

The state gas supplier Bulgargaz, six days late, submitted a request to the energy regulator to increase the price of natural gas for July. The new tariff is 32% higher than the one in June - which is historically the highest price for the regulated market in Bulgaria.

However, despite this growth, the price does not follow the trend on European gas exchanges. With the increase, it amounts to BGN 186.5 (EUR 95.3) per MWh, while the Dutch TTF index averaged around EUR 150 per MWh at the beginning of July, reaching EUR 182 per MWh on July 7.

This was made possible thanks to alternative deliveries provided by Bulgargaz - Azerbaijani gas and LNG from the USA. If the contract with Gazprom were still in force, the price of gas for the Bulgarian market would be higher, given that it largely depends on the movement of the TTF.

Natural gas prices on European markets started to rise in mid-June, when they hovered around EUR 80 per MWh. The main reason for this was Gazprom's reduced deliveries to Germany and Italy, although traders accepted Moscow's condition for payment in rubles. In addition, there were several breakdowns at energy facilities, which put additional pressure on prices.

The director of Bulgartransgaz, Vladimir Malinov, said that the Bulgarian gas storage Chiren, in the most optimistic scenario, could be filled up to 79% by the beginning of November.

However, the pessimistic version is more than worrying, given that the state gas operator foresees the possibility that the storage level will reach only 60%, that is, 330 million cubic meters. This could threaten the country's security of supply in the winter period and is also below the 80% level required by the EU.

Currently, the warehouse in Chiren is only 35% full, while the European average is around 60%.

In June, Bulgragaz tried to buy gas at the Balkan hub, but both tenders for delivery in July were unsuccessful.

Several gas auctions are planned for August, which will be crucial to ensure supply, due to the planned overhaul of the TAP gas pipeline, which will stop the flow of 40 million cubic meters of gas to Bulgaria for two weeks.

An additional problem for the country's supply is the lack of a long-term LNG supply contract.

Source: capital.bg