

The participants in a discussion on Bulgaria's energy exchange agreed that legal amendments were to pave the way for a change of the model so that the full liberalization of the market was achieved by the beginning of 2016.

The participants in Tuesday's discussion, as cited by investor.bg, said that a fully functioning energy exchange formed the basis of liberalization, adding that the platform could be launched at the beginning of December at the earliest.

Bulgaria's Deputy Prime Minister Tomislav Donchev suggested that the liberalization of the market would ensure a fair price of electricity which was not dependent on a decision of a watchdog.

"The free market gives a chance to the ones who are more efficient and who manage to produce a more competitive product," he said, adding that the main benefit of the free market consisted in the opportunity to choose, not so much in a price reduction.

Energy Minister Temenuzhka Petkova drew attention to the need to change the status of the National Electric Company (NEK), which was a public supplier, the only buyer of electricity. She made clear that the status of the national power utility would be changed through legal amendments by end-2015.

Petkova said that the liberalization would be implemented according to the model prepared by the World Bank, adding that the methodology would meet EU requirements and domestic conditions in Bulgaria.

Ivan Ivanov, Chair of the State Commission for Energy and Water Regulation (KEVR), noted that the changes to the rules on trade in electricity were to be ready in a few weeks' time. He assured that the new provisions would guarantee a level playing field and transparency. Ivanov reminded that the electricity exchange was supposed to start functioning in a few months' time.

He argued that the electricity exchange would increase competition, at the same time allowing consumers to choose suppliers.

Ivanov said that the first to be able to make a choice would be industrial consumers, adding that household consumers would also be able to take advantage of the opportunity after a certain period of time.

The Chair of Bulgaria's energy watchdog claimed that free choice would improve the quality of the service.

He pointed out that the role of the energy watchdog after the liberalization of the market would consist in determining the methodology for the calculation of the "obligation to society" surcharge and the prices of network services.

The participants in the meeting were reminded of the agreement signed in April 2015 with Nordpool Spot, which was to provide a platform for trade in electricity.

Konstantin Konstantinov, CEO of the Bulgarian Independent Energy Exchange (IBEX), the state-owned company which was awarded a license to operate Bulgaria's electricity



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exchange, invited the market participants to take part in the tests before the launch of the platform.