

The Bulgarian Energy Holding (BEH) is about to close an EUR 650 million credit agreement with an international consortium of banks by April 2016, Minister of Energy Temenuzhka Petkova announced. Then by April 20 National Electricity Company, which is part of BEH must settle its debts with the two American plants it owns.

Negotiations with the banking consortium including the London branch of Vansa IMI S.p.A., Luxembourg branches of Bank of China Limited J.P. Morgan Securities, are a bridge loan of EUR 650 million in order to settle some debts.

In turn, the plants in question owe BGN 400 million to several mines. This amount will be deducted from the debt of NEC to be directly paid to the mines, said Petkova to BNR. Once the debts to the two American plants are settled, NEC can renegotiate the prices at which it is buying electricity from them.

The full liberalization of Bulgaria's energy market will have to be finalized during the first half of next year, said Petkova. The model under which this will happen will be clarified by the end of this month, and after consultations with the World Bank, the minister revealed.

source: energyworldmag.com