

Data on electricity production in Bulgaria in 2020 show a sharp decline in the share of coal in electricity production. This is not the result of state policy, which on the contrary supports the coal sector, but is a consequence of less competitiveness of domestic electricity and changes that are happening in neighboring countries. Falling consumption in Bulgaria also has an impact.

In that context, however, it was more difficult for Bulgaria to meet its obligations to the EU regarding the share of green energy in final electricity consumption last year. The reason for that is the drought and small production of hydroelectric power plants, which shows that the national goals of RES and the contribution of Bulgaria to the Green Agreement in general should be much more ambitious than the current ones, which mainly depend on the availability of water in reservoirs.

Less and less coal

Bulgarian coal-fired power plants produced a total of 13.5 TWh of electricity in 2020, the lowest level since 2000, when data from the independent organization Ember became available. For comparison, in 2019, 17.4 TWh was produced from coal, and in the record year of 2011 – 27.5 TWh.

This significant decline in the share of coal-fired power plants (by 22% annually and by 51% in the previous decade) is great news in terms of climate goals and the state's obligation to reduce carbon intensity in the economy. However, this is not the result of a particular policy, but poses a risk to the energy system itself.

The data clearly show that the production of electricity from coal is falling because the total demand for electricity has been decreasing in recent years. If in 2011 a total of 50 TWh was produced, in 2020 that amount was 40.3 TWh. And the reason for the decline in production is primarily the impossibility of exporting and selling electricity to neighboring countries – compared to 10.7 TWh exported in 2011, only 3.4 TWh were recorded in the past.

Furthermore, Bulgarian electricity from coal-fired power plants is expensive (mainly due to CO₂ quotas) and no one wants to buy it. But that's not all – Turkey, Greece, Romania, and even Northern Macedonia have significantly increased their production capacity over the past 10 years and are less and less in need of imports. Moreover, even Turkey, which was once a major destination for Bulgarian exports, is now a net exporter of electricity to Bulgaria.

The problem in this new situation is that the Bulgarian authorities are not taking the necessary measures for the transition of the coal sector, which currently survives only because of the generous state aid it receives. For TPP Marica Istok 2 alone, direct support

and debt capitalization reached almost one billion levs (511 million euros) in 2020, while the Mini Marica Istok mine is the largest beneficiary of the 60/40 scheme for maintaining employment.

Not enough green energy

Although electricity production is declining (by 20% over the previous 10 years), the share of renewables remains low. Last year it was only 18.6%. Of key importance to Bulgaria in this regard are hydropower plants, which provide half or even two-thirds of renewable energy. That is, when hydropower plants operate less, the total amount of green energy decreases because it cannot be compensated from the sun and wind – there is no significant investment in these technologies since 2013 and their production is almost unchanged in the last eight years – between 2.7 and 3 TWh per year.

Source: capital.bg