

Until now, suppliers purchased electricity from the public supplier (NEK) and the quantities were determined by Commission for Water and Energy Regulation (KEVR).

Bulgarian KEVR has approved the changes in the methodology for determining the price of electricity sold by suppliers of last resort. In the future, the price will be based on the market principle - contracts will be concluded at freely agreed prices. With the new changes, the price is tied to the day-ahead market of the Bulgarian Independent Energy Exchange (IBEX), as well as to the prices on the balancing market. In practice, these prices will be higher than the market ones, in order to discourage customers from staying on this type of supply for a longer period.

Suppliers of last resort are an important element of the free market structure. They supply consumers with electricity in the event that the chosen supplier is unable to fulfill its obligations - for example, in the event of bankruptcy, until a new supplier is selected, so customers are expected to sign a new supply contract quickly.

The new methodology was developed after the adoption of amendments to the Energy Law, which allows suppliers of last resort to buy electricity at freely agreed prices from an unlimited number of market participants.