

According to expert analysis by the Center for the Study of Democracy, the faster Bulgaria closes its coal-fired power plants, the cheaper electricity will be on the Bulgarian market. According to the analysis, coal-fired power plants are operating because of the high price of electricity and because they are subsidized by the state with some 500 million euros annually, but after 2025 this subsidy will become impossible and if the price of electricity falls down, many of the coal-fired plants will have to close down to avoid working at a loss. State-owned TPP Maritsa East 2 and some small private TPPs are expected to be closed first.

According to Martin Vladimirov, with a fast closure and the replacement of coal-fired power plants by renewable energy facilities, the price of electricity will rise by 13 % by 2030, and with a more gradual closure the price will increase by 55 %.

Regarding the battery storage project worth some 750 million euros, envisaged in Bulgaria's Recovery and Resilience Plan, Vladimirov said that envisaged capacity is four times larger than those in the US and he is skeptical that the Bulgarian industry and administration will tackle these challenges especially against the background of disrupted supplies. It is more reasonable if industrial consumers made these investments instead of seeking big solutions for the whole country and spending enormous resources, he added.

Applications for the construction of RES projects with a capacity of 19,000 MW have been filed but a large part of these projects will not be implemented because of the vague regulatory framework, cumbersome administrative procedure for connecting to the network and immature energy markets. For example, only 120 MW of RES capacity was connected to the grid in 2021. Vladimirov recommended reducing expenses for connection to the grid and liberalization of fees. This may unblock the market for small RES facilities (rooftop solar plants), which may generate up to 5 TWh of electricity, one eighth of the annual consumption in the country.