REPUBLIC OF BULGARIA
ENERGY AND WATER REGULATORY COMMISSION

Consultation document on the multipliers, seasonal factors and discounts, which will be applied for setting transmission tariffs for 2025- 2026 gas year

According to the requirements of Art.28 of Commission Regulation (EU) 2017/460 of 16 March 2017 establishing a network code on harmonised transmission tariff structures (Regulation (EU) 2017/460), the Energy and Water Regulatory Commission has to conduct a consultation with the national regulatory authorities of all directly connected Member States and the relevant stakeholders on the following:

(a) level of multipliers;

(b) level of seasonal factors and the calculations set out in Article 15 of Regulation (EU) 2017/460;

(c) levels of discounts set out in Articles 9 (2) and 16 of Regulation (EU) 2017/460.

For gas year 1 Oct 2025 - 30 Sep 2026, EWRC proposes the calculation of reserve prices for non-yearly standard capacity products for firm capacity to be done using seasonal factors and multipliers.

The level of multipliers and seasonal factors is the same for all entry and exit points, as well as for the interconnection points. This approach is justified in order to ensure non-discriminatory access and elimination of cross-subsidization, as well as in view to the complexity of the transmission system in the Republic of Bulgaria.

The use of seasonal factors aims to achieve a balance between efficient network usage and the revenue collection of the transmission system operator. Low multipliers levels encourage network users to reserve short-term products, smoothing out their capacity booking profile, while high multipliers levels stimulate the reservation of long-term products lasting one or more years. The application of seasonal factors promotes the efficient system usage by changing the flows from periods of increased demand (winter) to periods of weak demand (summer) and reduces the negative impact that the booking of profiled capacity can have on the stability of the TSO revenues and tariffs.

The level of the multiples was established taking into account the following principles:

a) ensuring the balance between facilitating short-term gas trade on one hand and providing long-term signals for efficient investments in the transmission system and ensuring efficient revenue recovery on the other;
b) avoiding volatility of tariffs;
c) avoiding cross-subsidization between gas transmission network users.

The levels of the proposed multipliers and the calculated seasonal factors under art.15 of Regulation (EU) 2017/460, are as follows:

1. **Multipliers used to determine the short-term products prices, as follows:**
   1.1 quarterly capacity products - 1.3;
   1.2 monthly capacity products - 1.4;
   1.3 daily capacity products - 2;
   1.4 intraday capacity products - 2.5.
2. **Values of seasonal factors:**
   2.1 Quarterly capacity products:
      2.1.1. 2025 IV quarter (1 Oct – 31 Dec) – 1.11;
      2.1.2. 2026 I quarter (1 Jan – 31 March) – 1.34;
      2.1.3. 2026 II quarter (1 April – 30 June) – 0.88;
      2.1.4. 2026 III quarter (1 July – 30 Sep) – 0.68;

   2.2 Seasonal factors for monthly, daily and intraday product:
   2.2.1. October 2025 – 0.95;
   2.2.2. November 2025 – 1.12;
   2.2.3. December 2025 – 1.26;
   2.2.4. January 2026 – 1.44;
   2.2.5. February 2026 – 1.39;
   2.2.6. March 2026 – 1.18;
   2.2.7. April 2026 – 1.15;
   2.2.8. May 2026 – 0.85;
   2.2.9. June 2026 – 0.62;
   2.2.10. July 2026 – 0.62;
   2.2.11. August 2026 – 0.59;
   2.2.12. September 2026 – 0.82.

The calculations under Art. 15 of Regulation (EU) 2017/460 of the seasonal coefficients for monthly, daily and intraday capacity products are set out in Annex № 1 to this consultation document and the attached file in Excel.

According to Art.13 of Regulation (EU) 2017/460, where seasonal factors are applied, the arithmetic mean of the product of the multiplier applicable for the respective standard capacity product and the relevant seasonal factors shall be within the same range as for the respective multipliers level, namely:

- for quarterly standard capacity products and for the monthly standard capacity products the level of the respective multiplier shall be no less than 1 and no more than 1.5;

- for daily standard capacity products and for intraday standard capacity products, the level of the respective multiplier shall be no less than 1 and no more than 3.

The arithmetic mean value of the multiplier works applicable to the corresponding standard capacity product and the corresponding seasonal coefficients shall be as follows:

Month	**Capacity products**

	Quarterly	Monthly	Daily	Intraday
October 2025	1,443	1,330	1,900	2,375
November 2025		1,568	2,240	2,800
December 2025		1,764	2,520	3,150
January 2026	1,742	2,016	2,880	3,600
February 2026		1,946	2,780	3,475
March 2026		1,652	2,360	2,950
April 2026	1,144	1,610	2,300	2,875
May 2026		1,190	1,700	2,125
June 2026		0,882	1,260	1,575
July 2026	0,884	0,868	1,240	1,550
August 2026		0,826	1,180	1,475
September 2026		1,148	1,640	2,050
Average	**1,30**	**1,40**	**2,00**	**2,50**

The values of the discounts under Art. 9 and Art. 16 of Regulation (EU) 2017/460 are as follows:

According to Art. 9(1) of Regulation (EU) 2017/460 for capacity-based transmission tariffs at entry points from storage facilities and exit points to storage facilities, a discount of at least 50 % shall be applied unless and to the extent that a storage facility that is connected to more than one transmission or distribution network is used to compete with an interconnection point.

Regulation (EU) 2022/1032 of the European Parliament and of the Council of 29 June 2022 amending Regulations (EU) 2017/1938 and (EC) No 715/2009 (Regulation (EU) 2022/1032) in relation to gas storage provides for the possibility for national regulatory authorities to apply a discount of up to 100% to capacity-based transmission and distribution tariffs, to entry points from and exit points to underground gas storage facilities and LNG facilities, unless and to the extent that such facility that is connected to more than one transmission or distribution network is used as a competitive alternative to an interconnection point.

On the territory of the Republic of Bulgaria there is only one gas storage – Chiren underground gas storage (UGS), whose operator is Bulgartransgaz EAD.

Given the importance of natural gas storage facilities for security of supply, the adjustment of seasonal irregularities in natural gas consumption, the security of the gas transmission system, as well as the requirements of European legislation for the use of a discount on access tariffs at entry and exit points into/from storage facilities, it is justified to apply a 100% discount on the calculated cost-oriented tariffs, for a natural gas storage facility connected to the transmission system owned by the company.

According to Art. 9 (2) of Regulation (EU) 2017/460 at entry points from liquefied natural gas facilities and at entry points from and exit points to infrastructure designed to overcome the isolation of Member States with regard to their transmission systems, a discount may be applied to relevant capacity-based transmission tariffs in order to enhance security of supply.

The provision of Art. 9 (2) of Regulation (EU) 2017/460 shall not be applied to the Bulgarian transmission system as it is not connected to LNG facilities or infrastructure developed to overcome the isolation of Member States with regard to their gas transmission systems.

The calculation of the reserve prices for standard products for interruptible capacity is defined in Art. 16 of Regulation (EU) 2017/460. The application rules and calculation of a preliminary discount are set out in art. 16, par. 1 – 3 of Regulation (EU) 2017/460.

Given that in the period 1.01.2024 – 31.12.2024 in the exit direction for Kulata/Sidirokastro entry/exit IP cases of physical overload were reported, with a total interrupted capacity of 826 550 MWh, for the gas year 2025/2026 a preliminary discount (ex-ante discount) should be applied at Kulata/Sidirokastro exit point, calculated in accordance with the requirements of paragraphs 2 and 3 of Art. 16 of Regulation (EU) 2017/460, amounting to 9.48% with a correction factor A = 1.

According to Art. 16 (4), first sentence of Regulation (EU) 2017/460, as an alternative to the application of ex-ante discounts, the national regulatory authority may decide to apply an ex-post discount where network users are compensated after actual interruptions have been incurred. Such ex-post discount may be used only at interconnection points where there has been no capacity interruption due to physical congestion in the previous gas year – art. 16 (4), second sentence of Regulation (EU) 2017/460. The ex-post compensation paid for each day on which an interruption occurred shall be equal to three times the reserve price for daily standard capacity products for firm capacity - Art.16 (4), third sentence of Regulation (EU) 2017/460.

Given that all other interconnection points lack historical data on calculating interruption probability and also that no interruptions and directions at interconnection points are foreseen in the indicative scenario for gas year 2025/2026, it is justified to apply an ex-post discount based on actually measured interruption duration (ex-post discount).

In the event of interruption, users who have reserved interruptible capacity will be compensated by applying a ex-post discount equal to three times the reserve price for daily capacity products calculated over the actually interrupted capacity in accordance with the following formula:

$$D = 3 * \mathrm{Pdp} * C * t ,$$

where D is the discount, BGN;

P_{dp} is the price for daily capacity product, BGN/kWh/d;

C is the actual amount of interrupted capacity, kWh/h;

T is the interruption time, h.

EWRC invites all interested parties to submit their opinions no later than 7 May 2025. In case the opinions contain confidential data and information that cannot be published by EWRC on its website, this must be explicitly and clearly stated, otherwise EWRC will consider that the correspondent agrees with the processing and publication of the information provided.

This Consultation document on the multipliers, seasonal factors and discounts applied for setting transmission tariffs for 2025-2026 gas year, has been adopted by EWRC with a decision under Protocol № 118/16.04.2025, item

ANNEX 1

Seasonal factors for monthly, daily and intraday capacity products

Month	Total monthly forecast quantities (art. 15 (3)a) [kWh]	Sum of monthly forecast quantities (art. 15 (3)b) [kWh]	Usability level (art. 15 (3)c)	Initial level of coefficients (art. 15 (3)e)	Arithmetic mean of the products of (5) with the monthly product multiplier (art. 15 (3)f)	Arithmetic mean of the products of (5) with the daily product multiplier (art. 15 (3)f)	Arithmetic mean of the products of (5) with the intraday product multiplier (art. 15 (3)f)	Final value of coefficients for monthly product (art. 15 (3)g)	Final value of coefficient for daily product (art. 15 (3)g)	Final value of coefficient for a product intraday (art. 15 (3)g)
(1)	(2)	(3)	(4)=(2)/(3)	(5)=((4)*12)^1	(6)	(7)	(8)	(9)	(10)	(11)
Oct 2025	11 818 746 852	148 780 000 000	0,0794	0,9533	1,3346	1,9065	2,3831	0,95	0,95	0,95
Nov 2025	13 864 249 067	148 780 000 000	0,0932	1,1182	1,5655	2,2365	2,7956	1,12	1,12	1,12
Dec 2025	15 680 922 193	148 780 000 000	0,1054	1,2648	1,7707	2,5295	3,1619	1,26	1,26	1,26
Jan 2026	17 844 898 173	148 780 000 000	0,1199	1,4393	2,0150	2,8786	3,5982	1,44	1,44	1,44
Feb 2026	17 206 282 443	148 780 000 000	0,1156	1,3878	1,9429	2,7756	3,4695	1,39	1,39	1,39
Mar 2026	14 586 530 170	148 780 000 000	0,0980	1,1765	1,6471	2,3530	2,9412	1,18	1,18	1,18
Apr 2026	14 196 113 485	148 780 000 000	0,0954	1,1450	1,6030	2,2900	2,8625	1,15	1,15	1,15
May 2026	10 584 212 488	148 780 000 000	0,0711	0,8537	1,1952	1,7074	2,1342	0,85	0,85	0,85
Jun 2026	7 821 958 681	148 780 000 000	0,0526	0,6309	0,8832	1,2618	1,5772	0,63	0,63	0,63
Jul 2026	7 743 482 640	148 780 000 000	0,0520	0,6246	0,8744	1,2491	1,5614	0,62	0,62	0,62
Aug 2026	7 271 618 702	148 780 000 000	0,0489	0,5865	0,8211	1,1730	1,4662	0,59	0,59	0,59
Sep 2026	10 160 985 107	148 780 000 000	0,0683	0,8195	1,1474	1,6391	2,0489	0,82	0,82	0,82
Arithmetic mean value					**1,40**	**2,00**	**2,50**			
Comparison with the bet limit					**Да**	**Да**	**Да**			

Seasonal factors for quarterly capacity products calculated according to art. 15(5) a i

Quarter	Factor
2025 IV quarter (1 Oct - 31 Dec)	1,11
2026 I quarter (1 Jan - 31 March)	1,34
2026 II quarter (1 April - 30 June)	0,88
2026 III quarter (1July - 30 Sep)	0,68