

Southeast European Electricity Market Monitoring Workshop

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Balancing Stakeholders' Interests in Electricity Market Liberalization: *A Viewpoint of Bulgarian Eligible Customers*

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Liberalization in a complicated environment

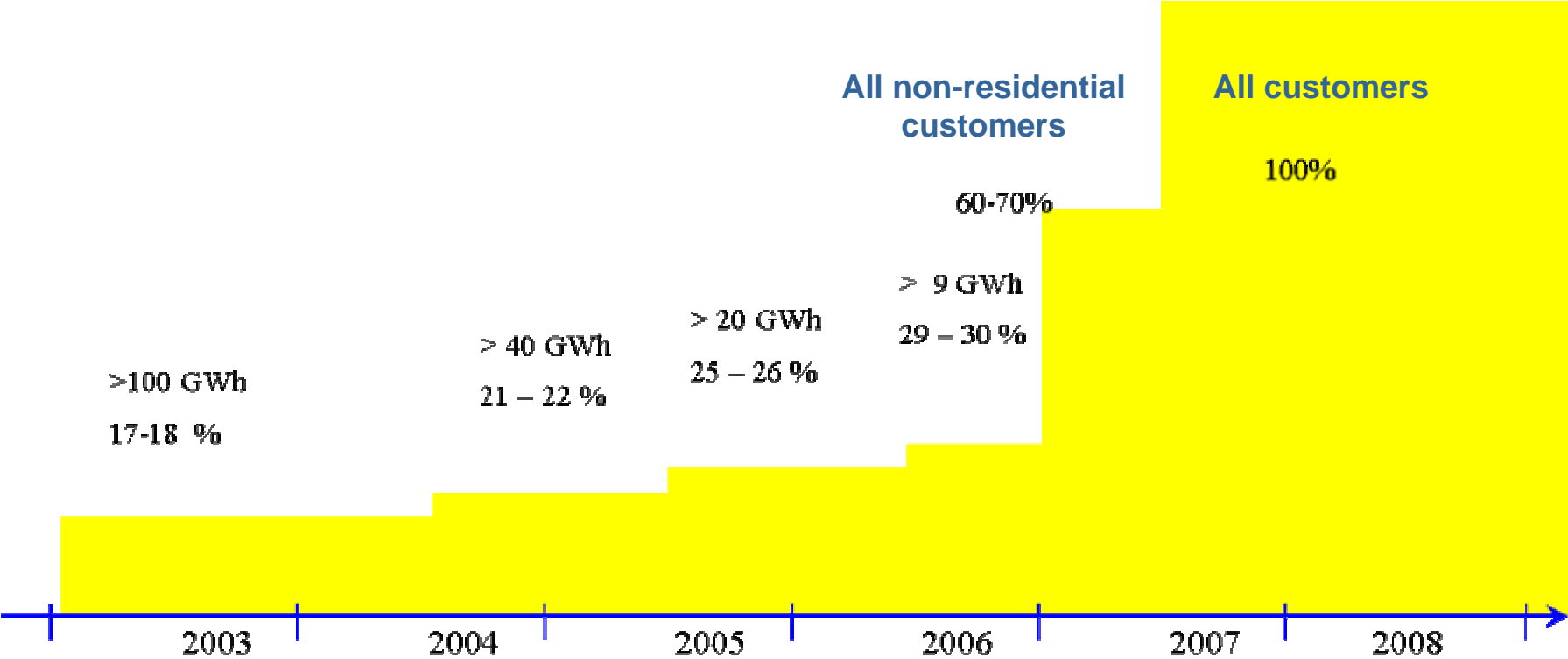
Energy Sector Reforms:

- Assets revaluation and restructuring
- Unbundling and rearrangements
- Utilities financial and corporate rehabilitation
- Ownership control transfers (privatization, BOT, etc.)
- Legal and regulatory relief - design and harmonization
- Regulatory authorities - capacity building
- Grid systems expansion and integration (electricity & gas, water & environment)
- Massive investments in rehabilitation and new facilities
- Market liberalization (fuels & emissions, electricity & gas)
- Market regionalization and European integration

Industrial Sector Reforms:

- Acquiring post-privatization ownership control
- Reengineering business processes and cost optimization
- Market survival, redirections and new positioning
- Substantial investments in rehabilitation and new facilities
- Environmental liabilities and imperatives

Electricity market stair over timeline



Substantial economic projections

Eligible customers = the basic (large-scale) industries:

- Mining and industrial minerals
- Ferro- and non-Ferro metallurgy
- Fertilizers and chemistry
- Cement industry
- Pulp and paper industry
- Food processors and pharmaceuticals
- Energy and transport

Electricity market opening affected more than 30 out of the top 100 companies

Direct impact over 30% of the generated GDP

Direct price effect over 50% of the Bulgarian export

Today = 12 companies

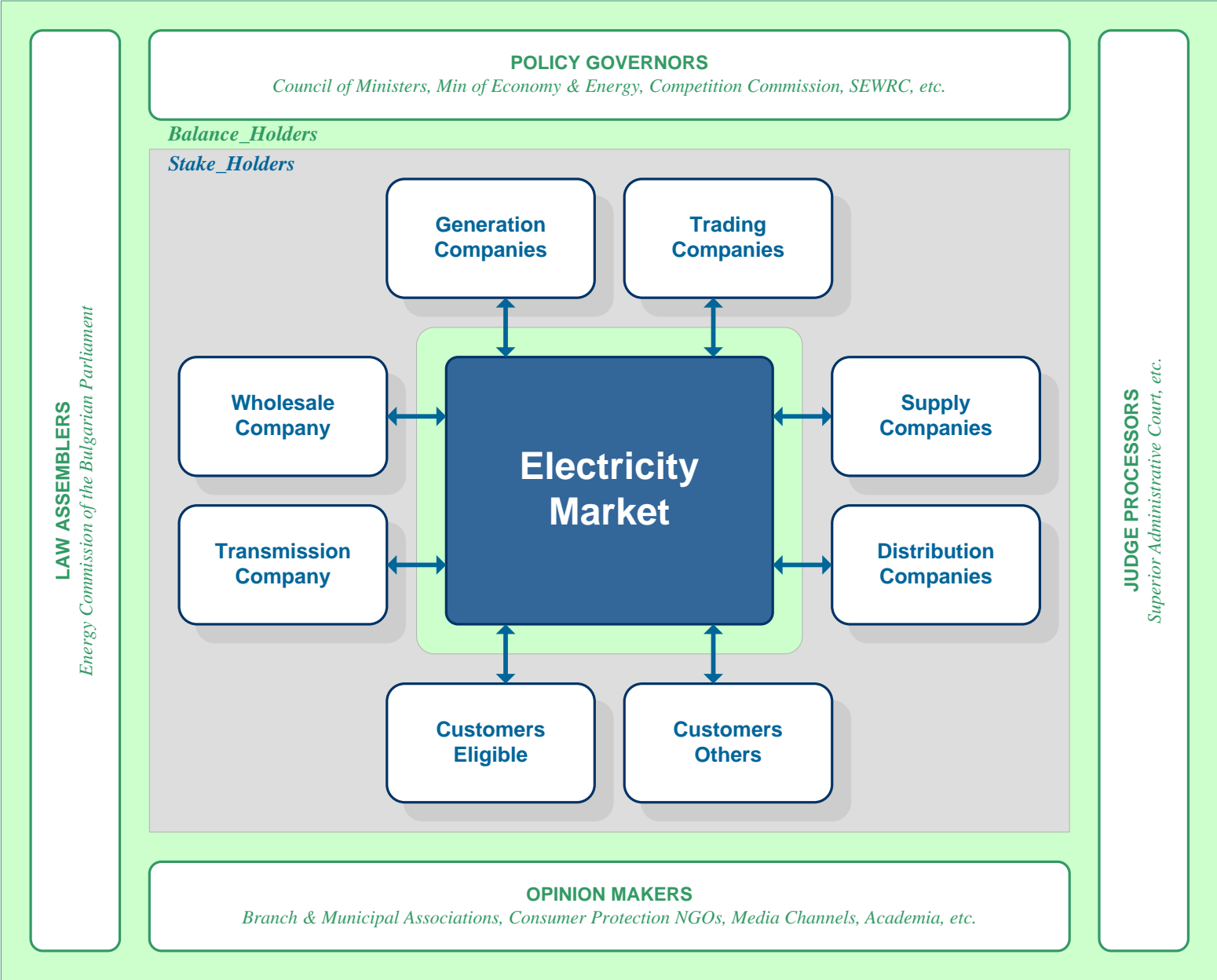
Stakeholders and Balancers

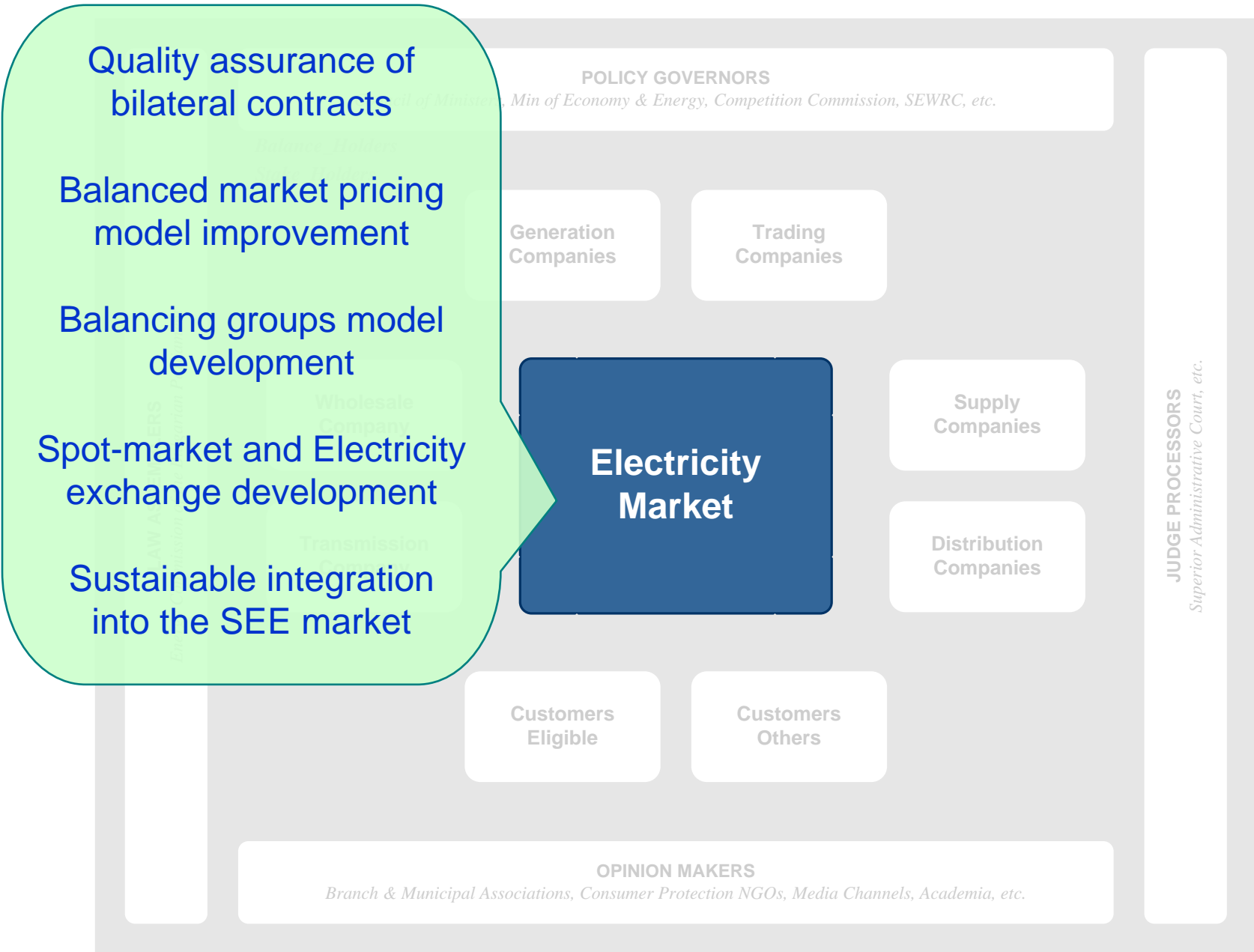
Assumptions (Stakeholders):

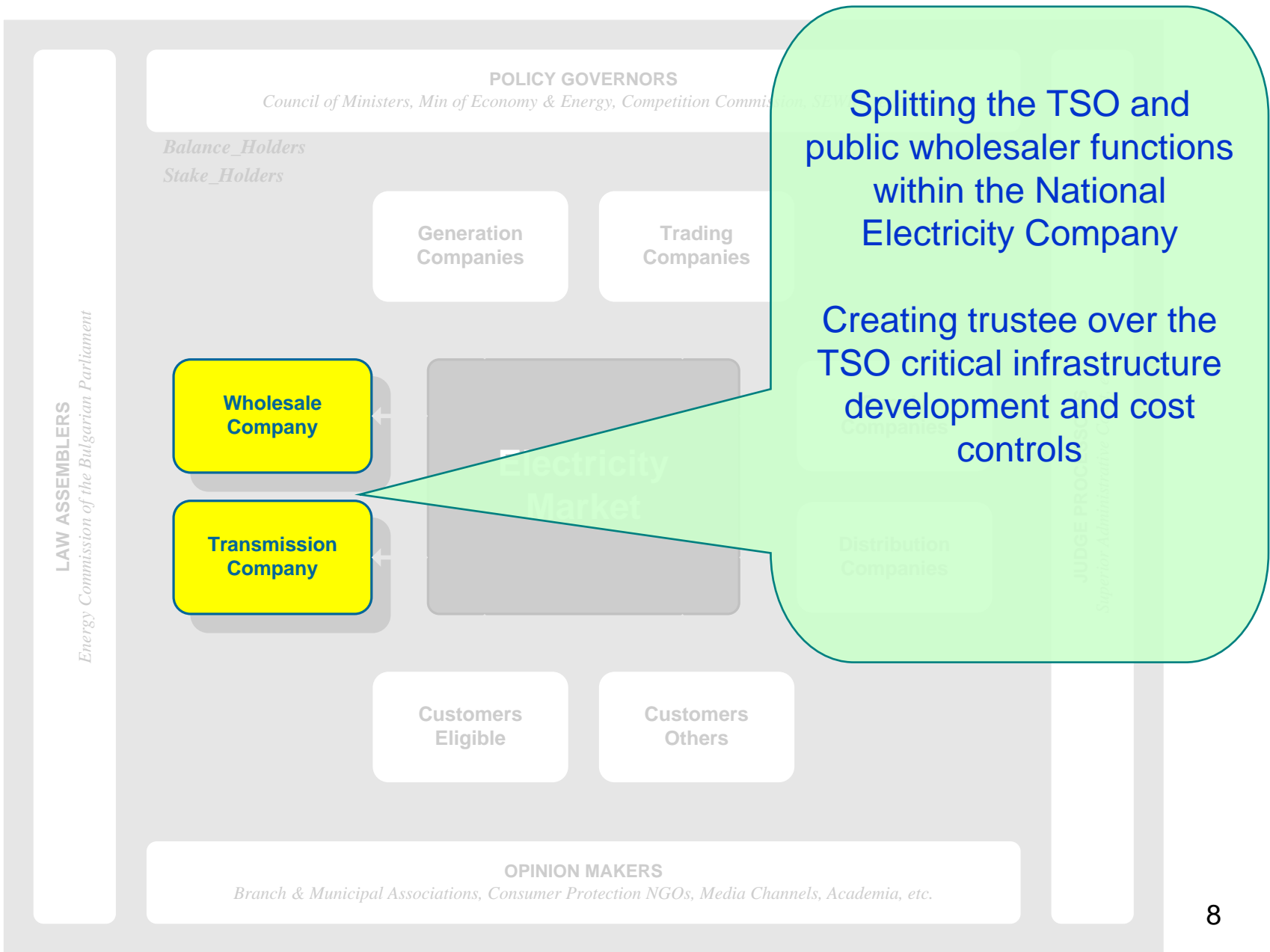
- Stakeholders as per legislation
- “Market but System”, “Commercial but Grid Code”
- Fair access to system data and market statistics
- Equally positioned on the market sphere
- Fair system risk allocation and management
- Equally distanced from the regulatory body
- Transparency on “Rules of the Game” preparation process
- Rights but obligations and contributions to the market developments
- Necessity of a critical mass market players and expertise

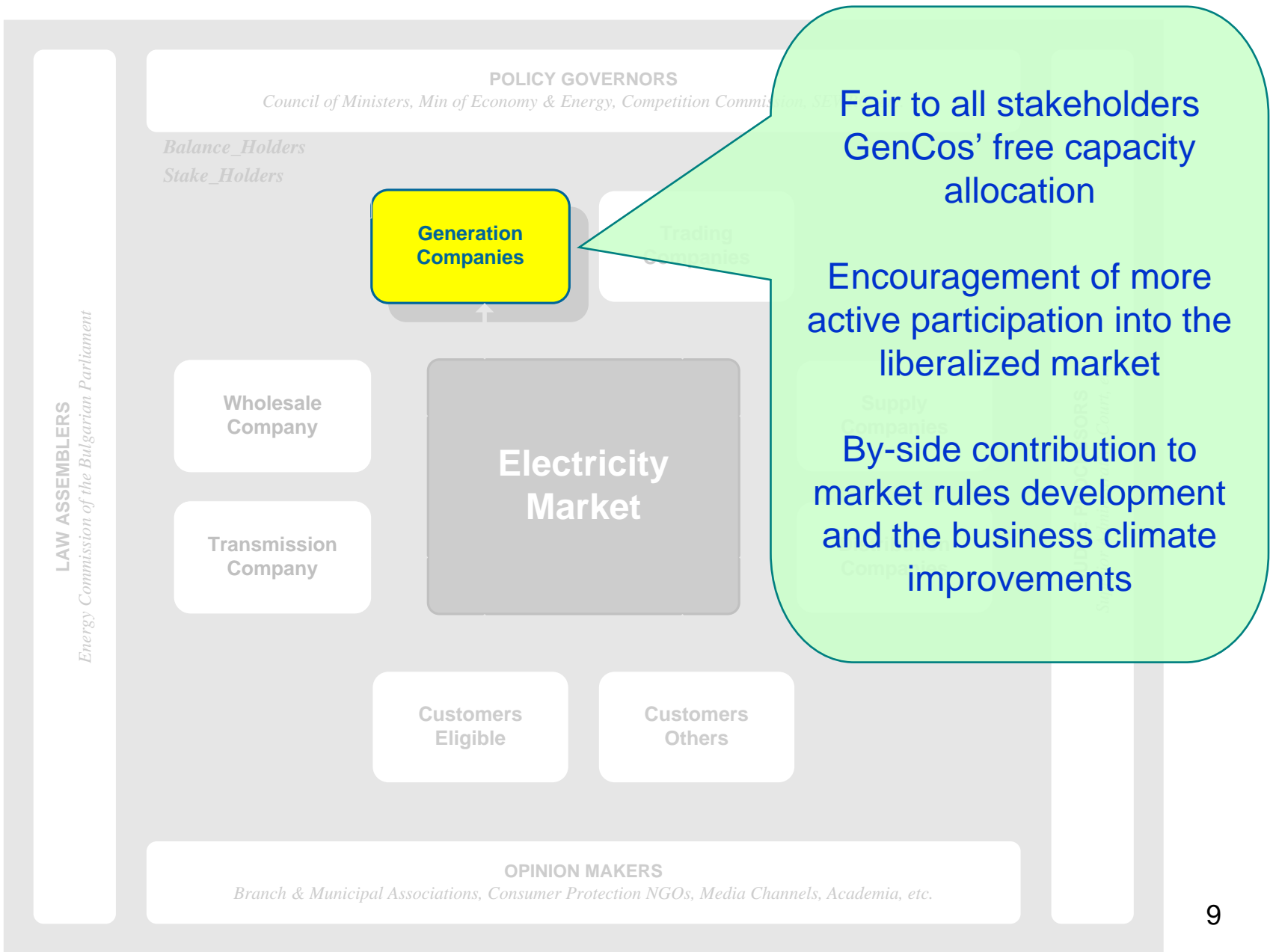
Assumptions (Balancers):

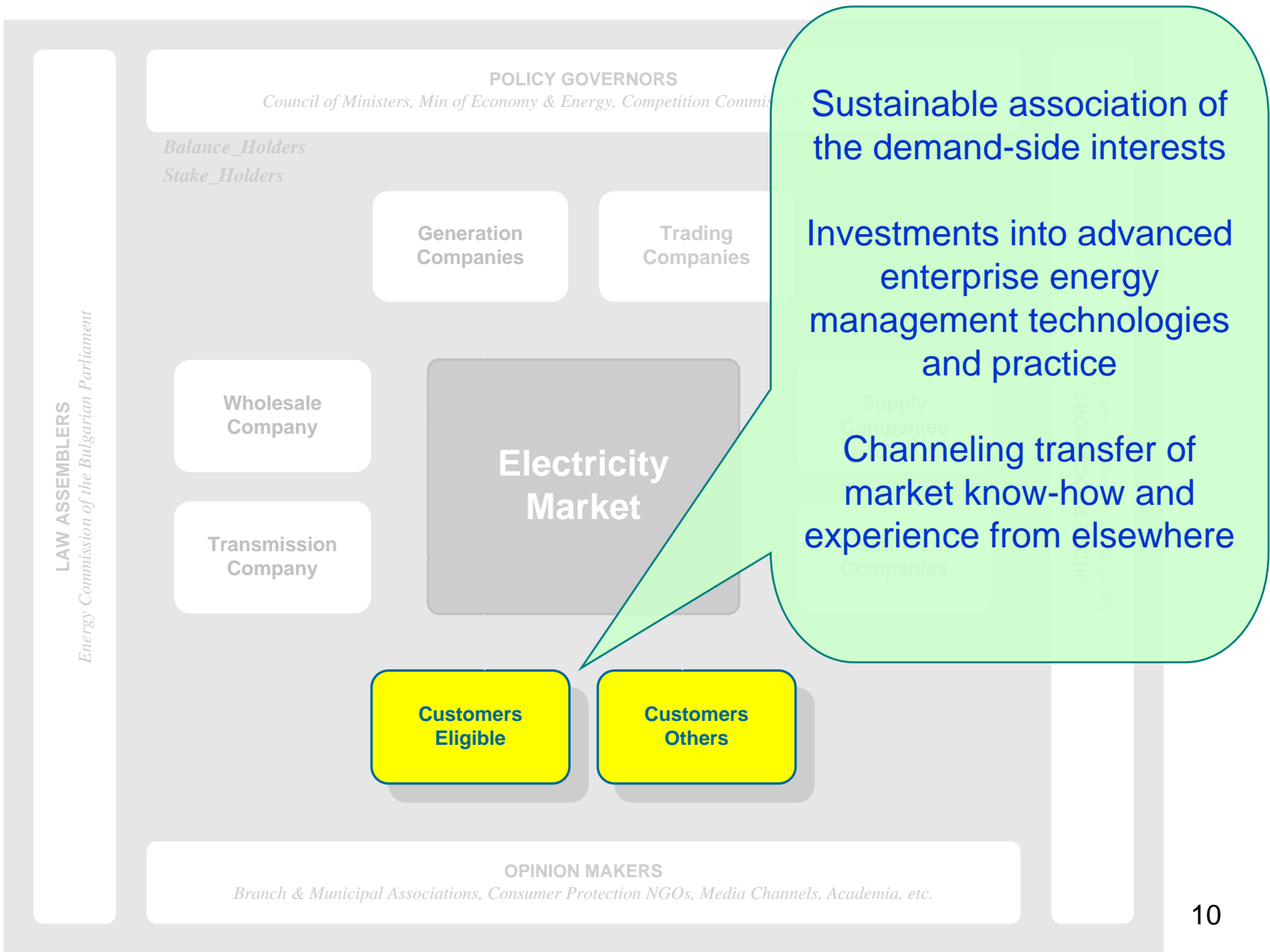
- Involvement of all the balancing parties
- Independence in inference and judgment
- Dependence of facts and knowledge
- Quality of services assurance

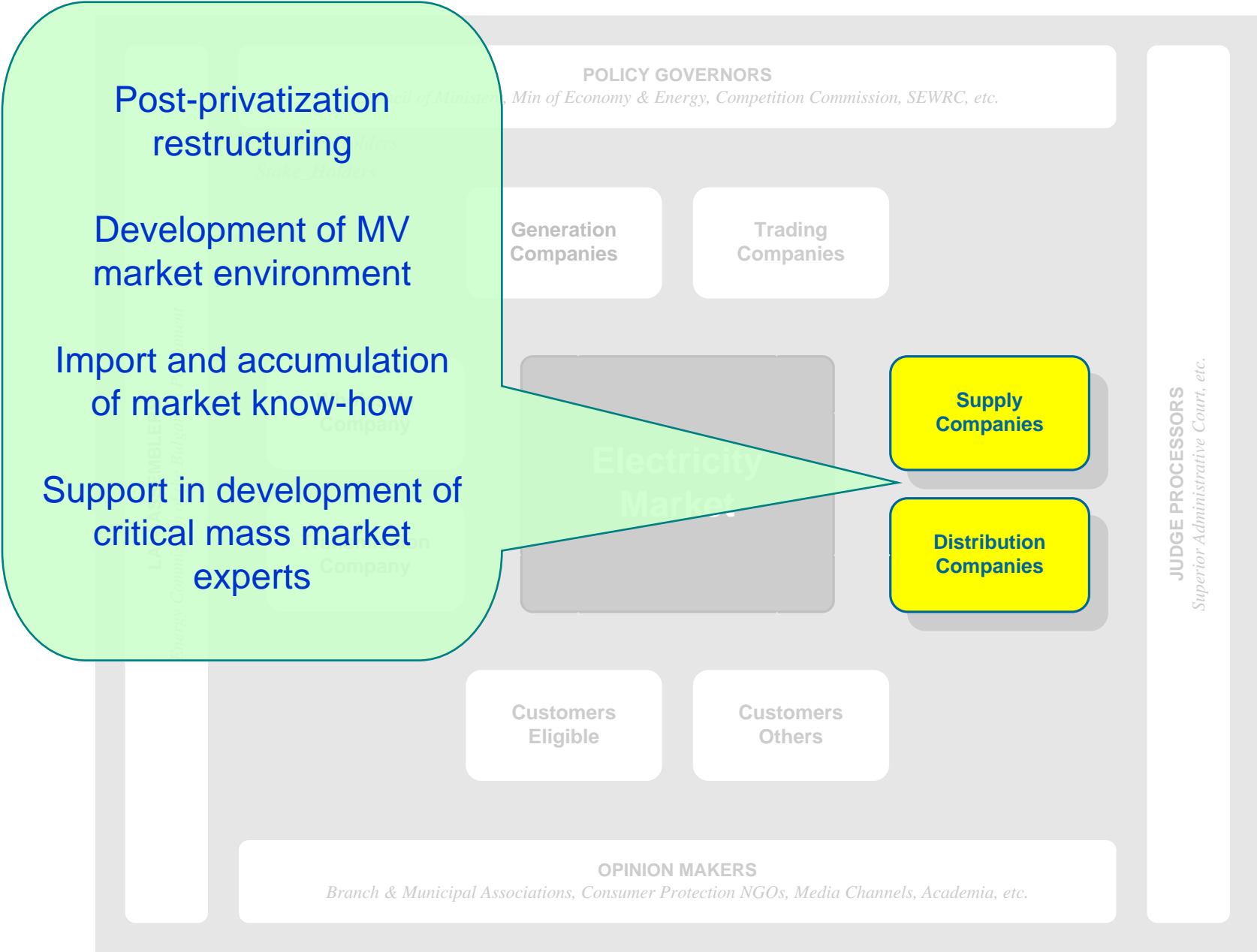


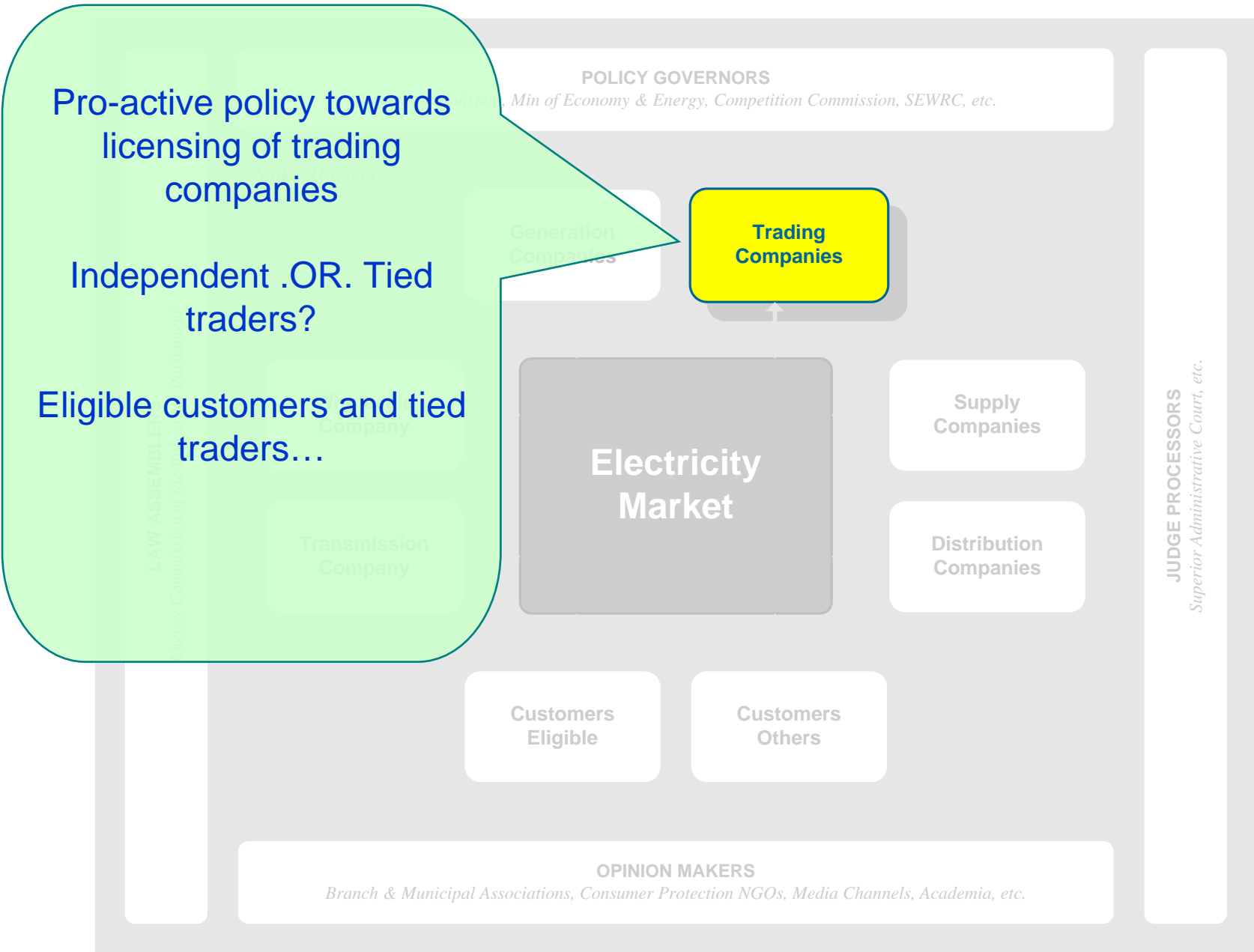




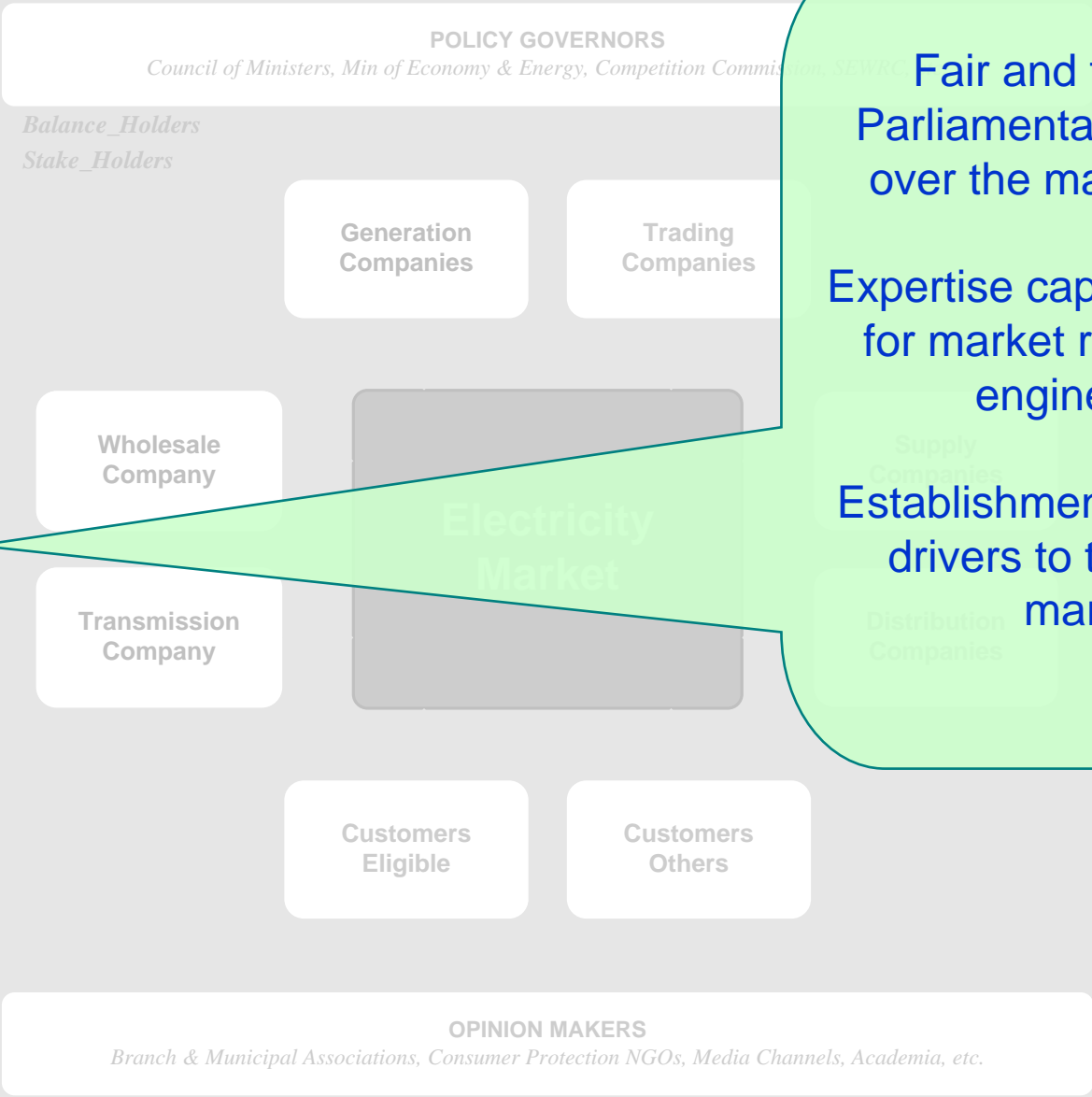








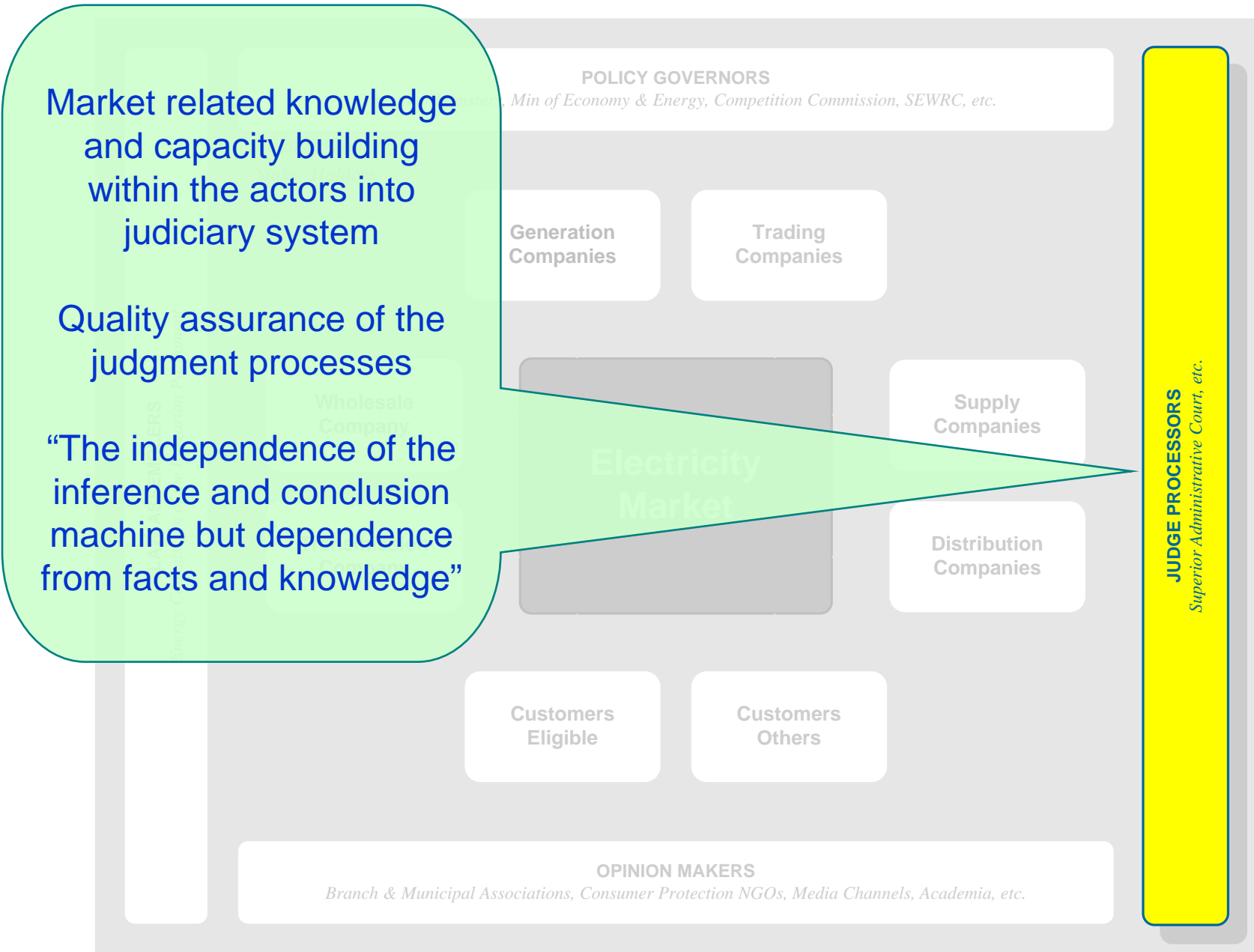
LAW ASSEMBLERS
Energy Commission of the Bulgarian Parliament

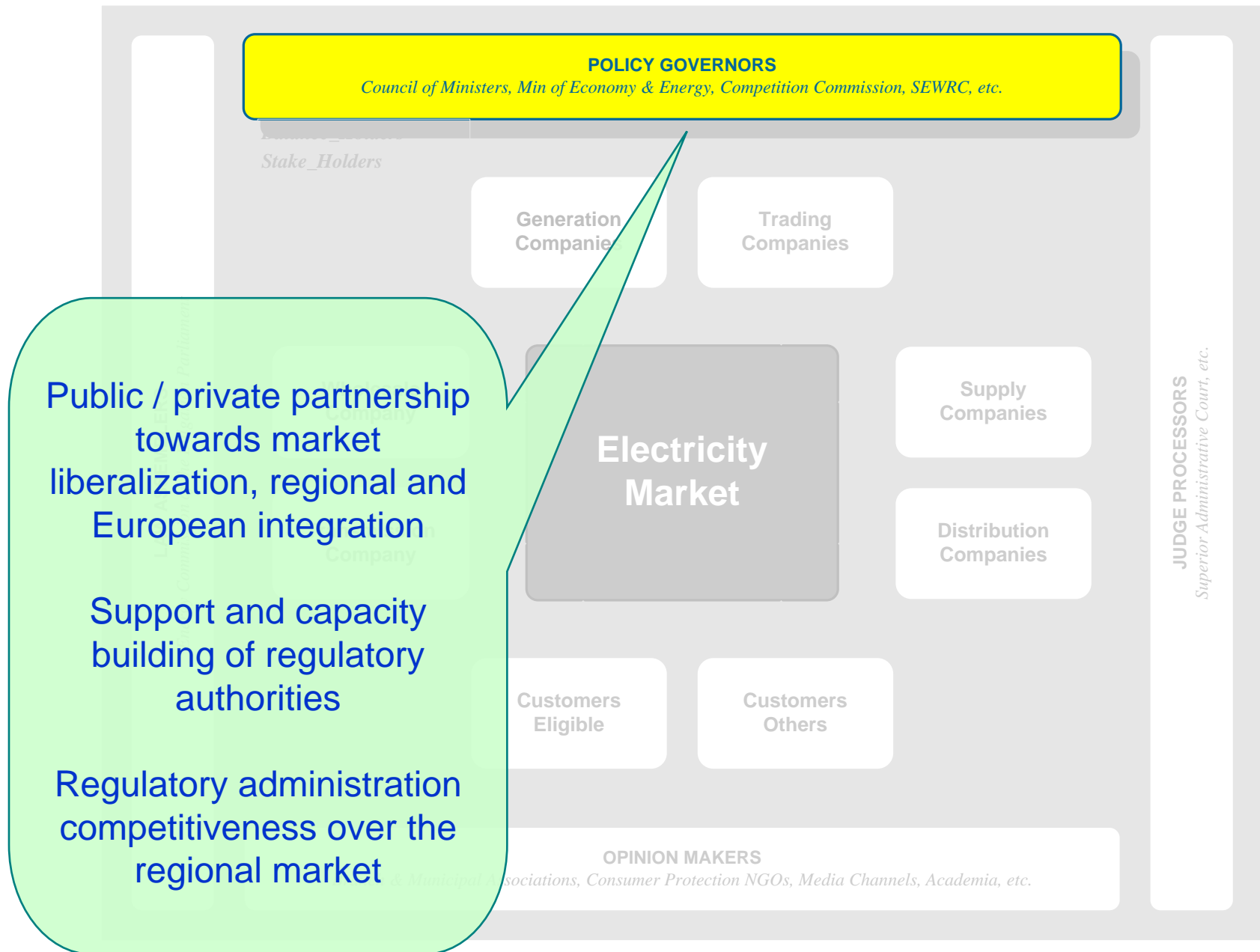


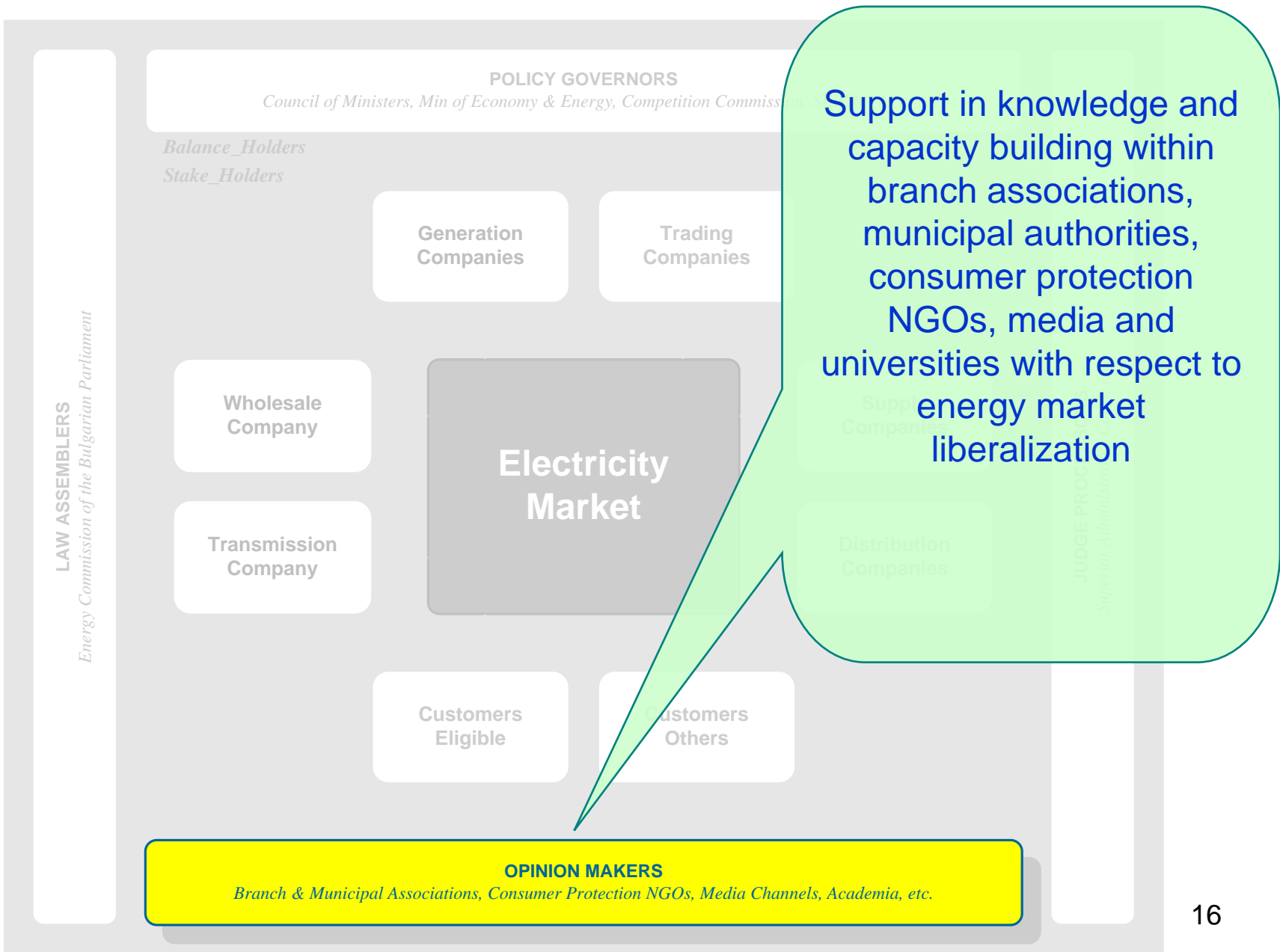
Fair and fast track
Parliamentary response
over the market needs

Expertise capacity building
for market related legal
engineering

Establishment of lobbying
drivers to the energy
market







Thank you!

*with acknowledgements to USAID and CIDA, NARUC and Pierce Atwood
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