

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.

Chairman of the Bulgarian Commission for Energy and Water Regulation (KEVR) Ivan Ivanov said that the regulator believes that there is ground to hold talks with Russian gas company Gazprom over reducing natural gas prices for Bulgaria.

Ivanov reminded that the regulator does not participate in the negotiations with the Russian company, but there is available information about the price at which natural gas is supplied in the country. If a comparison is made with other European countries, there is reason for Bulgaria to request new negotiations and get better price conditions, adding that the Ministry of Energy and gas supplier Bulgargaz are expected to launch such negotiations with Gazprom.

According to Ivanov, the Bulgarian energy sector could expect some hard times ahead. The prices of natural gas and carbon dioxide emissions are rising on the European markets, which will affect the price on the domestic market as well. He said that the Government can legally support the sector until 1 July 2025, but this can only be done with a clear plan for market liberalization and termination of long-term electricity purchase contracts. The pandemic and the reduction in consumption in consumption have changed the market situation and made forecasting more difficult.

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.