

Despite the fact that some energy companies have requested an increase in the price for the service they provide (primarily electricity transmission system operator MEPSO), they assure the Government that the final price of electricity will not be increased.

The calculation is that as of 1 July there will be a reduction of VAT for electricity to 5 % for a certain period, and in 2023 it will return to 18 %. However, it is still uncertain how much this measure will mitigate the increasing service fees, because state-owned power utility ESM has not yet given a new production price of electricity it sells to universal service supplier EVN Home, which affects the final price of electricity for end users the most. The Government said that ESM will reveal the new price on 21 June. Also, it is not known which of the requests from transmission and distribution system operator for increasing their service fees will be accepted. The Regulatory Energy Commission (RKE) is still reviewing its calculations, but according to preliminary analysis, if these requests are accepted, electricity bills paid by residential consumers will increase by some 5 %. A new correction in the price of electricity will be made by the end of July and will be valid from August 1. Last year it increased by 7.4 percent at the request of state energy companies. RKE has the final say regarding the price of electricity for residential consumers for a new, one-year regulatory period, starting on 1 August 2021. In 2020, electricity price was increased by 7.4 %.