

Bulgarian state-owned National Electric Company (NEK) has repaid its obligations to two US-owned thermal power plants in the amount of 587 million euros. The majority of the sum was provided through a loan which Bulgarian Energy Holding (BEH) obtained from the consortium of international banks last month, while the remaining amount came from NEK's own profit.

TPP Maritsa East 3 owned by ContourGlobal was paid 144 million euros, while 443 million euros was paid to TPP Maritsa East 1 owned by AES.

This settlement was part of power purchase agreements between NEK and two US-owned TPPs which were concluded in April last year. These agreements, which envisages that price of electricity is decreased by 14 %, will save some 25.5 million euros per year for NEK, or more than 250 million euros for the remainder of the purchasing deal which expires on 2026. But in order for these two agreements to take effect, NEK has to pay its debt to the US companies first.

Last month, BEH secured a bridge loan of 535 million euros in order to repay debt of its subsidiary National Electric Company (NEK) to US-owned thermal power plants. BEH signed a bridge financing agreement with the consortium of banks including Banca IMI S.p.A. London branch, Bank of China Limited Luxembourg branch and J.P. Morgan Securities, which was top ranked in the evaluation of the binding offers submitted in January, transmits Serbia-energy.eu