



Annual Activity Report 2020



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The year in brief

In 2020, the National Agency for Energy Regulation (ANRE) continued the activity of regulating the electricity market, the natural gas market, the thermal energy sector, the petroleum products market, the public water supply and sewerage systems as well as the state energy supervision, according to the sectoral laws and rules related to market regulations, that includes: *licensing, prices and tariffs regulation, monitoring and control of the activities conducted by licensees, protection of consumers' rights and the quality of services provided, drafting and approval of regulatory acts and the implementation of the best European regulatory practices.*

During the year, ANRE has strengthened its efforts to develop the mechanisms for implementing the provisions of the Electricity and Natural Gas Laws, which transpose the European Union Directives and create the conditions for the liberalization of energy markets in the Republic of Moldova according to commitments under the EU's Third Energy Package.

ANRE has approved and transposed all the regulatory normative acts related to electricity and renewable energy sector provided in the Third Energy Package. Other important regulatory acts drafted and approved following some consultations and technical assistance provided by the Energy Community Secretariat, include:

- *Electricity market rules;*
- *Regulation on the quality of electricity transmission and distribution services;*
- *Regulation on the procedure for changing the electricity supplier and fixed tariffs and price caps for electricity from renewable energy sources.*

The role of these regulations is to promote the liberalisation of the national energy market and integrate it into the regional energy markets.

ANRE has approved a number of key regulatory acts for the natural gas sector, including:

- *The amendments to Gas Network Code;*
- *The regulation on the procedure for changing the natural gas supplier and the Methodology for calculation, approval and application of regulated tariffs for natural gas distribution service.*

The amendments to Gas Network Code ensure a harmonised regulatory framework and similar rules that are applied in the EU for new market participants.

The regulation on the procedure for changing the gas supplier are meant to avoid any potential abuse from system operators or suppliers towards end-users who choose to switch the gas supplier.

Even though the COVID-19 pandemic caused some activity disruptions for some institutions at home and abroad, ANRE continued to work closely with the Energy Community Secretariat, National Association of Regulatory Utility Commissioners (NARUC), the Council of European Energy Regulators (CEER), Energy Regulators Regional Association (ERRA) and the Romanian National Energy Regulatory Authority in order to obtain the necessary technical assistance and absorb the best practices in energy sector regulation.

ANRE also cooperated with the main development partners of the Republic of Moldova - the European Bank for Reconstruction and Development (EBRD), the World Bank, the International Monetary Fund and diplomatic representations in the Republic of Moldova, etc.

1. The transparency of ANRE activity

In 2020, the Administration Council of ANRE adopted **570** decisions, 15 more compared to the previous year. **42** decisions were approved during public meetings.

2. Electricity and renewables

2.1 The developments in the electricity and renewable energy sector

The amount of electricity produced in 2020 by local producers reached 851.4 million kWh, 6.3% more compared to 2019. However, this amount is about 4.1 million kWh or 0.5% lower compared to the average annual level of electricity production recorded since 2001.

The amount of electricity generated and delivered by local producers to the electricity grid remains well below the consumption level, covering only **19.9%** of country's requirements. The rest of the electricity needs are covered by imports from Ukraine and the Moldavskaya GRES on the left bank of Nistru river. The national electricity sector remains vulnerable due to limited supply from local electricity suppliers.

S.A. "Termoelectrica" produced 621.0 million kWh in 2020, 3.3% more compared to 2019. While S.A. "CET-Nord" generated 100.5 mil. kWh, 42.1 mil. kWh more compared to the previous year.

The hydroelectric power plant NHE "Costești" produced 17.3 million kWh from renewable energy sources which, 27% lower than in the previous year.

The producers of electricity from renewable energy sources (RES) which have the tariffs approved by ANRE or sell electricity at negotiated prices increased in 2020 by 6.4 million kWh (8.6%), from 74.9 million kWh to 81.3 million kWh.

Table 1. Electricity production and procurement during 2001 - 2020

Indexes	2001	2005	2010	2018	2019	2020
Electricity generation (delivered from outgoing power lines) - total, million kWh	1 042,9	999,8	888,1	804,2	801,1	851,4
including.: CET-1	115,4	128,9	82	×	×	×
CET-2 (from 2015 – Termoelectrica)	812,6	724,7	665,4	651	601,3	621
CET-Nord	31,5	55,5	57,1	53,9	58,3	100,5
NHE Costești	72,2	83,8	78,3	43,7	64	46,7
other producers of electricity from RES				53,5	74,9	81,3
other domestic producers	11,2	6,9	5,3	2	2,5	1,9
Total electricity procurement, million kWh	3 194,8	3 465,1	3 915,6	4 303,9	4 301,9	4 269,8
including.: RED Nord	569,7	588,1	651	85	76,4	74,3
RED Nord-Vest	314,9	287,1	342,4	×	×	×
Premier Energy Distribution (RED Union Fenosa)	2 310,2	2 484,3	2 842,2	243,2	243,9	226
Premier Energy (GNF Furnizare Energie)	×	×	×	2 767,6	2 621,5	2 543,9
FEE Nord	×	×	×	970	972,7	949
Moldelectrica	×	×	×	112,9	106,5	103,4
Consumers who have made use of eligibility	×	105,6	80	125,1	280,9	373,3

During 2020, the transmission system operator (TSO), distribution system operators (DSOs) and suppliers purchased 4 269.8 million kWh of electricity, 0.7% lower compared to 2019 (4 301.9 million kWh).

3 866.1 million kWh of electricity was delivered to consumers in 2020, 0.2 percent lower compared to 2019 (3 875.1 million kWh).

Table 2. The procurements and deliveries of electricity to consumers*

Indexes	Unit of measurement	2001	2005	2010	2018	2019	2020
1. Quantity of electricity purchased – total	mil. kWh	3 194,8	3 359,5	3 835,7	4 178,8	4 301,9	4 269,8
	mil. MDL	1 161,6	1 180,1	2 905,5	4 152,1	4 542,9	4 154,6
2. Average electricity procurement price	bani/kWh	36,36	35,13	75,75	99,36	105,6	97,3
3. Quantity of electricity delivered to consumers - total	mil. kWh	2 166,0	2 585,0	3 229,2	3 737,6	3 875,1	3 866,1
	mil. MDL	1 376,4	1 943,1	4 320,4	6 926,8	6 806,5	6 798,6
4. Average electricity supply tariff (excluding VAT)	bani/kWh	63,55	75,17	133,8	185,33	175,65	175,85

* the data for 2019 and 2020 includes consumers who have made use of the status of eligible consumer

The useful deliveries of electricity to final consumers amounted to - 3 866.2 million kWh in 2020, 8.9 million kWh lower compared to the previous year. The 0.2% decrease in electricity consumption in 2020 is largely due to the negative impact of the COVID-19 pandemic.

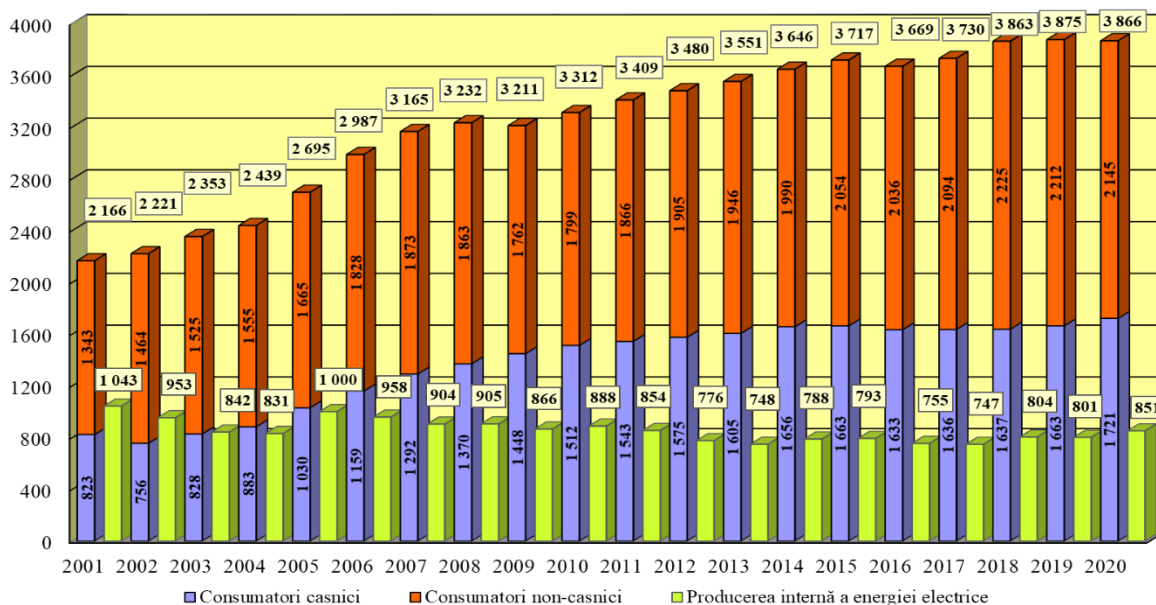


Figure 1. Electricity production and consumption 2001-2020, million kWh

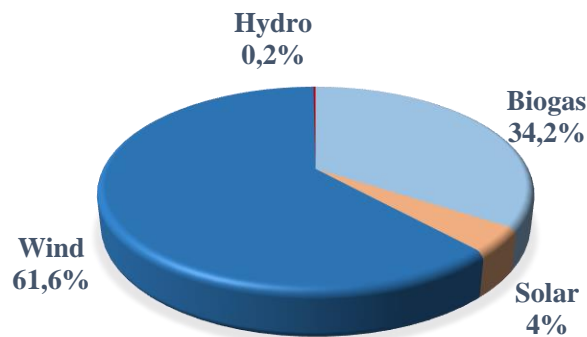
While the electricity consumption decreased on average by 0.2%, the consumption of households increased by 3.5%. The consumption of rural and urban households increased by 4.1% and 2.9%, respectively. The electricity consumption of non-households decreased by 3.0%.

The total electricity generated by **renewable energy** installations of owners which benefit from the support scheme, except the hydroelectric power plant NHE "Costești" and producers which sell electricity at non-regulated prices reached 81.4 million kWh in 2020, 20.6% higher compared to 2019.

Table 3. Renewable electricity generation 2016 - 2020

Type of renewable energy sources (RES)	Amount of electricity generated, thousand kWh				
	2016	2017	2018	2019	2020
Solar energy (photovoltaic)	1 311	1 509	1 457	1 437	3 275
Biogas (produced from biomass)	14 030	21 576	27 961	28 748	27 793
Wind power	2 477	7 066	21 968	36 915	50 138
Hydropower		38	279	330	147
TOTAL	17 818	30 189	51 665	67 430	81 353

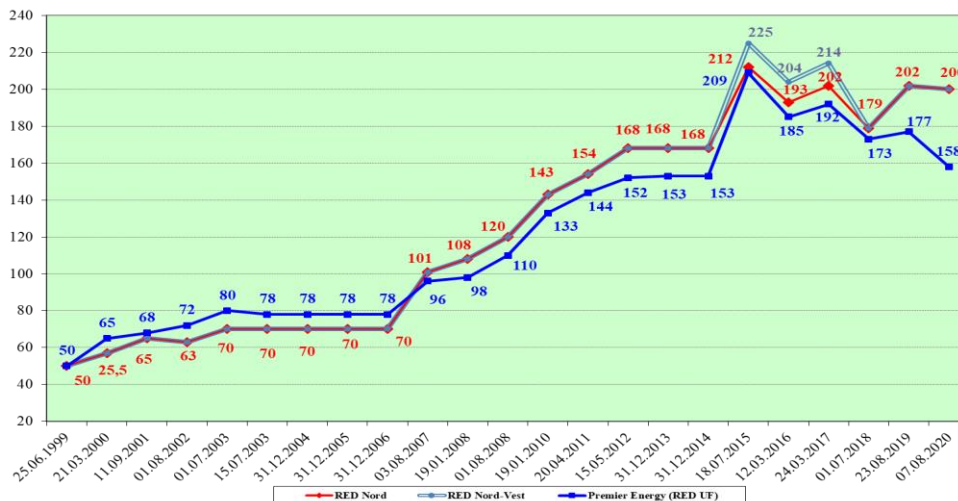
Wind power holds the largest share (61.6%) of electricity generated from renewable sources, followed by biogas (34.2%), solar energy (4%), and hydropower plants 0.2% (Figure 4).

**Figure 2.** Share of electricity generated by type of RES used, %

The average level of technological consumption and technical losses in the electricity grid decreased by about 0.5 percentage points to 7.6%, compared to the previous year.

2.2 The regulated electricity tariffs and prices

According to calculations based on the requested costs and subsequent corrections made by ANRE, the average electricity supply price for consumers of S.R.L. "Premier Energy" on August 7 2020 was set at 158 bani/kWh, 10.6% lower than the previous price, and the average supply price for consumers of S.A. "Furnizarea Energiei Electrice Nord" was set at 200 bani/kWh, 1.2% lower than the previous price.

**Figure 3.** Regulated end-user electricity supply prices 1999 - 2020, money/kWh

2.3 The quality of electricity distribution services

The assessment of the quality of electricity distribution services in 2020 was conducted according to the provisions of the Regulation on the quality of electricity transmission and distribution services based on the information submitted by system operators.

The analysis of the quality of electricity distribution services takes into the following:

- the service continuity (scheduled and unscheduled interruptions);
- the quality and product delivery arrangements;
- the relationship between system operators and system users.

According to the Regulation, the following general continuity indicators are used to analyse the continuity of services:

- SAIDI - System Average Interruption Duration;
- SAIFI - System Average Interruption Frequency;
- CAIDI - Customer Average Interruption Duration.

These indicators reflect the overall situation per company with regard to unscheduled interruptions/outages and the guaranteed indicators that affect each end user.

In 2020, the regulated value of the SAIDI for Premier Energy Distribution S.A. was set at **270 minutes**, and for RED Nord S.A. at **155 minutes**. Both operators complied with the SAIDI regulated values. Premier Energy Distribution S.A. saved/registered - 178.8 minutes for and 71.2 minutes for RED Nord S.A.

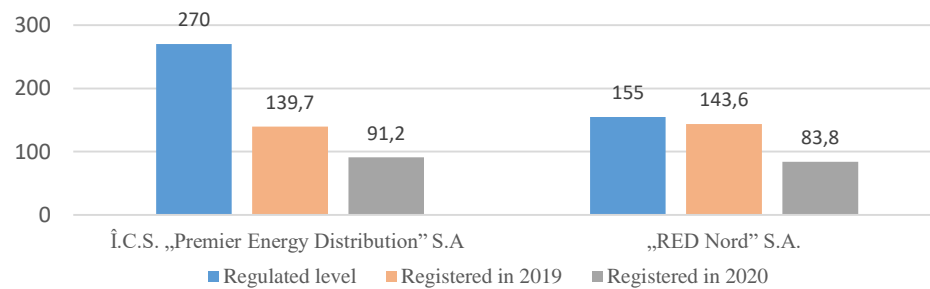


Figure 4. SAIDI indicator level in 2019-2020, by system operators, compared to regulated level

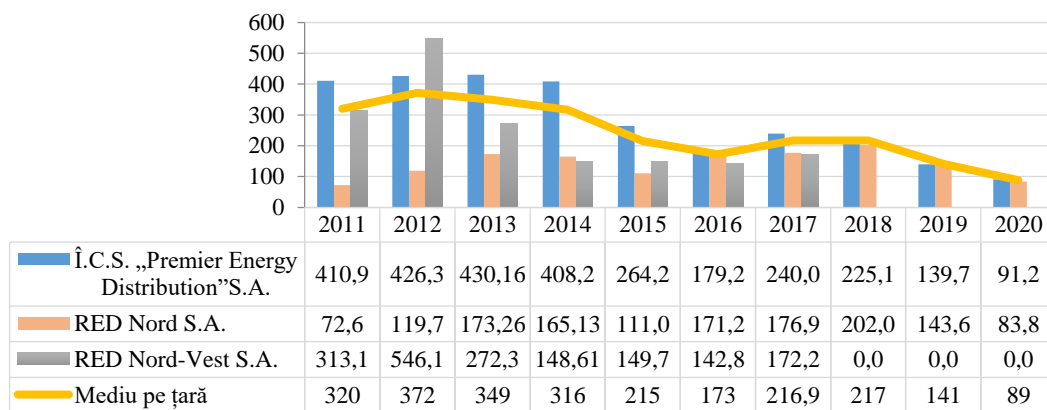


Figure 5. Evolution of the SAIDI indicator, min (2011-2020)

The average level of the SAIDI indicator in 2020 was 89 minutes, much lower compared to 2019.

In 2021, the value of the frequency of interruptions (SAIFI indicator) decreased for both system operators: from 2.99 to 1.91 for S.C.I. "Premier Energy Distribution" S.A. and from 2.33 to 1.65 for S.A. "RED Nord."

The recorded values of the average duration of interruption (CAIDI indicator) for a consumer are practically at the same level: 47.84 minutes at Premier Energy Distribution S.A. and 51 minutes at RED Nord S.A.

3. Natural gas and heating systems

3.1.1 The developments in the gas sector

The consumption of gas in the Republic of Moldova has increased by 3.0% in 2020 (compared to 2019).

The total volume of natural gas purchased in 2020 increased by 6.6% compared to the previous year and amounted to 1127.0 million m³.

99% of natural gas was purchased from Gazprom. The average purchase price of natural gas was USD 148.87 per 1000 m³, 36.3% lower compared to the price paid in 2019 (USD 233.67/1000 m³).

In 2020, the average purchase price of natural gas fell by 35.9%, from MDL 4064.3/1000 m³ to MDL 2604.2 MDL/1000 m³. The decrease in price is also due to a 9.8% appreciation of the national currency (MDL) against the US dollar.

Of the total 1046.3 million m³ of natural gas delivered to final consumers:

- **35.6%** (372.7 million m³) was consumed by households;
- **35.5%** (371.4 million m³) by the energy sector;
- **24.9%** (260.6 million m³) or economic operators;
- **4.0%** (41.5 million m³) by public institutions.

The 112.2 km long gas pipeline **Iasi – Ungheni – Chisinau** was completed in 2020. The pipeline connects the natural gas transmission system of Romania with the natural gas transmission system of the Republic of Moldova.

In 2020, only the TSO - Moldovatrangaz SRL provided gas transmission services of 2225.5 million m³ of natural gas.

3.1.2 The regulated natural gas tariffs and prices

Upon the submission of request of the natural gas supplier "Moldovagaz", ANRE has approved the prices of natural gas supplied at the entry and exit points of natural gas distribution networks, according to the gas pressure level.

The average price of natural gas supply was MDL 4115/1000 m³ (USD237.6), about USD 14 lower compared to MDL 4420/1000 m³ (\$251.5) in 2019.

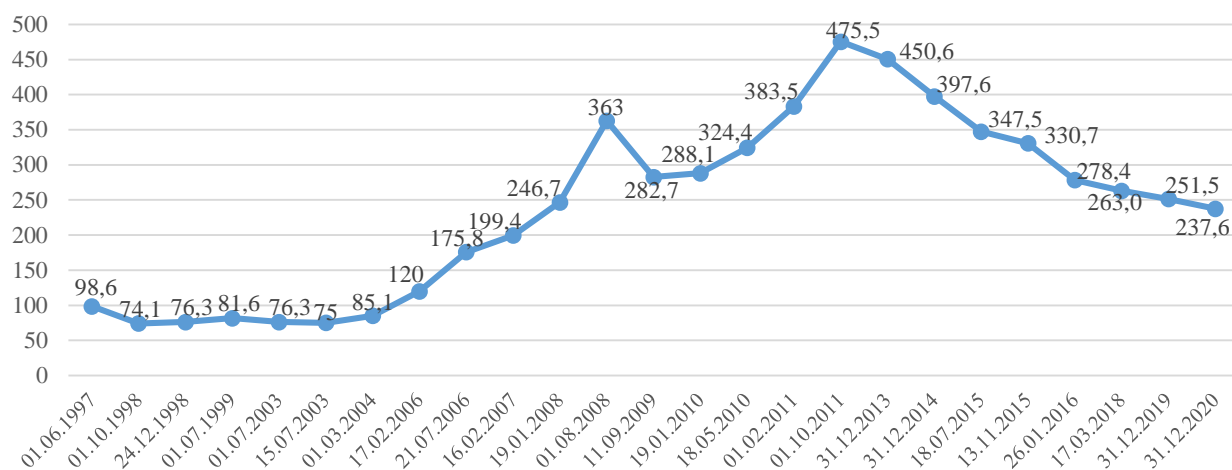


Figure 6. The evolution of average tariffs for gas, 1997-2020, \$/1000 m³

3.1.3 The quality of gas transmission and distribution services

The analysis of the quality of gas transmission and distribution services was based on the following indicators:

- *continuity of gas supply;*
- *informing consumers about interruptions;*
- *quality and delivery schedules of natural gas;*
- *connection and reconnection to the gas network;*
- *average processing time to solve customer complaints/enquiries.*

These indicators have been further structured into:

general quality indicators - allow the assessment of the quality of services provided by TSOs and DSOs, and are calculated at the enterprise level. ANRE can reduce the tariffs by **up to 10%** if the regulated company does not comply with the values set in the Regulation;

guaranteed quality indicators - allow the assessments of quality of services provided by TSOs and DSOs.

The final consumers are entitled to an **individual monetary compensation** if the quality of services provided to them did not comply with these quality indicators.

3070 planned interruptions were registered in 2020, which is 1181 more compared to 2019 and, 1042 more compared to 2018. A higher number of interruptions in 2020 is largely due to the execution of maintenance works on the natural gas network, current repairs, connection and modernisation works that are necessary for the reliable operation of the network.

According to the DSOs reports, **the duration of scheduled outages/interruptions** - was within the permissible limits.

473 unscheduled outages/interruptions were recorded during 2020. 98% - of these unscheduled interruptions were recorded by DSOs affiliated to Moldovagaz and 2% - by other operators. The increase in unscheduled outages in 2020 is largely due to network damages.

The DSO SRL "Cahul-gas" has recorded the largest number of interruptions (181) due to network damages. 179 out of 181 interruptions lasted up to 36 hours.

The *Regulation on the quality of natural gas transmission and distribution services* sets the obligation for system operators to ensure the delivery of natural gas to system users within the parameters of natural gas quality set in the quality standards approved by the national standardization body.

The Regulation also requires system operators to report data on the number of gas pressure complaints received from final customers.

The admissible duration to process the complaints for non-compliance with the required level of gas pressure was reduced from 30 calendar days to **15 working days**. In addition, system operators shall pay a monetary compensation to consumers in case they fail to comply with the regulatory deadline.

The following compensations will be applied:

- a fixed amount of MDL 100;
- MDL 25 for each calendar day of delay.

3.2.1 The evolution of the heating systems

The district heating supply services was provided by 10 licensees in 2020. The total amount of heating produced by district heating power plants and thermal power plants of regulated enterprises has decreased in 2020 compared to 2018 and 2019.

Table 4. The evolution of the district heating supply balance during 2018 - 2020

Regulated enterprises	Heat delivered to the grid, thousands Gcal			Heat losses, thousand Gcal			Useful delivery to final consumers, thousand Gcal			Share in the total amount of heat deliveries, %		
	2018	2019	2020	2018	2019	2020	2018	2019	2020	2018	2019	2020
S.A. „Termoelectrica”	1710,1	1532,3	1498,3	335,8	304,1	285,1	1374,2	1228,1	1213,2	86,3	87,13	87,19
S.A. „CET-Nord”	211,8	175,7	175,4	45,0	38,1	40,2	166,8	137,6	135,2	10,5	9,76	9,72
S.A. „Apă-Canal Chişinău”	28,2	24,3	23,0	3,2	3,5	2,2	25,0	20,8	20,8	1,6	1,48	1,5
Î.M. „Termogaz-Bălţi”	12,4	10,7	10	1,3	1,2	1,2	11,0	9,5	8,7	0,7	0,67	0,63
S.A. „Comgaz Plus”	7,1	6,2	5,2	0,9	1,1	0,7	6,2	5,2	4,5	0,4	0,37	0,32
Î. M. R. C.T. Comrat	7,9	6,8	6,6	0,3	0,2	0,2	7,6	6,6	6,4	0,5	0,47	0,46
Î.M. „Servicii Comunale Glodeni”	2,0	2,0	1,9	0,1	0,2	0,1	1,9	1,8	1,7	0,1	0,13	0,13
Î.M. „Antermo”			0,3			0			0,3			0,02
S.A. „Reţelele Termice Cahul”			0,3			0			0,3			0,02
Î.M. „Reţele Termice Floreşti”			0,4			0			0,4			0,03
Total by regulated enterprises	1979,5	1757,9	1721,3	386,7	348,4	329,8	1592,8	1409,5	1391,5	100	100	100

Source: Reports from Licensees

The total amount of heat delivered to the grid in 2020 registered 1721.3 thousand Gcal, 36.6 thousand Gcal (-2.1%) less compared to 2019 and 258.2 thousand Gcal (-13%) compared to 2018.

Technological consumption and actual heat losses in 2020 amounted to 329.8 thousand Gcal, which is 18.6 thousand Gcal less compared to 2019. The share of technological consumption and actual losses in the total amount of delivered heat was 19.2% in 2020, compared to 19.8% in 2019.

The total amount of delivered heat to consumers in 2020 decreased to 1391.5 thousand Gcal, compared to 1409,5 thousand Gcal delivered in 2019.

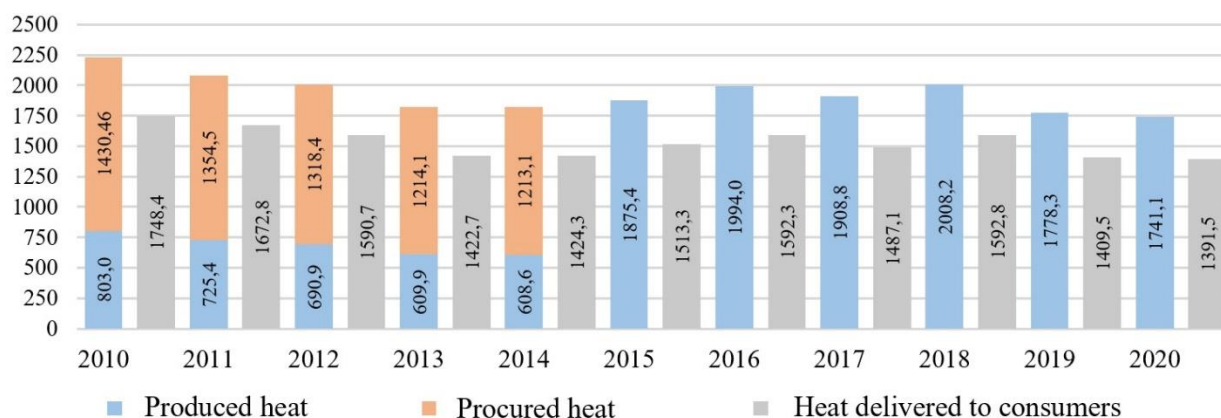


Figure 7. Production and delivery of heat to consumers, thousand Gcal

Heat deliveries have dropped slightly in 2020 compared to 2019 and 2018. The analysis of heat deliveries data of 2020, by type of consumers, shows a small increase in consumption from domestic consumers.

Table 5. Heat supply by type of consumer, thousands Gcal

Type of consumers	2017	2018	2019	2020	Change					
					2018/2017		2019/2018		2020/2019	
					thousands Gcal	%	thousands Gcal	%	thousands Gcal	%
Household consumers	1.152,1	1.223,6	1.082,7	1.084,6	71,4	6,2	-140,9	-11,52	1,9	0,17
Budgetary institutions	207,1	226,7	200,2	185,3	19,6	9,5	-26,5	-11,69	-15,0	-7,48
Companies	127,9	142,5	126,6	121,7	14,7	11,5	-15,9	-11,16	-4,9	-3,88
Total deliveries to consumers	1.487,1	1.592,8	1.409,5	1.391,5	105,7	7,1	-183,3	-11,51	-18,0	-1,28

Source: Reports from Licensees

3.2.2 The regulated heating tariffs and prices

In 2020, ANRE set the following tariffs for heat delivered to consumers:

- The heating tariffs of S.A. "Apă-Canal Chișinău" increased to MDL 1132/Gcal, from MDL 1093/Gcal in 2019;
- The heating tariff of S.A. "Termoelectrica" remain unchanged at MDL 1122/Gcal.

3.2.3 The quality of heat distribution and supply service

In 2020, SA "Termoelectrica" reported **9 scheduled outages/interruptions**, 39 or 81.25% less compared to the previous year. The interruptions were due to capital repairs of heating system networks.

SA "Termoelectrica" reported **733 unscheduled outages/interruptions** that were mainly caused by network/pipeline corrosion. 4804 consumers were affected.

The number of **unscheduled interruptions** decreased in 2020 from 808 to 733.

"CET-Nord" SA, reported **15 unscheduled outages/interruptions**, SA "Comgaz-Ungheni" reported **6 unscheduled interruptions** and SA "Apă-Canal Chisinau" reported **9 unscheduled interruptions** caused by the physical wear of the networks.

During the reporting year ANRE has registered 370 complaints, 152 of which were submitted by consumers serviced by S.A. "Termoelectrica".

The final consumers complain more often about the quality of delivered heat. Out of 370 complaints, 109 are related to the quality of delivered heat and 43 complaints are related to the delivery of hot water.

4. Public water supply and sewerage systems

4.1. The evolution of the public water supply and sewerage systems

The quantity of drinking water supplied to consumers in 2020 has increased to 73950.9 thousand m³, up **1%** compared to 2019. The volume of **waste water discharge** into the public sewerage network amounted to 58987.0 thousand m³, 1 - 3% less compared to the previous year.

Out of 43 licensees, only 19 have submitted the technological consumption and water losses in public supply systems to be analyzed and approved by ANRE.

The technological consumption and water losses of licensees - vary from 3% to 61.92%. An increased technological consumption and water losses are due to the poor technical condition of public water supply networks and the lack of investments.

It is very important for operators, licensees and local public administration authorities to invest more in the modernisation of public water supply systems and establish an action plan to reduce technological consumption and water losses.

4.2 The tariffs of the public water supply and sewerage systems

In 2020 ANRE has examined 20 requests to endorse and approve the basic costs related to public water supply and sewerage service provision. 9 of which were submitted in 2019. By December 31 2020 ANRE has endorsed and approved the following tariffs for public water supply and sewerage service.

Table 6. Approved tariffs for public water supply and sewerage services, MDL/m³

No.	Licence holder	Average tariffs approved by ANRE for the supply of		ANRE approved tariffs for the supply of				Tariffs approved by ANRE for public technological water supply service
		public drinking water supply service	public sewerage service	public water supply service		public sewerage service		
				for households	for non-households	for households	for non-households	
1	S.A. „Apă-Canal Chişinău”			8,65	13,29	2,04	11,17	8,86
2	Î.M. „Apă-Canal Cantemir”	15,13	7,59					
3	Î.M. „Apă-Canal” Cahul			13,87	22,45	5,96	15,3	
4	Î.M. „Apă-Canal” din Ungheni			13,4	22,15	7,07	16,32	
5	S.A. „Operator Regional Apă-Canal Hînceşti”			18,4	50,28	7,35	23,51	
6	D.P. „Apă-Canal” din or. Ştefan Vodă			18,96	48,74	11,75	24,5	
7	Î.M. D.P. „Apă-Canal” Telenesti	20,77	15,3					
8	S.A. „Servicii Comunale Floreşti”			20,69	35,09	11,74	37,76	
9	Î.S.A. „APĂ-TERMO,,			16,2	18,7	18,18	30	
10	S.A. „Apă-Canal Leova”			14,94	30	9,59	31,57	
11	Î.M.D.P., „Apă - Canal” Sîngerei	12,07	11,96					
12	Î.M. „Direcţia de Producţie a Gospodăriei Comunale şi de Locuinţe” din or. Făleşti			16,75	35,2	16,4	30,96	
13	Î.M. „AQUA BASARABEASCA”	18,7		15,77	36			

14	Î.M. „Servicii Comunale Glodeni”			16,09	54,83	13,83	52,99	
15	S.A. „APA CANAL NISPORENI”	22,62	22,17	17,99	37,23	18,02	28	
16	Î.M. „Apă Canal din Basarabasca”	21,92	20,15	20	36	14,9	34	
17	Î.M. „PRO MEDIU-COCIERI”	7,58	19,76					

4.3 The quality of public water supply and sewerage systems

11684 of unscheduled interruptions of public water supply service was recorded in 2020. In case of 10708 unscheduled interruptions - the supply of public water supply service resumed within the normative period of up to 12 hours for urban areas and up to 10 hours for rural areas. The remaining **976 unscheduled interruptions** did not comply with the permissible value set by the Regulation.

1596 scheduled interruptions were conducted during the year in order to carry out the connection to the public network, repair works and maintenance of the public network. All 41 licensees complied with regulatory rules on the duration of interruptions.

5. Petroleum products

Market developments

The petroleum products market in the Republic of Moldova is fully supplied from imports from the main producers in the region. The volume of imports in 2020 dropped for the first time in recent years due to a drop in demand related to travel restrictions caused by Covid-19 pandemic.

The total amount of imported petroleum products amounted to 825 134.42 tons (603 358.76 tons of diesel, 159 299.43 tons of gasoline and 62 476.23 tons of liquefied gas), 4.2% lower compared to the previous year. The imports of standard gasoline A95 fell by 9.4%, diesel by 3.3% and liquefied gas by 4.7%.

The substantial increase in imports of gasoline A92 (up 625%) and A98 (up 10,9%) did not have a considerable impact on the total volume of imports.

Table 7. The imports of petroleum products during 2018 - 2020

Product type	2018	Share	2019	Share	2019/ 2018	2020	Share	2020/ 2019
	tons		tons		%	tons		%
Gasoline A98	2 821,15	0,30%	3 524,64	0,40%	24,9	3 909,06	0,50%	10,9
Gasoline A95	162 642,61	19,60%	167 534,14	19,50%	3	151 754,73	18,40%	-9,4
Gasoline A92	4 176,80	0,50%	501,33	0,10%	-88	3 635,64	0,40%	625,2
Diesel	587 844,84	70,90%	624 038,28	72,50%	6,2	603 358,76	73,10%	-3,3
Liquefied gas	71 917,94	8,70%	65 529,71	7,60%	-8,9	62 476,23	7,60%	-4,7
Total petroleum products	829 403,34		861 128,10		3,8	825 134,42		-4,2

Source: Reports submitted by licensed companies and imports data provided by the Customs Service

Romania is the largest supplier of petroleum products with a 99.89% share of gasoline and 75.28% of diesel imports. Romania has several oil companies with their own refineries that are located close to the Moldovan border. Other countries supplying diesel to Moldova include: Russian Federation with a share of 17.04%, Bulgaria with a share of 4.92%, Serbia with a share of 1.64% and Belarus with a share of 1.11%.

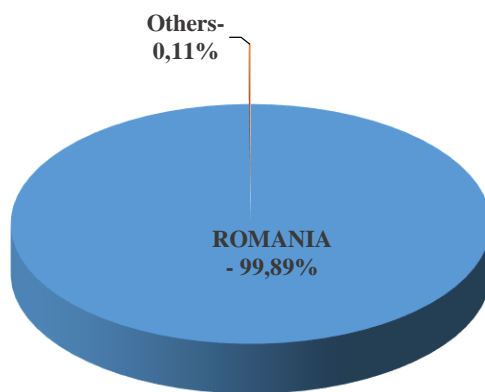


Figure 8. Petrol imports by country

Source: ANRE reports on imports data provided by the Customs Service

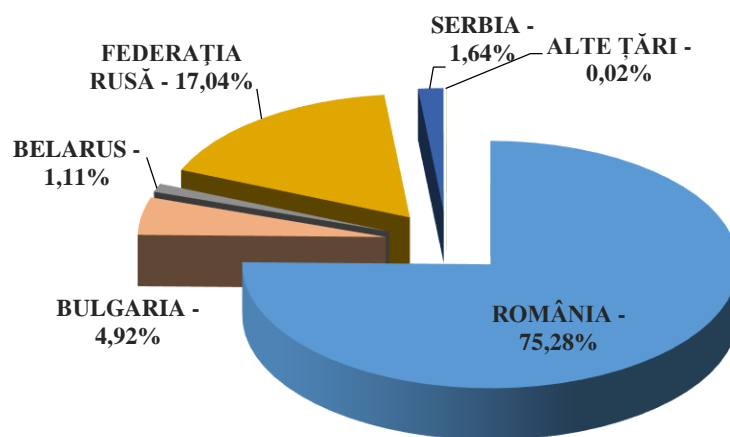


Figure 9. Diesel imports by country

Source: ANRE reports on imports data provided by the Customs Service

The Republic of Moldova imports liquefied gas from four countries: Kazakhstan, Romania, the Russian Federation and Belarus. Kazakhstan has the largest share of 47.26%, followed by Romania with 32.86%, the Russian Federation with 16.67% and Belarus with 1.48%.

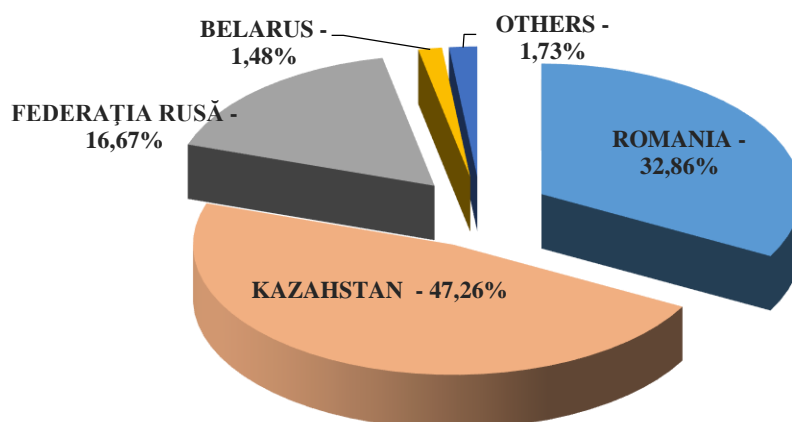


Figure 10. Imports of liquefied gas by country

Source: ANRE reports on imports data provided by the Customs Service

Gasoline

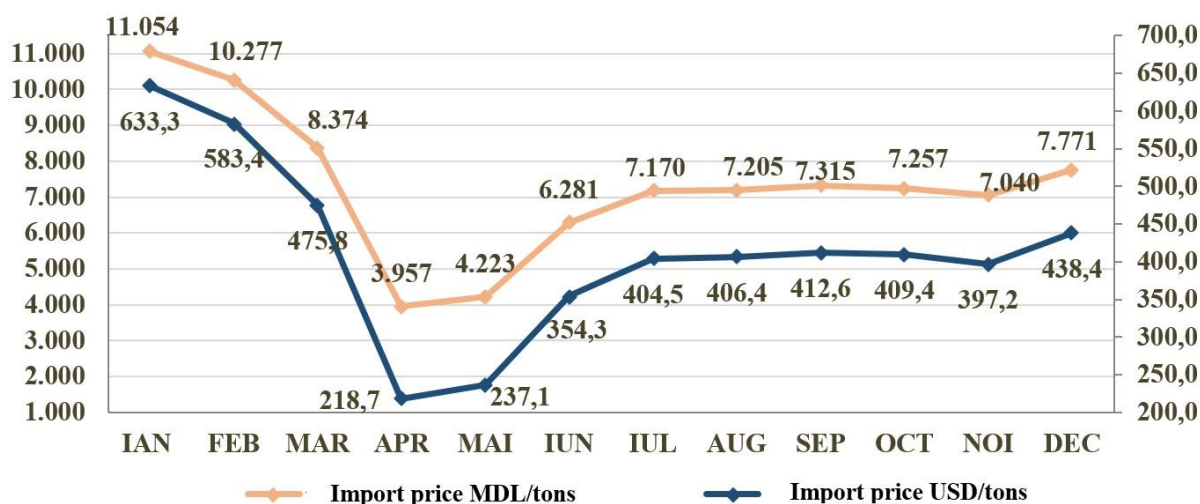


Figure 11. Average import prices for gasoline in 2020

Source: ANRE reports on imports data provided by the Customs Service

In 2020 the average import price of 1 tonne of gasoline fell from USD 633.3/tonne in January to USD 218.7/tonne in April following a large drop in demand caused by Covid-19 pandemic travelling restrictions. The prices of gasoline returned to a rising trend however in May and June due to higher crude oil benchmarks prompted by the OPEC+ decision to cut oil production. The average import price of one tonne of Gasoline in 2020 was USD 412.6/tonne.

Diesel

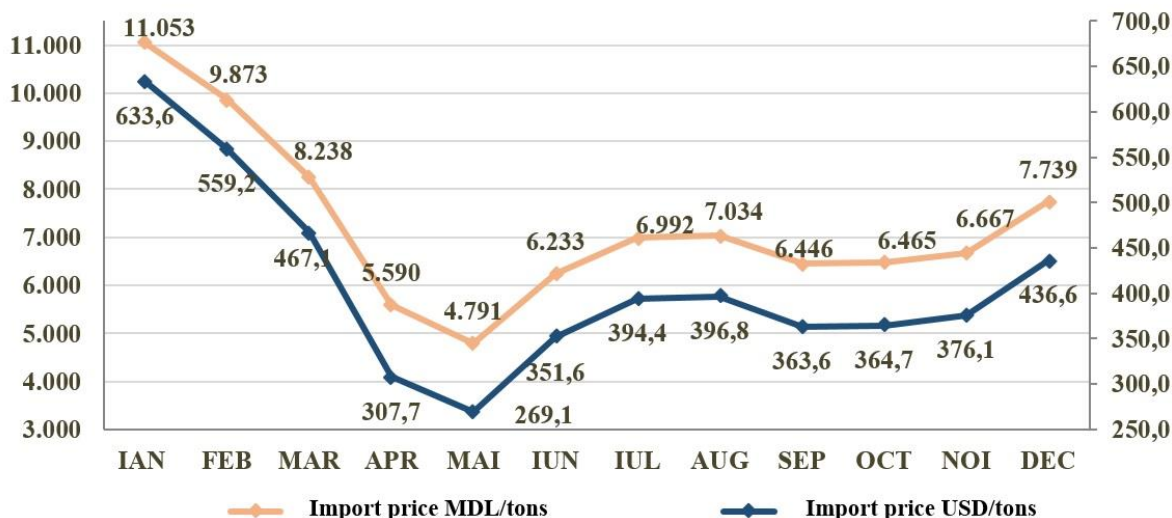


Figure 12. Average diesel import prices in 2020

Source: ANRE reports on imports data provided by the Customs Service

The prices for diesel followed the same trend, falling 57.5% in May compared to prices at the beginning of the year. The prices rebounded later on and in August reached USD 396.8/tonne, up 47.4% compared to the month of May. In the last month of the 2020 the average import price reached USD 436.6/tonne.

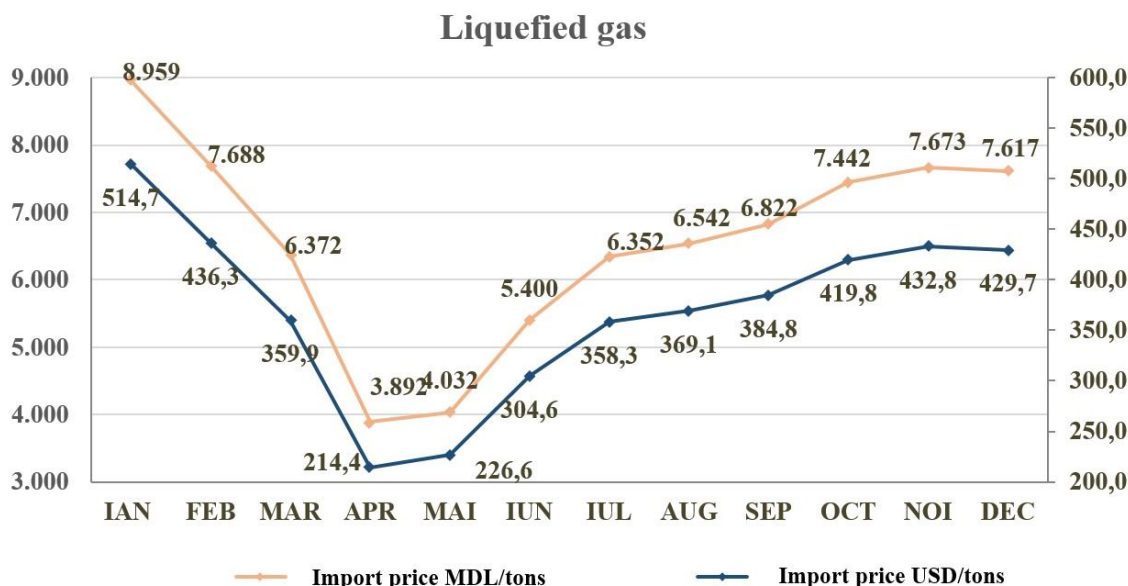


Figure 13. Average liquefied gas import prices in 2020
Source: ANRE reports on imports data provided by the Customs Service

The average import price of liquefied gas recorded a 58.3% drop in April compared to January 2020. Along with the rest of refined oil products the prices started to recover steadily, reaching USD 384.8/tonne in September and USD 429.7/tonne in December 2020.

The large fluctuation in import prices for petroleum products and liquefied gas was caused by the spread of Covid-19 pandemic that prompted a massive decrease in demand from March to May 2020. As soon as the pandemic restrictions softened the global oil consumption has gradually recovered, triggering higher prices.

Table 8. The wholesale and retail volumes of petroleum products sold in 2020 (incl. VAT)

Product	Wholesale						Retail trade					
	2019		2020		2020/2019 %		2019		2020		2020/2019 %	
	tone	MDL /tonne	tone	MDL /tonne	Quantity	Price	Thousand liters	MDL/ liter	Thousand liters	MDL/ liter	Volume	Price
Gasoline A98	807,2	22 248,4	848,4	18 217,5	5,1	-18,1	4 341,9	19,5	5 039,0	16,7	16,1	-14
Gasoline A95	86 927,9	20 454,9	94 897,4	16 304,1	9,2	-20,3	187 789,1	18,5	192 734,5	15,9	2,6	-14,4
Gasoline A92	1 855,9	20 305,3	4 060,3	10 813,4	118,8	-46,7	21 181,9	18,3	3 737,5	15,7	-82,4	-14,5
Diesel	564 790,6	16 859,2	627 805,6	12 095,9	11,2	-28,3	445 139,5	16,2	385 011,1	13,3	-13,5	-17,9
Liquefied gas	41 646,3	13 703,7	45 567,6	12 571,0	9,4	-8,3	113 338,7	10,2	105 336,3	9,1	-7,1	-10,7
Total	696 027,8		773 179,3		11,1		771 791,2		691 858,4		-10,4	

Source: ANRE reports based on quarterly reports from licensed companies

The Covid-19 pandemic has slowed down the steady growth of the petroleum products wholesale market. The volumes sold on the wholesale market in 2020 increased by 11.1% only compared to an increase of 13.8% in 2019. The volumes sold on the retail market in 2020 fell by 10.4% compared to 2019.

Table 9. Refined oil products stocks and domestic consumption in 2020 (tonnes)

Product	Stock at the beginning of the year	Imported	Domestic consumption	Stock at the end of the year
Petrol	14 443,03	159 299,43	159 905,49	13 836,98
Diesel	28 764,47	603 358,76	600 552,15	31 571,09
Liquefied gas	5 163,44	62 476,23	62 846,46	4 793,20
Total	48 370,94	825 134,43	823 304,10	50 201,26

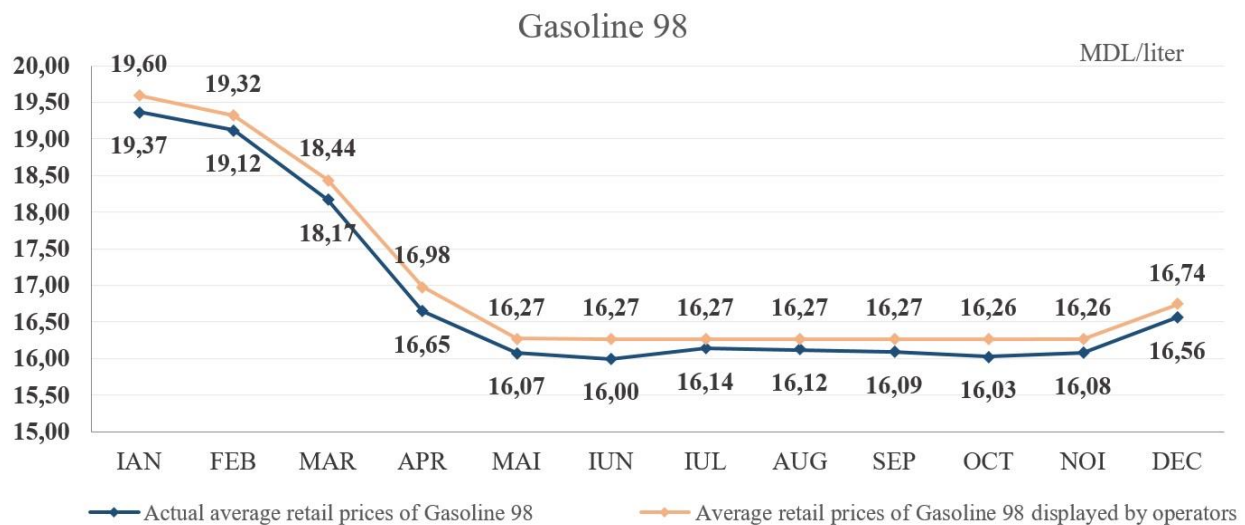
Source: ANRE reports based on quarterly reports from licensed companies

The petroleum product stocks at the end of the quarter cover:

- 32 days of consumption of gasoline;
- 19 days of consumption of diesel;
- 28 days of consumption of liquefied gas.

According to reports provided by licensees (oil companies) there are two types of retail prices for gasoline, diesel and liquefied gas. The retail list price displayed at the fuel station electric panel and the actual price offered with discounts through corporate fuel cards or during holiday sales.

The weighted average retail prices for gasoline, diesel and liquefied gas prices displayed (list prices) at fuel stations by oil companies compared to the actual weighted average prices are provided below.

**Figure 14.** The evolution of the average price displayed by fuel stations and the average actual price for Gasoline 98

Source: ANRE reports based on data submitted by licensed companies

The difference between the average price displayed by fuel stations and the actual average price for Gasoline 98 in 2020 was about MDL 0.21/liter or -1.3%.

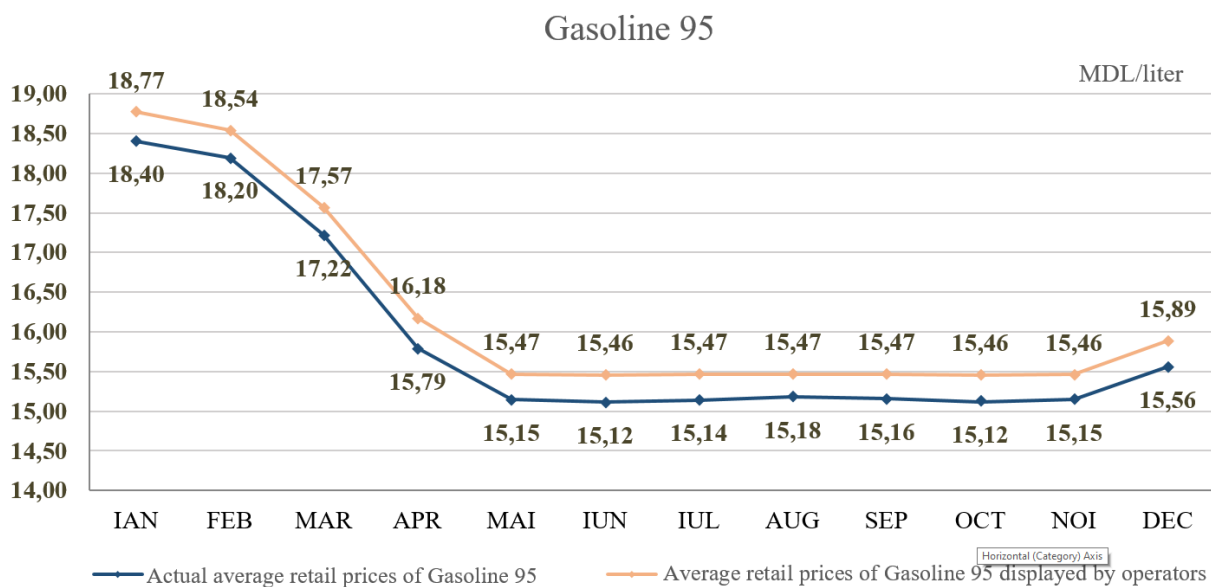


Figure 15. The evolution of the average price displayed by fuel stations and the average actual price for Gasoline 95
Source: ANRE reports based on data submitted by licensed companies

The difference between the average price displayed by fuel stations and the average actual price for Gasoline 95 in 2020 was about MDL 0.34/liter or -2.1%.

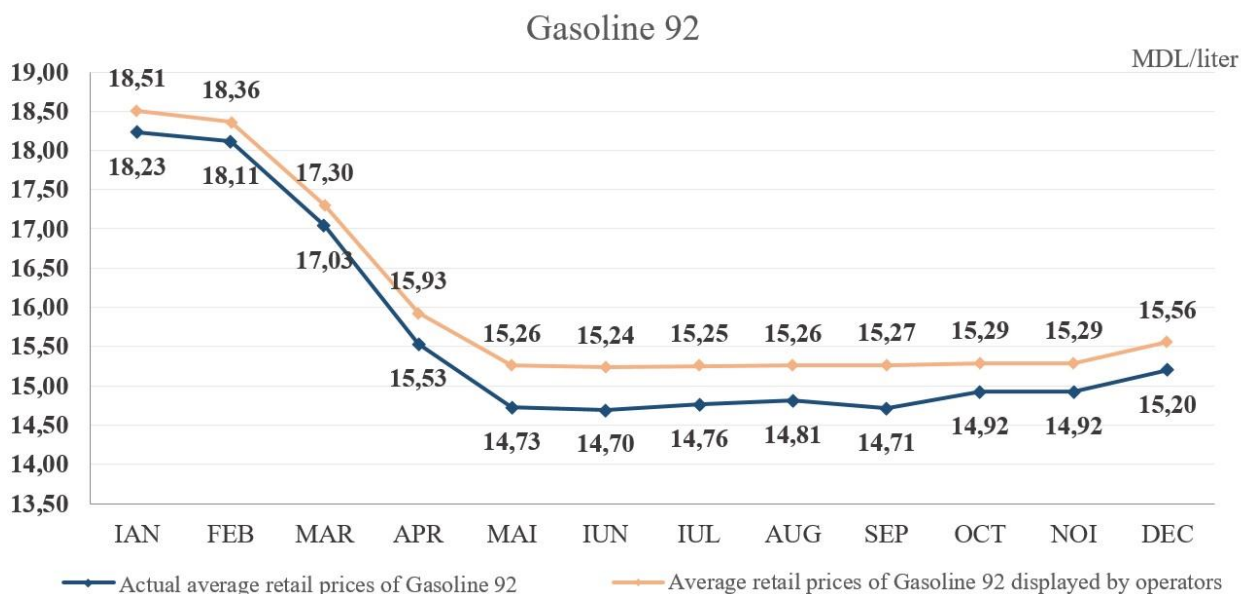


Figure 16. The evolution of the average price displayed by fuel stations and the average actual price for Gasoline 92
Source: ANRE reports based on data submitted by licensed companies

The difference between the average price displayed by fuel stations and the average actual price for Gasoline 92 in 2020 was about MDL 0.41/liter or -2.7%.

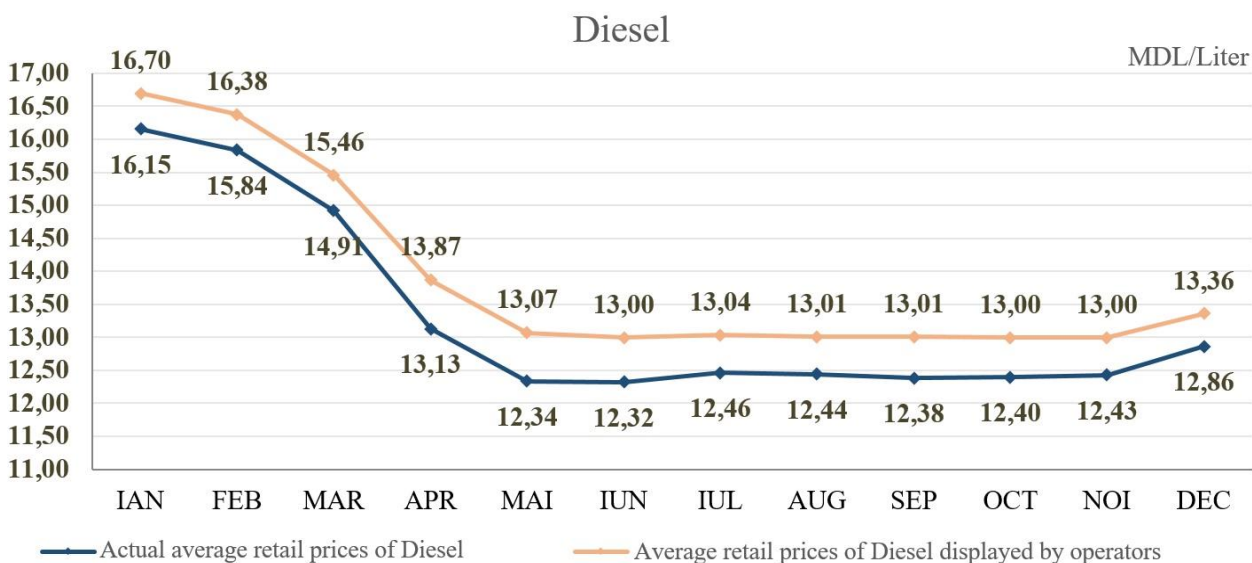


Figure 17. The evolution of the average price displayed by fuel stations and the average actual price for Diesel

Source: ANRE reports based on data submitted by licensed companies

The difference between the average price displayed by fuel stations and the average actual price for Diesel in 2020 was about MDL 0.60/liter or -4.6%.

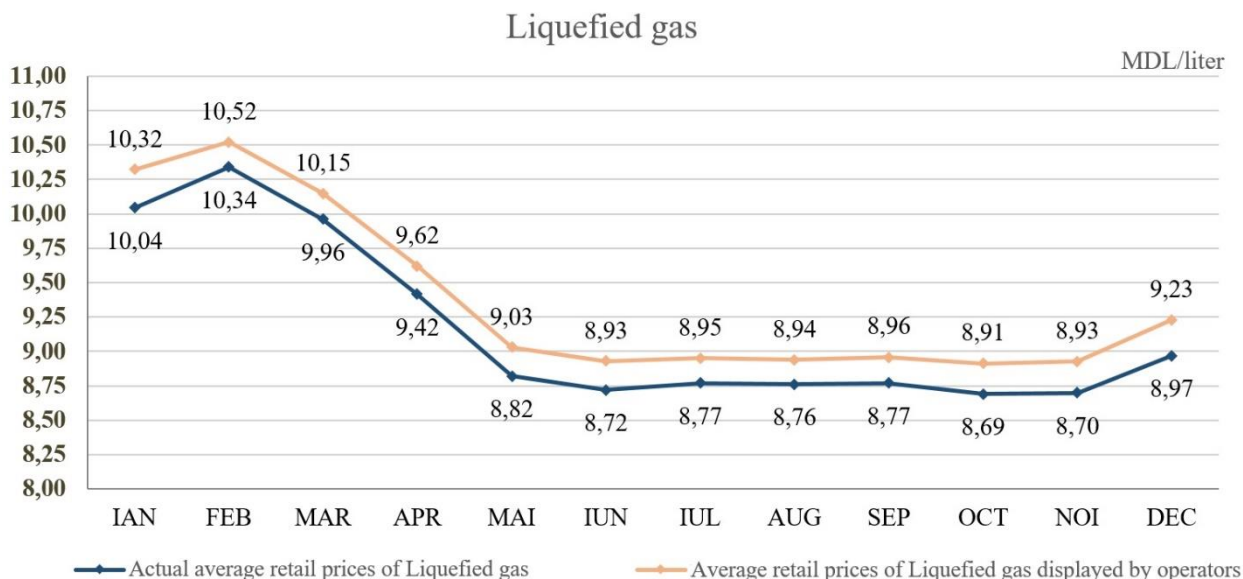


Figure 18. The evolution of the average price displayed by fuel stations and the average actual price for Liquefied gas

Source: ANRE reports based on data submitted by licensed companies

The difference between the average price displayed by fuel stations and the average actual price for Liquefied gas in 2020 was about MDL 0.21/liter or -2.3%.

According to point 15 of the *Methodology for the formation and application of prices for petroleum products*, approved by ANRE (Decision no. 50/2019 of 11.03.2019), the annual rate of return included in the retail price may not exceed 10% of the annual costs and expenses of the licensees. The average return applied by licensees in 2020 was 4.47%, while the actual average return was 1.04%.

6. Consumer protection

According to the legal framework, ANRE monitors if the consumers' rights are protected, examines petitions and settles disputes between consumers and suppliers/operators outside of court according to the provisions of the Administrative Code.

In 2020 ANRE has examined 800 petitions from consumers of public services and issued a number of decisions and prescriptions.

ANRE documented and submitted to the National Anticorruption Center **13** contraventions related to payment obligation for additional volumes. Following the actions taken by ANRE and the National Anticorruption Center - the number of complaints from consumers has decreased significantly.

During the year, ANRE has registered **1176 phone calls** made on "Info Line" phone number, compared to **468** phone calls made in 2019. The increase in the number of phone calls proves the efficiency of this service in dealing with consumers' complaints. ANRE has also developed the **Consumer Guide** that includes relevant information about the regulations.

In 2020 ANRE has signed a Cooperation Agreement with National Anticorruption Center. Both institutions have jointly organized a number of information campaigns for consumers, several trainings on anti-corruption standards and consultations on consumers' rights in relation to operators/suppliers regulated by ANRE.

7. Licensing and Control Activity

One of ANRE's main functions is to issue licenses to conduct authorized activities on the energy markets. During the year of 2020 ANRE has processed:

- 57 licensing files;
- 11 licence extension files;
- 94 files of licence renewal;
- 15 requests of licence of withdrawal.

In 2020, ANRE has issued 22 licences for activities on the petroleum products market. 10 out of 22 licences were extended for the next 5 years. 87 licences were reissued due to the change of business address authorised (Annex 2) to conduct licensed activities on the petroleum products market.

ANRE has authorized **90** licensees to conduct licensed activities on the retail gasoline and diesel market through **666** fuel stations.

77 licensees have been authorised to conduct licensed activities on the retail liquefied gas market through 561 SAAG stations.

Based on the Decision of the Government of the Republic of Moldova No. 815 of 02.08.2005 on the regularization of the flows of goods which are the object of Transnistria's foreign trade activity, ANRE has issued - **4 licenses** for the import activity and wholesale of gasoline and diesel, as well as, **6 licenses** for import activity and wholesale of liquefied gas.

During 2020 ANRE has also issued:

- 13 licenses for electricity supply;
- 7 licenses for natural gas supply;
- 3 licenses for thermal energy production, distribution and supply;
- 2 licenses the production of electricity from renewable sources;
- 1 license for public water supply and sewerage service.

Control activities

ANRE conducts control missions at license holders to verify if they apply the principle of maximum efficiency at minimum costs.

In 2020 ANRE conducted control missions at „Chişinău-gaz S.R.L.; „PSV- Pecotrans" S.R.L.; „Moldovatrangaz" S.R.L.; „Topaz-Agro" S.R.L.; „Dorivas Grup" S.R.L. and „Apă-Canal Chişinău."

The control mission conducted at „**Chişinău-gaz**" S.R.L found that the license holder saved **30 490,6** thousand MDL on basic costs in 2018 and **25 391,1** thousand MDL in 2019 from the initial amount of basic costs, approved by ANRE. The control mission conducted at „**Apă-Canal Chisinau**" S.A. showed that the license holder saved 22 004,8 thousand MDL in 2018 and 17 042,6 thousand MDL in 2019. As a result, 80 705,1 thousand MDL were excluded from the total amount of basic costs initially requested.

The control missions at the market operators were focused on aspects of fair distribution of expenses, the compliance with the provisions of the Methodology of formation and application of prices for petroleum products no.50/2016 of 11.03.2019, the correct calculation as well as license fee payments.

8. Judicial Representation

The regulatory framework developed, approved and implemented by ANRE has a major impact on economic and social realities, as it is binding for both, licensees and consumers.

The judicial Representation of ANRE's interests were represented in 193 court cases while the legal team participated in 323 court hearings.

In 2020 ANRE participated in the following legal disputes:

- 41 administrative disputes;
- 36 civil cases;
- 3 insolvency cases;
- 113 contraventions, in which ANRE acted as an ascertaining agent.

73 out of 193 court cases have been definitively concluded. The remaining 120 court cases continue to be examined in 2021.

9. State energy supervision

Every year ANRE conducts the inspection of electrical installations that belong to companies and public institutions in order to ensure the reliability of the electricity supply to final consumers.

For 2020, ANRE has scheduled **1121** inspections of electrical installations. **685** inspections of electrical and heat-using installations that belong to companies and **436** inspections of electrical and heat-using installations that belong to public institutions. **1112** inspections were conducted out of the scheduled **1121**, as some companies sold their property or shut down their business.

The results of inspections showed that 65% (283) of the public institutions did not provide proper instruction to operate electrical installations. However, the number of public institutions that have concluded contracts with specialized service providers has increased to 30 in 2020, up from 13 in 2019. 221 companies employ electricians to operate the electrical installations, while 39 companies have contracts with specialized service providers.

According to the provisions of the Law No. 107/2016 on electricity, ANRE issues an act of compliance when connecting to the electricity distribution network power plants or consumption places that exceed 150 kW. An act of compliance is issued also for a consumption below 150 kW if this is a kindergarten, a school, a hospital, a nursing home and an orphanage.

During 2020 ANRE issued **346 acts of compliance**, including 26 acts for new or rebuilt electrical installations that belong to public institutions, 95 acts for new or rebuilt electrical installations that belong to companies, 146 acts for photovoltaic power plants, 9 acts for wind power plants and 70 acts of compliance of electrical installations to be transferred to the ownership of DSOs.

In 2020 ANRE has approved and issued permits for:

- **62** licensed electricians (up from 55 in 2019);
- **75** electrotechnical laboratories (down from 96 in 2019).

In 2020, conducted a series of inspections at the distribution system operators (DSOs) and transmission system operators (TSOs) in order to verify the technical compliance. The inspections have detected some technical non-compliance. Only **33.17%** of the DSOs have executed the prescriptions issued by ANRE. While the TSOs executed **88.8%** of the prescriptions.

ANRE has organized **85 meetings and seminars** to provide information to electrical authorised personnel, authorized electricians and heads of electrotechnical laboratories.

In order to promote electrical safety ANRE has published on its website various newsletters and printed leaflets for children in over 25 thousand copies.

During the year ANRE has registered **17** electrical accidents at electrical installations:

- **13** electrocution cases that caused the death of 14 people;
- **4** cases of electric shock that caused burns or required medical aid.

ANRE inspectors and the General Inspectorate for Emergency Situations (IGSU) have examined together 32 fire cases.

10. International cooperation

The organisation of various events (conferences, trainings, seminars, etc.) at the national and international level was halted in 2020 due to the outbreak of COVID-19 pandemic. However, some of the major events were held online.

Despite the pandemic ANRE continued to develop and strengthen its cooperation relations with the European and international institutions, regulatory authorities, the International Monetary Fund Mission to Moldova, the World Bank, the European Bank for Reconstruction and Development (EBRD) and other organisations.

In order to adjust the secondary legislation according to the EU regulations and principles in the energy market, ANRE continued its cooperation with the Energy Community Regulatory Board (ECRB). ANRE staff continued to work on various projects as members of the Electricity Working Group, the Customers and Retail Markets Working Group and the Gas Working Group.

ANRE worked closely with the Energy Community Secretariat (based on the Memorandum of Understanding signed in July 2017) on the transposition of the European directives into national legislation as well as the implementation of the best European practices in the energy regulation. During the year ANRE staff participated at:

- *the Energy Community Secretariat (ECS) working group on monitoring the implementation of the Action Plan on the certification of the TSO Moldovatransgaz, according to the model of Independent Transmission Operator (ITO).*
- *joint meetings with the ECS and EBRD on the examination of the draft amendment to the Law on natural gas no. 108/2016 and the Law on energy no. 174/2016;*
- *meetings and consultations with ECS on transposing and implementing the EU acquis into national legislation;*
- *the ECS working group meetings on balancing the natural gas system of the Republic of Moldova;*
- *the ECS working Group meetings on Natural Gas within the Energy Community Regulatory Committee;*
- *the process of drafting the ECS monitoring reports: (a) The report on the monitoring of the wholesale gas market; b) The report on congestion at interconnection points; c) The Annual Implementation Report of the ECS; d) The report changing the supplier; e) The report on procurement made by license holders.*

ANRE representatives participated at online courses related to energy regulation as well as seminars on the mechanisms to mitigate the effects of the pandemic on the energy sector and consumers, organized by the Regional Energy Regulators Association (ERRA). One of ANRE's directors participated at the ERRA General Assembly, which was organized online.

ANRE had a fruitful cooperation with the National Association of Regulatory Utility Commissions of the United States (NARUC). The energy experts from NARUC provided technical assistance to develop the methodologies on regional power system balancing, natural gas market regulation and cybersecurity.

As an observer in the Council of European Energy Regulators (CEER), ANRE exchanged of information with CEER on how to protect consumers from the negative effects of the COVID-19 pandemic.

In 2020, ANRE staff participated at online meetings with the Executive Committee of the Commonwealth of Independent States (CIS) Electric Energy Council related to the process of monitoring the implementation of the Safety Standards for the Operation of Electrical Installations, which is based on the normative-technical document drafted by ANRE NE1-02:2019 "Safety Standards for the Operation of

Electrical Installations". During the meeting ANRE submitted its proposals and amendments to the normative-technical documents draft.

ANRE staff participated also at 2 webinars regarding the rules for the operation of electrical installations of non-household consumers and the safety rules for the operation of electrical installations, organized by the German International Cooperation Agency (GIZ).

12. Institutional communication

Due to COVID-19 pandemic outbreak the meetings of the Administration Council of ANRE moved to a fully online format. All the activities of the institution were published on its webpage and official page of Facebook.

ANRE developed and printed a set of electrical safety leaflets for children to draw their attention to the general electrical safety requirements and urge them to show maximum caution to avoid electrocution cases. The leaflets were delivered to schools around the country. ANRE has also distributed the electrical safety information on social media to promote a strict compliance with electrical safety rules and regulations.

Another set of information leaflets on consumer protection was published in order to provide explanations on applicable tariffs and prices, fraudulent consumption, disconnection and reconnection of electrical installations, quality of service, etc.

During the year ANRE and the National Anticorruption Centre have organized a campaign to promote the integrity and anti-corruption standards in all energy sectors regulated by ANRE. In addition, ANRE has organized several information and consultation events on consumer rights, resolution of misunderstandings as well as the integrity and anti-corruption standards among the staff of regulated companies. In this context, an Anticorruption Social Spot was launched about ANRE's duties, regulatory fees as well as the lack of payments for issuing the authorizations and compliance documents.

12. The budget of ANRE

ANRE's budget is approved annually according to Article 11 of the Law on Energy no. 174 of 21.09.2017, Article 25 letter b) of the Regulation on the organization and functioning of the National Agency for Energy Regulation, approved by Parliament Decision no. 334 of 14.12.2018. The budget of ANRE is drawn up under the conditions of the regulatory framework in force, which sets the rules for the formation of costs and expenses, in line with macroeconomic indicators that ensures the functionality of ANRE.

ANRE revenues are based on regulatory payments that are set for licensees every year. ANRE sets the amount of regulatory payments for the following year enough to cover the expenses necessary to conduct its activities, according to the law.

The amount of *regulatory payments* is based on:

a) sales income of the licensee that produces *electricity*, the licensee for power market operation, the licensee that provides transmission services for electricity, the licensee that does centralized management of the power system, the licensee that provides electricity distribution services and the licensee that supplies electricity;

b) sales income of the licensee that produces natural gas, the licensee that provides transmissions services for natural gas, the licensee that provides distribution services for natural gas, licensee that provides gas storage services of natural gas, licensee that supplies natural gas, licensee that supplies compressed natural gas for vehicles;

c) sales income of the licensee that produces heat, licensee that distributes heat, the licensee that supplies heat;

d) the value of imports of the main petroleum products and liquefied gas (reported by customs);

e) licensee's income from public water supply and sewerage service.

Table 10. The structure of planned/actual Revenue in 2020

Revenue		Planned 2020 (thousand MDL)	Actual 2020 (thousand MDL)
1.	Regulatory payment for the activity on the electricity market	32326	34136,6
2.	Regulatory payment for the activity on the natural gas market	11965	13237,8
3.	Regulatory payment for the import of petroleum products	19428	12961,6
4.	Regulatory payment for the activity of the public water supply and sewerage services	1667	1609,7
5.	Regulatory payment for the activity on the district heating market	5965	3150,5
	Total revenues	71351,0	65096,2

In 2020 ANRE in 2020 applied the following rates:

Regulated market	Regulatory payment size, % 2020
Electricity market	0,20
Gas market	0,20
Petroleum products market	0,20
Public water supply and sewerage services	0,15
District heating	0,20

According to the Decision of the Administration Council of ANRE no.431/2019 of 22.11.2019, on the approval of the budget for 2020, the total amount of estimated **revenues** was 71351,0 thousand MDL. The actual revenues for 2020 amounted to 65096.2 thousand MDL, 6254.8 thousand MDL less compared to the estimated revenues.

This decrease in revenues was due to a significant drop in regulatory payments in 2020. The revenues of the companies importing and selling petroleum products and the producers of heat were the most affected by the outbreak of Covid-19 pandemic. The unexpected drop in the weighted average import price and imported volumes of petroleum products in the first half of 2020 prompted a large fall ANRE's revenues. ANRE's budget was also affected by lower deliveries from heat plants due to a reduced consumption compared to previous years.

According to the Decision of the Administration Council of ANRE no. 431/2019 of 22.11.2019 on the approval of the budget for 2020, the total amount of estimated **expenses** was 105803,58 thousand MDL. The actual expenses for 2020 amounted to 90825.43 thousand MDL. Reduced expenses were due to some measures of ANRE management to limit the procurement of fixed assets, consumables and other services. ANRE has also reduced the number of employees from 214 on January 1 2019, to 195 on November 1 2019 and to 170 on March 1 2020.

In 2019 the number of employees has increased considerably as ANRE took over the responsibilities of the State Energy Inspectorate and state energy supervision duties, according to Art. 32 para. (2) of the Law on energy no. 174/2017 and art. CX para.(5) of the Law no. 185/2017 on amending and supplementing certain legislative acts.

Table 11. The structure of planned and actual expenses

Name	Approved	Reviewed (thousand MDL)	Actual (thousand MDL)	Actual vs Reviewed share (%)
Total expenses	105803,6	105803,6	90825,43	85,84
Remuneration of staff:	91857,26	76184,12	75608,43	99,24
<i>social benefits, severance pay</i>			599,2	
<i>Incapacity for work benefits</i>			179,62	
Goods and services including:	13946,32	29619,46	15217	51,37
<i>payments for services</i>	11620,84	14308,94	11351,58	79,33
<i>payments for tangible fixed assets</i>	300	12435,04	1827,75	14,69
<i>payments for stocks of current assets</i>	2025,48	2875,48	2037,67	70,86

Table 12. The list of services

Name	Reviewed (thousand MDL)	Actual (thousand MDL)	Executed front of specified share (%)
Rent and utilities	7237,42	7571	104,61
Business trips	342	121,7	35,58
International membership and other fees	704	184,17	26,16
Trainings	190	106,05	55,81
Information services	780,2	763,8	97,9
Telecommunication services	567,2	570,38	100,56
Transport services	704,2	359,02	50,98
Current repair services	2059,2	346,47	16,82
Publishing services	150	250,01	166,67
Protocol services	129,6	101,99	78,69
Security services	354,49	374,99	105,78
Bank commission services	24,38	14,98	61,44
Auxiliary services	1066,24	587,02	55,05
	14308,94	11351,58	79,33

Out of estimated/planned 14308.94 thousand MDL of expenses for necessary services in 2020 ANRE spent 11351.58 thousand MDL. Rent expense is the highest among the rest of the services. ANRE does not own any real estate and therefore needs to rent the necessary spaces for its activity. The expenses increased also in 2019 since ANRE started to perform the activity of state energy supervision across the country.

As a member of various international organizations ANRE pays membership fees every year. ANRE is a contracting party to the Energy Community Treaty and therefore needs to participate at various working meetings of the Energy Community Regulatory Board (ECRB) and the Energy Community Secretariat. ANRE is also a founding member of the Energy Regulators Regional Association (ERRA) and a member of the European Water Regulators (WAREG).

As no financial means were allocated for social benefits in 2020, 778.82 thousand MDL was used from labour compensation saving account.

Table 13. Social benefits

Name	Reviewed (thousand MDL)	Actual (thousand MDL)	Reviewed vs Actual (%)
Termination allowances/benefits including:			
- staff		599,20	
- members of the Administration Council		179,62	
Allowances/incapacity for work			
Total		778,82	

Table 14. Non-financial assets procured

Name	Reviewed (thousand MDL)	Actual (thousand MDL)	Reviewed vs Actual (%)
Procurement of fixed assets	12435,04	1827,75	14,69
Procurement of fuel	1338,44	397,75	29,72
Procurement of spare parts	74,04	43,35	58,55
Procurement of household materials, rolling stock, IT materials	1324,00	1454,36	109,84
Procurement of accessories			
Procurement of other materials	139,00	142,21	102,31
Total	15310,52	3865,42	25,25

Out 15310,52 thousand MDL allocated for the procurement for non-financial assets in 2020, ANRE has used only 3865,42 thousand MDL or 25,25%. Fixed assets, fuel and household materials have the largest share in the list of procurements. The procurement of consumables has increased since ANRE started to perform the activity of state energy supervision which is performed across the country. Moreover, ANRE procured a number of cars for the Energy Supervision Department.

Out of the allocated budget for 2020, 470.91 thousand MDL remained unspent. According to art. 11 al. (4) of the Law on energy no. 174/2017 *unused means in the current financial year are transferred to the budget of the following year.*

The approved organizational structure of ANRE at the beginning of the year included 170 positions. During the reporting period the average number of active workers was 151. On January 1, 2021 ANRE engaged 162 employees.

The 2020 budget was executed at 85.84%.

According to ANRE balance sheet, on 31.12.2020 the recorded assets amounted to 22315,26 thousand MDL, including:

- balance sheet value of fixed assets - 5195,99 thousand MDL;
- stocks of current materials - 563,53 thousand MDL;
- current receivables - 15808,01 thousand MDL (regulatory payment calculated for the 4th quarter 2020);
- other assets - 276,82 thousand MDL;
- cash - 470,91 thousand MDL (the institution has sufficient funds to cover the necessary expenses for the next period, until the next regulatory payments).

At the end of the reporting period the amount of transitory credit debts as of 31.12.2020 was 63.65 thousand MDL.

The current debts include:

- commercial debts - 61,72 thousand MDL;
- advance payments - 1,9 thousand MDL (regulatory payments).

Table 15. Balance sheet as of December 31.12.2020

No.	A S S E T S	Code	Balance at	
			Beginning of the year	End of the year
1	2	3	4	5
A.	Non-current assets			
	I. Intangible fixed assets			
	1. Intangible assets (111)	10	66 000.00	10 000.00
	2. Intangible fixed assets in use, total (112-113, 181-182), of which:	20	61 174.44	412 789.72
	2.1. concessions, licences and trademarks (1121-1131)	21		
	2.2. copyrights and protective rights (1122-1132)	22		
	2.3. software (1123-1133, 1125-1135)	23	61 174.44	412 789.72
	2.4. other intangible assets (1124-1134, 1129-1139, 181-182)	24		
	3. Goodwill (115-116-117)	30		
	4. Advances on intangible fixed assets (1631, 2241)	40		
	Total intangible fixed assets (rd.010 + rd.020 + rd.030 + rd.040)	50	127 174.44	422 789.72
	II. Tangible fixed assets			
	1. Tangible assets (121-127)	60	356 244.00	
	2. Land (122-128)	70		
	3. Fixed assets, total (123-124), of which	80	4 794 374.28	4 773 207.42
	3.1. Buildings (1231-1241)	81	46 394.40	44 829.00
	3.2. special buildings (1232-1242)	82		
	3.3. machinery, equipment and technical installations (1233-1243)	83	1 024 406.35	1 730 062.96
	3.4. means of transport (1234-1244)	84	3 711 847.95	2 596 566.72
	3.5. inventory and furniture (1235-1245)	85	11 725.58	401 748.74
	3.6. other fixed assets (1239-1249)	86		
	4. Mineral resources (125-126)	90		
	5. Fixed biological assets (131,132-133)	100		
	6. Real estate investments (151-152)	110		
	7. Advances on tangible fixed assets (1632,2242)	120		
	Total tangible fixed assets (rd.060 + rd.070 + rd.080 + rd.090 + rd.100 + rd.110 + rd.120)	130	5 150 618.28	4 773 207.42
	III. Long-term financial investments			
	1. Long-term financial investments in non-affiliates (141 -1431)	140		
	2. Long-term financial investments in affiliated parties, total of which (142 -1432):	150		
	2.1. shares and participating interests held in related parties (1421)	151		
	2.2. loans granted to related parties (1422-1432)	152		
	2.3. loans granted in respect of participating interests (1423)	153		
	2.4. other financial investments (1424)	154		
	Total long-term financial investments (rd.140 + rd.150)	160		
	IV. Long-term receivables and other fixed assets			
	1. Long-term trade receivables (161)	170		

	2. Long-term receivables from related parties (162)	180		
	including: claims relating to participating interests (1621)	181		
	3. Other long-term receivables (1613)	190		
	4. Long-term prepaid expenses (171)	200		
	5. Other non-current assets (172)	210		
	Total long-term receivables and other non-current assets (rd.170 + rd.180 + rd.190 + rd.200 + rd. 210)	220		
	TOTAL FIXED ASSETS (rd.050 + rd.130 + rd.160 + rd.220)	230	5 277 792.72	5 195 997.14
B.	Current assets			
	I. Stocks			
	1. Materials and articles of small value and short duration (211- 2181, 213-214-2183)	240	742 498.01	510 571.18
	2. Current biological assets (212-2182)	250		
	2. Work in progress (215-2184)	260		
	3. Products and goods (216-2185, 217-2186)	270		
	4. Advances on stocks (1633, 2243)	280	68 994.62	52 955.25
	Total stocks (rd.240 + rd.250 + rd.260 + rd.270 + rd.280)	290	811 492.63	563 526.43
	II. Current assets and other current assets			
	1. Current trade receivables (221)	300	18 164 069.56	15 790 804.68
	2. Current receivables from related parties (223)	310		
	including: claims relating to participating interests (2231)	311		
	3. Budget receivables (225)	320	17 211.51	2 226.50
	4. Staff receivables (226)	330	4 503.71	
	5. Other current assets (234)	340	35 979.14	3 520.67
	6. Current prepaid expenses (261)	350	237 682.24	276 820.82
	7. Other current assets (135,231,232,233,262,2244)	360	15 918.79	11 454.89
	Total current assets and other current assets (rd.300 + rd.310 + rd.320 + rd.330 + rd.340 + rd.350 + rd.360)	370	18 475 364.95	16 084 827.56
	III. Current financial investments			
	1. Current financial investments in non-related parties (251-2541)	380		
	2. Current financial investments in affiliated parties, total (252-2542)	390		
	of which: 2.1. shares and participating interests held in affiliated parties (2521)	391		
	2.2. Loans granted to affiliated parties (2522-2542)	392		
	2.3. Loans granted in respect of participating interests (2523)	393		
	2.4. Other financial investments in affiliated parties (2524)	394		
	Total current financial investments (rd.380 + rd. 390)	400		
	IV. Cash and cash equivalents (241,242,243,244,245,246)	410	23 376 840.57	470 914.84
	TOTAL CURRENT ASSETS (rd.290 + rd.370 + rd.400 + rd.410)	420	42 663 698.15	17 119 268.83
	TOTAL ASSETS (rd.230 + rd.420)	430	47 941 490.87	22 315 265.97

No	LIABILITIES	Code	Balance at	
			Beginning of the year	End of the year
1	2	3	4	5
C.	EQUITY CAPITAL			
	I. Share capital			
	1. Share capital (311)	440		
	2. Unpaid capital (313)	450		
	3. Unregistered capital (314)	460		
	4. Withdrawn capital (315)	470		
	5. Assets received from the State with right of ownership (316)	480		
	Total capital stock and not recorded (rd.440 + rd.450 + rd.460 + rd.470 + rd.480)	490		
	II. Capital premiums (317)	500		
	III. Reserves			
	1. Reserve capital (321)	510		
	2. Statutory reserves (322)	520		
	3. Other reserves (323)	530		
	Total reserves (rd. 510 + rd. 520 + rd. 530)	540		
	IV. Profit			
	1. Corrections to previous years' results (331)	550		-52 615.08
	2. Retained earnings (unappropriated loss) of previous years (332)	560	47 753 641.86	47 753 641.86
	3. Net profit (loss) for the reporting period (333)	570		-25 476 521.92
	4. Used profit of the reporting period (334)	580		
	Total profit (loss) (rd. 550 + rd. 560 + rd. 570 + rd. 580)	590	47 753 641.86	22 224 504.86
	V. Revaluation reserves (343)	600		
	VI. Other equity items (344)	610		
	TOTAL SHAREHOLDERS' EQUITY (rd. 490 + rd. 500 + rd. 540 + rd. 590 + rd. 600 + rd. 610)	620	47 753 641.86	22 224 504.86
D.	LONG - TERM DEBTS			
	1. Long-term bank loans (411)	630		
	2. Long-term loan (412)	640		
	of which: 2.1 loans from bond issues (4123)	641		
	including: loans from convertible bond issue (4121,4122,4124,4125)	642		
	2.2 other long-term loans (4126)	643		
	3. Long-term trade payables (421)	650		
	4. Long-term liabilities to related parties (422)	660		
	including: debts relating to participating interests (4221)	661		
	5. Long-term advances received (423)	670		
	6. Long-term prepaid income (424)	680		
	7. Other long-term liabilities (414,425,427,428)	690		

	TOTAL LONG-TERM DEBTS (rd. 630+ rd. 640 +rd. 660 + rd. 670 + rd. 680 + rd. 690)	700		
E.	CURRENT LIABILITIES			
	1. Short-term bank loans (511)	710		
	2. Short-term loans, total (512)	720		
	of which: 2.1 loans from bond issue (5123)	721		
	including: loans from convertible bond issue (5121,5122,5124,5126)	722		
	2.2 other short-term loans (5125)	723		
	3. Current trade payables (521)	730	173 644.30	61 727.86
	4. Liabilities to related parties (522)	740		
	including: debts relating to participating interests (5221)	741		
	5. Current advances received (523)	750	2 682.89	1 924.14
	6. Amounts owed to staff (531,532)	760		
	7. Social and medical insurance liabilities (533)	770		
	8. Debts to the budget (534)	780	11 521.82	
	9. Debts to landlords (536)	790		
	10. Current prepaid income (535)	800		
	11. Other current liabilities (513,541,542,543,544,537)	810		
	TOTAL CURRENT LIABILITIES (rd. 710 + rd. 720 + rd. 730 + rd. 740 + rd. 750 + rd. 760 + rd. 770 + rd. 780 + rd. 790 + rd. 800 + rd. 810)	820	187 849.01	63 652.00
F.	PROVISIONS			
	1. Provisions for employee benefits (4261,5381)	830		
	2. Provisions for guarantees to purchasers/customers (4262, 5382)	840		
	3. Provisions for taxes (426,3 5383)	850		
	4. Other provisions (222,253,4264, 5384)	860		27 109.11
	TOTAL PROVISIONS (rd. 830 + rd. 840 + rd. 850 + rd. 860)	870		27 109.11
	TOTAL LIABILITIES (rd. 620 + rd. 700 + rd. 820 + rd. 870)	880	47 941 490.87	22 315 265.97

Financial result

The financial result of ANRE is made of - the budget balance from previous years and the difference between the revenues and expenses of the current financial year. According to budget planning method, the financial result of ANRE represents the revenues surplus accumulated over the years.

Budget balance – is the difference between budget revenues and expenses. The negative balance of the budget represents – deficit, positive balance – surplus, and zero balance – the budget balance.

The annual inventory was conducted according to the provisions of the Minister of Finance, Order no. 60/29.05.2012 “On the approval and implementation of the Regulation on inventory.” The inventory was conducted during the year according to Director General Order no. 47 of 08.10.2020.