

Bulgargaz has requested a 5.3% increase in gas prices from May 1st, to 150.11 levs (77 euros) per MWh, according to an application submitted to the Energy and Water Regulatory Commission on April 8th. The request is being analyzed by a working group of the regulatory commission and will be discussed at an open meeting after the Easter holidays. However, the situation on European gas markets is so dynamic that the price can change significantly in both directions. That already happened on the last day of March, when the energy regulator commented that the price for next month would increase by a maximum of 13%, but in just one day natural gas became so expensive that the price of gas increased by 25% from April 1.

In its application, the gas company gave an overview of gas prices for delivery in May to several European markets – they ranged from 105 to 108 euros per MWh. To this should be added the costs of access and transmission, Bulgargaz points out.

The price offered by the company for the Bulgarian market is around 77 euros per MWh, also without access and transmission fees, as well as without excise and VAT.

Bulgargaz notes that it has obligations to Gazprom Export in accordance with the “take from pay” clause, ie to pay the agreed quantities of gas even if they are not consumed. This means that the company will not be able to get cheaper stocks from alternative sources in May.

Bulgargaz will not withdraw gas from the Chiren storage facility in May, according to a report by a working group of regulators.

Source: investor.bg