

The Bulgarian Wind Energy Association (BGVA) criticized the amendments to the Energy Act which stipulate that all producers with installed capacity above 4 MW will be obliged to sell their electricity through the exchange and stressed that the conditions and all the essential elements of the concluded electricity purchase agreements must be preserved in order to guarantee the revenues of investors in wind energy at the time of the investment. BGVA also said that it does not approve the proposal to determine the referent market prices for the current year based on the historical data from the energy exchange in the previous year.

At the moment, district heating plans, combined heat and power plants and producers from renewable sources with installed capacity above 4 MW sell their electricity to state-owned National Electricity Company (NEK) at the preferential price. Amendments to the Energy Act stipulate that they will be obliged to sell the electricity on the free market but they will be getting premium from Electricity System Security Fund to offset the difference between market prices and those stipulated by long-term electricity purchase agreements.

However, the premium will be fixed for each producer and calculated by the Commission for Energy and Water Regulation (KEVR), which will also forecast the market price for the year ahead. Because there is a possibility that forecasted market price will not be achieved and RES producers will not be able to achieve their planned revenues for that year. Therefore, BGVA insists on introducing contracts for difference rather than premiums. The Association also considers that the deadline for the introduction of these changes should be delayed for a year, from 1 July 2018 to 1 July 2019.