

Enel to reduce investments in Romania, if authorities do not alter compensation measures and bill capping

The measures for compensating and capping energy bills, adopted by Romania, are incorrect, create instability and discourage investors, thus the Italian group Enel will reduce investments in our country if these provisions remain in effect, the Enel officials said on Wednesday, during the Enel Capital Markets Day conference.

Francesco Starace, Enel CEO, said that the European Union published a few months ago a set of measures called Tool Box, which the Commission believes that the member states could enforce in order to reduce the impact of the natural gas prices' crisis, without contravening the basic directives regarding the functioning of markets in Europe.

"There are several ways this crisis could be solved, and the worst of them would be trying to play with market rules. We believe that the measures imposed by the authorities in Romania are incorrect, discourage investors, create instability, do not solve the structural problems and need to be changed, exactly the way it happened with the measures taken by other governments in Europe," Starace said.

He believes that these measures are a mistake and erode investors' trust.

Starace does not believe that gas prices will go down too soon.

In turn, Alberto De Paoli, the company's financial director, said that Enel will reduce investments in Romania, if these measures remain in effect.

"When we made the business plan, Romania was an attractive country and we foresaw to invest more than 2 billion Euro in order to massively develop renewable energy projects and networks. Obviously, if these measures remain in effect, yield will drop, so regarding investments in Romania, we will have to review them downwards," De Paoli specified.