

A 12.8 % increase of wholesale natural gas price for February, significantly higher than the initial proposal of gas supplier Bulgargaz from mid-January (5.1 % increase), was approved by Bulgarian Commission for Energy and Water Regulation (KEVR). The price will be decreased to around 15.5 euros/MWh, excluding VAT and excise duty. Previously, KEVR approved a 2.8 % decrease of wholesale natural gas price for January. The agreement with Gazprom prompted the change in determining regulated wholesale gas prices, which is now set on monthly, rather than quarterly basis. In its decision, KEVR took into account the information about the market indices of the European gas hubs and the average euro/dollar exchange rate for the month of January. According to KEVR, gas prices on European markets rose by 45 % in January. In March 2020, Bulgargaz and Gazprom Export have finalized an agreement on 40.3 % reduction of the price at which Russia supplies natural gas to Bulgaria, backdated to 5 August 2019. Bulgaria was the last of eight EU Member States of Eastern Europe to strike a deal on a price cut with Gazprom, in the wake of a settlement reached between the European Commission and the Russian monopolist on an anti-trust investigation.