

The Bulgarian Parliament adopted a decision to freeze utility prices (electricity, natural gas, heating) for residential consumers at their current levels until 31 March 2022 in an effort to mitigate the effects of soaring prices on the standard of Bulgarian citizens during the winter season.

Previously, the Commission for Energy and Water Regulation (KEVR) proposed the increase of regulated prices for the next period starting from 1 January 2022 - 11.5 % for electricity prices and 12.8 % for heating prices.

Soon after, electricity transmission system operator ESO said in a joint statement with electricity distributors CEZ, EVN and Energo-Pro, that the decision to freeze electricity prices during the winter can lead to the collapse of the Bulgarian energy system and the entire economy.

In the joint statement the distributors warned that they have already been experiencing low liquidity since September, when prices on the energy exchanges have started to rise, where they purchase electricity to cover technological losses.

If any of the companies fail to make payments for purchased electricity it could lead to a collapse of the entire electricity system in the country.