

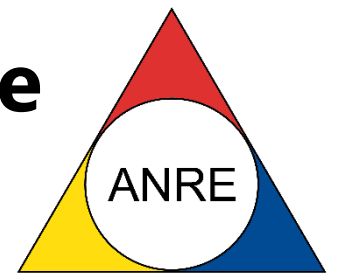
# **Romania Case Study on Consumer Satisfaction Measurements**

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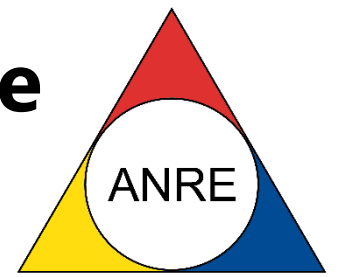
**ERRA Customer Protection Working Group**  
**Meeting**  
**October 10<sup>th</sup>, 2022**

# Consumer Protection measures in the context of the Prices Increase in the Electricity Market



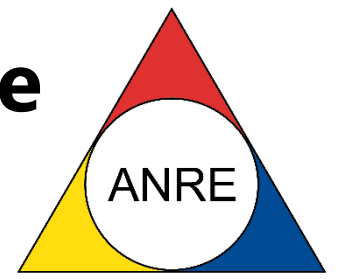
- ✓ The evolution of the final price applied to final consumers is correlated with the evolution of the trading price of electricity in the wholesale market.
- ✓ Given that the price of electricity in the wholesale market increased significantly during the period 2021 - 2022, the increase being reflected especially in sales contracts with delivery in 2023 (as a result of reducing the impact of contracts concluded before 2022), there was a significant increase in the prices of electricity supply offers.
- ✓ Considering the situation determined by the price increase on the international electricity and natural gas markets, as well as the effects caused by these increases, the **Romanian Government considered necessary to institute temporary measures**, so that the electricity and natural gas prices paid by the final consumers will not aggravate the level of energy poverty.
- ✓ The Government decided **to limit the electricity invoiced price to almost all final consumers.**
- ✓ Thus, the suppliers receive from the state budget the difference between this limit and the price from contract; also, the income of the producers resulting from the collection of a price higher than a fixed limit is overtaxed.

# Consumer Protection measures in the context of the Prices Increase in the Electricity Market



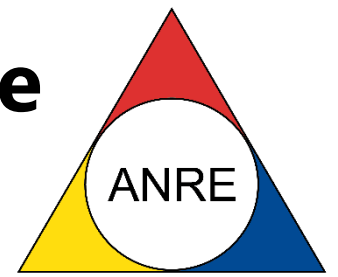
- ✓ More exactly, as a result of the increase in electricity prices, in order to mitigate the impact of the increase on final consumers, a legislative framework was adopted (namely **GEO no. 118/2021- November 2021** and **GEO no. 27/2022, GEO no. 119/2022**) through which support measures were introduced.
- ✓ Thus, the invoicing of electricity consumption made between **April 1<sup>st</sup>, 2022** and **March 31<sup>st</sup>, 2023**, including for consumers taken over in last resort regime, was done at the price established by the **Government Emergency Ordinance no. 27/2022**, respectively:
  - a) a maximum of **0.68 lei/kWh (aprox. 0,138 euros/kWh)**, including VAT, in the case of household consumers whose average monthly consumption at the place of consumption in 2021 **is less than or equal to 100 KWh**;
  - b) a maximum of **0.8 lei/kWh (aprox. 0,163 euros/kWh)**, including VAT, in the case of household customers whose average monthly consumption at the place of consumption in 2021 **is between 100 kWh and 300 KWh inclusive**;
  - c) maximum 1 leu/kWh (**aprox. 0,204 euros/kWh**), including VAT, in the case of non-domestic customers, with the exceptions provided for in art. 1 paragraph (8) of GEO 27/2022.

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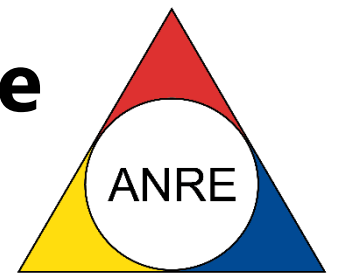
- ✓ The Government of Romania through the **Ministry of Labor and Social Solidarity** is the responsible entity of the development of social policies, including of the establishment of the **definition** and **criteria** dedicated to **vulnerable consumers**.
- ✓ The **National Regulatory Authority in Energy (ANRE)** it is not issuing the social policies at national level, the Authority having just a consultative role in this process.
- ✓ In 2021 it has been adopted the **Law no. 226/2021 on establishing social protection measures for vulnerable energy consumers**, which sets the framework (including definition & criteria) for identifying those energy consumers which can be included in the category of vulnerable consumer).
- ✓ According to the **Law no. 226/2021** a **vulnerable consumer** is represented by *a single person/family who, for reasons of health, age, insufficient income or isolation from energy sources, require social protection measures and additional services to ensure at least their minimum energy needs.*
- ✓ More precisely, the **Law no. 226/2021** stipulates the fact that *vulnerable consumers represents the following categories:*
  - a) *vulnerable consumers for income reasons;*
  - b) *vulnerable consumers for age reasons;*
  - c) *vulnerable consumers for health reasons;*
  - d) *isolated vulnerable consumers.*
- ✓ Also, according to the **Electricity and natural gas Law no. 123/2012 with modifications and completions**, the vulnerable consumer is the **final consumer belonging to a category of household consumers who, due to health, disability, age, insufficient income or isolation from energy sources, are at risk of social marginalization and who, in order to prevent this risk, benefit from social protection measures, including financial, and additional services to ensure at least their minimum energy needs. The social protection measures, as well as the eligibility criteria for them are established by normative acts.**

# Consumer Protection measures in the context of the Prices Increase in the Electricity Market



- ✓ Recently, at governmental and political level, a number of decisions have been taken in view **limiting the pressure that the support scheme promoted by GEO no. 27/2022 exerts on the state budget**, as well as in order to make consumers responsible and a participants in the energy markets and supporting measures to reduce the consumption of electricity and natural gas.
- ✓ For this reason and in order **to reconsider some elements of the support scheme provided by GEO no. 27/2022** in order to be ensured its application at unitary level by all operators in the energy market, and to provide an adequate level of consumer protection, **the Government has issued in September, GEO no. 119/2022 for the amendment and completion of Government Emergency Ordinance no. 27/2022.**
- ✓ According to **GEO no. 119/2022** for the consumption achieved between **September 1<sup>st</sup> 2022 and August 31<sup>st</sup> 2023**, the final billed price capped by the electricity suppliers is:
  - a) a maximum of **0.68 lei/kWh (aprox. 0,138 euros/kWh)**, including VAT, in the case of household consumers whose average monthly consumption achieved at the place of consumption in 2021 **is between 0-100 KWh inclusive;**
  - b) a maximum of **0.80 lei/kWh (aprox. 0,163 euros/kWh)**, including VAT, in the case of household consumers whose average monthly consumption at the place of consumption in 2021 was between **100 ,01-300 kWh, for a maximum monthly consumption of 255 kWh.** Electricity consumption exceeding 255 KWh/month is invoiced according to the provisions of art. 5 para. (1);

# Consumer Protection measures in the context of the Prices Increase in the Electricity Market



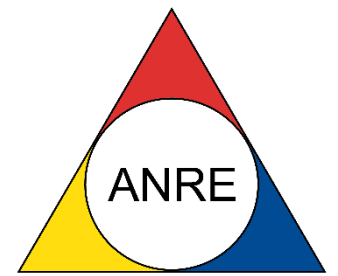
c) a maximum of **1 leu/kWh (aprox. 0,204 euros/kWh)**, including VAT, **for 85% of the average monthly consumption at the place of consumption in 2021**, in the case of **small and medium-sized enterprises**, as defined in Law no. 346/2004 regarding the stimulation of the establishment and development of small and medium-sized enterprises, with subsequent amendments and additions, hereinafter referred to as SMEs, of **economic operators in the field of the food industry**, based on the declaration on the personal responsibility of the legal representative.

d) maximum **1 leu/kWh (aprox. 0,204 euros/kWh)**, including VAT, for the **full consumption of public and private hospitals** defined according to Law no. 95/2006 regarding the reform in the field of health, republished, with subsequent amendments and additions, **of public and private educational units**, defined according to the National Education Law no. 1/2011, with subsequent amendments and additions, **as well as nurseries, public and private providers of social services** provided in the Nomenclature of social services, approved by Government Decision no. 867/2015 for the approval of the Nomenclature of social services, as well as the framework regulations for the organization and operation of social services, with subsequent amendments and additions;

e) maximum **1 leu/kWh (aprox. 0,204 euros/kWh)**, including VAT, **for 85% of the average monthly consumption**, achieved at the place of consumption in 2021, **for public institutions**, other than those provided for in letter d). **The difference in monthly electricity consumption is invoiced according to the provisions of art. 5 para. (1);**

f) for the beneficiaries provided for in letter c) and e) who have no consumption history in 2021, the percentage of **85% is applied to the monthly consumption.**

# The situation of the beneficiaries of the provisions of GEO no. 119/2022

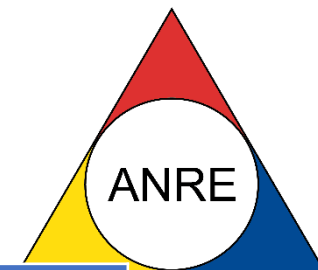


The number of household consumers beneficiaries of the provisions of GEO 119/2022 for the amendment and completion of *Government Emergency Ordinance no. 27/2022 on the measures applicable to final consumers in the electricity and natural gas market in the period April 1<sup>st</sup>, 2022 - March 31<sup>st</sup>, 2023, as well as for the modification and completion of some normative acts in the field of energy*

Category of clients		Total number of household consumers beneficiaries of the provisions of GEO no. 119/2022
According to art. 1 (1) letter a) maximum 0.68 lei/kWh, including VAT, the number of household consumers whose average monthly consumption at the place of consumption in 2021 is between 0 - 100 kWh, inclusive	According to art. 1 (1) letter b) maximum 0.80 lei/kWh, including VAT, the number of household consumers whose average monthly consumption at the place of consumption in 2021 is between 100.01 - 300 kWh	
4,940,061	3,522,576	8,462,637
Total number of household consumers – May 2022		8,661,064

*I mention that, at the current moment GEO no. 119/2022 it is to be amended in order to include several other categories of consumers, and it will be most probably adopted as soon as possible.*

# The impact of the GEO no. 119/2022 over the electricity supply offers listed on the Price Comparison Tool

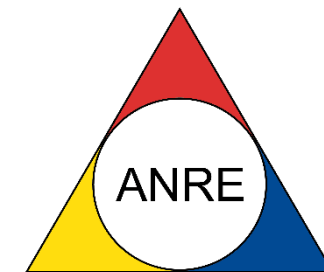


The first four offers for electricity supply for household consumers, in the Competitive Market, available on 27 <sup>th</sup> September 2022, on the interactive application <i>Comparator of offers-type for electricity supply</i> available on ANRE website – <a href="http://www.anre.ro">www.anre.ro</a>	Value of the bill where the electricity consumption at the place of consumption is 100 KWh/month [lei + VAT / euros + VAT]	Value of the bill where the electricity consumption at the place of consumption is 255 kWh/month [lei + VAT / euros + VAT]
SPEEH HIDROELECTRICA SA	68,92 / 14,06	175,74 / 35,86
GRENERG SRL	179,46 / 36,62	421,09 / 85,93
RENOVATIO TRADING SRL	277,69 / 56,67	708,12 / 144,51
LUXTEN LIGHTNING COMPANY SA	337,01 / 68,77	859,38 / 175,38

The first four offers for electricity supply for household consumers, in the Competitive Market, available on 27 <sup>th</sup> September 2022, on the interactive application <i>Comparator of offers-type for electricity supply</i> available on ANRE website – <a href="http://www.anre.ro">www.anre.ro</a>	Value of the electricity bill where the electricity consumption at the place of consumption is 100 KWh/month after applying the provisions of the GEO no. 119/2022 [lei + VAT / euros + VAT]	Value of the electricity bill where the electricity consumption at the place of consumption is 255 kWh/month after applying the provisions of the GEO no. 119/2022 [lei + VAT / euros + VAT]
SPEEH HIDROELECTRICA SA	68 / 13,87	175,74 / 35,86
GRENERG SRL	68 / 13,87	204 / 41,63
RENOVATIO TRADING SRL	68 / 13,87	204 / 41,63
LUXTEN LIGHTNING COMPANY SA	68 / 13,87	204 / 41,63

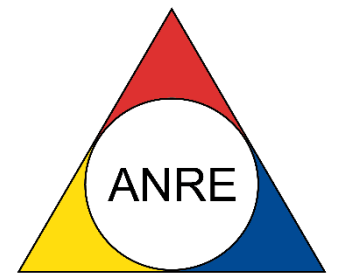


# The impact of the GEO no. 119/2022 over the electricity supply offers listed on the Price Comparison Tool



The first three offers for electricity supply for non household consumers, in the Competitive Market, available on 27 <sup>th</sup> September 2022, on the interactive application <i>Comparator of offers-type for electricity supply</i> available on ANRE website – <a href="http://www.anre.ro">www.anre.ro</a>	Price of electricity [lei + VAT / euros + VAT]
SPEEH HIDROELECTRICA SA	3,2 / 0,65
UZINSIDER GENERAL CONTRACTOR SA	4,09 / 0,83
NOVA POWER & GAS SRL	4,14 / 0,84
Values of the electricity bill resulted after applying the provisions of the GEO no. 119/2022	Price of electricity applied to the three categories of non-household consumers stipulated in the GEO no. 119/2022 [lei + VAT / euros + VAT]
	1 / 0,20

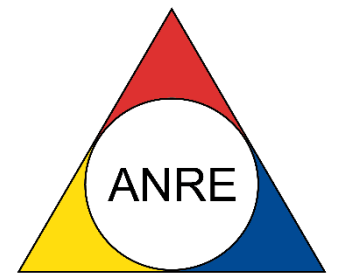
# Media Campaign developed by ANRE for the final consumers of electricity and natural gas



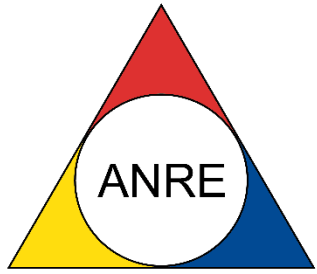
- ✓ Considering the provisions of **Government Emergency Ordinance no. 143/2021** for the amendment and completion of the *Electricity and Natural Gas Law no. 123/2012*, as well as for the modification of some normative acts, a legal framework was created which **allows the initiation of the first information campaign carried out by the National Energy Regulatory Authority.**
- ✓ Thus, in the summer of this year, ANRE started a **media campaign** aiming **to inform the final consumers of electricity and natural gas about the rights** that they have in the relation with the energy the suppliers.
- ✓ Knowing and respecting these rights they become allies of the final consumers, especially in the current situation on the energy market.

# Media Campaign developed by ANRE for the final consumers of electricity and natural gas

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- ✓ The campaign is aimed at approx. **9.8 million electricity consumers** and **over 4 million natural gas consumers** and it takes place both **in the audiovisual environment**, through the broadcasting of audio and video spots, and **in the online environment** - online and social media.
- ✓ The entire campaign will end on **November 30th, 2022**.
- ✓ We note that **ANRE will run such communication campaigns annually**, according to the provisions of the above mentioned Law.
- ✓ More information related to this campaign which is addressed to the final consumers can be consulted by accessing the website of ANRE on the following link - <https://www.anre.ro/ro/info-consumatori/campanie-anre>.



**THANK YOU  
FOR YOUR ATTENTION!**

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