

Bulgarian President Rumen Radev initiated a round table to address the problem of high electricity and gas prices and prepare Bulgaria's position on the issue before the EU. President Radev said that an unprecedented energy crisis is swirling in Europe, and it does not pass Bulgaria by. According to him, it is important what national decisions will be made so that the country softens the blow of this crisis. He added that the problem with the energy crisis is pan-European and Bulgaria expects and must work actively to seek pan-European solutions.

The discussion was held at the Boyana Residence and was attended by caretaker Prime Minister Stefan Yanev, the caretaker Ministers of Energy, Economy, Labour and Social Policy, KEVR Chairman Ivan Ivanov, as well as heads of energy companies, representatives of trade unions and businesses, mayors of municipalities.

Caretaker Prime Minister Stefan Yanev said during the discussion that a working group has been set up to prepare a new strategy in the entire energy sector. He pointed out that he does not want to enter into long-term solutions, because in this case short-term solutions are needed.

Caretaker Energy Minister Andrey Zhivkov said that the caretaker Government has already taken short-term measures to overcome the crisis related to the high prices of electricity for business and industry. According to the general opinion of the Government and businesses, there are no long-term contracts and this is one of the reasons for the current price crisis.

Chairman of the Management Board of the Bulgarian Industrial Capital Association (BICA), Vasil Velev, proposed a compensation for 600,000 customers on the free electricity market for their large bills for July, August and September. The compensation would take effect from this month until the beginning of November. He argued that the aid of 25.5 euros/MWh offered by the caretaker Government is already extremely insufficient and explained that the aid was only sufficient for the month of July.

President of the Bulgarian Chamber of Commerce and Industry (BCCI), Tsvetan Simeonov, asked whether the Ministry of Energy plans to start negotiations with Russia on natural gas prices and how the opportunities for the quantities of Azerbaijani gas that can be provided to this country will be used to reduce the prices of natural gas.

Chairman of the Bulgarian Gas Association, Plamen Pavlov, said the President needed to intervene in urgent negotiations with Gazprom to renegotiate the price formula. He also demanded intervention in negotiations with SOCAR to obtain the full amount of the agreed one billion cubic metres of gas, so that they can participate in the price mix.

Bulgarian Energy Holding (BEH) CEO Valentin Nikolov said that coal-fired TPP Maritza East 2 is expected to buy 6,000 tons of carbon dioxide by the end of the year. This means that BEH has to buy allowances for some 390 million euros. According to him, there is one tool that can be used without making legal changes - a consolidation of a bank loan from the

Electricity System Security Fund.

Bulgargaz CEO Nikolay Pavlov said poor planning was the reason for the price increase. Many district heating and gas distribution companies have not planned their applications well. He appealed to all responsible authorities to check how the licensing obligations are fulfilled.

CEO of the Independent Bulgarian Energy Exchange (IBEX), Konstantin Konstantinov, suggested paying more attention to the financial instruments offered for Bulgarian energy futures, which are the result of cooperation between the Bulgarian Stock Exchange and the German Stock Exchange. The second proposal is to organize tenders with long-term delivery.

The Chairman of the Commission for Energy and Water Regulation (KEVR) Ivan Ivanov said that the two main factors causing a sharp increase in the price of electricity are the high prices of natural gas and carbon dioxide emissions. If Russia increases natural gas supplies, it would naturally reduce its price in the coming months. In addition, the supply of liquefied natural gas must be increased. Regarding the high carbon prices, he said that the key is in the hands of the EU, through the emissions trading platform.