

The Slovenian Government decided to cap natural gas prices for residential and small commercial consumers. The previous measure of halving excise duty remains in place, while VAT will be reduced from 22 to 9.5 %. The Government also tasked the country's main gas supplier Plinovodi to draft an action plan for complete suspension of Russian gas imports in three years.

The prices of gas for households will be capped at 0.073 euros/kWh excluding VAT, while the cap for small commercial consumers and basic social service providers will be set at 0.079 euros/kWh excluding VAT. The natural gas price caps will be valid for a year.

Slovenian Minister of Infrastructure Bojan Kumer explained that basic social service providers include hospitals, student dorms, retirement homes and prisons, while the small commercial users are defined as companies whose annual consumption does not exceed 100,000 kWh.

According to him, average households buying gas from cheap providers will save about 10 % or 90 to 130 euros per year, while those buying from expensive providers will see their annual bill decrease between 170 and 675 euros or by between 13 and 37 %. Small businesses buying from cheap suppliers will save around 10 %, per year, while those buying from expensive suppliers will save between 11 and 34 %.

Minister Kumer noted that the VAT reduction to 9.5 % will only be valid for natural gas and not for electricity. He added that support measures for big businesses would be drafted in the second half of August or the first half of September.

He said that the Government had tasked Plinovodi, Slovenia's main gas supplier, to draft an action plan together with gas import companies and the Ministry of Infrastructure for complete suspension of Russian gas imports in the next three years.

The move comes after European Commission President Ursula von der Leyen advised member states to reduce gas consumption by 15 %.