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Bulgaria's National Electricity Company (NEK) could keep its income of 354MEUR per year from EVN Distribution after July 1 when new power prices are expected to take effect for the regulated market. This however could be possible under the condition of splitting the current single power price of 64.08EUR/MWh into two regulated prices - for households and small businesses. If the changes take effect, NEK which is the single buyer and reseller of electricity to regional distribution utilities, will sell at 80.17EUR/MWh to small businesses, and at 56.34/MWh to households.

The measure, proposed by EVN Bulgaria, aims to create transparency in a shrinking regulated power market which maintains lower-than-actual prices for households, while the burden is distributed among a small number of businesses. 25 percent of the latter are expected to migrate to the liberalised power market next year, when market opening is expected to take effect for the low voltage segment, it emerged on Monday, when EVN Bulgaria presented its power price proposition for the regulated market.

The proposal reflects an increase for both households and businesses, mainly because EVN Bulgaria insists that the actual level of technical losses are acknowledged and compensated through power prices. What is more, the company is working for the acknowledgment of its investments, set at zero Eur in 2012 and 2013 by the regulator, thus not included in the prices for two years in a row.

"We are ready to discuss with the responsible institutions what and why we are proposing and what we are aiming at. Along with the prices topic, we are in an active process of preparation for the full market liberalisation", Robert Dick, country manager of EVN Bulgaria said.

Mr. Dick revealed that 2014 was a crucial year for EVN Bulgaria's distribution arm, as it reported a loss for the first time, amounting to nearly EUR 50 million. The negative result is due to the lack of acknowledged investments, paired with the shrinking share of grid fees in the final power prices.