



№ НГП -1
of 02.10.2020

Pursuant to Art. 30, para 1, item 12 of the Energy Act in connection with Art. 2, item 3 of Ordinance No. 2 of 19.03.2013 on natural gas price regulation, Art. 5, para 1, Art. 6, para 3, Art. 18, para 1 and para 3 and Art. 18a of the Methodology Determining Prices for Access and Transmission of Natural Gas through the Gas Transmission Networks Owned by Bulgartransgaz EAD,

THE ENERGY AND WATER REGULATORY COMMISSION

DECIDED TO:

I. Set to Bulgartransgaz EAD a regulatory period of 5 years duration - from October 1, 2020 until September 30, 2025.

II. Approve to Bulgartransgaz EAD for the regulatory period:

1. **Base of return for pricing periods:** October 1, 2020 - September 30, 2021 - BGN 3,001,251 thousand; October 1, 2021 - September 30, 2022 - BGN 3,892,368 thousand; October 1, 2022 - September 30, 2023 - BGN 3,792,409 thousand; October 1, 2023 - September 30, 2024 - BGN 3,636,637 thousand; October 1, 2024 - September 30, 2025 - BGN 3,516,332 thousand;

2. **Rate of return on capital:** 6,69%;

3. **Efficiency improvement factor:** 0,6%;

4. **Factor of "evening-out"/adjustment of the basic required revenues:** -0,0964;

5. **Ratio for allocation of the required revenues from access price and from natural gas transmission price:** 85% from access price to 15% from transmission price;

6. **Ratio of allocation of the required revenues covered by the access price by entry and exit points/zones:** 50% from the entry points/zones to 50% from the exit points/zones;

III. Approve to Bulgartransgaz EAD for the first year of the regulatory period:

1. **Required annual revenues:** BGN 314 118 thousand;

2. **Basic required revenues:** BGN 409 503 thousand;

3. **Estimated amount of the costs under Art. 7, para 1 of the Methodology:**

3.1. **Controllable operating costs:** BGN 89 226 thousand;

3.2. **Depreciation costs:** BGN 105 723 thousand;

3.3. **Directly transferable costs:** BGN 12 880 thousand, of which;

3.3.1. **Directly transferable total costs:** BGN 2190 thousand;

3.3.2. **Directly transferable costs, forming a technological component:**

BGN 5847 thousand;

3.3.3. **Directly transferable costs, forming the component of the price for transmission to national exit points of exit zone Bulgaria for covering community obligations - BGN 4843 thousand;**

IV. Approve to Bulgartransgaz EAD for the period October 1, 2020 - September 30, 2021:

1. Entry and exit points for which access and transmission prices are set:

1.1. Entry/exit point Negru Voda/Kardam;

1.2. Entry point Local production;

1.3. Exit zone Bulgaria;

- 1.4. Entry/exit point Ruse/Giurgiu;
- 1.5. Entry/exit point Kulata/Sidirokastro;
- 1.6. Exit point Strandzha/Malkoclar;
- 1.7. Exit point Kyustendil/Zhidilovo;
- 1.8. Entry/exit point GMS Chiren;
- 1.9. Entry/exit point Strandzha/Malkoclar;
- 1.10. Exit point Kireevo/Zajecar;
- 1.11. Entry point of IGB.
2. **Factor setting the price for excess capacity - 4.**

The Decision is subject to appeal before the Administrative Court within 14 (fourteen) days period.

CHAIRPERSON:

Assoc. Prof. PhD IVAN IVANOV



CHIEF SECRETARY:

ROSITSA TOTKOVA