

## **Serbia: Elgas energy trading conquering gas distribution market against Srbijagas monopoly**

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The monopoly of state owned gas supply company Srbijagas is broken. Vrsac city gas company cancelled the supply contract with Srbijagas after 60 years. The same scenario is expected in other Vojvodina region cities. The reason is refusal of Srbijagas to decrease the price.

Despite the fact that gas price dropped severely Srbijagas lowered the price for only 9%, for distributors. Difference between 9-25% is kept as needed funding to avoid urged restructuring of the company.

Belgrade based Elgas energy trading, owned by Slovakia energy gas trader, managed to ink the deal with Vrsac gas distributor.

Despite the trend of contract cancellation and entrance of new gas traders, the monopoly is still evident as Srbijagas has the dominance in the reserved capacities of gas network. Energy regulator expects the decision which will enforce Srbijagas to invite other bidders for capacity auctions, traders will then have the needed capacities and market would open. Of course the price would follow the overall market gas prices in Europe, transmits Serbia-energy.eu