

A 2.8 % decrease of wholesale natural gas price for December was approved by Bulgarian Commission for Energy and Water Regulation (KEVR). The price will be decreased to around 13.8 euros/MWh, excluding VAT and excise duty. Previously, KEVR approved a 3 % decrease of wholesale natural gas price for December, slightly higher than the initial proposal of Bulgargaz (2.4 % decrease). The agreement with Gazprom prompted the change in determining regulated wholesale gas prices, which is now set on monthly, rather than quarterly basis.

In its decision, KEVR took into account the information about the market indices of the European gas hubs and the average euro/dollar exchange rate for the month of December. It also took into consideration the new volume of natural gas which Bulgaria started receiving from Azerbaijan via the Trans Adriatic (TAP) gas pipeline as of 1 January. In early March, Bulgargaz and Gazprom Export have finalized an agreement on 40.3 % reduction of the price at which Russia supplies natural gas to Bulgaria, backdated to 5 August 2019. Bulgaria was the last of eight EU Member States of Eastern Europe to strike a deal on a price cut with Gazprom, in the wake of a settlement reached between the European Commission and the Russian monopolist on an anti-trust investigation.