

# **Bulgaria: Power market, Big industrial consumers are increasingly buying electricity from Hungary and Romania**

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“More and more Bulgarian companies began to purchase electricity from abroad,” said the President of the Institute for Energy Management, Ivanka Dilovski. This trend is noticeable in recent months and it is likely to be increased until it reaches the maximum possible capacity that Bulgaria can afford to import electricity from abroad. The information comes as a counterweight to the claims of the ruling cabinet that by undertaken measures has achieved the stabilization of energy and has ensured the permissible load of HPPs.

There are some Bulgarian companies that buy electricity from Hungary and Romania, said Dilovski. Most of them are big consumers which do not wish that their commercial relationship to be public. Therefore, large capacity are supplied with power from abroad, which is more cost effective than buying electricity from the Bulgarian power plants, it became clear from the words of the energy expert.

Dilovska indicates that it is possible that households obtain electricity at a lower cost than they are paying it currently. This can happen if their current provider (CEZ, EVN and Energy pro) get an opportunity not to purchase electricity from Bulgaria's National Electric Company (NEK), as they do now, but in a free market.

NEK is currently selling electricity at a price that is a bit over 51,25 euros per MWh. Electricity distribution companies are required to be supplied from the NEK. In a free market in Bulgaria or abroad, there are producers that offer electricity at a cost of 35- 46 euros per MWh, or 10-30% cheaper.

During the event Dilovski has emphasized another trend. More and more households use night tariff. So in recent months, during the night, the citizens use about 35% of electricity which they are paying for. This electrical energy per night tariff has lower price than the price of the electricity at which power distribution companies buy from NEK, which creates losses, said the Director of the Institute for Energy Management.

Thus, the companies that supply electricity are at a loss and it must be taken into consideration by the State Commission for Energy and Water regulation (DKEVR) during price formation. In other words, the price at which the purchase is lower than the rate at which is the sale, it inevitably leads to the liquidation of any company, Dilovski added.

Source; Serbia Energy See Desk