89*	276.13	198.17*
% from internal consumption	1.4	1.6	1.2
6. BALANCING MARKET			
traded volume (GWh)	243	262	263
upward volume (GWh)	82	53	52
average price for negative imbalance (lei/MWh)	702.63	702.87	619.00
downward volume (GWh)	161	209	211
average price for positive imbalance (lei/MWh)	13.74	7.06	12.70
INTERNAL CONSUMPTION (GWh)			
<i>(distribution and transmission losses included)</i>	5096	5168	5133*

- 1) The sell – buy electricity contracts concluded before entering into force of Law no. 123/2012 on electricity and natural gas, contracts that are still running on the reporting month; the presented aggregated volumes and average prices are resulting from the involved market participants declarations;
- 2) Volumes and prices' information of export contracts are those reported monthly by wholesale market participants and includes the volumes exported by CNTEE Tranelectrica as the shipper agent for the coupled DAM and coupled ID; export volumes are verified with the DAMAS platform notifications some differences may be identified in some cases;
- 3) The monthly data is presented as is reported by the market participants that are monitored, for the electricity delivered in the respective month. The information refers both to trades concluded previously on CMBC and CMBC-CN (according to ANRE Order 6/2011) and

to trades concluded on CMBC-EA and CMBC-CN (according to ANRE Order 78/2014, with subsequent amendments). In May 2020, CMBC-EA was replaced with the Centralized Market for Electricity Bilateral Contracts – Extended Auctions Mechanism CMBC-EA-flex (according to ANRE President Order no. 64/2020); trading data specific to CMCB-EA and CMBC-EA-flex are highlighted separately as of May 2020, when CMBC-EA-flex became operational;

- 4) The DAM average monthly price from the table is calculated as an arithmetic average of the hourly closing prices (RO hours) from that month and is published by Opcom SA; In January 2021 this was 271.29 lei/MWh (CET hours). The average price calculated as a weighted average of the hourly closing prices with the traded volumes from the respective month was 281.25 lei/MWh in January 2021, and it was also published by Opcom SA;
 - 5) The ID weighted average price is calculated as a weighted average of the hourly closing prices with the traded volumes (RO hours) from the respective month; In January 2021, this was 275.86 lei/MWh (CET hours) and it was also published by Opcom SA;
- The average monthly price is calculated based on the monthly traded volumes and values, published by OPCOM SA.
 *Differences with January and December 2020 Electricity Market Monitoring Report are triggered by the corrections reported by market participants.

The following graph presents the evolution of the relation between the volumes sold on each market and the estimated internal consumption for the period February 2016 – January 2021:

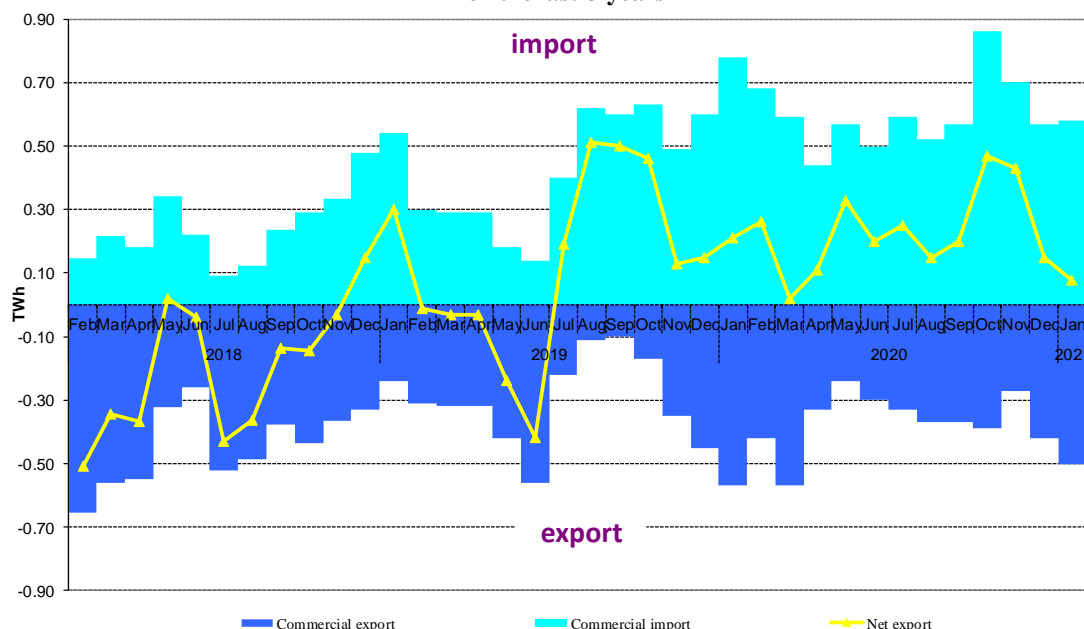


Source: Monthly reports of wholesale market participants, Opcom SA and CNTEE Transelectrica SA – Analysis of Electricity Market Monitoring Unit

Note: In the above graph, the volumes traded on negotiated contracts' market are referring to the buy – sell electricity contracts concluded before the Law no. 123/2012 on electricity and natural gas entry in force, contracts that are still running on the reporting month.

The following graph presents the monthly values of commercial export and import, and the net export for the last 36 months:

**Monthly evolution of export, import and net export of electricity
for the last 3 years**



Source: Monthly reports of CNTEE Transelectrica SA – analysis by Electricity Market Monitoring Unit

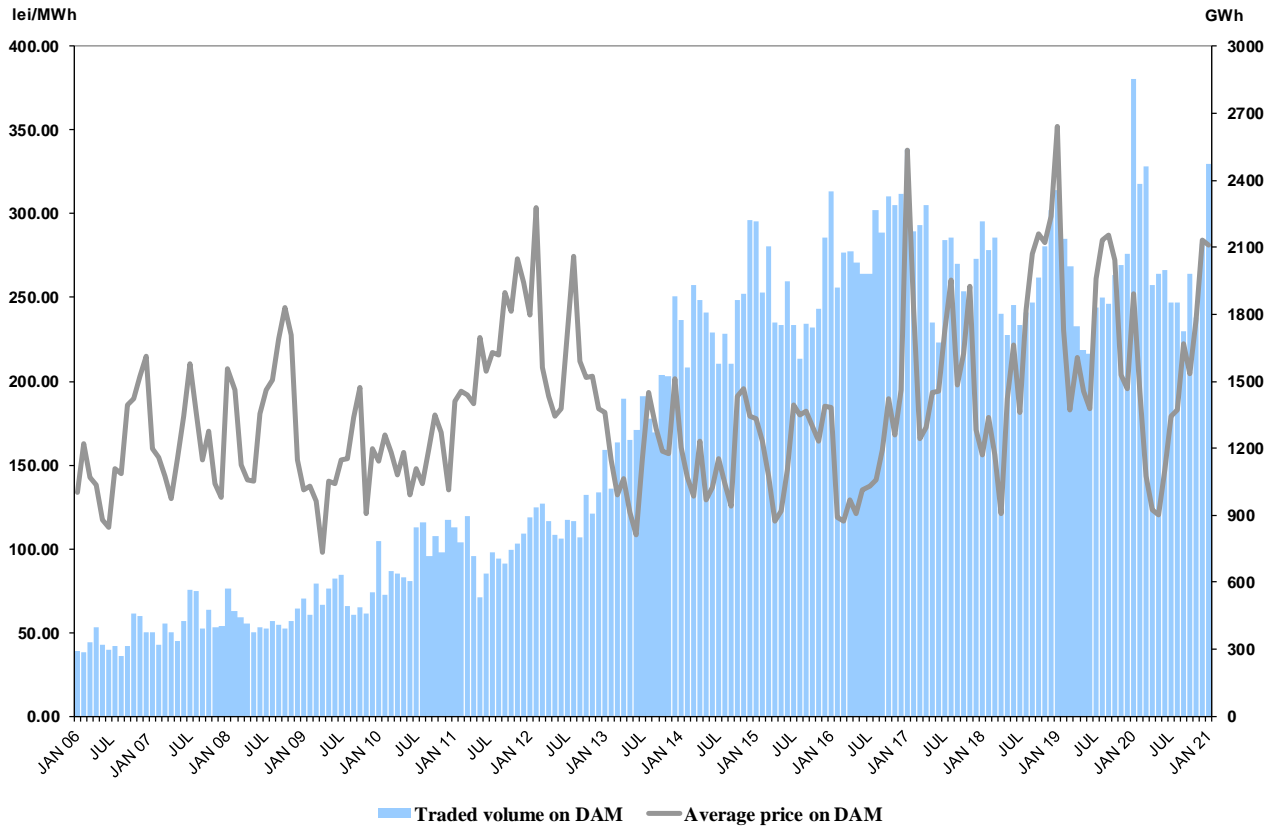
The following table presents commercial export and import trades for the electricity extracted/injected from/in the transmission network. These include the trades of CNTEE Transelectrica SA as the shipper agent in the price coupling mechanism of DAM and ID. Shipper agent role is reflected in the physical and commercial transfer of electricity for import/export on the interconnections between Romania and Hungary.

IMPORT/EXPORT TRADES	December 2020	January 2021	January 2020
EXPORT			
traded volume (GWh)	417	502	569
average price (lei/MWh)	235.18	244.46	233.75*
% from internal consumption	8.2	9.7	11.0*
of which, through coupled DAM			
traded volume (GWh)	139	180	130
average price (lei/MWh)	223.97	237.57	235.27
% from internal consumption	2.7	3.5	2.5
of which, through coupled ID			
traded volume (GWh)	26	45	13
average price (lei/MWh)	354.05	281.25	267.13
% from internal consumption	0.5	0.9	0.3
IMPORT			
traded volume (GWh)	569	581	781*
average price (lei/MWh)	312.13	286.29	276.35*
% from internal consumption	11.2	11.2	15.2
of which, through coupled DAM			
traded volume (GWh)	133	141	74
average price (lei/MWh)	324.92	303.27	254.30
% from internal consumption	2.6	2.7	1.4*
of which, through coupled ID			
traded volume (GWh)	41	33	19
average price (lei/MWh)	314.23	272.36	257.34
% from internal consumption	0.8	0.6	0.4

*Differences with January 2020 Electricity Market Monitoring Report are triggered by the corrections reported by market participants.

The following graph presents the monthly average volumes and prices of trades concluded on DAM starting with January 2006:

Monthly evolution of the traded volume and average prices on DAM



Source: Monthly reports of Opcom SA and CNTEE Tranelectrica SA – analysed by Electricity Market Monitoring Unit

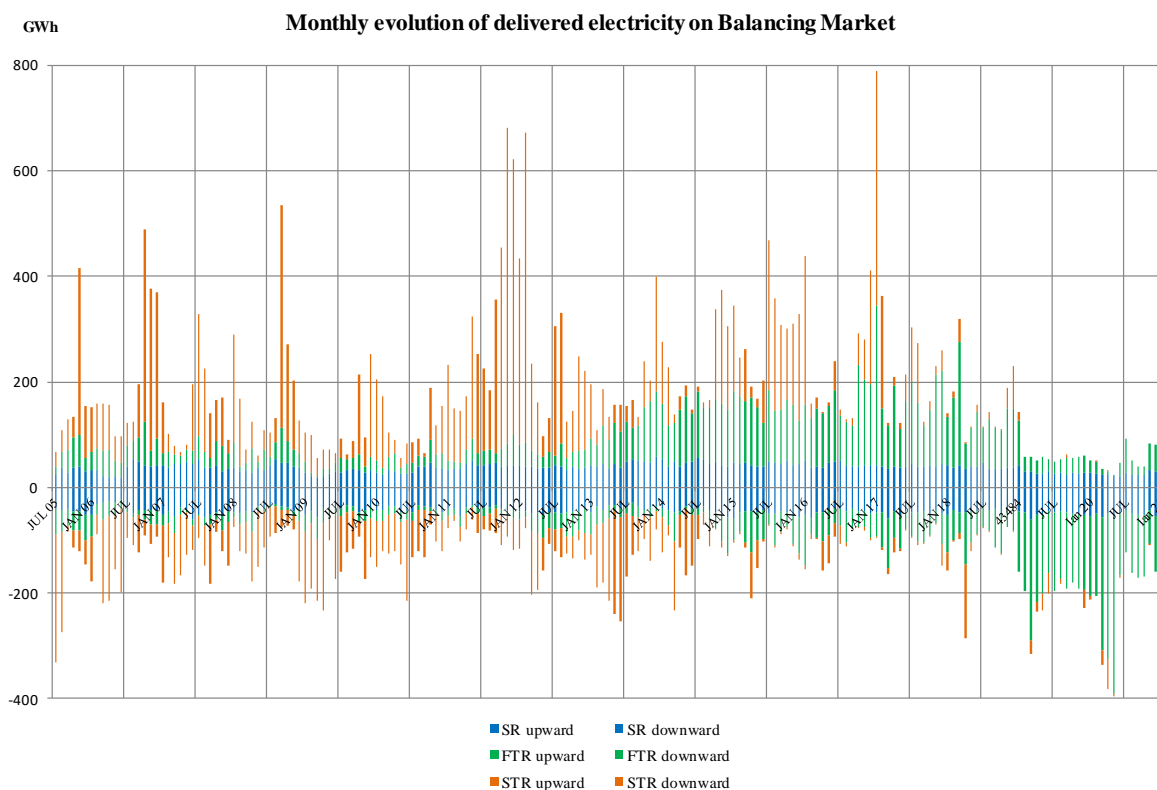
Dispatch orders (accepted offers) received by generators determine the committed electricity on the Balancing Market. After settlement, the actual electricity delivered by generators on the Balancing Market is determined based on the measured (approved) values; the relation between the committed and delivered electricity in January 2021 is presented in the following table:

JANUARY 2021	Dispatch order (GWh)	Delivered electricity (GWh)	Deviation (%)
Secondary regulation	88	88	
<i>upward</i>	27	27	
<i>downward</i>	61	61	
Fast tertiary regulation	180	174	4
<i>upward</i>	27	26	4
<i>downward</i>	153	148	3
Slow tertiary regulation	0	0	0
<i>upward</i>	0	0	0
<i>downward</i>	0	0	0
TOTAL	268	262	
<i>upward</i>	54	53	
<i>downward</i>	214	209	
INTERNAL CONSUMPTION		5168	
<i>% share of traded volumes from internal consumption</i>		5.1%	

Source: Monthly reports of CNTEE Tranelectrica SA – Electricity Market Monitoring Unit assessment

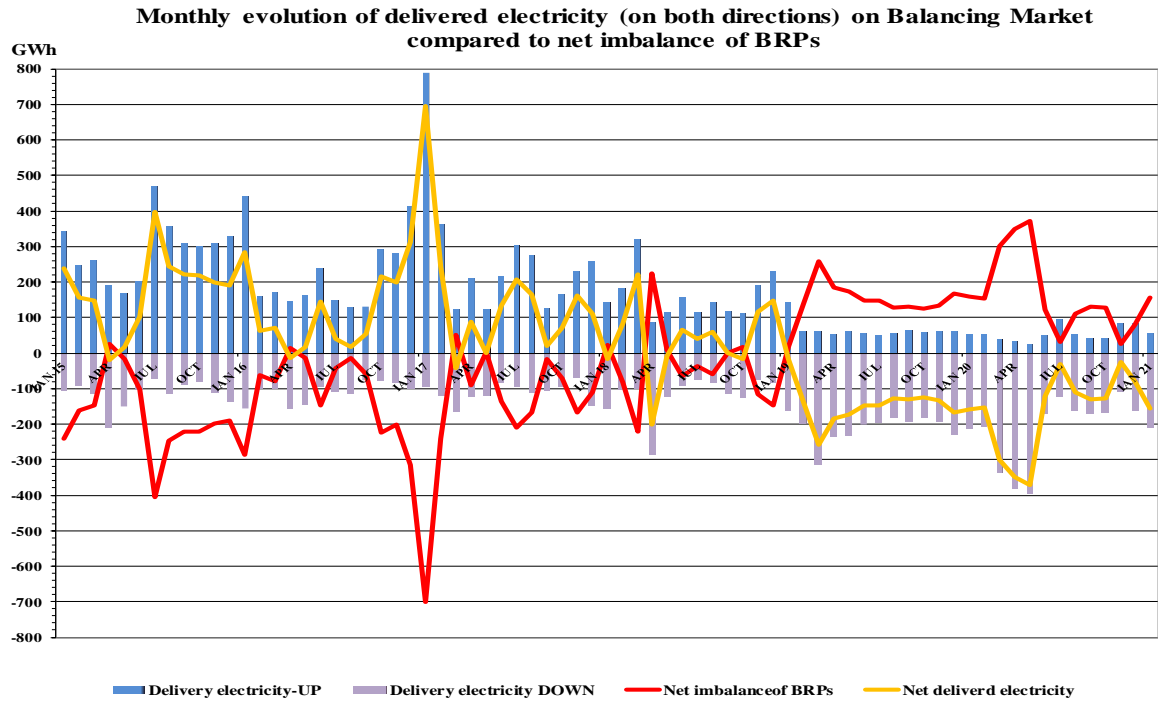
Note: the balancing electricity committed and actually delivered has included the electricity volume related to transactions with financial compensation mechanism outside the BM resulting from dispatcher's provisions (increasing/decreasing) for solving network restrictions, ensuring the security of the system by redispatching or by trading in a coordinated counterparty (according with the provisions of ANRE Order no.152/2020), and having the the following balances: electricity volume committed 0.956 GWh and electricity volume actually delivered 0.945 GWh.

The structure of the balancing electricity actually delivered in the system on each type of regulation between July 2005 – January 2021 is presented in the graph below:



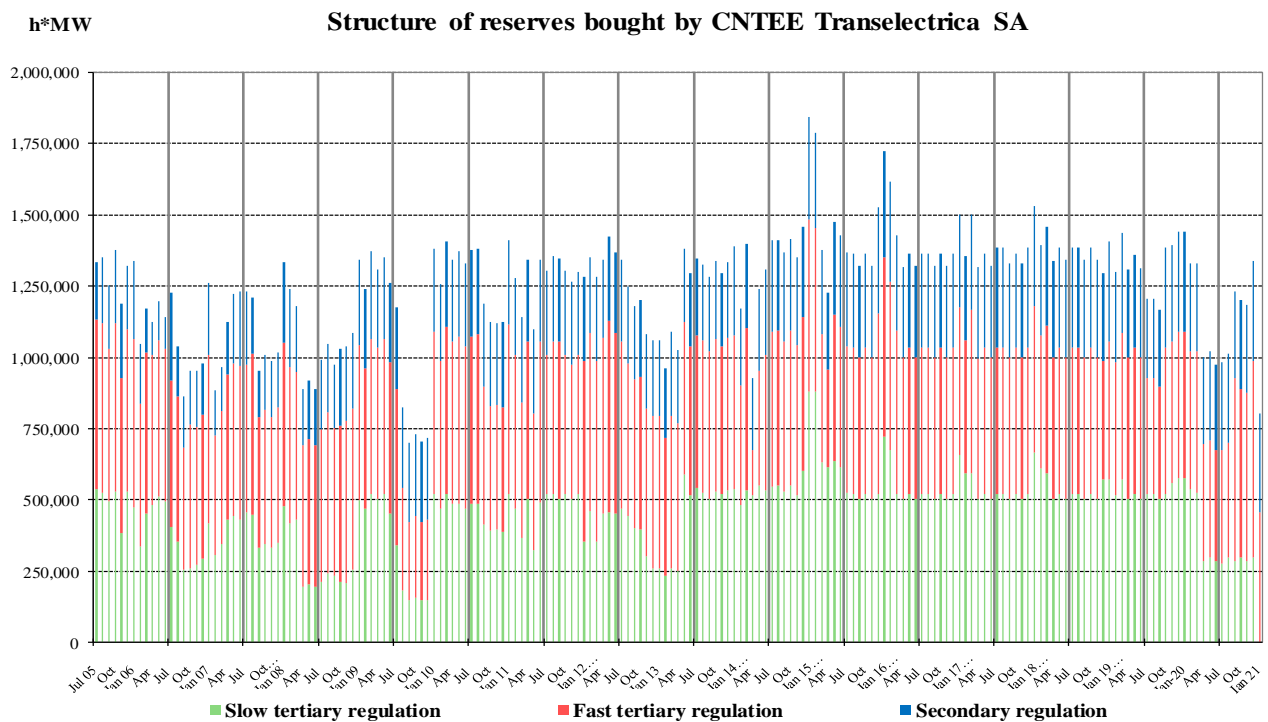
Source: Monthly reports of CNTEE Tranelectrica SA – analysed by Electricity Market Monitoring Unit

The following graph presents the monthly evolution of the electricity used for system balancing, effectively delivered on BM and the balance of imbalances recorded by BRPs:



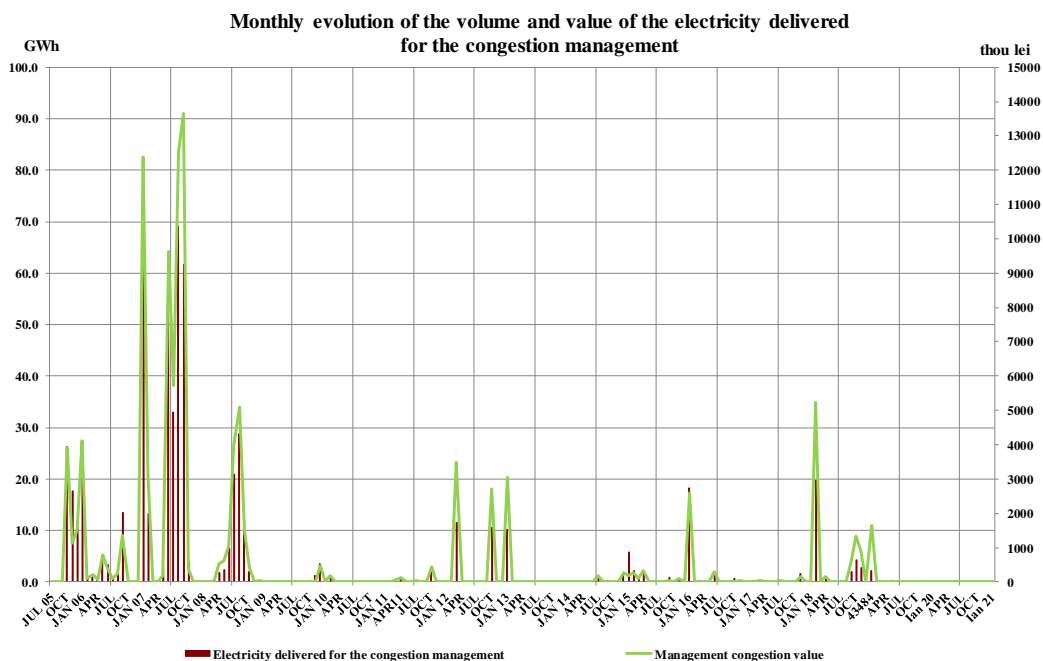
Source: Monthly reports of CNTEE Tranelectrica SA and OPCOM SA – analysed by the Electricity Market Monitoring Unit

The following chart shows the evolution of the reserves (ancillary services representing obligations of the producers to keep available to the dispatcher or to offer on the balancing market the contracted capacities) bought/settled by CNTEE Tranelectrica S.A., for the period July 2005 - January 2021:



Source: Monthly reports of CNTEE Tranelectrica SA – analysed by the Electricity Market Monitoring Unit

The following graph presents the monthly evolution of the electricity used for congestion management (the electricity traded by the transmission and system operator on the Balancing Market for transmission system's congestion management), starting with July 2005, and the values of these trades made by CNTEE Transelectrica S.A.



Source: Monthly reports of CNTEE Transelectrica SA – analysed by the Electricity Market Monitoring Unit

5. Structure of trades on the wholesale electricity market of different market participant categories

Producers

In January 2021 comparing with the similar period of the previous year, the structure of electricity sale obligations contracted before the delivery interval by the electricity producers with dispatchable units was the following:

Trade type	-GWh-	
	January 2020	January 2021
Thermal, hydro and nuclear producers, regulated contracts with last resort	801.00	-
Negotiated contracts, to suppliers	24.63	1.68
Negotiated contracts within Aggregators	-	20.69
Contracts concluded on the Opcom centralized markets:	2079.22	3676.06
CMBC-EA	1270.03	344.30
CMBC-EA-flex	-	1176.87
CMBC-CN	262.64	308.33
CM-OTC	538.94	1770.03
CME-RES-GC	7.61	76.53
DAM	2266.27	1646.07
ID	36.18	39.58
Supply contracts to final clients, out of which:	338.43*	417.82
Households	0.32	0.54
Non-households	338.11*	417.28
Total	5545.72	5801.90

Source: Monthly reports of producers – analysed by Electricity Market Monitoring Unit

Note: *Differences with January 2020 Electricity Market Monitoring Report are triggered by the corrections reported by market participants.

Suppliers

In January 2021, 94 companies having as the main activity that of electricity supply were active on the electricity market; out of these, 31 are suppliers that only operate on the wholesale electricity market (some of which have a license for electricity trading or foreign legal persons with permit to participate to Romanian energy market) and 63 are suppliers that are also active on the retail electricity market (including the last resort suppliers, that are active on the universal service, last resort service segment and the competitive segment of the REM).

Suppliers acting exclusively on WEM

The following table illustrates the activity carried out by suppliers active only on WEM (including traders and foreign legal persons with ANRE permit to participate to Romanian energy market), presenting the structure by market segments/WEM participants of the total acquisitions and sales made by these suppliers in January 2021, compared to the similar period in 2020:

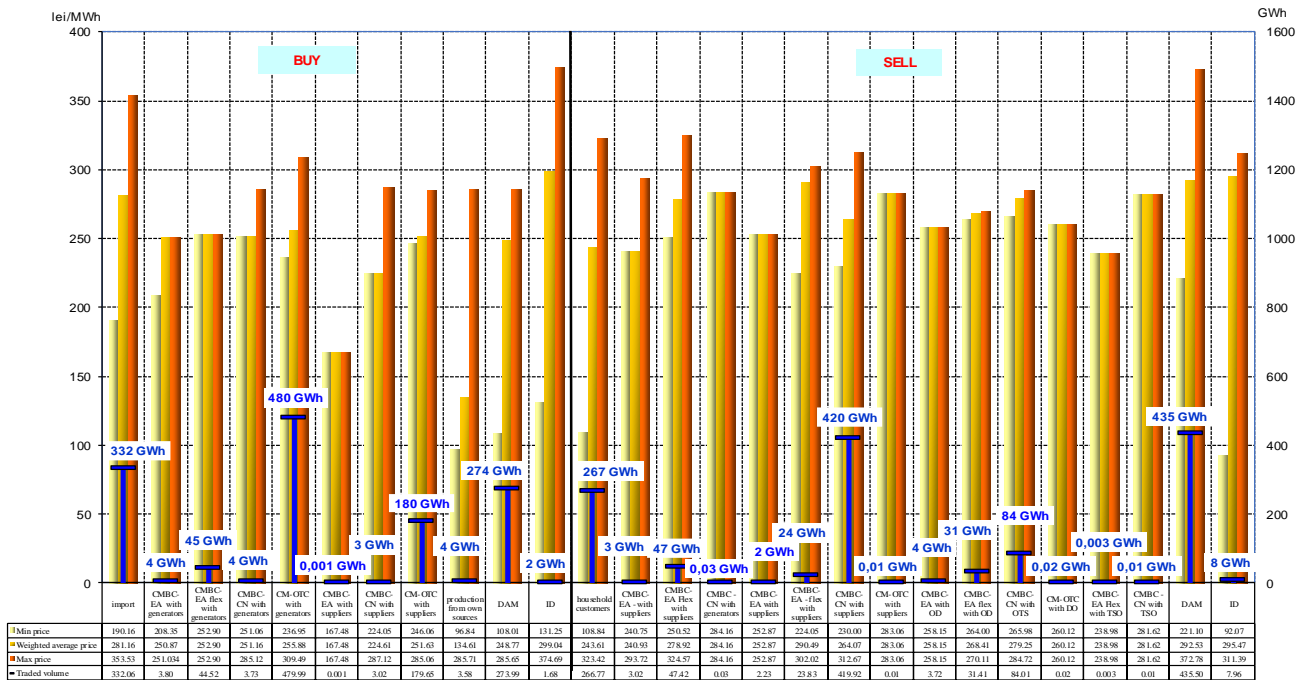
	-GWh-	
Structure of trades of suppliers acting exclusively on WEM	January 2020	January 2021
Buy		
Import	521.40	332.06
Trades concluded on Opcom centralized markets, out of which:	277.01	714.70
- on CMBC-EA with producers	72.34	3.80
on CMBC-EA-Flex with producers	-	44.52
- on CMBC-CN with producers	11.28	3.73
- on CM-OTC with producers	87.32	479.99
- on CMBC-EA with other suppliers	0.08	0.001
- on CMBC-CN with other suppliers	29.72	3.02
- on CM-OTC with other suppliers	76.28	179.65
production from own sources	4.15	3.58
DAM	821.75*	273.99
ID	7.27	1.68
Sell		
Export	415.95	266.77
Trades concluded on Opcom centralized markets, out of which:	949.44	615.62
- on CMBC-CN with producers	31.95	3.02
- on CM-OTC with producers	19.36	47.42
- on CMBC-EA with other suppliers	46.09	0.03
- on CMBC-EA – Flex with other suppliers	-	2.23
- on CMBC-CN with other suppliers	110.85	23.83
- on CM-OTC with other suppliers	567.95	419.92
- on CMBC-EA with DO	22.34	0.01
- on CMBC-EA – Flex with DO	-	3.72
- on CMBC-CN with DO	96.62	31.41
- on CM-OTC with DO	39.44	84.01
- on CMBC-EA with TSO	11.15	0.02
- on CMBC-EA-Flex with TSO	-	0.003
- on CMBC-CN with TSO	3.72	0.01
DAM	264.27	435.50
ID	2.41	7.96

Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

Note: *Differences with January 2020 Electricity Market Monitoring Report are triggered by the corrections reported by market participants.

The analysis by types of sources/destinations of the traded volumes, minimum, average and maximum prices in January 2021 of suppliers acting exclusively on WEM are presented graphically below:

Trades concluded by suppliers acting exclusively on WEM
- JANUARY 2021-



Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

Suppliers active on REM (suppliers of last resort not included)

The table below presents aggregated data regarding the structure by market segments/REM participants of total acquisitions and sales made by these market participants in January 2021, compared with the similar period of 2020:

- GWh -

Structure of trades of suppliers acting on REM (suppliers of last resort not included)	January 2020	January 2021
Buy		
Import	167.17	75.60
Negotiated trades with producers	24.91	0.00
Trades concluded on Opcom centralized markets, out of which:	1424.17	1945.32
- on CMBC-EA with producers	431.29	202.48
- on CMBC-EA-Flex with producers	-	272.05
- on CMBC-CN with producers	112.17	92.05
- on CM-OTC with producers	114.10	651.62
- on CME-RES-GC from producers	12.12	19.41
- on CMBC-EA with other suppliers	62.84	40.88
- on CMBC-EA-Flex with other suppliers	-	0.00
- on CMBC-CN with other suppliers	112.26	58.82
- on CM-OTC with other suppliers	579.39	608.02
production from own sources	10.09	41.74
Negotiated trades with non-dispatchable producers (others than under Law 220/2008) *	3.33	2.34
Negotiated trades with non-dispatchable producers (amendments and additions to Law no. 220/2008) **	13.78	9.81
Trades with prosumers	0.003	0.01
DAM	954.43	457.18
ID	32.44	8.58

Sell		
Export	9.85	9.56
Trades concluded on Opcom centralized markets, out of which:	970.09	1053.67
- on CMBC-EA – Flex with producers	15.65	59.57
- on CMBC-CN with producers	74.36	4.63
- on CM-OTC with producers	57.75	28.33
- on CMBC-EA with other suppliers	-	15.11
- on CMBC-EA-Flex with other suppliers	133.10	122.26
- on CMBC-CN with other suppliers	467.15	713.34
- on CM-OTC with other suppliers	48.36	17.21
- on CMBC-EA with DO	-	36.47
- on CMBC-EA – Flex with DO	64.04	32.25
- on CMBC-CN with DO	85.49	18.63
- on CMBC-OTC with DO	9.32	0.02
- on CMBC-EA with TSO	-	5.87
- on CMBC-CN with TSO	14.87	0.00
DAM	104.89	144.89
ID	3.23	1.07
Households	31.41***	33.59
Non-households	1494.63***	1293.55

Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

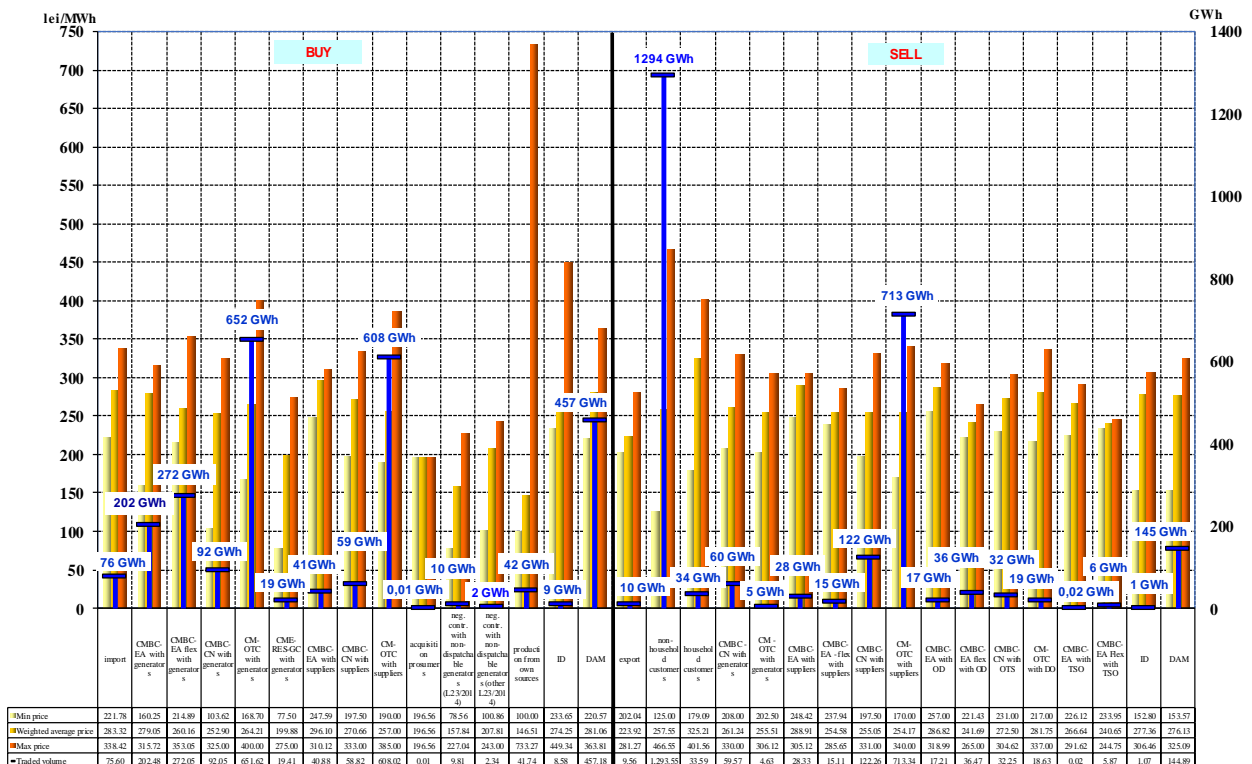
Notes: *negotiated trades with non-dispatchable producers that do not fall under Law no. 220/2008, with subsequent modifications and additions.

** Negotiated trades with non-dispatchable producers that fall under Law no. 220/2008, with subsequent modifications and additions.

***Differences with January 2020 Electricity Market Monitoring Report are triggered by corrections reported by market participants.

The analysis by types of sources/destinations of the volumes traded, the average, highest and lowest prices in January 2021, for suppliers active on the REM and WEM are shown in the following graph:

Trades concluded by suppliers active on WEM and REM - JANUARY 2021-



Source: Monthly reports of the suppliers – analysed by Electricity Market Monitoring Unit

Suppliers of last resort

According to provisions of the Regulation on the designation of suppliers of last resort approved by ANRE Order no. 188/2020 with subsequent amendments and completions, starting with 01.01.2021, ANRE has designated CEZ Vânzare SA, Enel Energie SA, Enel Energie Muntenia SA, E.ON Energie România SA, Tinmar Energy SRL and Electrica Furnizare SA as suppliers of last resort (SLR) for all network areas.

In January 2021, Tinmar Energy was designated as SLR for final clients who do not have ensured the electricity supply from any other source.

A SLR supply its final clients based on the contracts concluded in accordance with:

- the provisions of the framework contract for the electricity supply by SLR to the households, approved by ANRE Order no. 88/2015 with subsequent amendments and completions (form valid from 01.01.2021) - for **households**;
- the provisions of the framework contract for the electricity supply by SLR to non-household clients, approved by ANRE Order no. 88/2015 with subsequent amendments and completions (form valid from 01.01.2021) - **for non-household clients who benefit from universal service (US) and for those taken over because they do not have ensured the electricity supply from any other source**;
- electricity supply contracts with clauses established between the parties for households and non-household clients using eligibility and for non-household clients from their own portfolio, who have not used eligibility and do not meet the conditions or have not requested to benefit from universal service; the electricity price is established on competitive criteria, by each SLR, for each network area.

As a result of the termination of the applicability of the regulated tariffs for the electricity supply to households according to art. 22 para. 11 of Law no. 123/2012 on electricity and natural gas, with subsequent amendments and completions, starting 01.01.2021, the households may conclude supply contracts in a competitive manner with the supplier (SLR or competitive) by:

- direct negotiation of the price and the commercial conditions;
- accepting a proposed offer.

If households have not chosen a competitive offer and have not concluded a contract on the competitive market, they have the right to benefit from continuity of electricity supply of any SLR, under the US regime applied by the respective SLR. The households benefiting from US have the right to receive from their SLR the best competitive offer in terms of value (which includes the price of active electricity, tariffs for network services, costs and profit of the supplier).

During 01.01.2021-30.06.2021, for households benefiting from US who have chosen the competitive offer, until the date of its application, SLR applies a commercial discount equal to the difference between its US offer price and the competitive offer price valid for the same period.

From 01.07.2021, the price applied to households who have not concluded a supply contract on a competitive market, will be the price of the US offer of SLR in force at that date.

The price applied to the final clients benefiting from the US is established by each SLR on competitive criteria, so that it is reasonable, competitive, easily comparable, transparent and non-discriminatory. It also includes tariffs for network services.

The price applied to non-household final clients that were taken over in the last resort regime is determined by summing the average purchase price established by each SLR and the supply component of the SLR (which includes the cost of the supply activity and participation in centralized wholesale

markets). The data reported by the SLR includes the tariffs for the network services dedicated to the clients from their own portfolio.

In the case of households and non-household final clients with US right and who request to benefit from this right, that were taken over by a SRL because they did not have ensured the electricity supply from any other source, it is applied the offer price for last resort regime valid at takeover date. In addition of participating on the wholesale electricity market components, in order to meet the electricity needs of its clients, SLR can also conclude contracts with prosumers for the electricity purchasing.

ANRE Order no. 27/2018 for the approval of the Regulation on the organization and conduct of tenders on the centralized market for universal service has amended the conditions of SLR participation in centralized market for universal service (CMUS) in order to purchase only electricity necessary to cover the consumption of final clients benefiting the US regime, in this respect participation to the auction sessions becoming thus voluntary. In January 2021, no electricity transactions took place on this market.

Trades' structure on the WEM of suppliers of last resort (made before the delivery interval) to supply final clients under the US regime, last resort regime and inactive regime and competitive regime is shown in the table below for January 2021, compared with the similar period of 2020:

-GWh -

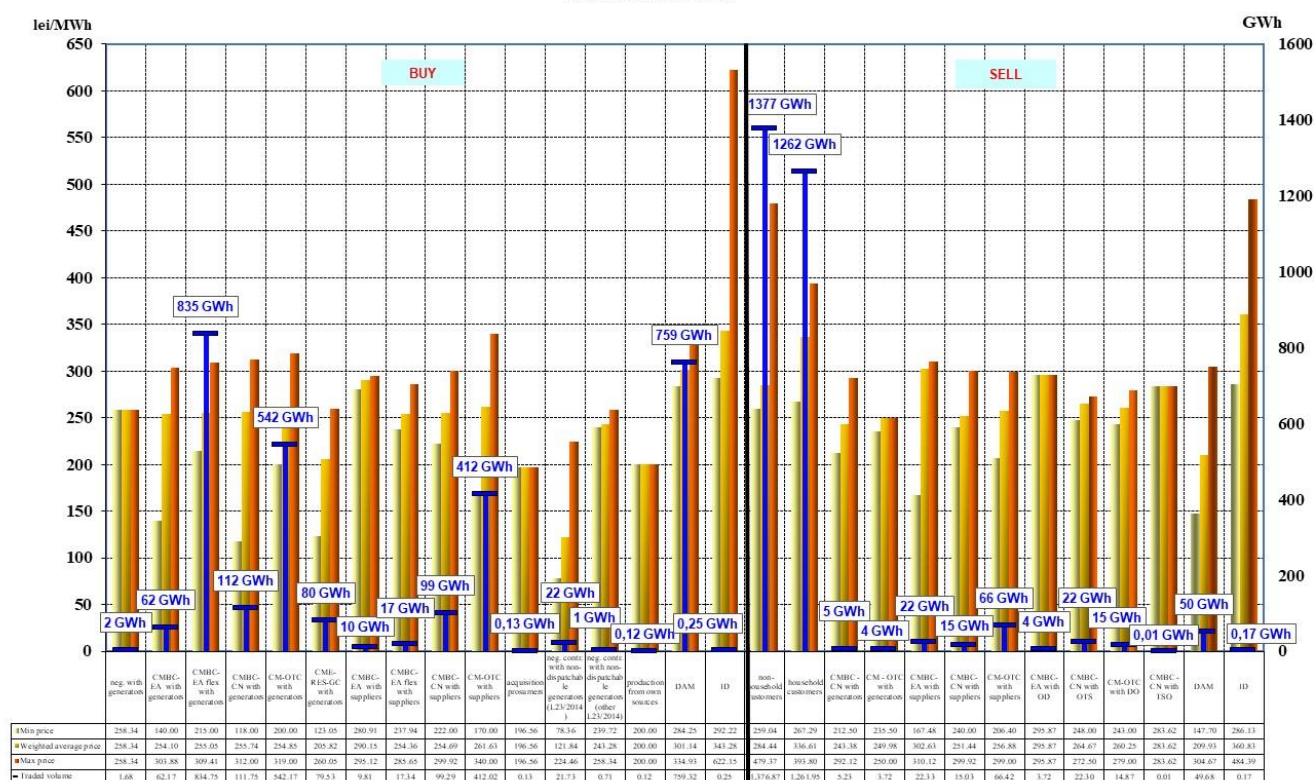
Structure of trades concluded by suppliers of last resort to supply final clients (Universal Service, last resort, inactive and competitive regime)	January 2020	January 2021
Buy		
Regulated contracts with producers	800.89	0.00
Negotiated with producers	0.36	1.68
Trades concluded on Opcom centralized markets, out of which:	1580.39	2168.81
- <i>trades on CMBC-EA with producers</i>	651.77	62.17
- <i>trades on CMBC-EA Flex with producers</i>	-	834.75
- <i>trades on CMBC-CN with producers</i>	57.38	111.75
- <i>trades on CM-OTC with producers</i>	321.85	542.17
- <i>on CME-RES-GC from producers</i>	13.74	79.53
- <i>trades on CMBC-EA with other suppliers</i>	40.91	9.81
- <i>trades on CMBC-EA Flex with other suppliers</i>	-	17.34
- <i>trades on CMBC-CN with other suppliers</i>	107.87	99.29
- <i>trades on CM-OTC with other suppliers</i>	386.87	412.02
Own sources production	0.00	0.12
Negotiated trades with non-dispatchable producers (others, changes, additions Law 220/2008) *	0.76	0.71
Negotiated trades with non-dispatchable producers (changes, additions Law 220/2008) *	22.02	21.73
Trades with prosumers	0.04	0.13
DAM:	205.95	759.32
ID	0.09	0.25
Sell		
Trades concluded on Opcom centralized markets, out of which:	49.94	153.62
- <i>trades on CMBC-CN with producers</i>	19.34	5.23
- <i>trades on CM-OTC with producers</i>	0.00	3.72
- <i>trades on CMBC-EA with other suppliers</i>	0.00	22.33
- <i>trades on CMBC-CN with other suppliers</i>	5.94	15.03
- <i>trades on CM-OTC with other suppliers</i>	7.51	66.42
- <i>trades CMBC-EA with DO</i>	0.00	3.72
- <i>trades CMBC-CN with DO</i>	11.15	22.30
- <i>trades CM-OTC with DO</i>	6.00	14.87
- <i>trades CMBC-CN with TSO</i>	0.00	0.01
- <i>DAM</i>	90.90	49.68
- <i>ID</i>	0.00	0.17
Households	1213.91	1261.95
Non-household clients	1226.64	1376.87

Note: *negotiated trades with non-dispatchable producers that fall under the provisions of Law no. 220/2008, with subsequent amendments and additions.

** negotiated transactions carried out with non-dispatchable producers that fall within the provisions of Law no. 220/2008 with subsequent amendments and completions

The structure of the electricity transactions concluded by the suppliers of last resort for electricity supplied to the final consumers (US, last resort, inactive regime and competitive regime) for January 2021 is presented in the following graph:

Trades concluded by suppliers of last resort on the electricity market
- JANUARY 2021 -



Source: Monthly reports of the suppliers – analysis by Electricity Market Monitoring Unit

Trades’ structure on the WEM of suppliers of last resort (made before the delivery interval) to supply households and non-household final clients under the US regime, is shown in the table below for January 2021, compared with the similar period of 2020:

Structure of trades concluded by suppliers of last resort to supply final clients in SU regime	January 2020		January 2021	
	Quantity [GWh]	Average price [lei/MWh]	Quantity [GWh]	Average price [lei/MWh]
Buy				
Regulated contracts with producers	800.98	144.94	0.00	0.00
Negotiated trades with non-dispatchable producers (changes, additions Law 220/2008) *	0.0002	180.88	0.01	186.99
Trades concluded on Opcom centralized markets, out of which:	9.93	270.22	674.23	257.40
- trades on CMBC-EA with producers	4.06	249.03	28.82	249.30
- trades on CMBC-EA Flex with producers	0.00	0.00	268.81	254.62
- trades on CMBC-CN with producers	0.09	237.53	32.50	254.88
- trades on CM-OTC with producers	0.25	287.40	150.08	260.18
- on CME-RES-GC from producers	0.00	0.00	3.45	220.44
- trades on CMBC-EA with other suppliers	0.04	261.14	4.65	287.50
- trades on CMBC-EA Flex with other suppliers	0.00	0.00	12.25	251.52

- trades on CMBC-CN with other suppliers	2.30	291.72	35.84	246.86
- trades on CM-OTC with other suppliers	3.20	281.28	137.82	265.26
Trades with prosumers	0.01	251.15	0.02	196.56
DAM:	23.74	260.86	176.33	312.39
ID	0.00	232.00	0.01	622.15
Sell				
- DAM	30.47	245.52	31.98	222.82
Households	776.35	257.67	749.35	314.43
Non-households	12.68	457.61	10.07	381.48

Note: *negotiated transactions carried out with non-dispatchable producers that fall within the provisions of Law no. 220/2008 with subsequent amendments and completions

Trades' structure on the WEM of suppliers of last resort (made before the delivery interval) to supply inactive clients is presented in the following table for January 2021 compared to the similar period of 2020:

Structure of trades concluded of last resort for supplying electricity to inactive clients	January 2020		January 2021	
	Quantity [GWh]	Average price [lei/MWh]	Quantity [GWh]	Average price [lei/MWh]
Buy				
Negotiated trades with non-dispatchable producers (changes, additions Law 220/2008) *	0.001	183.44	0.0002	186.99
Trades concluded on Opcom centralized markets, out of which:	53.42	287.63	31.45	255.51
- trades on CMBC-EA with producers	19.14	261.94	0.09	253.47
- trades on CMBC-EA Flex with producers	-	-	27.57	254.96
- trades on CMBC-CN with producers	0.24	247.30	0.39	250.91
- trades on CM-OTC with producers	1.00	288.32	1.32	248.15
- trades on CMBC-EA with other suppliers	3.81	318.09	0.07	292.62
- trades on CMBC-EA Flex with other suppliers	-	-	0.04	237.94
- trades on CMBC-CN with other suppliers	20.05	298.97	0.12	246.55
- trades on CM-OTC with other suppliers	9.18	304.75	1.87	269.42
Trades with prosumers	0.002	251.89	0.001	196.56
DAM:	14.68	276.52	38.26	290.14
ID	0.0004	225.65	0.0004	622.15
Sell				
- DAM	2.52	221.30	1.31	263.62
Inactive clients	89.95	431.98	66.22	391.52

The following table shows the structure of suppliers of last resort electricity transactions made before the delivery interval, corresponding to the competitive segment of WEM, in January 2021, compared to the similar period of 2020:

Structure of trades concluded by suppliers of last resort to supply final clients, competitive regime	January 2020	January 2021
Buy		
Negotiated with generators	0.36	1.68
Trades concluded on Opcom centralized markets, out of which:	1516.98	1462.09
- trades on CMBC-EA with producers	628.58	33.26
- trades on CMBC-EA Flex with producers	0.00	537.51
- trades on CMBC-CN with producers	57.09	78.36
- trades on CM-OTC with producers	320.62	390.77
- on CME-RES-GC from producers	13.74	76.07
- trades on CMBC-EA with other suppliers	37.07	5.09
- trades on CMBC-EA Flex with other suppliers	0.00	5.06
- trades on CMBC-CN with other suppliers	85.46	63.33
- trades on CM-OTC with other suppliers	374.42	272.15
- production from own sources	-	0.12

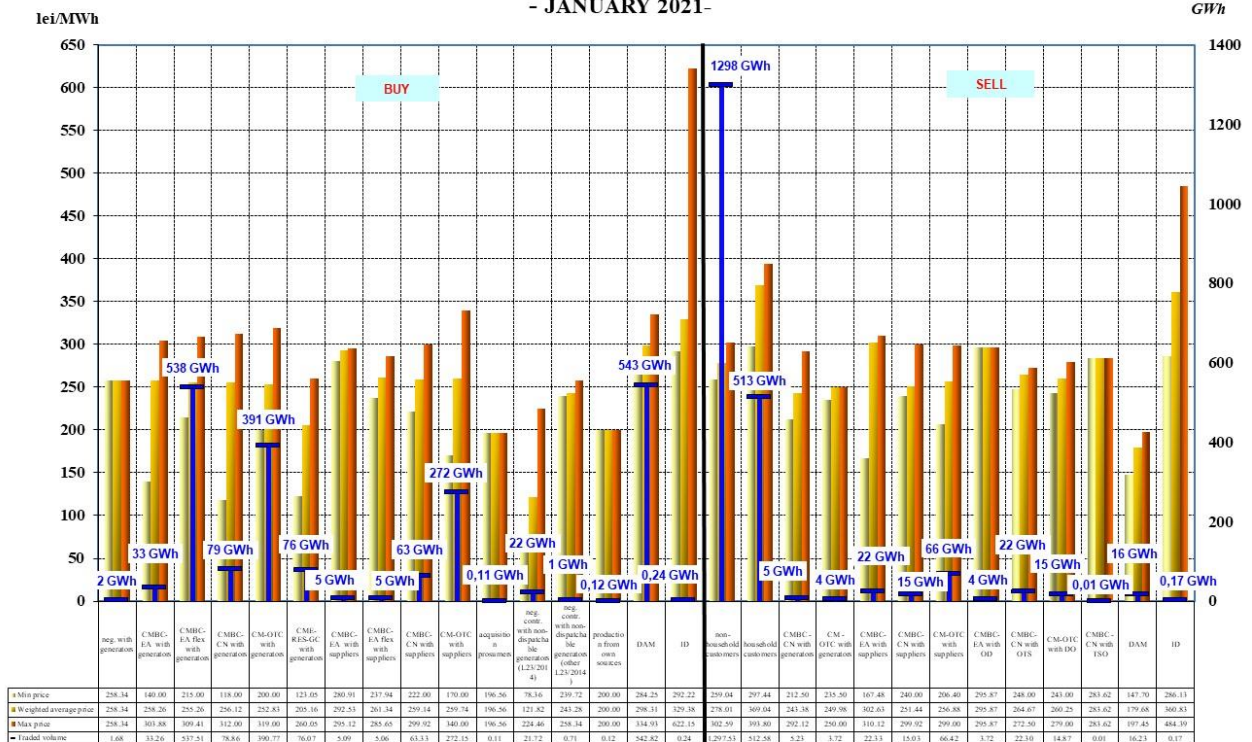
Negotiated trades with non-dispatchable producers (others, changes, additions Law 220/2008) *	0.76	0.71
Negotiated trades with non-dispatchable producers (changes, additions Law 220/2008) **	22.01	21.72
Trades with prosumers	0.03	0.11
DAM:	167.29	542.82
ID	0.06	0.24
Sell		
Trades concluded on Opcom centralized markets, out of which:	49.94	153.62
- trades on CMBC-CN with producers	19.34	5.23
- trades on CM-OTC with producers	0.00	3.72
- trades on CMBC-EA with other suppliers	0.00	22.33
- trades on CMBC-CN with other suppliers	5.94	15.03
- trades on CM-OTC with other suppliers	7.51	66.42
- trades CMBC-EA with DO	0.00	3.72
- trades CMBC –CN with DO	11.15	22.30
- trades CM-OTC with DO	6.00	14.87
- trades CMBC-CN with TSO	0.00	0.01
- DAM	57.88	16.23
- ID	0.00	0.17
Households	437.56	512.58
Non-households	1122.63	1297.53

Notes: * negotiated transactions carried out with non-dispatchable producers that do not fall within the provisions of Law no. 220/2008 with subsequent amendments and completions

** negotiated transactions carried out with non-dispatchable producers that fall within the provisions of Law no. 220/2008 with subsequent amendments and completions

The breakdown by types of sources/destinations of the traded volumes and the average transaction prices made in January 2021 by suppliers of last resort on the competitive segment of WEM is presented in the following graph:

Trades concluded by suppliers of last resort on WEM and REM
- JANUARY 2021 -



Source: Monthly reports of suppliers of last resort – analysed by Electricity Market Monitoring Unit

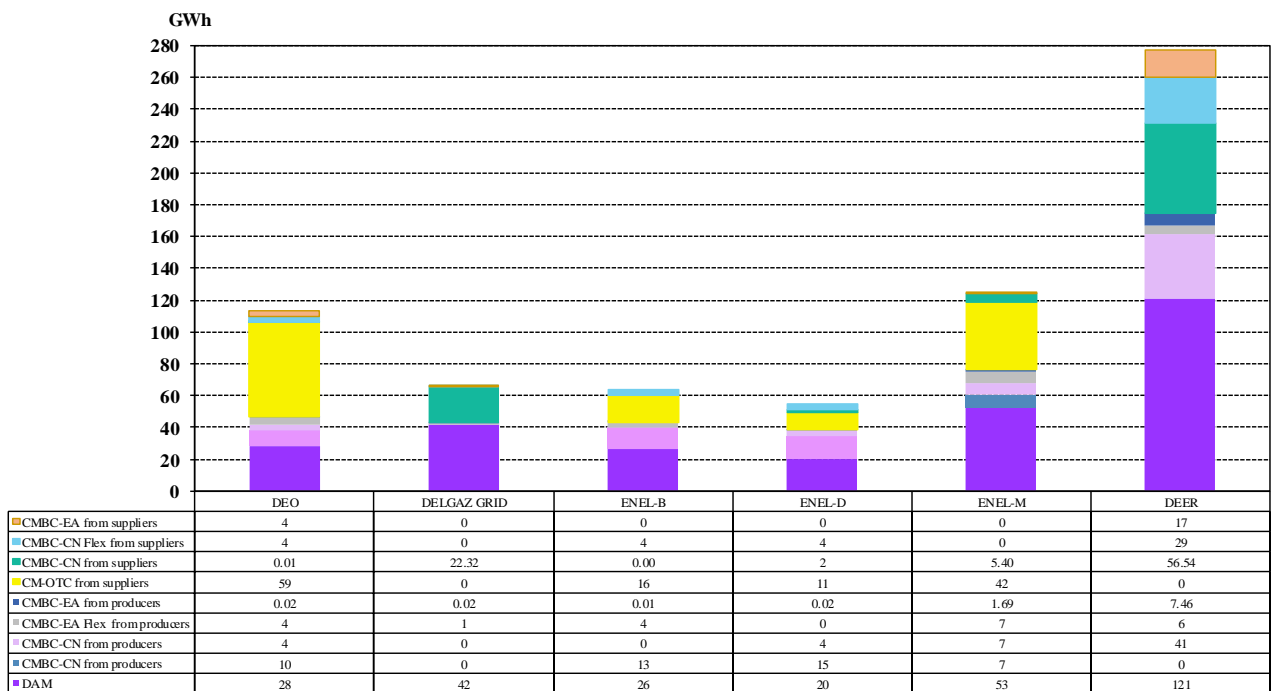
Main distribution operators

The following table shows the electricity acquisition structure of the main distribution operators made before the delivery interval for distribution networks losses, for January 2021, compared with the similar previous period:

- GWh -		
Structure of trades	January 2020	January 2021
Trades on centralized contracts markets:	593.63	408.73
- CMBC-EA with producers	118.33	9.21
- CMBC-EA flex with producers	-	23.04
- CMBC-CN with producers	82.53	55.50
- CM-OTC with producers	19.35	56.50
- CMBC-EA with suppliers	70.70	20.86
- CMBC-EA- flex with suppliers	-	40.18
- CMBC-CN with suppliers	171.81	85.95
- CM-OTC with suppliers	130.93	117.50
Trades on DAM	155.39	288.34
- buy	162.43	289.30
- sell	7.05	0.96
Trades on ID:	0.02	0.00
- buy	0.02	0.00
- sell	0.00	0.00

Electricity acquisition structure of the main distribution operators in January 2021 is presented in the following graph:

Structure of electricity acquisitions of distribution operators to cover distribution network losses
- JANUARY 2021 -



Source: Monthly reports of the main distribution operators – analysed by Electricity Market Monitoring Unit

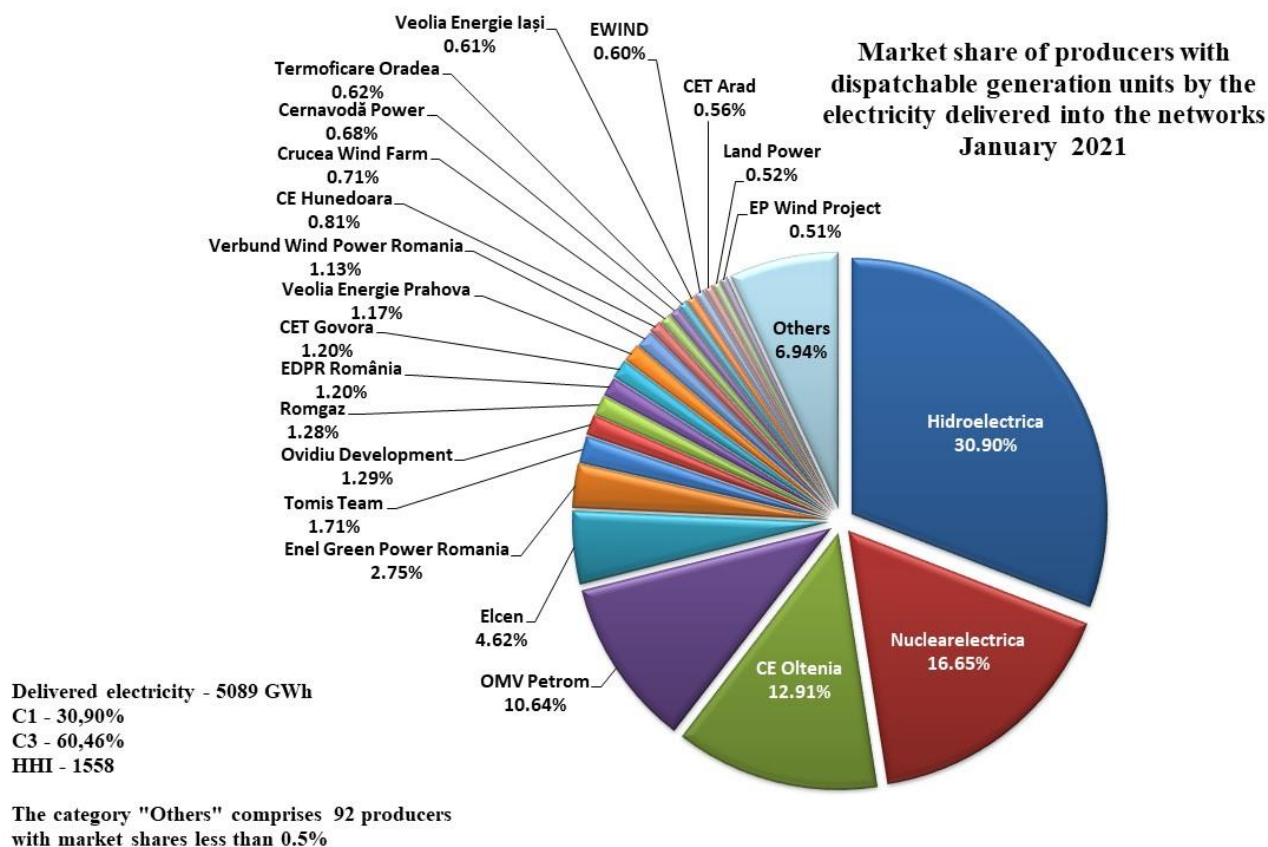
6. Concentration indicators for the wholesale electricity market and its components

Concentration indicators and market shares of electricity producers

The market structure of electricity generation offers an initial basis for the analysis on the degree of competitiveness that is possible on the electricity market.

The following table presents the concentration indicators of electricity generation for January 2021 and the graph presents the market shares of electricity producers with dispatchable generation units, determined based on the electricity delivered into the networks.

Concentration indicators - January 2021 -	C1 (%)	C3 (%)	HHI
Value	30.90	60.46	1558



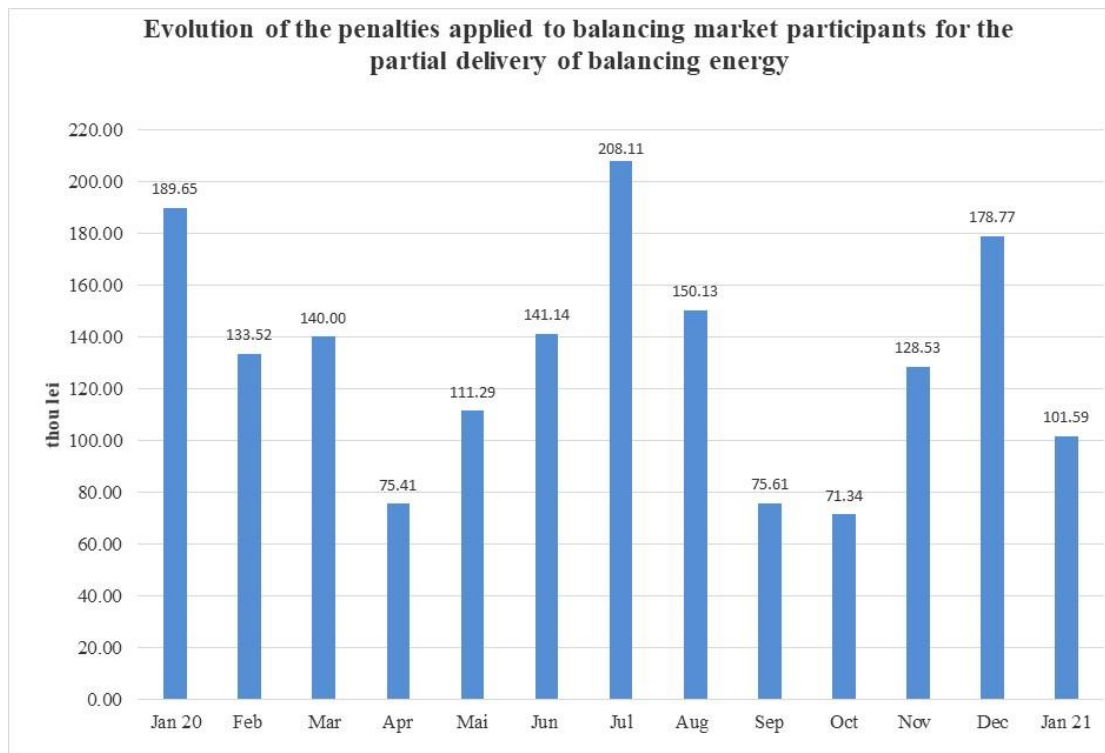
Source: Monthly reports of producers – analysed by Electricity Market Monitoring Unit

A component of the WEM on which direct competition between producers is displayed is the Balancing Market (BM). The values of concentration indicators on this market for January 2021 are determined based on effectively delivered electricity, for each type of regulation defined within the Commercial Code and they are presented in the following table:

Structure/concentration indicators of BM - January 2021	Regulation					
	Secondary		Fast tertiary		Slow tertiary	
	upward	downward	upward	downward	upward	downward
C1-%	55	56	62	36	100	0
C3 -%	99	99	89	94	100	0
HHI	3970	4059	4402	3072	10000	0

Source: Monthly reports of CNTEE Tranelectrica SA – analysed by Electricity Market Monitoring Unit

The following graph shows the evolution of the penalties applied to BM participants for the partial delivery of balancing energy from January 2020:



Source: Monthly reports of OPCOM

In the following table, are shown the concentration indicators by types of reserves (secondary, fast tertiary and slow tertiary) purchased by CNTEE Tranelectrica S.A. from qualified producers through the tenders, organised in January 2021, dedicated to power increase and decrease of the secondary, fast and slow tertiary reserve. For an increase adjustment of the slow tertiary reserve were not organised tenders.

Concentration indicators on Ancillary Services Market - January 2021 -		Secondary reserve	Fast tertiary reserve	Slow tertiary reserve
competitive component	contracted quantity (h*MW)	344136	658450	-
	C1 (%)	56.1	62.9	-
	C3 (%)	98.5	93.7	-
	HHI	4049	4624	-

Source: Monthly reports of CNTEE Tranelectrica SA – analysed by Electricity Market Monitoring Unit

Concentration Indicators for the Day Ahead Market

The Day Ahead Market (DAM) is a voluntary market, open for both buying and selling, for all license holders and for foreign undertakings who have been granted by ANRE Decision the confirmation of the right to supply or trade electricity in Romania, under the conditions established by the applicable regulations.

The concentration indicators on this market reflect the level of competition between sellers and between buyers respectively, the dynamics of both influencing the price level. The following table presents C1, C3 and HHI for the buying and for the selling side of DAM, based on quantities traded by participants on this market.

Concentration indicators on DAM - January 2021 -	C1 (%)	C3 (%)	HHI
Selling	15.16	30.63	487
Buying	12.59	26.89	451

Source: Monthly reports of Opcom SA

7. Prices evolution on wholesale electricity market

Starting with 19 November 2014, the Romanian DAM is coupled with the spot markets from Hungary, Slovakia and the Czech Republic based on the price coupling mechanism, known as 4M MC. This coordinated correlation mechanism uses a unique Pan-European method for price coupling of regions (called *Price Coupling of Regions* - PCR) in order to fulfil the harmonization of national European markets and create the internal European electricity market. The coupled functioning is based on the coupling algorithm recommended by ACER (Euphemia) and its goal is maximizing the social welfare of the entire area of the coupled markets.

The coupling mechanism is developed through the coupling operators OTE-Czech Republic, EPEX Spot (operating as services supplier for OKTE-Slovakia and HUPX-Hungary) and, from 17 February 2017, OPCOM-Romania (PCR member from 1 February 2016). After successfully implementing the changes and tests performed, OPCOM operates in its own name the coupling solution implemented in the 4M MC operational mechanism, all processes being performed under the security conditions of the coupled functioning of the day-ahead markets. Coupling operators are acting as *Coordinators* on a monthly rotation basis.

According to EU legislation, coordinated cross-border capacity allocation is under the governance of the TSOs from the 4 countries and the allocation model used is that of implicit allocation on DAM of the available interconnection capacity.

To better meet the purpose of the DAM coupling mechanism, respectively the electricity transfers at the level and direction determined by the known conditions of generation and consumption and based on the coupled markets prices - starting with 1 February 2016, TSO operators from Romania and Hungary (CNTEE Transelectrica SA and Mavir ZRt) under the recommendations of the regulators from both countries, ANRE and MEKH, agreed to reserve a quota of the interconnection capacity for DAM allocation. The same rule was adopted for interconnection capacity allocation on the Bulgarian border.

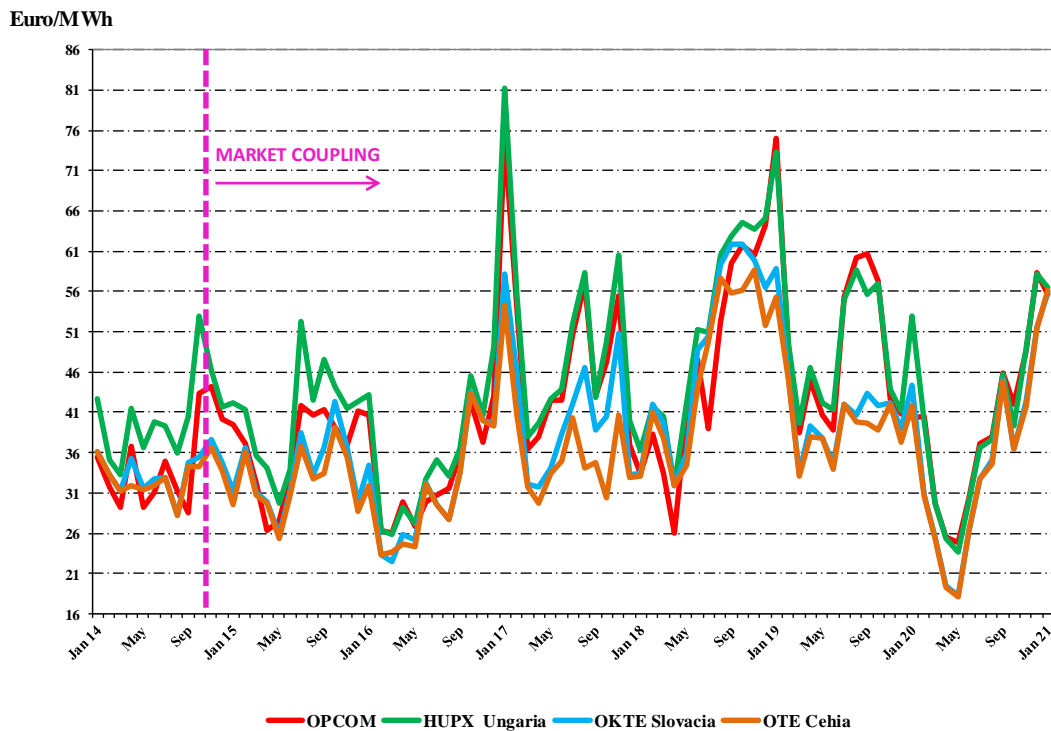
Therefore, for each month of the year, reserved capacity for DAM allocation is determined as a difference between available transmission capacity (ATC) calculated monthly for each sub-period and

80% from the lowest ATC value resulted for the sub-periods of the respective month, plus the capacity allocated at the annual auction, returned to TSO.

Particularly, for the Hungarian border, if 80% of the lowest value of the ATC calculated monthly for sub-periods is lower than 80 MW, interconnection capacity for monthly allocation will be 80% from the ATC calculated for each sub-period, to which is added the allocated capacity at the yearly auction returned to TSO.

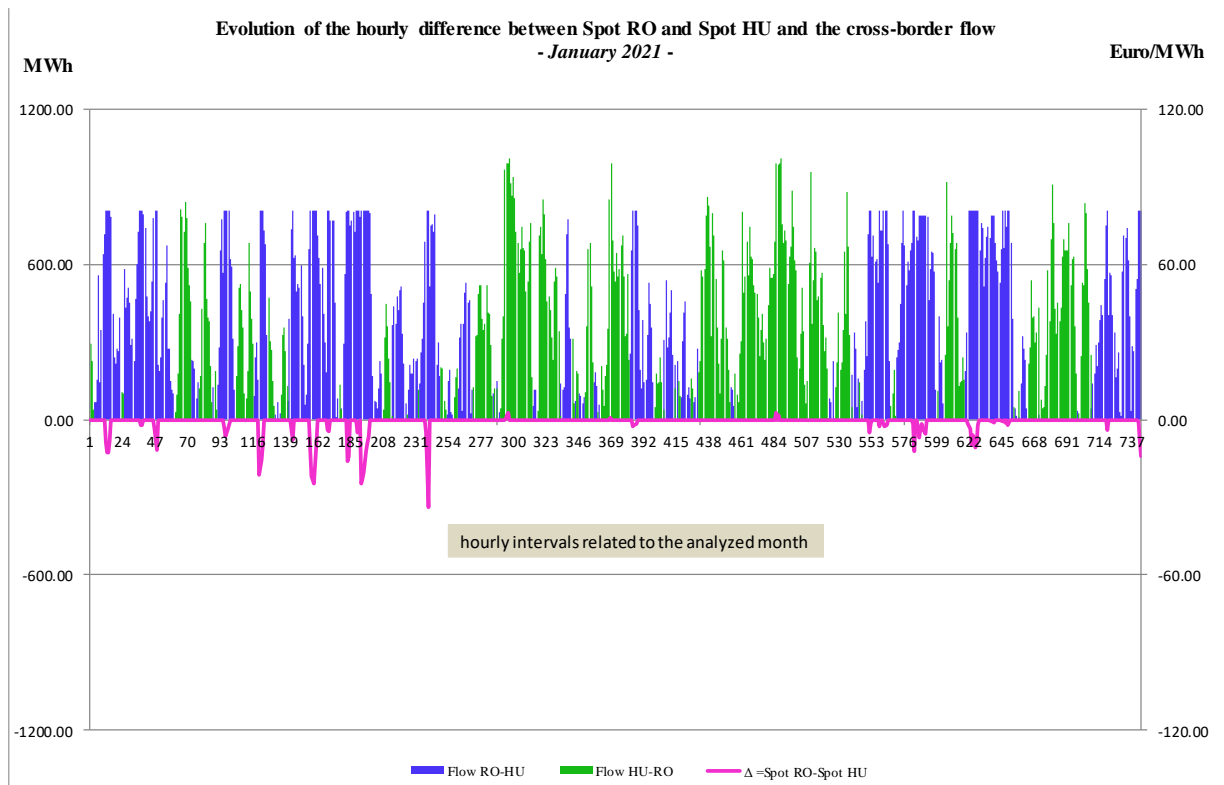
The next graph presents the monthly average spot prices of the 4 markets involved in the 4M MC coupling mechanism starting with 1 January 2014, before and after the onset of coupled operation.

**Hourly spot prices on the 4 markets functioning in market coupling framework
January 2014 - January 2021**



Source: Monthly reports of Opcom SA – analysed by Electricity Market Monitoring Unit

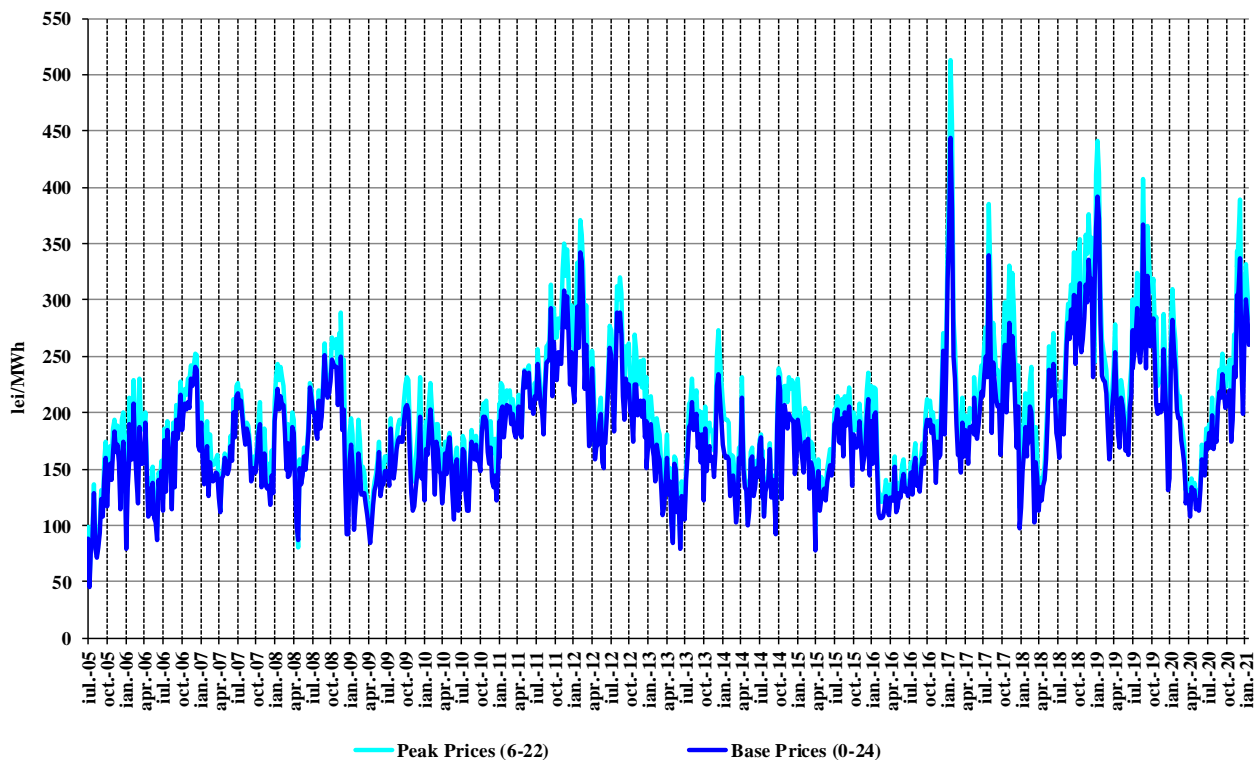
Next, the following graph presents the hourly evolution of the difference between the closing prices of the coupled DAM on the Romanian and Hungarian area, correlated with the cross-border flows on the Romanian – Hungarian border, on both directions, for January 2021.



Source: Data published by Opcom SA – analysed by Electricity Market Monitoring Unit

The following graph presents the evolution of weekly average spot prices starting with July 2005:

Weekly average spot prices
July 2005 - January 2021



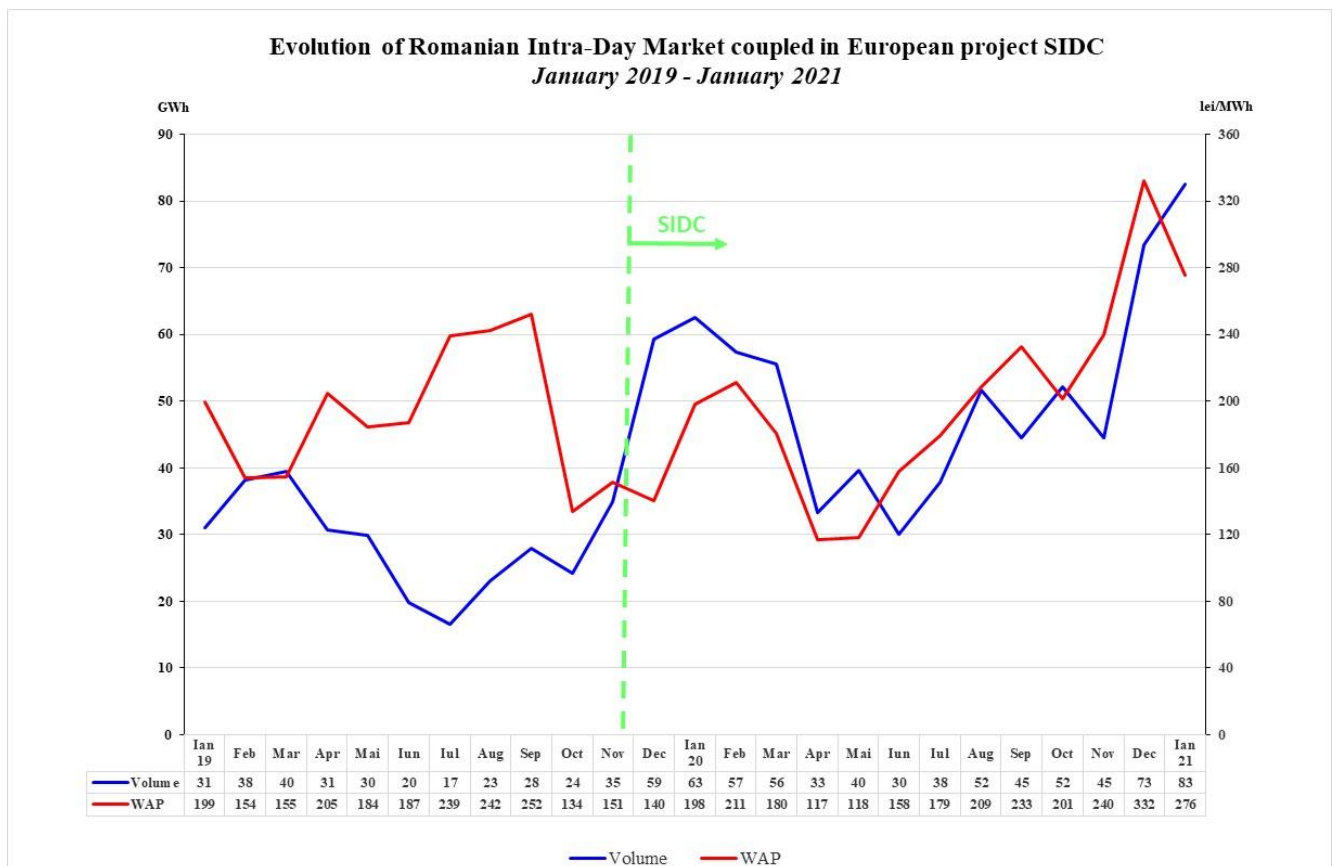
Source: Daily reports of Opcom SA – analysed by Electricity Market Monitoring Unit

After entry into force of Commission Regulation (EU) 2015/1222 of 24 July 2015 establishing a guideline on capacity allocation and congestion management (CACM Regulation), the elaboration and approval by all the regulatory authorities or by ACER of its subsequent documents has started, allowing the Single Day-ahead price coupling and the correlation process of the Intraday markets by continuous trading.

New ID trading rules are in line with EU legislation (CACM Regulation) and with the subsequent secondary legislation approved by ACER decisions: no. 05/2017 (applying the provisions of Art. 54 - harmonised maximum and minimum clearing prices for all bidding zones participating in the single intraday coupling), no. 4/2018 (applying Art. 59 - setting the intraday cross-zonal gate opening and intraday cross-zonal gate closure times), and no. 8/2018 (applying the provisions of Art. 37 – adopting the methodology and the common set of requirements for the price coupling algorithm and for the continuous trading matching algorithm).

Being an integrated part of the European project SIDC (Single Intra-Day Coupling), formerly known as XBID, designed to implement the cross-European transmission on the intraday horizon, starting with 15:00 CET of the trading day 19 November 2019, Romanian ID operates coupled with the electricity markets from other 20 EU countries participating in the project: Bulgaria, Hungary, Croatia, the Check Republic, Poland, Slovenia, Austria, Belgium, Denmark, Estonia, Finland, France, Germany, Latvia, Lithuania, Norway, Sweden, Holland, Portugal and Spain.

The following graph presents the monthly traded volume and weighted average price (WAP) on Intraday market starting January 1, 2019, before and after Romania joined the SIDC European project.

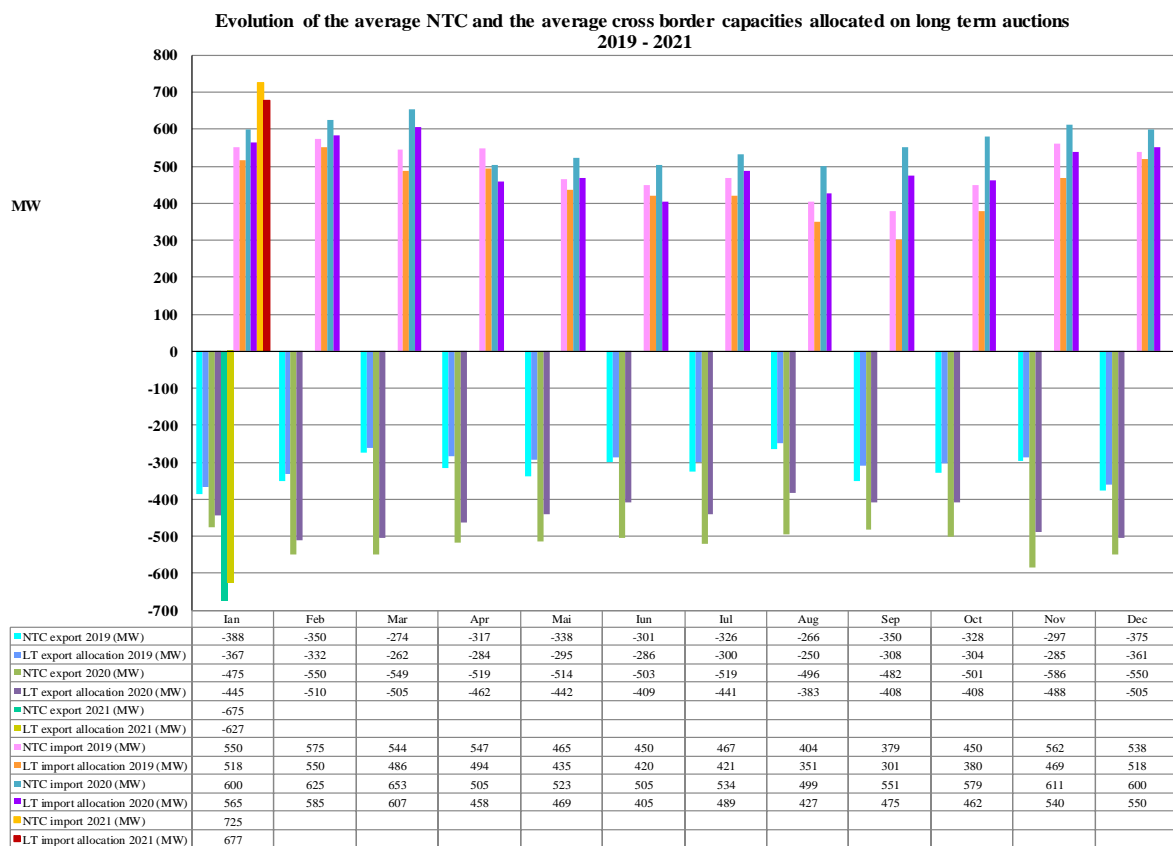


Therefore, on the Romanian borders with Hungary and Bulgaria, the intraday auctions are performed based on the SIDC coupled mechanism by implicit allocations, with continuous trading matching algorithm, using common IT system, capacity management module, cross-border transfer module and order book.

On the Romanian borders with Hungary and Bulgaria, the auctions for the annual and monthly allocation are made by the Joint Allocation Office (JAO), which has become, starting with 1 October 2018, the Single Allocation Platform (SAP) that organizes auctions for cross-border capacity allocation for all European TSOs.

On the Romanian border with Serbia, the allocation is performed through coordinated bilateral auctions for 100% of the cross-border capacity. The auctions for annual, monthly and intraday horizon are organized by CNTEE Transelectrica SA, and the daily auctions are organized by the EMS (Serbian TSO), in accordance with the agreements signed between the two TSOs. On the Romanian border with Ukraine the allocation is performed by CNTEE Transelectrica SA through auctions for long term allocation, the use of interconnection capacities depending on the written agreement of Ukrenergo (Ukrainian TSO).

The following chart shows the monthly average values of the net transfer capacity (NTC) of the NPS with the aforementioned neighbouring energy systems and the average transfer capacity allocated at long-term export and import auctions.

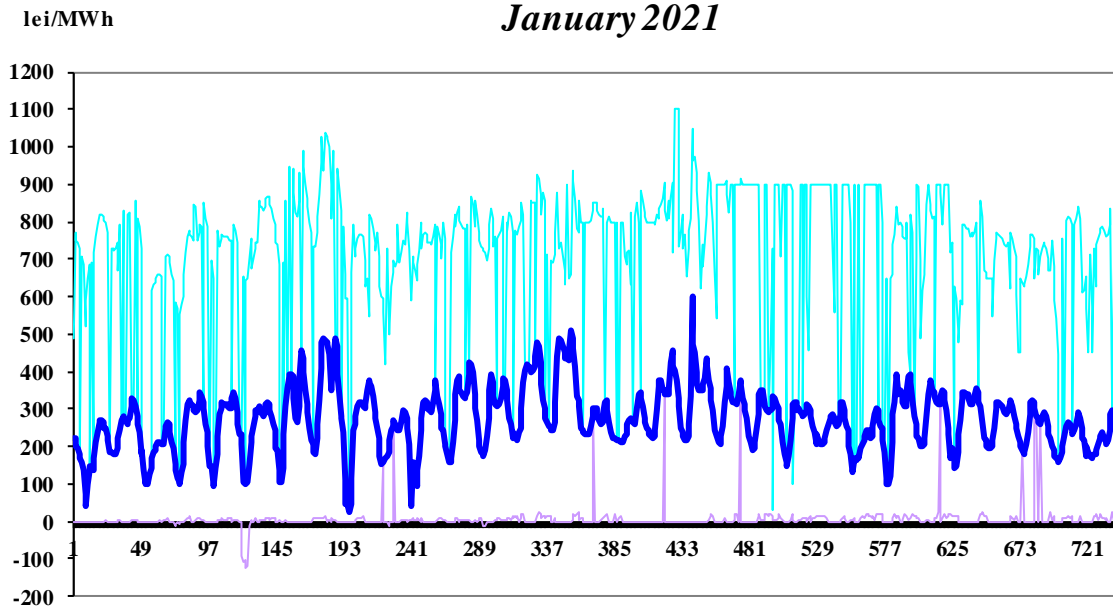


Source: Monthly reports of CNTEE Transelectrica SA – analysed by Electricity Market Monitoring Unit

In order to cover the differences between planned/contracted values of consumption and generation and their values in real time, the system operator (CNTEE Transelectrica SA) operates the balancing market (BM), "buying" or "selling" electricity at prices determined by the merit order of dispatchable producers offers. The market participants generating imbalances, grouped in BRPs, have to bear the imbalances costs. For the negative imbalances, they have to pay the price resulting from the upward offers accepted on the BM, while for the positive imbalances they receive the price resulting from the downward offers accepted on the BM.

The settlement prices (market closing price on DAM, negative imbalance price and positive imbalance price) are represented on the same graph, thus showing the two markets correlation degree. In the first graph the settlement prices are expressed in hourly values, in the second graph in hourly average values compared to internal consumption, and in the last graph in average monthly values.

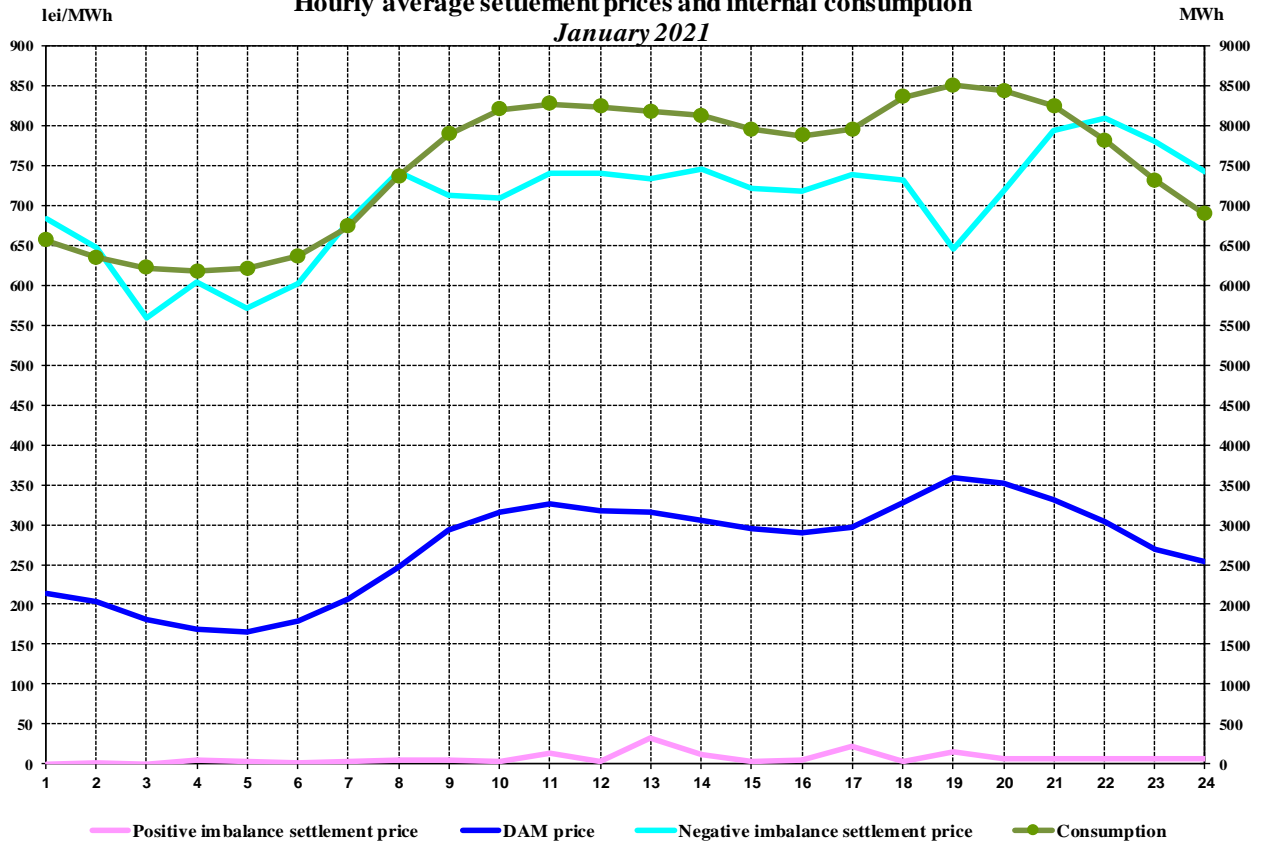
Hourly settlement prices January 2021



— Negative imbalance settlement price — Positive imbalance settlement price — DAM price

Source: Daily/monthly reports of Opcom SA – analysed by Electricity Market Monitoring Unit

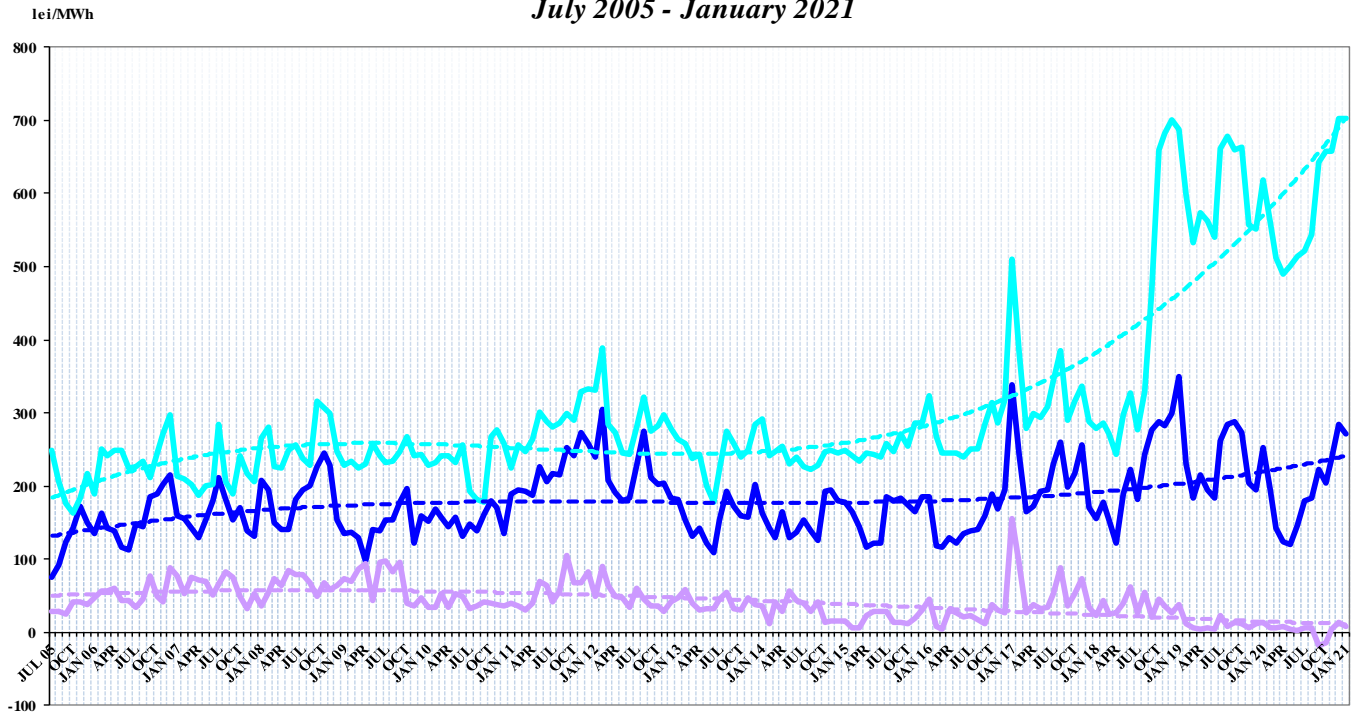
Hourly average settlement prices and internal consumption January 2021



— Positive imbalance settlement price — DAM price — Negative imbalance settlement price — Consumption

Source: Monthly reports of Opcom SA and CNTEE Tranelectrica SA – analysed by Electricity Market Monitoring Unit

Monthly average prices on DAM and BM
July 2005 - January 2021

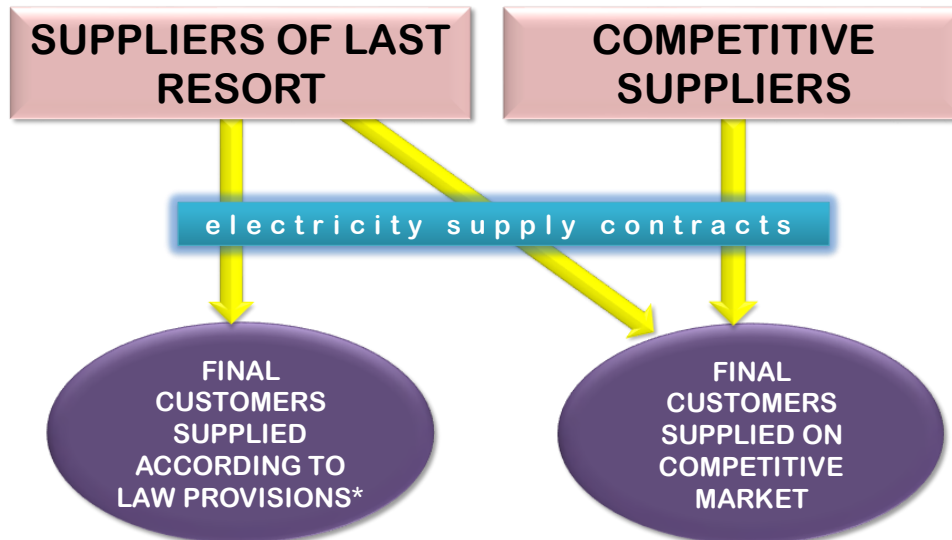


- Average price on the DAM
- Average positive imbalance settlement price
- Poly. (Average negative imbalance settlement price)
- - - Poly. (Average negative imbalance settlement price)
- - - Poly. (Average price on the DAM)
- - - Poly. (Average positive imbalance settlement price)

Source: Monthly/daily reports of Opcom SA – analysed by Electricity Market Monitoring Unit

III. RETAIL ELECTRICITY MARKET

1. Structure of the retail electricity market

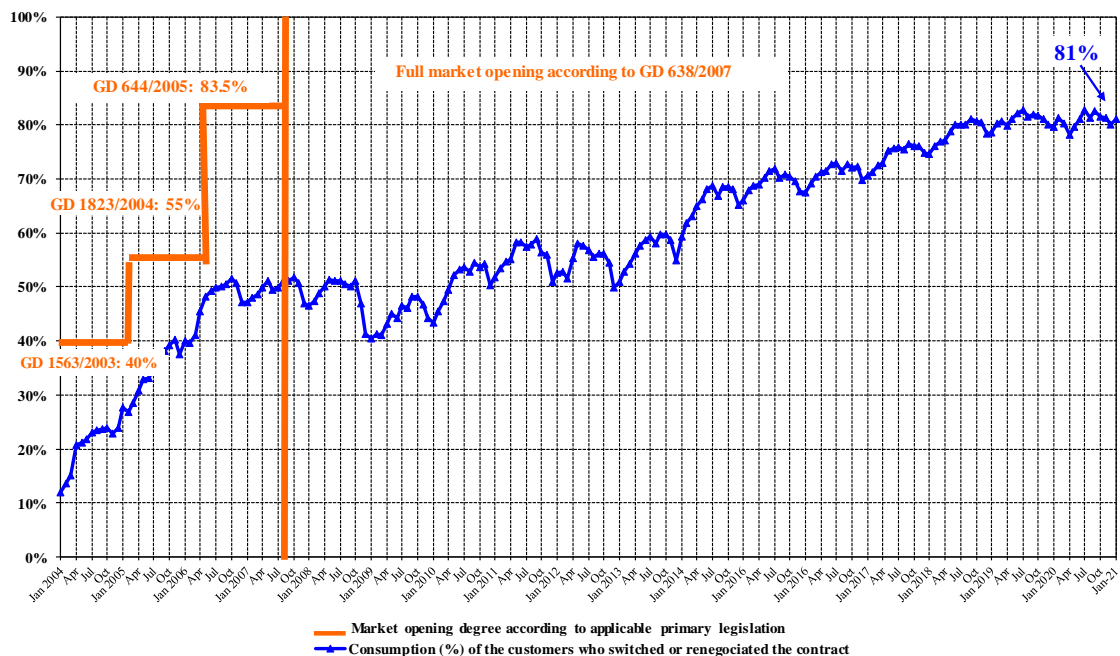


* art. 53 point (2) and art. 55 point (1) from Electricity and Gas Law no. 123/2012 with subsequent amendments and completions

2. Electricity market opening degree

The following graph contains the quota of the consumption (from total consumption) of the clients who switched their supplier or renegotiated their contracts with the suppliers of last resort, January 2004 – January 2021. The values presented are cumulated from the beginning of the market opening process and are presented monthly:

Evolution of the opening degree of the electricity market
January 2004 - January 2021

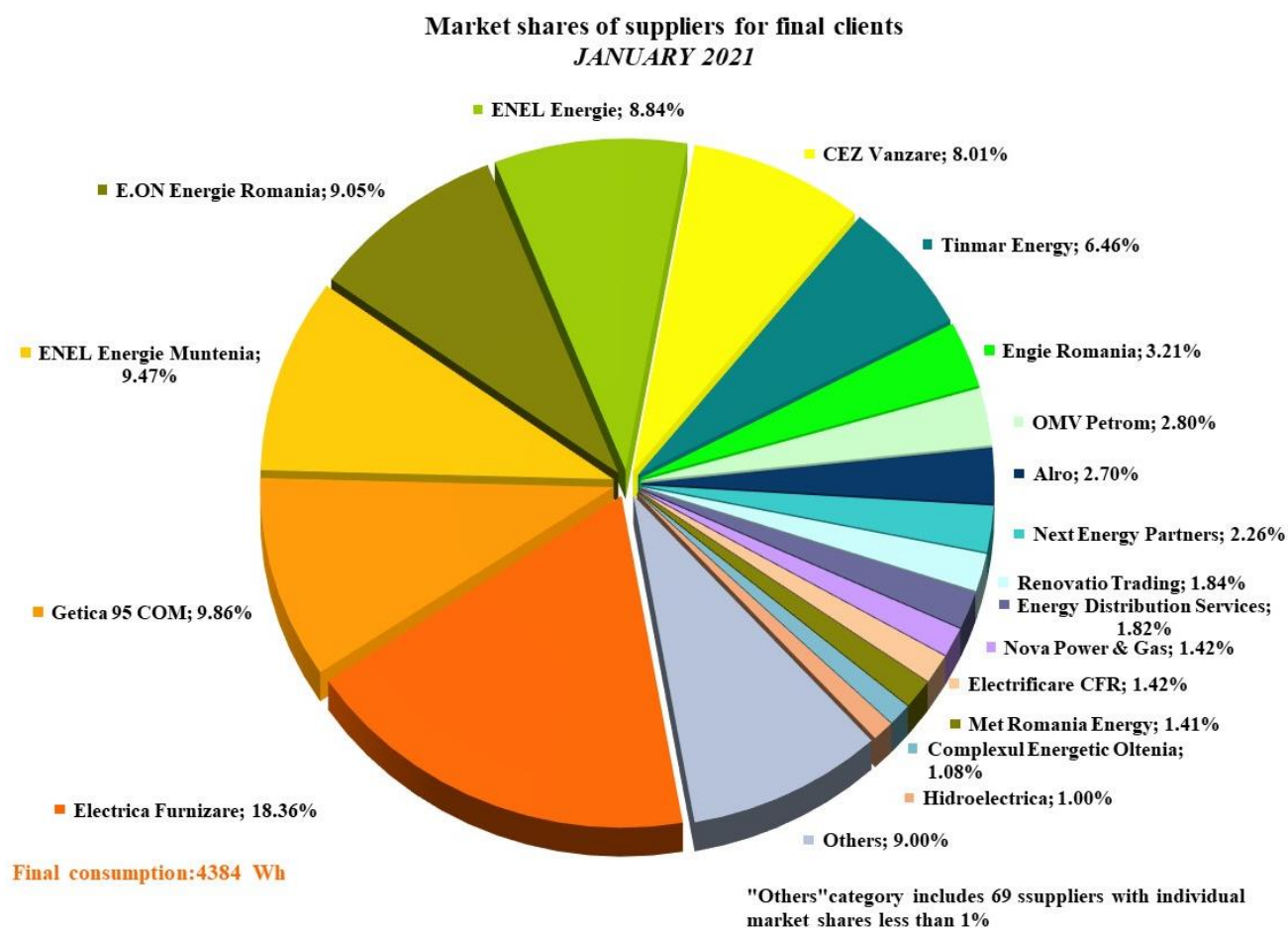


Source: Monthly reports of suppliers of final clients– analysed by Electricity Market Monitoring Unit

3. Market shares of electricity suppliers

In the following three graphs are presented the market shares of electricity suppliers on the retail market, calculated:

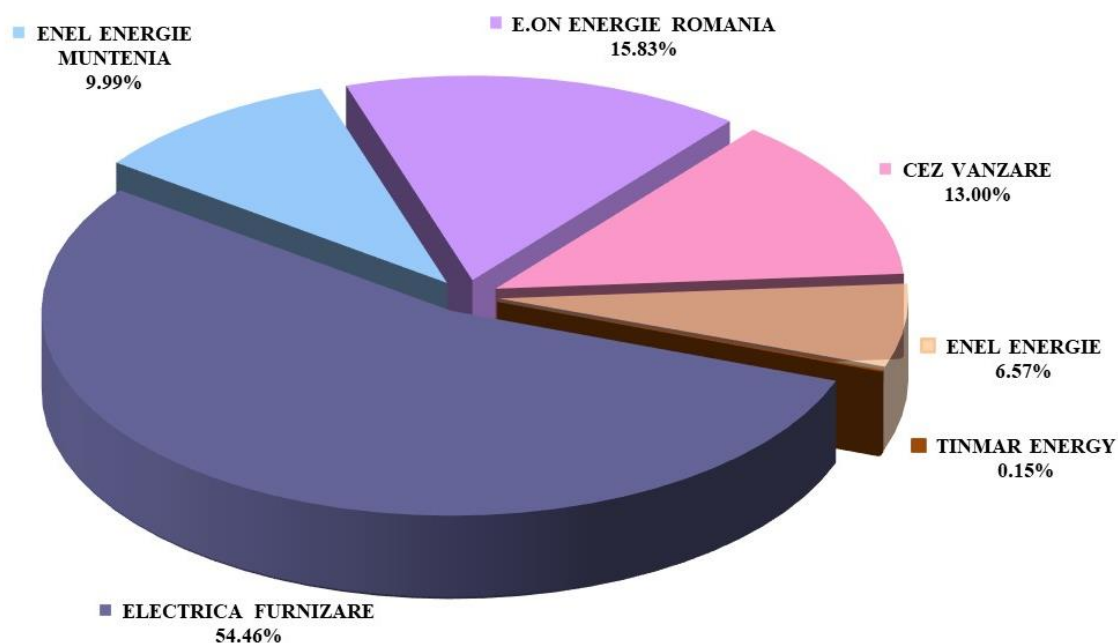
- a) for all licensees monitored, suppliers and producers active on REM, including suppliers of last resort, in terms of electricity supplied to final clients under Universal Service and last resort regime and inactive clients and to consumers who have switched their supplier or have negotiated their contract;



Source: Monthly reports of suppliers for final clients – analysed by Electricity Market Monitoring Unit

b) for suppliers of last resort - based on the electricity supplied to final clients under Universal service, last resort and inactive regime;

**Market shares of final clients under Universal Service, last resort and inactive regime
JANUARY 2021**

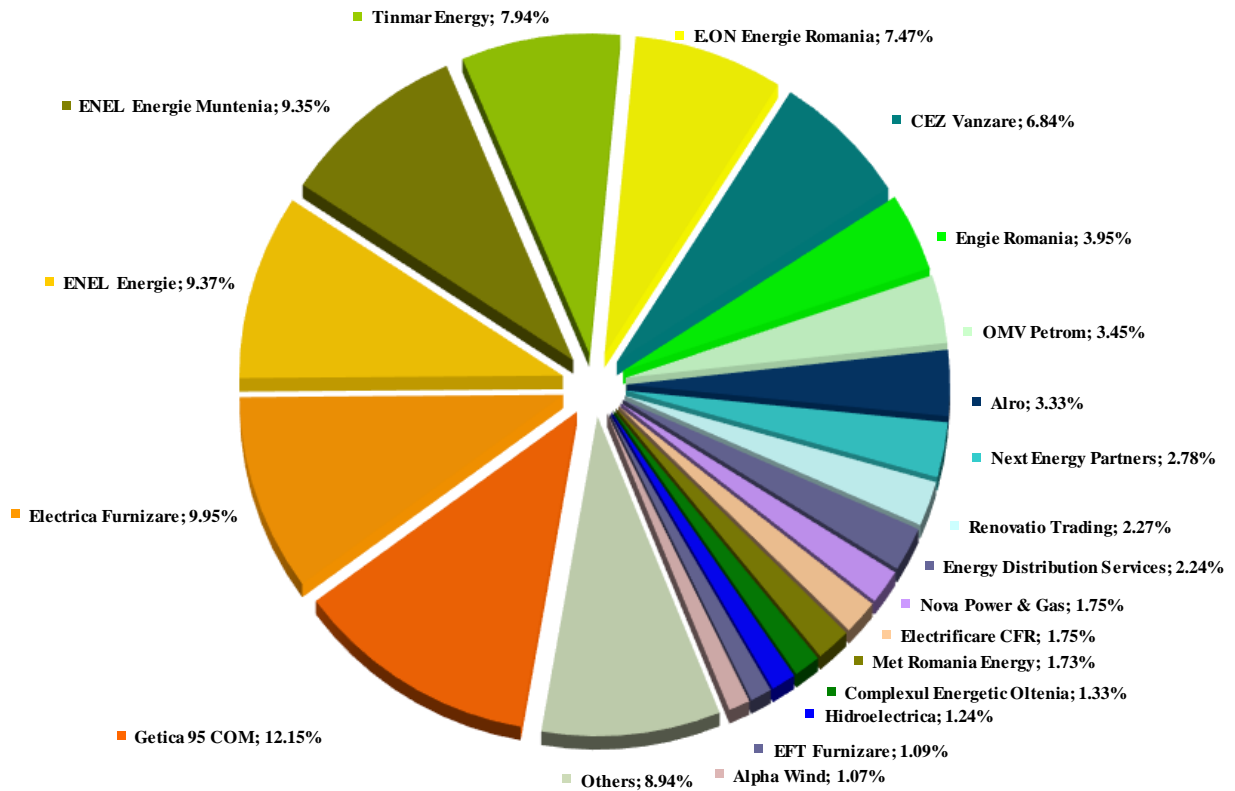


Consumption of US, last resort and inactive regimes 829 GWh

Source: Monthly reports of suppliers of last resort – analysed by Electricity Market Monitoring Unit

- c) For all licensees monitored, suppliers and producers, active on the competitive segment of the REM, including suppliers of last resort - depending on the electricity supplied to clients who have switched suppliers or negotiated their contracts.

**Market shares of suppliers on the competitive market
JANUARY 2021**



Consumption on competitive market: 3555 GWh
Structure indicators:
HHI - 662; C3 - 31%; C1 - 12%

"Others" category includes 67 suppliers with individual market shares less than 1%

Source: Monthly reports of suppliers for final clients – analysed by Electricity Market Monitoring Unit

It is noted that in the calculation of the market indicator values the principle of dominance was not considered and the electricity supplied on the basis of which was established each supplier's market share includes the self-consumption of the large industrial consumers who also hold a supply license and who have decided to buy the necessary electricity on the wholesale market as competitive suppliers.

4. Concentration indicators of the retail electricity market

The tables below show the values of market structure indicators for the entire REM and the number of active suppliers in January 2021, calculated for each consumption band defined by the Regulation (EU) 2016/1952, for non-household and household clients:

Indicators – January 2021	Consumption bands – Non-household clients on REM							
	IA	IB	IC	ID	IE	IF	IG	TOTAL
C1 -%-	27	22	17	15	26	16	20	14
C3 -%-	71	50	37	37	54	38	42	35
HHI	1893	1242	825	726	1323	879	893	654
Consumption - GWh -	165	434	306	709	381	258	835	3088
No. of suppliers	67	71	64	58	21	16	20	86
No. of suppliers of last resort	6	6	6	6	5	4	4	6
No. of competitive suppliers	43	46	42	39	11	9	9	56
No. of producers*	18	19	16	13	5	3	7	24

Indicators – January 2021	Consumption bands – Households on REM					
	DA	DB	DC	DD	DE	TOTAL
C1 -%-	31	35	37	34	31	35
C3 -%-	72	70	71	73	69	71
HHI	2189	2204	2313	2200	1958	2207
Consumption - GWh -	220	544	331	164	38	1296
No. of SUPPLIERS	36	36	38	38	35	47
No. of suppliers of last resort	6	6	6	6	6	6
No. of competitive suppliers	23	24	25	26	23	32
No. of producers*	7	6	7	6	6	9

Note: * producers with final clients

Source: Monthly reports of the suppliers – analysed by Electricity Market Monitoring Unit

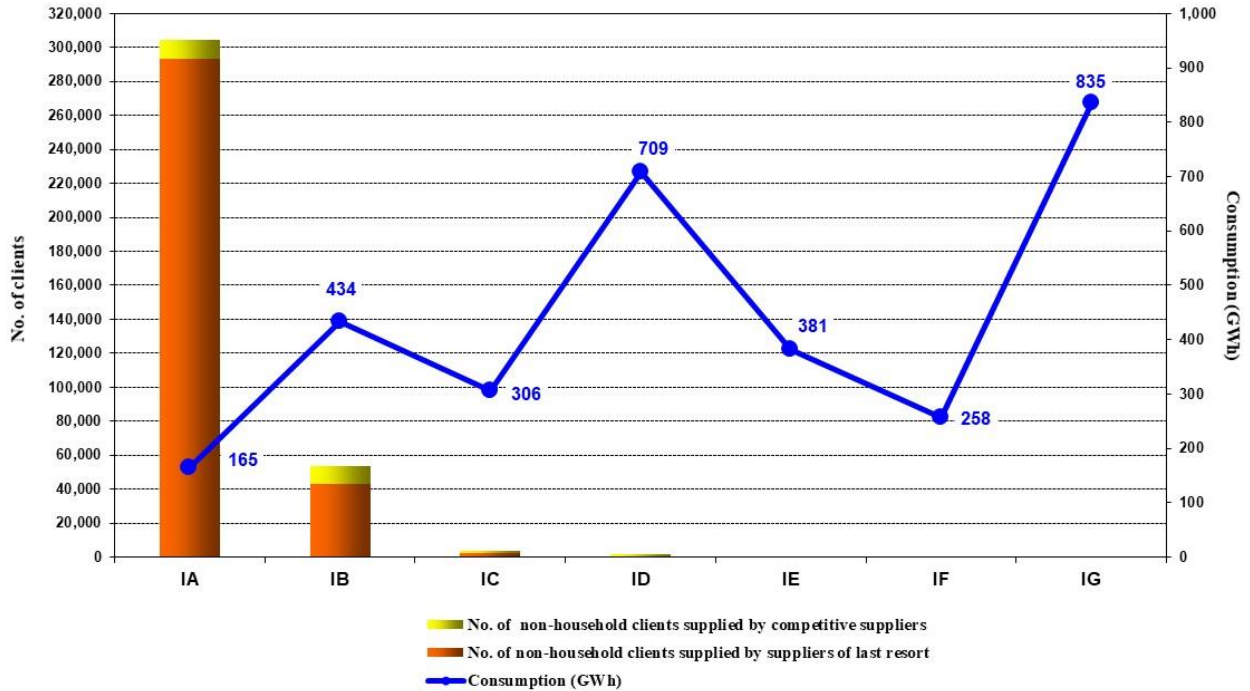
The structure on categories of clients for January 2021 is in according to the provisions of Regulation (EU) no. 2016/1952 of the European Parliament and of the Council. The tables below present in detail the consumption ranges corresponding to each consumption band:

Non-household clients	Annual electricity consumption (MWh)	
IA		<20
IB	>=20 MWh	<500
IC	>=500	<2000
ID	>=2000	<20000
IE	>=20000	<70000
IF	>=70000	<150000
IG	>=150000	

Households	Annual electricity consumption (kWh)	
DA		<1000
DB	>=1000	<2500
DC	>=2500	<5000
DD	>=5000	<15000
DE	>=15000	

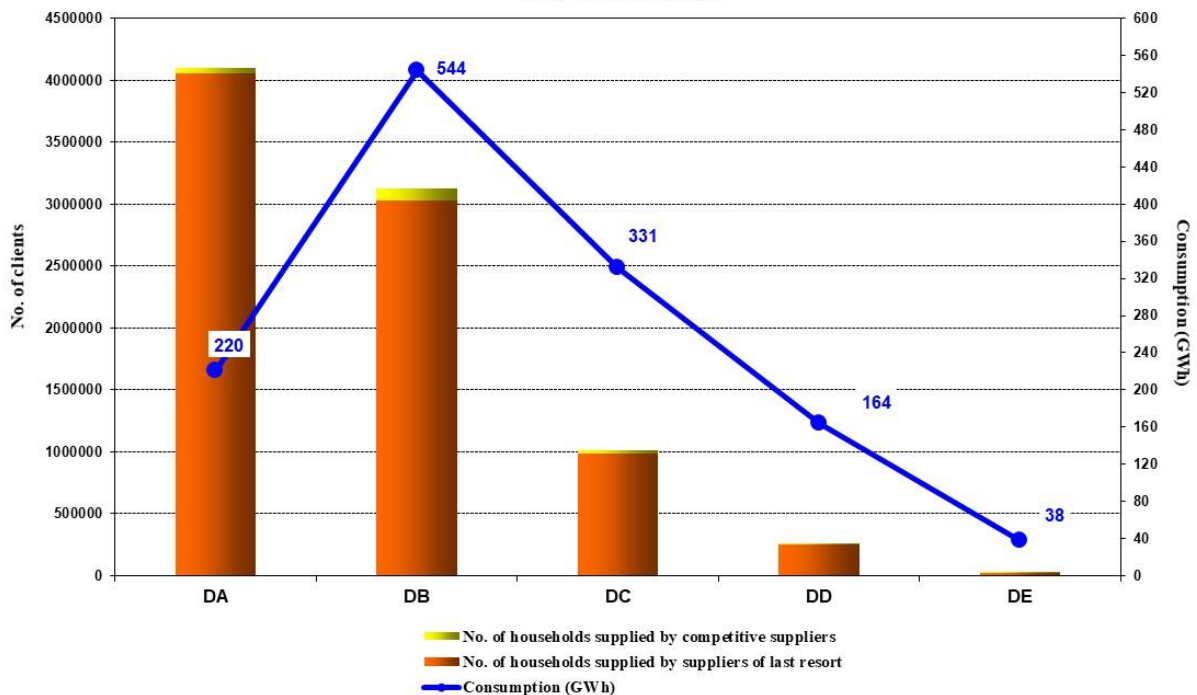
The following graphs present the number of households and non-household final clients who are supplied with electricity on REM, structured by consumption bands and by categories of final clients for January 2021.

Number of non-household clients and their consumption broken down into consumption bands and type of supplier
- JANUARY 2021 -



Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

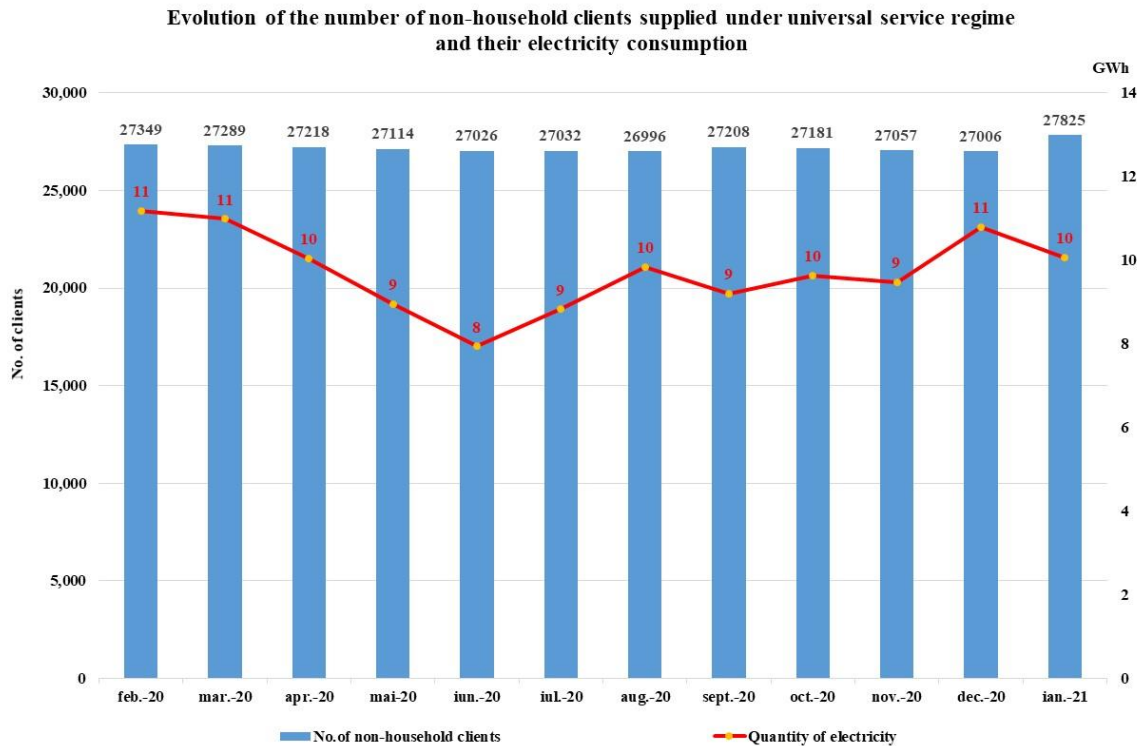
Number of households and their consumption broken down into consumption bands and type of supplier
- JANUARY 2021 -



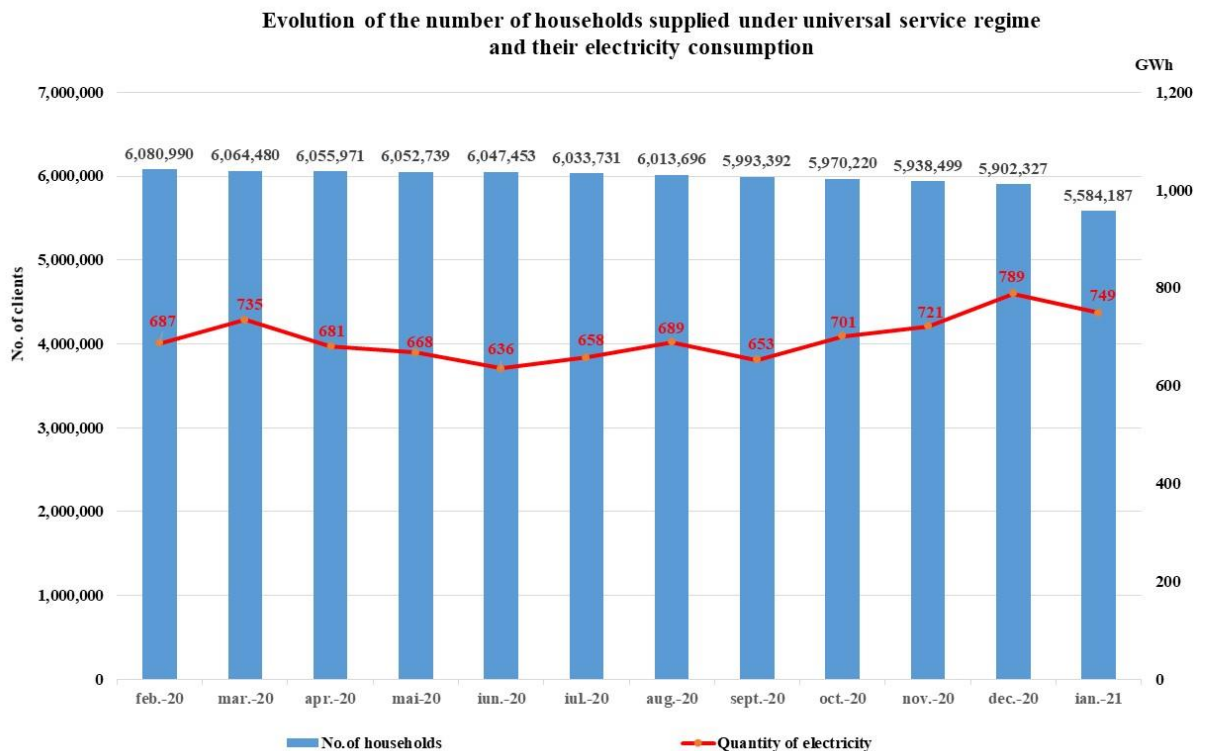
Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

5. Evolution of the number of clients supplied under universal service regime

The evolution of the number of final clients supplied under universal service regime and their electricity consumption ensured by suppliers of last resort for the period February 2020 - January 2021 are presented in the following graphs:



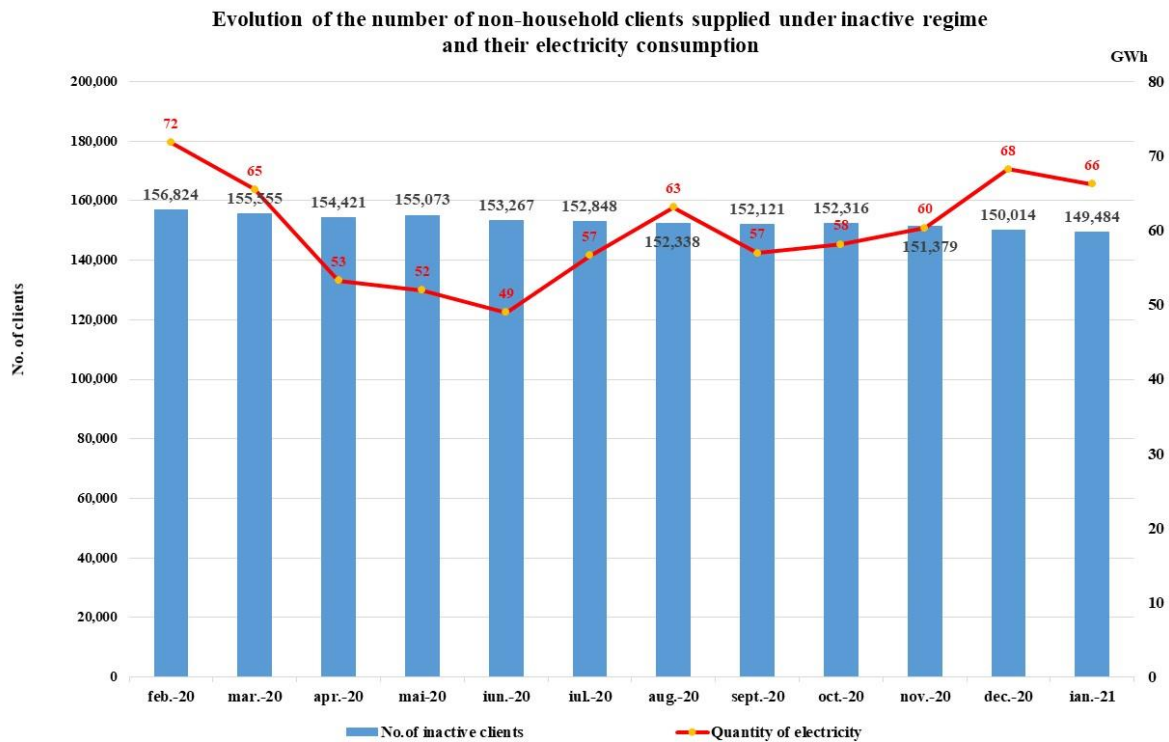
Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit



Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

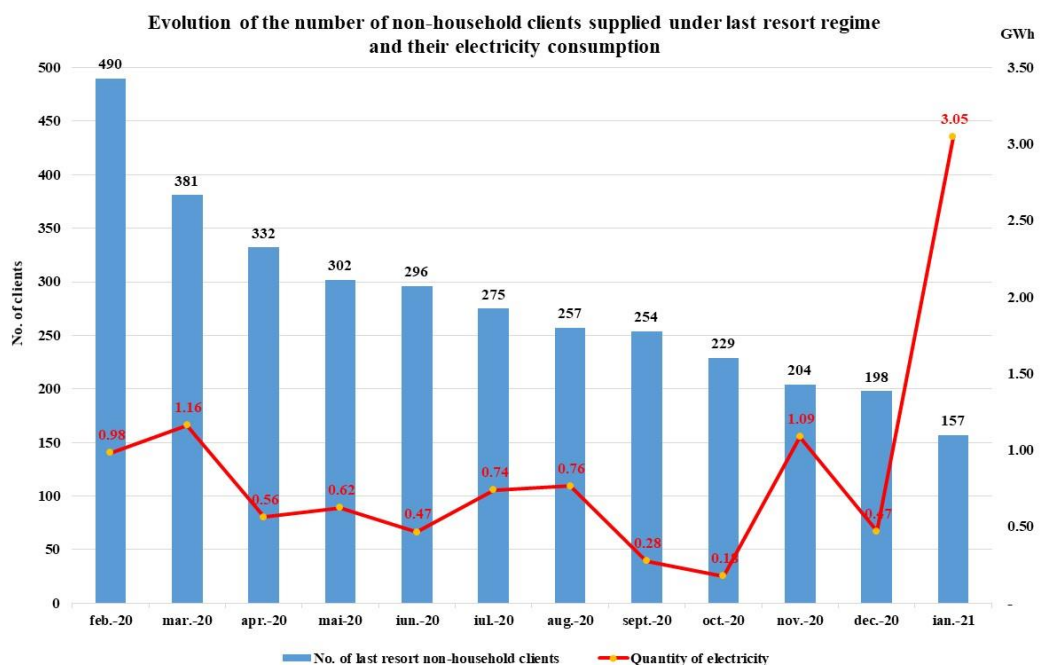
6. Evolution of the number of non-household clients supplied under inactive and last resort regime

The evolution of the number of non-household clients supplied under Inactive regime and their electricity consumption ensured by suppliers of last resort for the period February 2020 - January 2021 are presented in the following graph:



Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

The evolution of the number of non-household clients supplied under last resort regime and their electricity consumption ensured by suppliers of last resort for the period February 2020 - January 2021 are presented in the following graph:



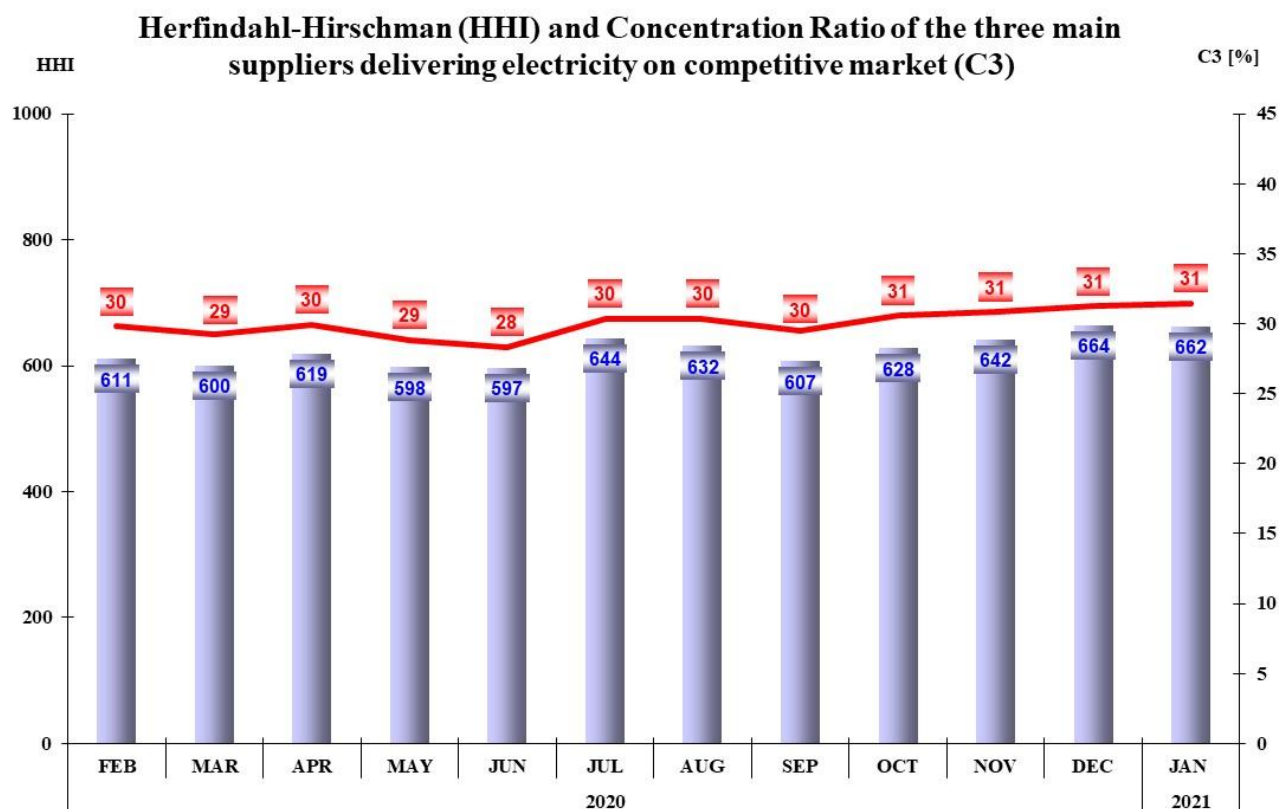
Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

7. Concentration indicators of the competitive retail electricity market

The quantification of the activity carried out by the suppliers within the competitive segment of REM, compared to the one on WEM, can be achieved by determining the weight of sales to final clients in the total sales transactions. The following table contains the number of suppliers active on REM, structured according to the size of the activity carried out on this market in January 2021.

Number of suppliers	Weight of sales to clients from total sales trades			
	100%	75% - 100%	50% - 75%	<50%
Competitive	14	17	10	16
Of last resort	0	5	0	0

The monthly evolution of the concentration indicators (C3, HHI) determined on the competitive component of the REM is presented for the period February 2020 - January 2021 in the following graph:



Source: Monthly reports of the suppliers – analysed by Electricity Market Monitoring Unit

The tables below show the values of the market structure indicators of the competitive component of REM and the number of active suppliers in January 2021 calculated for each consumption band defined by Regulation (EU) 1952/2016 of the European Parliament and of the Council for non-household clients, respectively for household clients:

Indicators – January 2021	Consumption bands – Non-household clients on competitive component of REM							
	IA	IB	IC	ID	IE	IF	IG	TOTAL
C1 -%-	26	19	17	15	26	16	20	14
C3 -%-	62	48	37	36	54	38	42	34
HHI	1658	1172	824	724	1327	879	893	643
Consumption - GWh -	112	411	305	708	380	258	835	3008
No. of suppliers	67	71	64	58	21	16	20	86
No. of suppliers of last resort	6	6	6	6	5	4	4	6
No. of competitive suppliers	43	46	42	39	11	9	9	56
No. of producers*	18	19	16	13	5	3	7	24

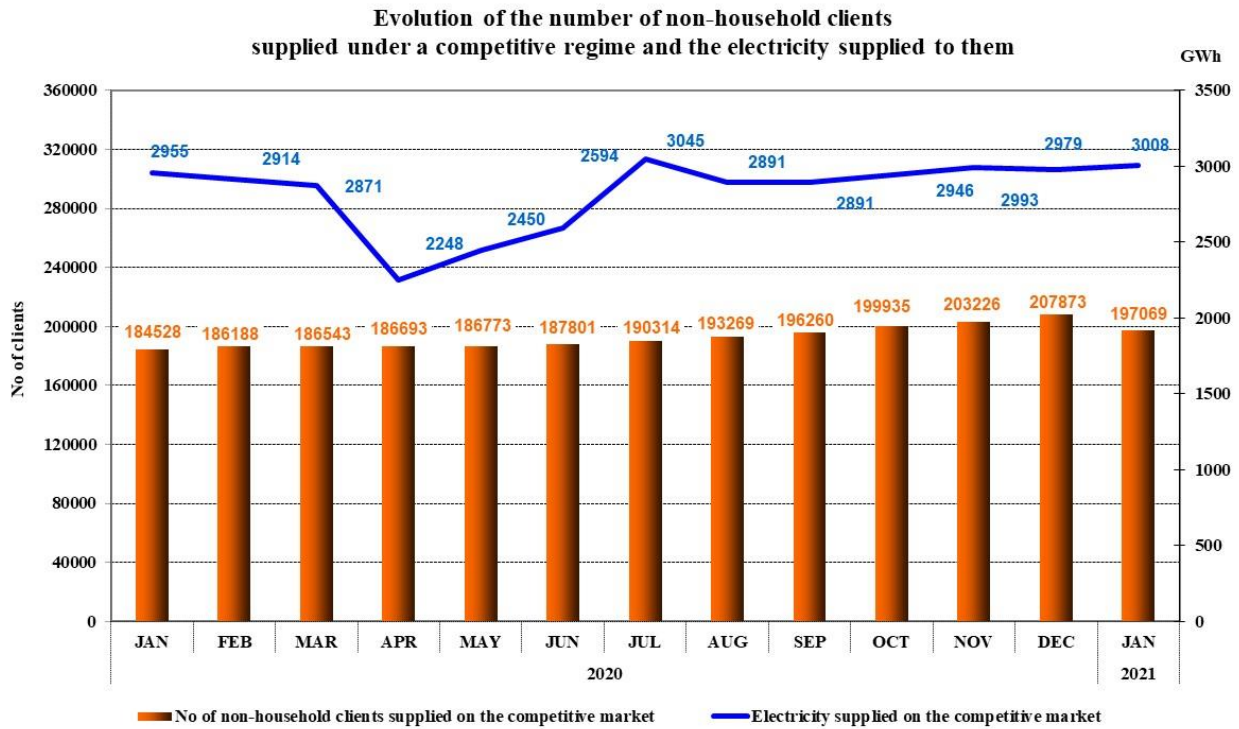
Indicators – January 2021	Consumption bands – Households on competitive component of REM					
	DA	DB	DC	DD	DE	TOTAL
C1 -%-	32	33	37	34	29	34
C3 -%-	81	77	80	78	70	78
HHI	2490	2368	2599	2527	1916	2427
Consumption - GWh -	68	206	155	91	26	547
No. of SUPPLIERS	36	36	38	38	35	47
No. of suppliers of last resort	6	6	6	6	6	6
No. of competitive suppliers	23	24	25	26	23	32
No. of producers*	7	6	7	6	6	9

Note: * producers with final clients

Source: Monthly reports of the suppliers – analysed by Electricity Market Monitoring Unit

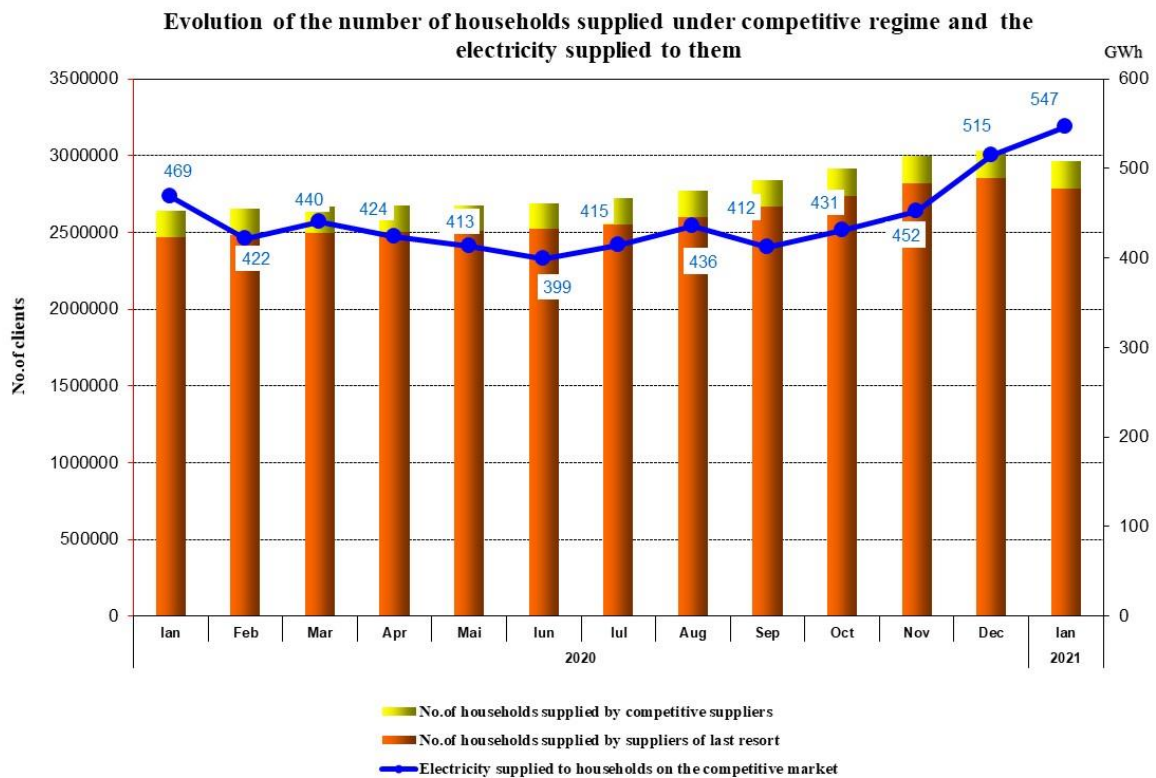
8. Evolution of the number of final clients supplied under competitive regime

The evolution of the number of non-household clients supplied under a competitive regime and the electricity supplied to them are presented in the graph below:



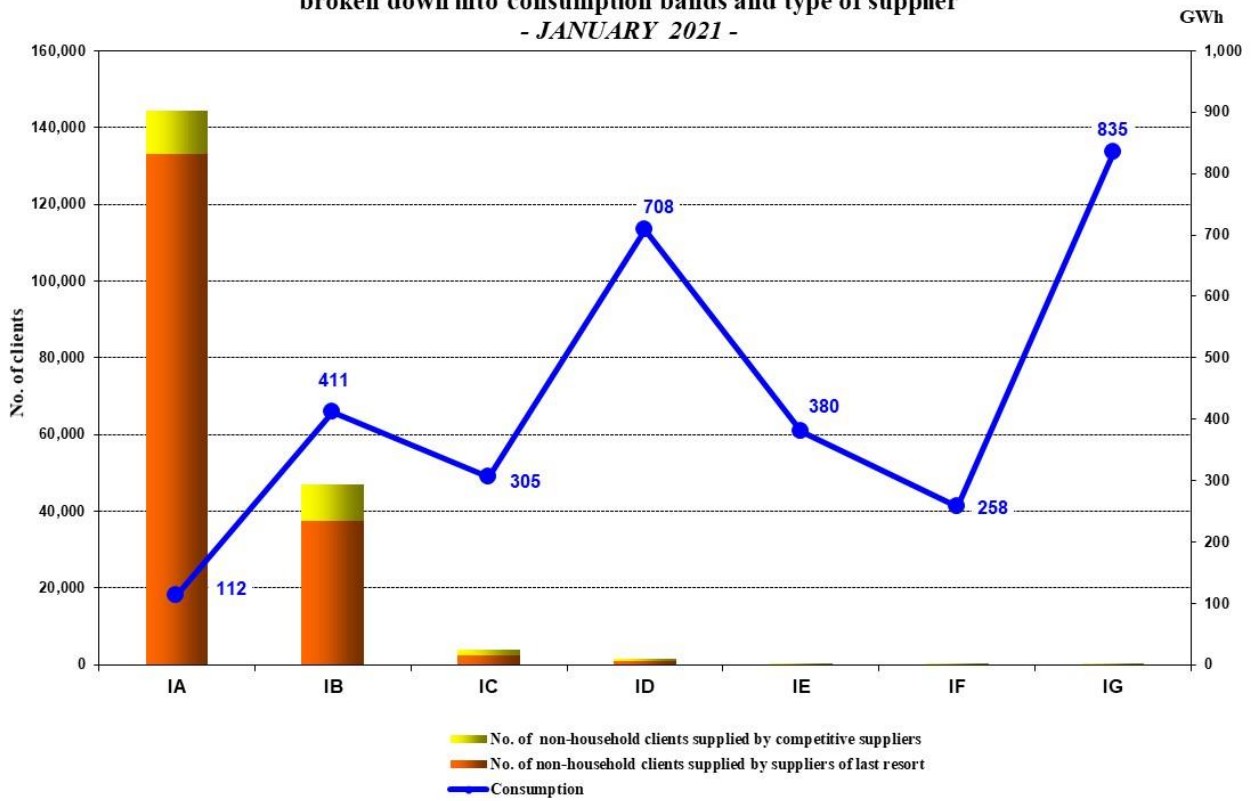
Source: Monthly reports of the suppliers – analysed by Electricity Market Monitoring Unit

The evolution of the number of households on the competitive regime and the related electricity supplied for the period January 2020 - January 2021, are presented in the following graph:



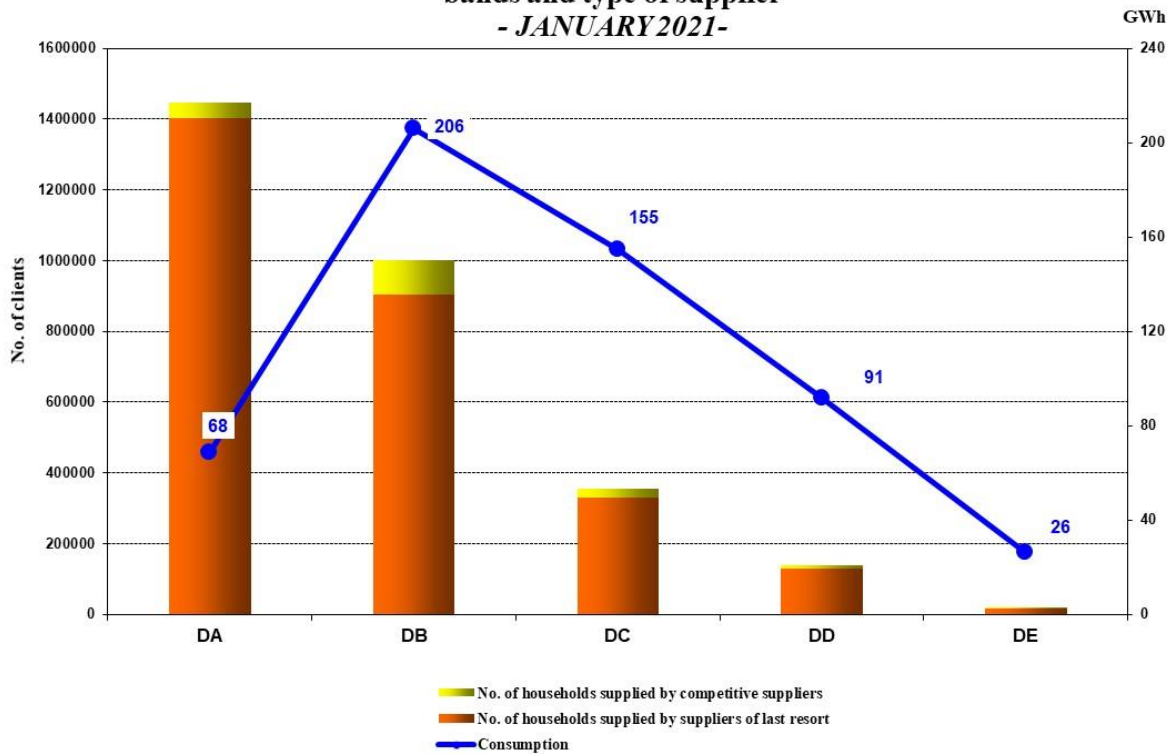
Source: Monthly reports of competitive suppliers – analysed by Electricity Market Monitoring Unit

Number of non-household clients and their consumption broken down into consumption bands and type of supplier
- JANUARY 2021 -



Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

Number of households and their consumption broken down into consumption bands and type of supplier
- JANUARY 2021 -



Source: Monthly reports of suppliers – analysed by Electricity Market Monitoring Unit

9. Average selling prices to final clients on the competitive market

The following table presents average selling prices and consumption of non-household final clients for January 2021, based on the structure defined according to the Regulation (EU) no. 2016/1952:

Consumption band / UM	REM of which:		US		Inactive		last resort		competitive	
	Qy	Average price	Qy	Average price	Qy	Average price	Qy	Average price	Qy	Average price
	GWh	lei/MWh	GWh	lei/MWh	GWh	lei/MWh	GWh	lei/MWh	GWh	lei/MWh
IA	164.79	519.03	6.63	519.03	45.31	519.03	0.60	551.83	112.25	488.35
IB	433.52	481.27	3.32	580.80	18.38	593.55	1.16	589.34	410.66	475.14
IC	306.46	407.93	0.13	486.23	1.25	574.24	0.14	567.74	304.95	407.15
ID	709.00	376.91			0.30	567.49	1.15	607.27	707.55	376.45
IE	381.07	345.74			0.98	465.54			380.09	345.43
IF	257.71	353.55							257.71	353.55
IG	835.16	283.14							835.16	283.14

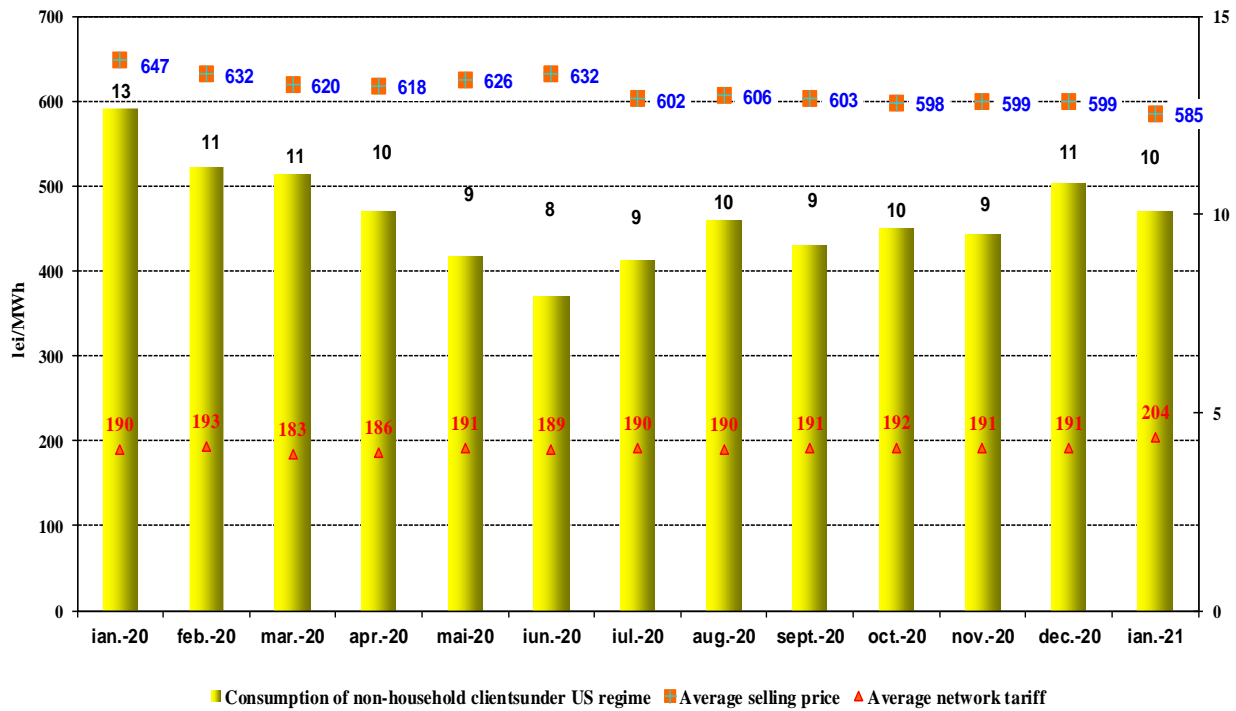
The following table presents average selling prices and consumption of households for January 2021, based on the structure defined according to the Regulation (EU) no. 2016/1952:

Consumption band / UM	REM of which:		US		last resort		competitive	
	Qy	Average price	Qy	Average price	Qy	Average price	Qy	Average price
	GWh	lei/MWh	GWh	lei/MWh	GWh	lei/MWh	GWh	lei/MWh
DA	220.00	558.69	151.62	530.91			68.38	620.29
DB	543.79	549.88	337.95	528.88	0.02	564.16	205.83	584.36
DC	331.17	542.89	176.59	526.65	0.0002	567.85	154.58	561.43
DD	163.54	534.73	72.06	526.83			91.48	540.95
DE	37.57	516.72	11.13	518.80			26.44	515.84

The monthly evolution of the electricity quantities supplied by suppliers of last resort to the final clients under universal service, inactive and last resort regime as well as the average selling price of electricity and the average network tariffs are presented in the following graphs:

Evolution of the average selling price, average network price and electricity consumption for non-household clients under US regime - January 2020 - January 2021-

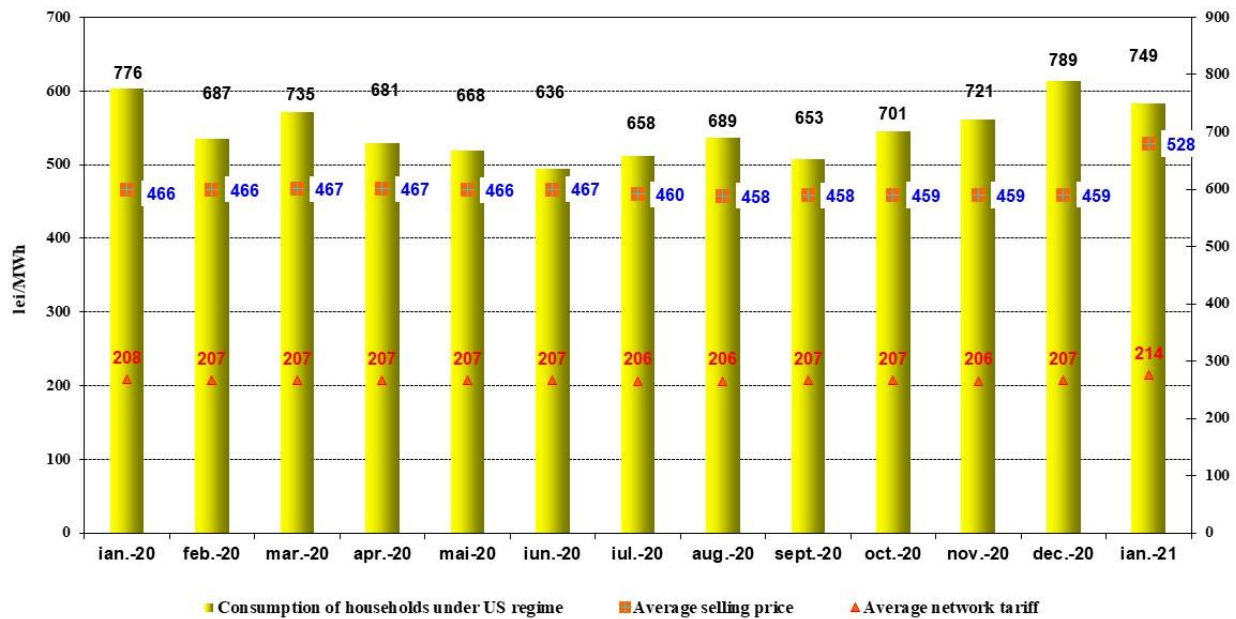
GWh



Source: Monthly reports of competitive suppliers – analysed by Electricity Market Monitoring Unit

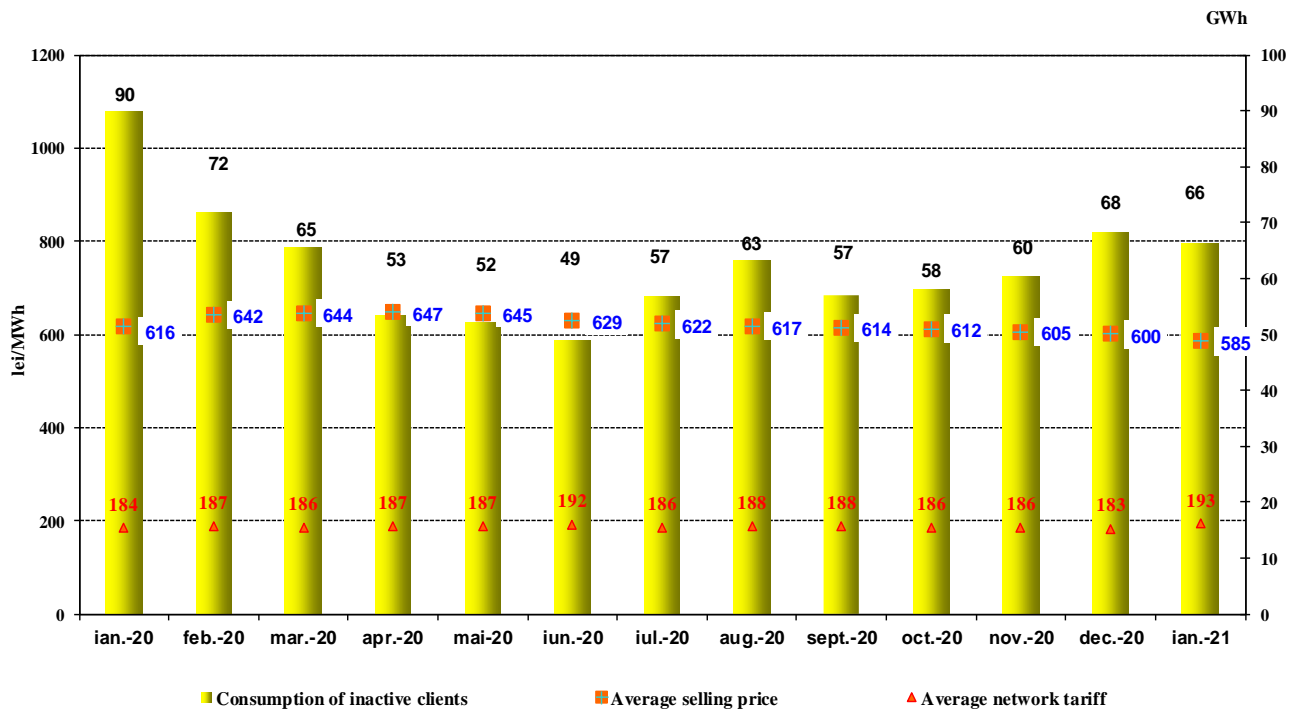
Evolution of the electricity average selling price, average network tariff and electricity consumption for households under US regime - January 2020 - January 2021 -

GWh



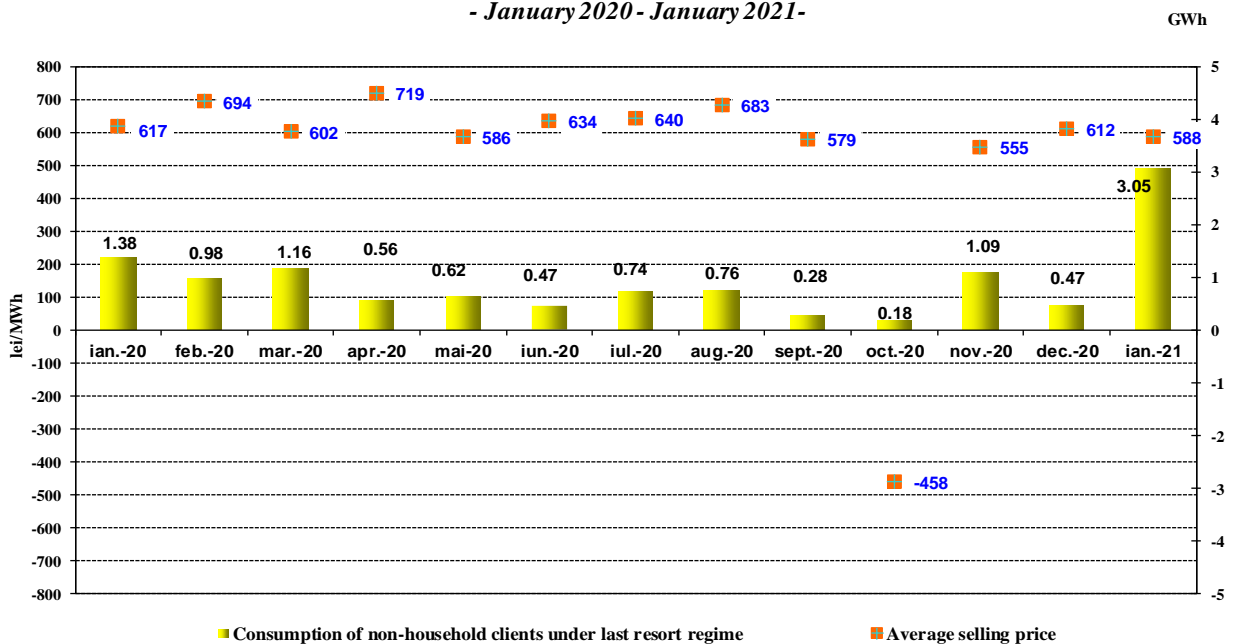
Source: Monthly reports of competitive suppliers – analysed by Electricity Market Monitoring Unit

Evolution of the electricity average selling price, average network tariff and electricity consumption for inactive clients
 - January 2020 - January 2021-



Source: Monthly reports of competitive suppliers – analysed by Electricity Market Monitoring Unit

Evolution of the electricity average selling price and electricity consumption for non-household clients under last resort regime
 - January 2020 - January 2021-



Note: The average selling price for October 2020 was affected by corrections made by one of the suppliers of last resort
 Source: Monthly reports of competitive suppliers – analysed by Electricity Market Monitoring Unit

The average selling price for each consumption band was calculated as an average of the prices applied by suppliers weighted with the quantities supplied by them to the respective consumption band in accordance with the provisions of Regulation (EU) 1952/2016. Prices do not include VAT, excise or other taxes, but include all related services (transport and distribution tariffs, system services, imbalances, BRP aggregation taxes, measurement). Classification of clients into consumption bands was based on their annual consumption forecast.

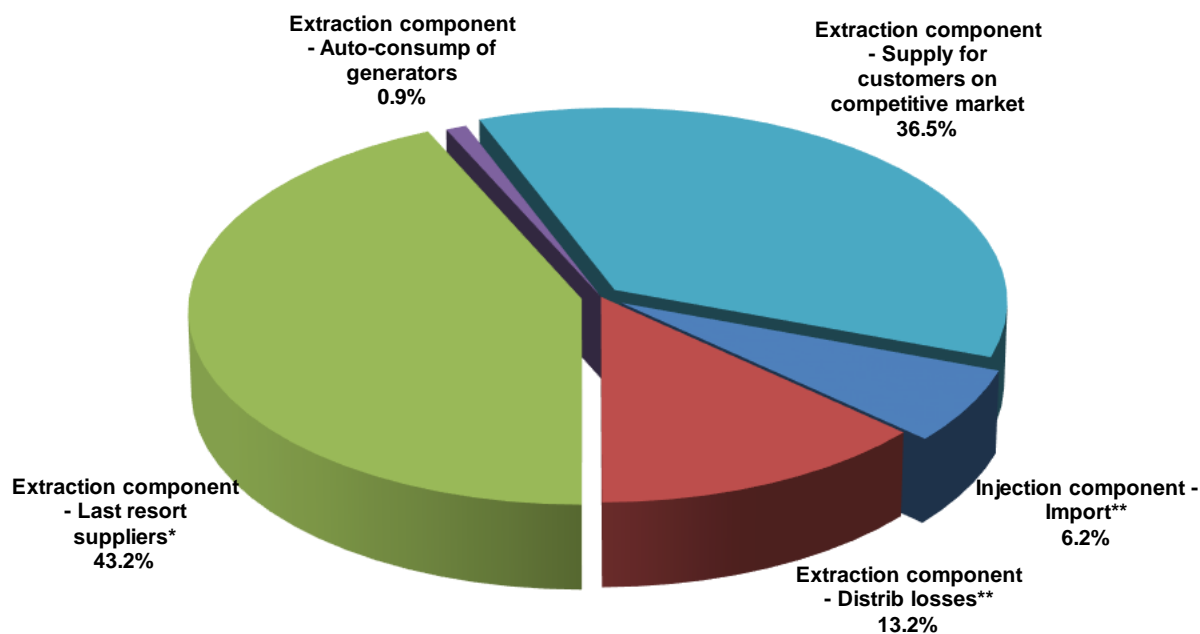
IV. TRANSMISSION AND SYSTEM OPERATOR CNTEE TRANSELECTRICA SA

The Transmission and system operator (TSO) performs the electricity transmission service at regulated tariffs. Therefore, the electricity injection tariff covers some of the network losses costs and the costs of eliminating congestion by re-dispatching, while the extraction tariff covers the average cost of the transmission service.

According to the regulation framework in place, the electricity injected/extracted from the national grid by import/export trading are not eligible for transmission tariffs. Starting with January 1, 2020, TSO applies the self-supplying regime for the electricity consumed by its own consumption points other than grid losses.

The following graph presents the structure of the revenues for January 2021, following the provision of the transmission service.

**CNTEE Tranelectrica SA structure of revenues from transmission services
- January 2021 -**



* for electricity extracted from their own licence areas as well as from other areas

** includes the electricity with which some distribution operators supply their own self - consumption places

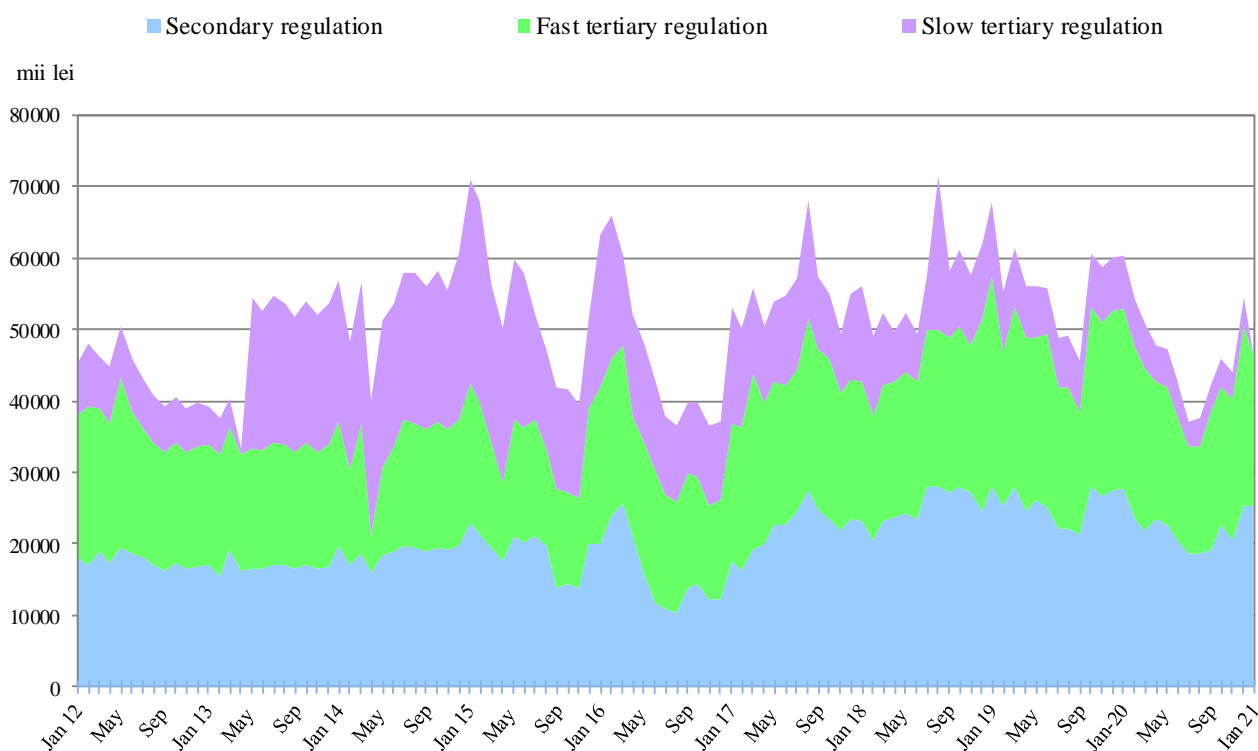
Source: Monthly reports of CNTEE Tranelectrica SA – analysed by Electricity Market Monitoring Unit

In order to perform the system operator tasks, CNTEE Tranelectrica SA provides and contracts reserves (named ancillary services according to the amendment introduced by Law no. 155/2020) from qualified

market participants, which it uses by integrating them on the balancing market. These are: reserves for secondary, fast tertiary, slow tertiary and reactive energy necessary for the electricity transport network.

The following graph presents the evolution of the costs supported by CNTEE Transelectrica SA, starting with January 2012, for the acquisition of ancillary services. Starting January 2021, transmission and system operator has purchased the ancillary services only through tenders organised by TSO. To cover the costs corresponding to the contracts for the provision of ancillary services concluded as the tenders result, as well as to cover its own operating costs, the TSO applies the regulated tariff for the system service.

Structure of CNTEE Transelectrica SA costs with ancillary services acquired from qualified producers



Source: Monthly reports of CNTEE Transelectrica SA – analysed by Electricity Market Monitoring Unit

V. MARKET RULES EVOLUTION IN JANUARY 2021

In January 2021, ANRE issued the following regulations with an impact on the wholesale and retail markets:

- Order of the President of ANRE no. 3/20 January 2021 for the modification and supplementation of the Methodology for setting specific tariffs for the electricity distribution service approved by the Order of the President of ANRE no. 169/2018;
- Order of the President of ANRE no. 4/20 January 2021 for the modification and supplementation of the Order of the President of ANRE no. 171/2019 approving the Methodology for setting specific tariffs for the electricity transportation service;
- Order of the President of ANRE no. 5/20 January 2021 for the modification of the Order of the President of ANRE no. 171/2020 2020 for the approval of the conditions for the supply of electricity

by the suppliers of last resort and for the amendments and completions of the Framework Contract for electricity supply by the suppliers of last resort to the households, approved by the Order of the President of ANRE no. 88/2015;

- Order of the President of ANRE no. 6/20 January 2021 for the amendment of Regulation of the last resort supplier nomination approved by the Order of the President of ANRE no. 188/2020;
- Decision of the President of ANRE no. 85/20 January 2021 regarding the approval of the quantities produced in high efficiency cogeneration units that benefit from the bonus scheme for December 2020.

VI. EXPLANATIONS AND ABBREVIATIONS

1. Explanations

- **Internal consumption** is calculated, in this document, as the sum of electricity delivered into the grid (described below) and the balance of trades made on the basis of the import and export contracts of the wholesale market participants;
- **Consumption of final clients supplied under US and last resort regime** is the consumption of final clients supplied by suppliers of last resort at regulated tariffs, US price, last resort price and inactive client's price;
- **Consumption of final clients on competitive market** represents the consumption of clients supplied at negotiated prices or defined by standard bids;
- **Fuel consumption** represents the fuel consumed for generating electricity and heat in the power plants of monitored generators;
- **Self-consumption of generators** (in the graph regarding the revenues of CN Transelectrica SA) the self-consumption exclusively represents the generators consumption at consumption places other than the generation sites;
- **Electricity delivered into the grid** includes the electricity sold by the generators through direct lines or consumed by themselves at other consumption sites;
- **Electricity delivered into the grid according to the transport contract** is the electricity for which the transport service (the grid input component) is provided corresponding to the electricity delivered from the power plants with installed capacity of more than 5 MW connected to the transmission and distribution electric grids.

2. Abbreviations

- ATC – Available Transmission Capacity
- BM – Balancing Market
- BRP – Balancing Responsible Party
- CMBC – Centralised Market of Bilateral Contracts
- CMC – Competitive Market Component
- DAM – Day Ahead Market
- DO – Distribution operator
- ID – Intraday Market
- LT – Long Term
- MCP – Market Clearing Price
- 4M MC – Price coupling mechanism for spot markets from Romania, Hungary, Slovakia and Czech Republic
- MU – Monitoring Unit
- NPS – National Power System
- OU-NPD – Operational Unit-National Power Dispatch

- CME-RES-GC – Centralized market for electricity from renewable energy sources supported by green certificates
- CMUS – Centralised Market of Universal Service
- REM – Retail Electricity Market
- SLR – Supplier of last resort
- TG/TL – injection / extraction component of the transmission tariff
- US – Universal Service
- WEM – Wholesale Electricity Market
- ACER – The Agency for the Cooperation of Energy Regulators
- NTC - Net Transfer Capacity