

ORDINANCE No 1 AS OF 14 MARCH 2017 ON REGULATION OF ELECTRICITY PRICES

Effective from 24.03.2017.

Issued by the Energy and Water Regulatory Commission

Promulgated SG No.25/24.03.2017, amended and suppl. SG No.52/22.06.2018, amended and suppl. SG No.50/25.06.2019, amended and suppl. SG No.47/22.05.2020, amended SG No.65/6.08.2021, amended and suppl. SG No.41/10.05.2024, amended and suppl. SG No.52/27.06.2025, amended and suppl. SG No.35/14.04.2026.

Chapter one. GENERAL PROVISIONS

Art. 1. This Ordinance establishes:

1. (amended – SG No. 41/2024, effective 10.05.2024) the methods for regulating electricity prices and prices for access to and transmission through the electricity transmission, electricity distribution and closed electricity distribution networks in the cases under Art. 30, para. 11 of the Energy Act, the rules for their formation or determination and amendment, the procedure for providing information, submission of the price proposal and for their approval;

2. (amended and suppl. – SG No. 52/ 2018) the conditions and procedure for determining preferential prices for electricity generated from high-efficient combined generation of electricity and heat, as well as for premiums for such energy;

3. the conditions and procedure for connection pricing;

4. (suppl. - SG No. 52/2018) the conditions and procedure for forming and updating preferential prices for electricity generated from renewable sources, as well as for premiums for such energy;

5. (new - SG No. 52/2018) the methodology for determining the estimated market price by generator groups depending on the primary energy source;

6. (new - SG No. 52/2018) the conditions and procedure for determining the estimated market price of electricity for technological costs of the transmission network operator and the electricity distribution network operators;

7. (new - SG No. 41/2024, effective 01.07.2025) the conditions and procedure for determining the estimated market price of electricity for end suppliers;

8. (new - SG No. 41/2024, effective 10.05.2024) the terms and conditions for determining the types of services provided to customers related to licensing activities and the pricing for these services;

8a. (new - SG No. 52/2025, effective 01.07.2025) the conditions and procedure for determining the base value of electricity for 1 MWh, which the household end customer should pay for the relevant regulatory period;

9. (new - SG No. 41/2024, effective 01.07.2025, amended - SG No. 52/2025, effective 01.07.2025) the conditions and procedure for determining the component of the end supplier's price in relation to the supply of electricity to household end customers;

10. (new - SG No. 41/2024, effective 01.07.2025, amended - SG No. 52/2025, effective 01.07.2025) the terms and conditions for determining compensation to cover part of the costs of household end customers for purchased electricity from an end supplier;

11. (previous i. 5 - SG No. 52/ 2018, previous i. 7 - SG No. 41/2024, effective 10.05.2024) the terms and conditions for payment of the used or transferred reactive electrical energy.

Art. 2. (1) Prices are established according to the conditions of the Ordinance:

1. (amended - SG No. 52/ 2018, amended - SG No. 41/2024, effective 01.07.2025)

2. (repealed - SG No. 52/ 2018)

3. (repealed - SG No. 41/2024, effective 01.07.2025)

4. (repealed - SG No. 41/2024, effective 01.07.2025)

5. (amended - SG No. 41/2024, effective 10.05.2024) for access and/or transmission to/through the electricity grid;

6. (amended - SG No. 41/2024, effective 10.05.2024) for access and/or transmission to/through the electricity distribution networks;

6a. (new - SG No. 41/2024, effective 10.05.2024) for access and/or transmission to/through a closed electricity distribution network in the cases under Art. 30, para. 11 of the Energy Act;

7. for the distribution of traction electrical energy on the railway transport distribution networks;

8. for connection to the networks;

9. (suppl. - SG No. 41/2024, effective 10.05.2024) of the services provided to customers, determined by the Energy and Water Regulatory Commission, hereinafter referred to as "EWRC", related to the licensing activity;

10. (amended - SG No. 41/2024, effective 10.05.2024) the price or component of a price through which all end customers connected to the electricity system, including the transmission system operator and the operators of electricity distribution/closed electricity distribution networks, participate in compensating for the costs under Articles 34 and 35 of the Energy Act.

(2) (amended - SG No. 52/2018) The Ordinance shall establish:

1. (suppl. - SG No. 52/2018, amended - SG No. 50/2019, effective 25.06.2019, amended - SG No. 41/2024, effective 10.05.2024) feed-in tariffs for electricity generated from high-efficient combined generation of electricity and heat, as well as premiums for electricity generated by facilities with a total installed capacity of 500 kW and over 500 kW with such production;

2. (suppl. - SG No. 52/2018, amended - SG No. 50/2019, effective 25.06.2019, amended - SG No. 41/2024, effective 10.05.2024) feed-in tariffs for electricity generated

from renewable sources, as well as premiums for electricity generated by facilities with a total installed capacity of 500 kW and over 500 kW with such generation;

3. (new - SG No. 41/2024, effective 01.07.2025, amended - SG No. 52/2025, effective 01.07.2025) the base price of electricity for 1 MWh, which the household end customer should pay for the relevant regulatory period;

3a. (new - SG No. 52/2025, effective 01.07.2025) the component of the end supplier's prices in relation to the supply of electricity to household end customers;

4. (new - SG No. 41/2024, effective 01.07.2025, amended - SG No. 52/2025, effective 01.07.2025) compensations to cover part of the costs of household end customers for electricity purchased from an end supplier;

5. (new - SG No. 41/2024, effective 10.05.2024) types of services related to licensing activities.

(3) (Amended - SG No. 41/2024, effective 10.05.2024) According to the procedure of the Ordinance, a maximum value of the costs of the electricity transmission network operator for purchasing availability for additional services under Art. 105, para. 2 of the Energy Act shall be determined for each price period.

Art. 3. (1) (Amended - SG No. 41/2024, effective 10.05.2024) In exercising its powers regarding price regulation, EWRC may apply various methods of regulation, determine indicators of efficiency of energy enterprises, indicators of comparability between them, implementation of basic criteria.

(2) EWRC applies the following main methods of price regulation:

1. "rate of return on capital", where EWRC, after a regulatory review, approves prices and required annual revenues of the energy enterprise for a regulatory period of no shorter than one year; a subsequent regulatory review is carried out by decision of EWRC or upon application of the energy enterprise in case of significant deviations between the approved and reported elements of the required revenues;

2. "price cap" and "revenue cap", where the regulatory period lasts from 2 to 5 years; after a regulatory review, EWRC approves prices and required annual revenues of the energy enterprise for the first year of the regulatory period and may amend them at the end of each price year or at the end of the regulatory period in accordance with Chapter Three of the Ordinance.

(3) EWRC may also apply other methods in addition to the ones mentioned in para. 2.

(4) (Amended - SG No. 52/2018, amended - SG No. 41/2024, effective 01.07.2025) The methods under para. 2 shall not apply to energy enterprises that carry out the activity of "electricity supply by an end supplier".

(5) (Amended - SG No. 41/2024, effective 10.05.2024) EWRC, in accordance with its methodology, determines energy quality and service quality indicators for each licensed activity and their annual target levels, which are elements of the license. The achievement of each of the target indicators is a measure of the overall performance of the licensed activity by the energy enterprise.

(6) For the purposes of price regulation, EWRC applies indicators for comparability between energy enterprises and requires the implementation of basic criteria based on analyses using data from best practices at national and international level.

(7) EWRC shall, by decision, determine an applicable method for price regulation for energy enterprises, guided by the principles under Articles 23 and 31 of the Energy Act.

Art. 4. (1) The accounting of energy enterprises is carried out and the financial statements are prepared in accordance with the requirements of the Accountancy Act and the applicable accounting standards.

(2) For regulatory purposes, energy enterprises shall maintain separate accounting records in accordance with the requirements of Article 37 of the Energy Act.

(3) The rules for the implementation of accounting for the purposes of regulation are adopted by EWRC decision upon proposal of the relevant energy enterprise.

(4) Financial statements for regulatory purposes are accompanied by reports and additional information demonstrating compliance with all requirements for the performance of licensed activities.

(5) The rules for implementing accounting may be amended at the initiative of EWRC or at the proposal of the energy enterprises and shall apply from the beginning of the calendar year following the date of their adoption or amendment.

Art. 5. The form and content of the information required for pricing purposes shall be determined by a EWRC decision.

Art. 6. (1) (Amended - SG No. 52/2025, effective 27.06.2025) EWRC may approve the prices regulated under the Ordinance:

1. by units of measurement - price for energy/power in BGN per MWh/kW per day or their derivatives, etc.;

2. by other components depending on the cost structure;

3. by other criteria.

(2) EWRC may approve general prices for services that include as their components two or more services with regulated prices.

(3) EWRC approves and determines prices and pricing elements excluding value added tax.

(4) Prices for connection to the networks are determined depending on the requested power, voltage level or other indicators.

Art. 7. (1) (Amended - SG No. 41/2024, effective 10.05.2024) End customers of electricity with commercial metering on the low voltage side with provided electrical power of 100 kW and more, end customers with commercial metering on the medium and high voltage side and producers of electricity with connected power over 30 kW, when in the mode of active electricity consumption, shall pay a surcharge on the value of active electricity depending on the reactive electricity used for each fifteen-minute interval in which the power factor is less than 0.9.

(2) The amount of used reactive electrical energy, which shall be charged with the surcharge under paragraph 1, is the positive difference between the amount of used reactive

electrical energy and the product of the amount of active electrical energy used and a coefficient corresponding to a power factor of 0.9, according to the formula:

$$E_{pnl} = E_{pu3n} - 0,49 * E_{au3n},$$

where:

E_{pnl} is the amount of reactive electrical energy for which the surcharge is paid, kvarh;

E_{pu3n} - the amount of reactive electrical energy used by the network user, determined for fifteen-minute intervals by the commercial metering device, kvarh;

0,49 - the coefficient corresponding to a power factor equal to 0.9;

E_{au3n} - the amount of active electrical energy used by the network user, determined for fifteen-minute intervals by the commercial metering device, kWh.

(3)(Amended - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024) The persons under paragraph 1 shall pay the surcharge for the used quantity of reactive electrical energy (E_{pnl}), determined in accordance with the procedure set out in paragraph 2, at a price for 1 kVarh equal to 10 percent of the sum of the achieved average monthly price for 1 kWh of active electrical energy for base load per day ahead segment of the organized electricity exchange market for the relevant calendar month, and the price for obligations to the public.

(4) (Amended - SG No. 52/2018, amended - SG No. 50/2019, effective 25.06.2019, amended - SG No. 41/2024, effective 10.05.2024) The persons under paragraph 1 shall pay a surcharge for the quantity of reactive electrical energy delivered during the relevant calendar month, determined by the readings of the commercial metering devices, at a price for 1 kVarh, equal to the sum of the achieved average monthly price for 1 kWh of active electrical energy for base load on a day ahead segment of the organized electricity exchange market for the relevant calendar month, and the price of public service obligations. The amount of reactive energy supplied, for which a surcharge is due, is determined as follows: for end customers connected to an electricity distribution/closed electricity distribution network - based on monthly reports of the readings of the commercial metering devices; for end customers connected to the electricity transmission network - as a monthly sum of the fifteen-minute intervals registered by the commercial metering devices; for producers in the mode of consumption of active electricity - as a monthly sum of fifteen-minute intervals in which only used active electricity is reported or no active electricity is reported.

(5) (Amended - SG No. 41/2024, effective 10.05.2024) The persons under para. 1 shall owe the surcharges under para. 3 and 4 to the relevant electricity network operator to which their facility(ies) are connected, no later than the 10th day of the month following the reporting month.

(6) (Amended - SG No. 41/2024, effective 10.05.2024) The methods of measuring and reporting the quantities of electrical energy are in accordance with the rules under Art. 83, para. 1, item 6 of the Energy Act.

(7) For facilities connected to the electricity transmission network, the surcharges under paragraphs 1 and 4 shall be determined on the basis of the measured quantities of electricity, as follows:

1. the used and released quantities of active and reactive electrical energy shall be determined separately for each facility from all commercial metering devices in this facility, separately for the used and delivered quantities of active and reactive electrical energy;

2. each site includes one or more electrical installations of the user, located on one site and connected to one or more points of connection to the electrical network/facilities of other users;

3. each substation is considered as a separate facility, with a balance of active and reactive electrical energy for each user connected to it;

4. (amended – SG No. 50/2019, effective 25.06.2019) in cases where the user's facility is directly connected to the electricity transmission network in two or more locations and electrical energy that is not used by the facility passes through the commercial metering devices, a balance is made for each fifteen-minute interval of the active and reactive electrical energy based on the measured amounts of energy by the commercial metering devices in these locations;

5. the data on the measured quantities of electricity shall be provided to the persons under paragraph 1 on a monthly basis by the owner of the commercial metering devices;

6. when data from commercial metering devices that have different owners are used for the implementation of item 1, they shall exchange the necessary information on the measured quantities of electricity with each other by the 3rd day of the month following the reporting month.

(8)(Amended - SG No. 41/2024, effective 10.05.2024) Generators of electricity with installed capacity of 100 kW and more, connected to an electricity distribution/closed electricity distribution network, when in production mode, pay a surcharge on the value of the produced active electricity depending on the used/ released reactive electricity for each fifteen-minute interval in which the power factor is outside the limits of 0.94 inductive to 0.94 capacitive.

(9) The amount of used/ released reactive electrical energy for which the surcharge under paragraph 8 is paid is the positive difference between the amount of used/ released reactive electrical energy and the product of the amount of produced active electrical energy and a coefficient corresponding to a power factor of 0.94, according to the formula:

$$E_{pnl} = E_{puzn/omd} - 0,36 * E_{anp},$$

where:

E_{pnl} is the amount of reactive electrical energy for which the surcharge is paid, kvarh;

$E_{puzn/omd}$ - the amount of reactive electrical energy used/ released, kvarh;

0,36 - the coefficient corresponding to the power factor - $\cos \varphi$, equal to 0,94;

E_{anp} - the amount of active electrical energy generated, determined for a fifteen-minute interval by the commercial metering device, kWh.

(10)(Amended - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024) The persons under paragraph 8 shall pay the surcharge for the used/ released reactive electrical energy (E_{pnl}), determined in accordance with the procedure set out in paragraph 9, at a price for 1 kVarh equal to 10 percent of the sum of the achieved average monthly price for 1 kWh of active electrical energy for base load per day ahead segment of the

organized electricity exchange market for the relevant calendar month, and the price for obligations to the public.

(11)(Amended - SG No. 41/2024, effective 10.05.2024) The persons under paragraph 8 shall owe the surcharge for the used/ released reactive electrical energy (E_{pnl}), determined in accordance with the procedure set out in paragraph 9, to the relevant network operator to whose network their facilities are connected.

(12)(Amended - SG No. 41/2024, effective 10.05.2024) When the persons under paragraph 8 regulate the voltage at the connection point or execute orders for the value of reactive load at the request of the relevant network operator, the payment of the surcharges for released /used reactive electrical energy shall be regulated according to a contract concluded with the network operator.

(13)(Amended - SG No. 41/2024, effective 10.05.2024) When within a fifteen-minute interval there is a change in the direction of the flow of active energy for a facility of a person under paragraph 8, no surcharges for used and/or delivered reactive energy shall be determined for this interval.

(14) All dam-toe hydroelectric power plants and pumped storage hydroelectric power plants connected to the electricity transmission network, when in a consumption mode, but with their aggregates at dispatcher's disposal, do not owe surcharges under paragraphs 3 and 4.

Чл. 8. (1) (Amended - SG No. 41/2024, effective 10.05.2024) Distribution network operators and closed distribution network operators connected to the transmission network shall pay a surcharge on the value of active electrical energy depending on the reactive electrical energy transferred to the distribution/closed distribution network at the exchange points between the transmission and distribution/closed distribution networks for each fifteen-minute interval in which the power factor is less than 0.9.

(2) (Amended - SG No. 41/2024, effective 10.05.2024) The amount of reactive electrical energy for which the surcharge under paragraph 1 is paid is the positive difference between the amount of reactive electrical energy transferred and the product of the amount of active electrical energy transferred to the electricity distribution/closed electricity distribution network and a coefficient corresponding to a power factor of 0.9, according to the formula:

$$E_{pnl} = E_{pnpem} - 0,49 * E_{anpem},$$

where:

E_{pnl} is the amount of reactive electrical energy for which a surcharge is paid, kvarh;

E_{pnpem} - the amount of reactive electrical energy transferred from the electricity transmission to the electricity distribution/closed electricity distribution network, determined for fifteen-minute intervals by the commercial metering device, kvarh;

0,49 - the coefficient corresponding to the power factor - $\cos \varphi$, equal to 0,9;

E_{anpem} - the amount of active electrical energy transferred from the electricity transmission to the electricity distribution/closed electricity distribution network, determined for fifteen-minute intervals by the commercial metering device, kWh.

(3) (Amended - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024)
The persons under paragraph 1 shall pay the surcharge for the transferred reactive electrical energy ($E_{rp\lambda}$), determined in accordance with the procedure set out in paragraph 2, at a price for 1 kvarh equal to 10 percent of the sum of the achieved average monthly price for 1 kWh of active electrical energy for base load on the day ahead segment of the organized electricity exchange market for the relevant calendar month and the price for public service obligations.

(4) (Amended - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024)
The persons under paragraph 1 shall pay a surcharge for the reactive electrical energy transferred from the electricity distribution/closed electricity distribution network to the electricity transmission network, when the direction of the active electrical energy is from the electricity transmission to the electricity distribution/closed electricity distribution network, at a price for 1 kvarh equal to the sum of the achieved average monthly price for 1 kWh of active electrical energy for base load on the day ahead segment on the organized electricity exchange market for the relevant calendar month and the price for public service obligations.

(5)(Amended - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024)
The persons under paragraph 1 shall pay the surcharge for the reactive electrical energy transferred from the electricity distribution/closed electricity distribution network to the electricity transmission network for the periods when the direction of the active electrical energy is from the electricity distribution/closed electricity distribution network to the electricity transmission network, at a price for 1 kvarh equal to 10 percent of the sum of the achieved average monthly price for 1 kWh of active electrical energy for base load on the day ahead segment of the organized electricity exchange market for the relevant calendar month and the price for public service obligations.

(6)The surcharges under paragraphs 3, 4 and 5 shall be determined on the basis of the measured quantities of electricity, as follows:

1. (amended - SG No. 41/2024, effective 10.05.2024) to determine the quantities of active electrical energy passed (E_{anpem}) and reactive electrical energy passed (E_{pnpem}) under paragraphs 2, 4 and 5, a balance of the respectively active and reactive electrical energy passed at the exchange points between the electricity transmission and electricity distribution/closed electricity distribution network shall be made for each fifteen-minute interval from all commercial metering devices in each high/medium voltage substation;

2. (amended - SG No. 41/2024, effective 10.05.2024) electricity distribution/closed electricity distribution networks are considered as a set of sites, each of which is connected to a substation of the electricity transmission network or to the equipment of another site;

3. each high/medium voltage substation is considered as a separate site, with a balance of active and reactive electrical energy for each user connected to it;

4. (amended - SG No. 41/2024, effective 10.05.2024) electricity distribution/closed electricity distribution network operators do not owe a surcharge under paragraphs 4 and 5 for cable and overhead power lines 110 kV that are their property;

5. (amended - SG No. 41/2024, effective 10.05.2024) the data on the measured quantities of electricity are provided to the electricity distribution/closed electricity

distribution network operators on a monthly basis by the electricity transmission network operator as an annex to the issued invoice.

(7) (Amended - SG No. 41/2024, effective 10.05.2024) The electricity distribution/closed electricity distribution network operators shall pay the surcharges under paragraphs 1, 4 and 5 to the electricity transmission network operator on a monthly basis no later than the 10th day of the month following the reporting month.

(8) (New - SG No. 41/2024, effective 10.05.2024) The operator of a closed electricity distribution network connected to an electricity distribution network shall pay the surcharges under paragraphs 1, 4 and 5 to the relevant electricity distribution network operator in accordance with paragraphs 1 - 7.

Art. 9. (Repealed - SG No. 41/2024, effective 10.05.2024)

Chapter two.

PRICING

Section I.

Pricing elements

Art. 10. (1) (Amended - SG No. 41/2024, effective 01.07.2025) The required annual revenues for the relevant activity under the license, with the exception of the activity "electricity supply by an end supplier", include economically justified costs and return on capital recognized by EWRC, calculated according to the following formula:

$$H\Pi = P + (PBA * HB),$$

where:

HΠ (RR) is the required annual revenue, thousand BGN;

P (C) - annual costs for the activity under the license, thousand BGN;

PBA (RAB) - regulatory asset base recognized by EWRC, thousand BGN;

HB (RoR) - the rate of return on capital determined by EWRC for the regulatory period, %.

(2)(Repealed - SG No. 41/2024, effective 01.07.2025)

(3)(Amended - SG No. 52/2018, revoked - SG No. 41/2024, effective 01.07.2025)

(4)(Amended - SG No. 52/2018, suppl. - SG No. 50/2019, effective 25.06.2019, revoked - SG No. 41/2024, effective 01.07.2025)

(5)(Amended - SG No. 52/2018, suppl. - SG No. 50/2019, effective 25.06.2019, revoked - SG No. 41/2024, effective 01.07.2025)

(6)(New - SG No. 52/2018, amended - SG No. 65/2021, effective 06.08.2021) When regulating prices through the price regulation methods under Art. 3, para. 2, item 2, EWRC may adjust the necessary revenues of energy enterprises for the first year of the regulatory period with the adjustments under Art. 38, para. 4, item 3, paras. 5, 6, 7 and 9.

Art. 11. (1) The types of costs directly related to the respective licensed activity, which are included in the prices, are divided into two main groups: conditionally fixed costs and variable costs according to their relationship with the quantity of electricity and/or the provision of the service. In each of the mentioned groups, the costs are also indicated by economic elements.

(2) For the purposes of price regulation, the costs recognized by EWRC do not include costs that are not related to the relevant licensing activity, financial costs and those that are of a random and/or extraordinary nature, as well as:

1. costs associated with the sale of energy at freely negotiated prices;
2. depreciation costs of assets acquired free of charge;
3. taxes related to corporate income tax on profits;
4. costs of sanctions and/or fines imposed by state or municipal authorities or by EWRC;
5. costs related to penalties and other payments due to non-performance of concluded contracts, interest for delay;
6. costs for contributions under Article 36(f) of the Energy Act;
7. deferred costs that are part of the income statement;
8. costs for impairment losses, current expenses for accrued provisions for liabilities within the meaning of Articles 38 and 39 of the Corporate Income Tax Act;
9. (amended - SG No. 52/2025, effective 01.07.2025) costs under Art. 204 of the Corporate Income Tax Act, costs for tax charged thereon under Art. 216 of the Corporate Income Tax Act, as well as costs for national additional tax under Part Five "a", Chapter Thirty-Four of the Corporate Income Tax Act;
10. current expenses or liabilities to reduce the carrying amount of inventories;
11. donation expenses and unused days off;
12. legal costs other than state fees related to initiating debt collection cases;
13. (amended - SG No. 41/2024, effective 10.05.2024) all costs for which there is no technical and economic justification and evidence from the energy enterprise;
14. costs that EWRC reasonably assumes are not in the interest of the customers, or costs that are not necessary for the performance of the licensed activity.

(3) Energy enterprises shall submit a detailed written justification and evidence for the costs proposed for approval. The proposal for price approval shall also provide information on the costs related to unregulated activity, by type and value.

(4) EWRC approves an estimated amount of the costs related to the licensing activity, assessing their economic justification based on the written justification and evidence submitted by the energy enterprise as an integral part of the price application. The assessment of the economic justification of the costs and their relationship with the implementation of the licensed activity is carried out on the basis of comparative analyses, as well as using data from national and international practice and taking into account the reported results of the regulated energy enterprises, taking into account the principles of regulation under the Energy Act.

(5) (Amended - SG No. 50/2019, effective 25.06.2019, amended - SG No. 41/2024, effective 01.07.2025) For the purposes of price regulation under Art. 30, para. 1, items 3 and 4 and Art. 33 of the Energy Act, the costs recognized by EWRC do not include costs for payment of prices for access to and/or transmission through the electricity transmission or distribution networks, respectively, which are owed by electricity producers.

(6) The allowable levels of recognized technological costs are determined by a decision of EWRC.

(7) (New - SG No. 52/2025, effective 01.07.2025) The estimated costs for personnel remuneration, which are part of the approved conditionally fixed costs of the company, are stated in the reasons under EWRC decision for approval of prices.

Art. 12. (Amended - SG No. 41/2024, effective 10.05.2024) EWRC recognizes as non-recoverable costs that EWRC has established beyond doubt to arise from investments made or transactions concluded before the entry into force of the Energy Act and cannot be recovered as a result of the creation of a competitive electricity market. These costs are compensated through the prices paid by all end customers connected to the electricity system, including those using imported electricity, the transmission system operator and operators of electricity distribution/closed electricity distribution networks, under a mechanism for the allocation of these costs in a transparent manner and/or in another manner provided for by law.

Art. 13. (Suppl. - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024) The costs of the energy enterprises and the Electricity System Security Fund, hereinafter referred to as the "ESSF", recognized by EWRC, arising from their obligations to society, are compensated through the prices paid by all end customers connected to the electricity system, including those using imported electricity, the electricity transmission network operator and the operators of electricity distribution/closed electricity distribution networks, under a mechanism for the allocation of these costs in a transparent manner and/or in another manner provided for by law.

Art. 14. (1) (Suppl. - SG No. 41/2024, effective 10.05.2024) The regulatory basis of assets acquired for consideration by the energy enterprise and directly related to the licensed activity, approved by EWRC, is the recognized value of the assets on which the energy enterprise receives a return on invested capital, and includes the following elements:

$$RBA = A - \Phi - AM + OK + И,$$

where:

RBA is the regulatory base of assets, thousand BGN;

A - the recognized value of assets that are used and have a useful life, determined on the basis of the cost of their acquisition, thousand BGN;

Φ (F) - the value of assets acquired through financing or gratuitously, including under grant schemes, donations, aids, from customers, producers, operators of storage facilities, etc., thousand BGN;

AM (DE) - depreciation, determined for regulatory purposes, for the period of use of the assets acquired for consideration for the performance of the licensed activity and calculated by applying the straight-line method, thousand BGN;

OK (WC) - required working capital, thousand BGN;

И (I) - the amount of investments approved by EWRC, in cases of regulation under Art. 3, para. 2, item 2, thousand BGN.

(2) Recognized value of assets (A) is EWRC's accepted carrying value of assets at the end of the base year that are used and directly related to the license activity.

(3) The recognized value of non-current assets (A) does not include:

1. costs of acquiring assets in the form of construction in progress;
2. assets accounted for under a finance lease agreement if they are not related to direct licensing activity;
3. assets unrelated to the licensed activity (including holiday resorts, other social facilities) and/or leased, preserved, decommissioned, etc.;
4. the value of assets exceeding market levels for similar or analogous assets.

(4) Depreciation costs are calculated based on the technical and economic useful life of the assets, justified by the company and recognized by EWRC, by applying the straight-line depreciation method.

(5) The working capital requirement as part of the RBA reflects the results of a study on the necessary funds to maintain a sufficient amount of cash to meet current liabilities, as well as liabilities to suppliers. The study on the necessary working capital is for a period of not less than one year.

(6) The company can also calculate working capital based on the so-called "net sales cycle" based on the days for which the company recovers the money spent to provide the services. The company presents the study as an element of the price proposal.

(7) The elements forming the working capital under paragraph 6 are: net revenues from sales of electricity/network services with deferred payment, cash operating expenses, receivables from customers and suppliers (irretrievable receivables are not included), inventories and payables to suppliers and customers relating to the regulated activities in accordance with the company's annual financial statements.

The net working capital cycle is determined in days using the following formula:

$$HЦOK = \left(\frac{CBK + CMЗ - CЗД}{HППn} \right) * 360 \text{ дни}$$

where:

ARC (CBK) is the recognized average annual value of receivables from customers and suppliers, representing the arithmetic mean of the opening and closing balance of receivables from customers and suppliers, at the beginning and at the end of the base year, thousand BGN;

AI (CM3) - the recognized average annual value of inventories, representing the arithmetic mean of the opening and closing balance of inventories at the beginning and end of the base year, thousand BGN;

ALS (C3Д) - the recognized average annual amount of liabilities to suppliers and customers, representing the arithmetic mean of the opening and closing balance of liabilities to suppliers and customers, at the beginning and end of the base year, thousand BGN;

НННН_n (NSR)- the company's net sales revenue for the base year, thousand BGN.

HOK (NWC) for activities is calculated by the formula:

$$HOK = \frac{\Gamma\Pi\P * \text{H}\text{Ц}\text{О}\text{К}}{360}, \text{ XII.7. 18.}$$

where:

ΓΠΠ (RAE) - recognized annual expenses, less depreciation costs, thousand BGN.

(8) In case the enterprise fails to submit information and the necessary documents under paragraphs 5, 6 and 7 or EWRC accepts that the value of the working capital is unjustified, its value shall be determined as no higher than 1/8 of the approved annual OPEX for the licensed activity, excluding depreciation costs and write-down costs of uncollectible receivables.

(9) The investments to be made during the regulatory period are presented by year, and do not include investments through which assets are created or acquired within the meaning of paragraph 3.

(10)(Amended – SG No. 41/2024, effective 10.05.2024) Energy enterprises regulated by the methods under Art. 3, Para. 2, Item 2, shall submit for approval detailed justified investments by year, by direction and group of sites.

(11)The justification for the investments proposed for approval includes the achievement of specific objectives in relation to the implementation of the licensed activity, including development and improvement of networks, increasing security of supply, reduction of technological costs and other objectives.

(12)EWRC may include investments in the regulatory asset base on the grounds of a detailed report and analysis submitted by the energy enterprise on their implementation and the results achieved in terms of energy quality and customer service, as well as changes in efficiency.

(13)(New - SG No. 52/2025, effective 01.07.2025) The price or part of the price for connecting a facility of an electricity distribution network operator to the electricity transmission network, except in cases of financing by customers, producers, operators of electricity storage facilities, etc., is recognized as an investment of the electricity distribution network operator. It is converted into an intangible asset, respectively included in the regulatory asset base as an intangible asset that can be amortized.

Art. 15. (1) EWRC shall determine a rate of return on capital for the regulatory period, which shall be equal to the estimated weighted average cost of capital. The

weighted average cost of capital is the target rate of return on the borrowed and equity capital of the energy enterprise, determined by EWRC, weighted according to the share of each of these sources of financing in the determined target capital structure.

(2) (Suppl. - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024) The rate of return on capital is determined as a pre-tax rate using the following formula:

$$HB = (\mathcal{D}_{ck} * HB_{ck} + \mathcal{D}_{nk} * HB_{nk} * (1 - \mathcal{D}C)) / (1 - \mathcal{D}C)$$

where:

RR (HB) is the rate of return on capital before tax, %;

\mathcal{D}_{ck} (S_e) - the share of equity in total capital, %;

HB_{ck} (RR_e) - the rate of return on equity which is determined by the formula under paragraph 3, %;

$\mathcal{D}C$ (CT) - corporate tax under the Corporate Income Tax Act, %;

\mathcal{D}_{nk} (S_{bc}) - the share of borrowed capital in total capital, %;

HB_{nk} (RR_{bc}) - the rate of return on borrowed capital, which is in line with the market rate, %.

(3) (New - SG No. 41/2024, effective 10.05.2024) The rate of return on equity is determined by the formula: $HB_{ck} = HB\bar{\delta} + \beta_L * (HB_{\Pi} - HB\bar{\delta}) / RR_e = RR + \beta_L * (RR_p - RR_{rf})$,

where:

$HB\bar{\delta}$ (RR_{rf}) is the risk-free rate of return;

HB_{Π} (RR_p) - market risk premium;

β_L - leveraged beta coefficient for the Energy sector.

(4) (New - SG No. 41/2024, effective 10.05.2024) The rate of return on borrowed capital is determined by the formula: $HB_{nk} = HB\bar{\delta} + PKC / RR_{bc} = RR_{rf} + RCS$,

where:

$HB\bar{\delta}$ (RR_{rf}) is the risk-free rate of return;

PKC (RCS) - rating corporate spread.

(5) (Previous para. 3, amended - SG No. 41/2024, effective 10.05.2024) EWRC determines a pre-tax rate of return on capital, which is calculated using a target rate of return on equity, a target rate of return on borrowed capital and a target capital structure of equity/borrowed capital.

(6) (New - SG No. 41/2024, effective 10.05.2024) EWRC determines the rate of return on capital using the capital asset valuation model and based on data from: internationally recognised sources of information on the sectoral unleveraged ratio β for the Member States of the European Union, a market risk premium formed as the sum of the basic risk premium for developed markets and the country-specific risk premium; data from the Bulgarian National Bank on the risk-free rate of return using the long-term interest rate to assess the degree of convergence as an average for a 12-month period preceding the month of the announcement of the price proposal.

(7)(Previous para. 4, amended - SG No. 41/2024, effective 10.05.2024) When determining the rate of return on capital, EWRC also takes into account factors such as: comparisons with other enterprises with a similar degree of risk, access to financing, current financial and economic conditions in the country, opportunity cost of capital, specific risk of the enterprise, financial policy and capital structure of the enterprise, financial history of the enterprise, based on statistical data on market values and/or officially published forecast information.

Art. 16. (Amended - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024) For the purposes of pricing, EWRC shall approve the estimated quantities, including generated or transmitted electricity, based on an assessment of the estimated electricity balance submitted by the transmission network operator in accordance with the procedure provided for in the rules under Art. 83, para. 1, item 4 of the Energy Act and of the estimated quantities submitted by the energy enterprises.

Section II.

Distribution of required revenues by customer groups. Tariff structures

Art. 17. (1) Energy companies may propose for approval by EWRC different tariff structures by customer groups, reflecting the allocated revenues necessary to provide the service for each group based on a submitted study on the value of the service.

(2) (Amended - SG No. 41/2024, effective 10.05.2024) The customer groups are determined by EWRC depending on similar consumption characteristics and/or on other grounds.

(3) Prices from the tariff structure may include the following components: energy price, power price and other components depending on the cost structure.

Art. 18. EWRC may determine hourly, seasonal and other tariff structures for the customer groups under Art. 17, para. 2 on the basis of technical and economic justification with a view to the balance of electrical capacities.

Art. 18a. (New - SG No. 52/2025, effective 01.07.2025, amended – SG No. 35/2026, effective 14.04.2026) EWRC may determine tariff structures for the basic value of electricity for 1 MWh, which the household end customer should pay for the relevant regulatory period, based on customer groups, as well as hourly, seasonal and other criteria.

Section III.

Price regulation

Art. 19. (Repealed - SG No. 41/2024, effective 01.07.2025)

Art. 20. (1) EWRC determines preferential prices for electricity from renewable sources and technologies provided for in the Renewable Energy Act based on the criteria and pricing elements specified in the same act.

(2) The values of the pricing elements under paragraph 1 shall be determined on the basis of information from official sources and international experience, and shall be adjusted in accordance with the circumstances specific to the Republic of Bulgaria.

(3) When forming the preferential prices under paragraph 1, the amount of operating costs includes an estimated inflation rate for the entire period of mandatory purchase of electricity, which is determined according to information from official sources.

(4) The preferential prices under paragraph 1 shall be determined so that the present value of the revenues from the sale of electricity recognized by EWRC is equal to the present value of the necessary revenues determined by EWRC for the entire period of mandatory purchase.

(5) The preferential prices under paragraph 1 shall be determined annually by 30 June or when, as a result of an analysis of the pricing elements, a significant change in any of them is found.

Art. 21. (1) In cases where the investment for the construction of the energy facility for the electricity generation from renewable sources is supported by funds from a national or European support scheme, the price is determined by adjusting the preferential price of electricity for the relevant technology in a manner that reflects the impact of the funds approved under the relevant support scheme.

(2) The prices under paragraph 1 shall be determined by reducing the value of the regulatory base of the assets at preferential prices in proportion to the value of the investments approved for financing with funds from a national or European support scheme. Depreciation costs shall be reduced by the depreciation of the assets acquired with funds from a national or European support scheme.

(3) (Amended - SG No. 41/2024, effective 10.05.2024) The presence or absence of an application for support with funds from a national or European support scheme is certified to the ESSF or the end suppliers with a declaration with notarized content as of the date of conclusion of the contract for the purchase of electricity from renewable sources. In case the submitted application for project financing is approved, within 7 days of approval, the ESSF or the end suppliers shall be provided with evidence of the level of approved financing.

(4) (Amended - SG No. 41/2024, effective 10.05.2024) In the event that, at the date of conclusion of the contract for the purchase of electricity from renewable sources, the producer has declared the absence of an application for support with funds from a national or European investment support scheme, and subsequently submits such an application and it is approved, within 7 days of approval, the ESSF or the end suppliers shall be provided with evidence of the level of approved financing.

(5) (Amended - SG No. 41/2024, effective 10.05.2024) The circumstances related to the availability of support from a national or European investment support scheme are certified to the ESSF or the end suppliers, and evidence of the level of approved project financing is provided at the date of conclusion of the contract for the purchase of electricity from renewable sources.

Art. 22. (1) EWRC shall annually update the preferential price of electricity generated from biomass by 30 June with a coefficient that reflects the change in the value of the price-

forming elements under Art. 32, para. 2, items 6, 7 and 8 of the Renewable Energy Sources Act.

(2) (Amended - SG No. 41/2024, effective 10.05.2024) The coefficient and the change in the value of the price-forming elements under paragraph 1 are determined in accordance with the Renewable Energy Act using the following formula: $K\Delta = (P_{c1} * \Delta I_{c1} + P_{c2} * \Delta I_{c2} + \dots + P_{cn} * \Delta I_{cn}) + P_T * \Delta I_T + P_{p3} * \Delta I_{p3}$,

where:

$K\Delta$ is a coefficient under Art. 32, para. 4 of the Renewable Energy Act, reflecting the change in the value of the price-forming elements under Art. 32, para. 2, items 6, 7 and 8 of the Renewable Energy Act;

$P_{c1}, P_{c2} \dots P_{cn}$ - relative share of the relevant costs under Art. 32, para. 2, item 6 of the Renewable Energy Act of the total costs before discounting for the previous price period, expressed in percentages;

P_T - relative share of the costs under Art. 32, para. 2, item 7 of the Renewable Energy Act of the total costs before discounting for the previous price period, expressed in percentages;

P_{p3} - relative share of the costs under Art. 32, para. 2, item 8 of the Renewable Energy Act of the total costs before discounting for the previous price period, expressed in percentages;

$\Delta I_{c1}, \Delta I_{c2}, \dots \Delta I_{cn}$ is an index of change in the price-forming elements under Art. 32, para. 2, item 6, expressed in percentages;

ΔI_T - index of change of price-forming elements under Art. 32, para. 2, item 7, expressed in percentages;

ΔI_{p3} - index of change of price-forming elements under Art. 32, para. 2, item 8, expressed in percentages.

(3) (New - SG No. 41/2024, effective 10.05.2024) The necessary revenues to determine the updated preferential price of electricity produced from biomass are calculated using the following formula: $HP = K\Delta * P + B / RR = K\Delta * C + R$,

where:

HP (RR) is required revenues before discounting, BGN;

P (C) - costs under Art. 32, para. 2 of the Renewable Energy Act;

$K\Delta$ - coefficient under Art. 32, para. 4 of the Renewable Energy Act, reflecting the change in the value of the price-forming elements under Art. 32, para. 2, items 6, 7 and 8 of the Renewable Energy Act;

B (R) - return.

Art. 22a. (New - SG No. 52/2018) Premiums for electricity produced from renewable sources are determined as the difference between the determined preferential price, respectively the updated preferential price of the facility, and the estimated market price for electricity generated from renewable sources determined for this period, depending on the primary energy source.

Art. 23. (Amended - SG No. 52/2018, repealed - SG No. 41/2024, effective 10.05.2024)

Art. 24. (Amended - SG No. 50/2019, effective 25.06.2019)

(1) The preferential price of electricity generated from high-efficient combined heat and power generation is determined in accordance with guidelines adopted by EWRC on the basis of individual production costs.

(2) The costs of the main fuel for production are distributed between the production of electricity and heat energy through an efficiency coefficient for the production of electricity, determined for regulatory purposes in accordance with the instructions under paragraph 1.

(3) Depreciation and repair costs that are directly attributable to the products of production are allocated directly to them.

(4) The total conditionally fixed and variable costs, with the exception of the costs under paragraphs 2 and 3, shall be distributed proportionally to the quantities of electricity and heat generated in accordance with the instructions under paragraph 1.

(5) (New – SG No. 47/2020, effective 22.05.2020) For pricing purposes, the costs of the main fuel - natural gas, are valued based on:

1. a determined estimated price of natural gas for the regulatory/pricing period based on estimated values of the pricing elements under Art. 11a and Art. 17 of Ordinance No. 2 of 2013 on the regulation of natural gas prices (SG No 33/2013) of the price at which the public supplier sells natural gas to a person who has been issued a license for the production and transmission of heat energy; the forecasting of the price for the relevant quarter is carried out taking into account the prices of futures transactions for the relevant gas hub, provided for in the terms of the commercial contracts under which the public supplier purchases natural gas for the domestic market, as well as the trend in the prices of fuel oil and gas oil, provided for in the terms of these contracts; the forecasted price of natural gas is determined for the regulatory/price period and quarterly;

2. annual individual estimated price of natural gas calculated for the relevant energy enterprise for the regulatory/pricing period based on the estimated prices of natural gas under item 1 and individual consumption by quarter as a weighted average value, to which the prices for access and transmission through the gas transmission and gas distribution network are added respectively.

(6) (New – SG No. 47/2020, effective 22.05.2020, amended - SG No. 41/2024, effective 10.05.2024) For pricing purposes, the cost of carbon allowances is calculated based on an estimated carbon price and estimated quantities of emissions. The estimated quantities of emitted emissions are calculated using the formula for calculating annual emissions from the reporting form in accordance with the regulation under Article 5, item 2 of the Climate Change Mitigation Act and taking into account the data on emission factor, lower calorific value and oxidation coefficient according to the verified reports of the energy enterprises under Article 36 of the Climate Change Mitigation Act, as well as the estimated quantities of fuels.

Art. 24a. (New – SG No. 47/2020, effective 22.05.2020) (1) When determining the preferential price of electricity produced from high-efficient combined generation of

electricity and heat for the next regulatory/pricing period, if a difference is established from the previous regulatory/pricing period between the estimated and reported costs forming the costs of the main fuel - natural gas, and the costs of carbon emission allowances, the required annual revenues are adjusted by this difference according to the following formula:

$$H_t = Q_g * (\Pi_{ng} - \Pi_I)_t + Q_e * (\Pi_{pe} - \Pi_{II})_t \pm P_{t-1},$$

where:

H_t is the amount of the difference from the previous regulatory/pricing period, BGN;

Q_g - the reported quantity of natural gas for the price period, MWh;

Π_{ng} (P_{ng}) - the individual estimated price of natural gas for the regulatory/price period, calculated in accordance with Art. 24, para. 5, item 2, BGN/MWh;

Π_I (P_I) - the reported individual price of natural gas for the regulatory/price period, calculated based on the reported monthly quantities of natural gas consumed and the achieved monthly price, as a weighted average value, to which the reported prices for access and transmission through the gas transmission and gas distribution network are added, respectively, BGN/MWh;

Q_e - the reported amount of carbon emissions for the regulatory period, tons;

Π_{pe} (P_{ce}) - the estimated price of carbon emissions, BGN/ton;

Π_{II} (P_{II}) - the reported average price of carbon emissions at the primary auctions held on the European Energy Exchange for the regulatory period, BGN/ton;

P - the difference between the estimated and reported costs forming the costs of the main fuel - natural gas, and the costs of carbon emission allowances, as a result of estimated quantities and costs used to determine H_{t-1} , BGN;

t - the price period.

(2) In the event that the achieved monthly price of natural gas (Π_{ng}/ P_{II}) under paragraph 1:

1. is higher than the price approved by EWRC for the relevant month at which the public supplier sells natural gas to a person who has been issued a license for the production and transmission of heat energy ($\Pi_{\sigma r}$), the price of the public supplier of natural gas approved by EWRC is used for the calculation of the annual individual price for the regulatory/price period;

2. is lower than the price approved by EWRC for the relevant month at which the public supplier sells natural gas to a person who has been issued a license for the production and transmission of heat energy ($\Pi_{\sigma r}$), for the calculation of the annual individual price for the regulatory/pricing period, a price (Π_{Π}), calculated according to the formula is used:

$$\Pi_{\Pi} = 0,5 * (\Pi_{\sigma r} + \Pi_{II}).$$

(3) The adjustment under paragraph 1 may be deferred in whole or in part, subject to compliance with the principles of the Energy Act.

Art. 24b. (New – SG No. 52/2018, previous art. 24a - SG No. 47/2020, effective 22.05.2020) Premiums for electricity produced from high-efficient combined heat and power generation are determined as the difference between the preferential prices of

producers and the estimated market price for electricity produced in a high-efficient combined heat and power generation method determined for this period.

Art. 25. (Amended - SG No. 52/2018, repealed - SG No. 41/2024, effective 01.07.2025)

Art. 26. (Amended - SG No. 50/2019, effective 25.06.2019) (1) (Amended - SG No. 41/2024, effective 10.05.2024) The price for access to the electricity transmission network, which is due by the operators of electricity distribution/closed electricity distribution networks, the end customers and producers of electricity in consumption mode, connected to the electricity system, except in the cases under Art. 119, para. 1, item 2 and para. 2 of the Energy Act, is formed on the basis of the approved estimated necessary annual revenues according to Art. 10 and the approved estimated quantity of electricity for sale on the territory of the country or the provided/contracted capacity for the relevant regulatory or price period.

(2)(Amended - SG No. 41/2024, effective 10.05.2024) The price for access to the electricity transmission network, which is paid by electricity producers, with the exception of those under Art. 29, connected to the electricity transmission and electricity distribution/closed electricity distribution networks, is formed on the basis of the approved estimated necessary annual revenues according to Art. 10 and the approved estimated quantity of electricity for sale on the territory of the country and for export or the provided/contracted capacity for the relevant regulatory or price period. The amount of the required annual revenues and the quantities of total electricity sold on the territory of the country and for export shall be reduced by the respective share of the electricity producers under Art. 29.

(3) (Amended - SG No. 41/2024, effective 10.05.2024) The required annual revenue of the price under para. 2 reflects the costs of the transmission system operator for purchasing availability for additional services under Art. 105, para. 2 of the Energy Act and 1/2 of the conditional fixed costs and returns related to the management of the electricity system.

(4)(Amended - SG No. 41/2024, effective 10.05.2024) The transmission system operator shall submit information on the availability of additional services approved by the Minister of Energy under Art. 105, para. 2 of the Energy Act to the price application.

(5)(Amended - SG No. 41/2024, effective 10.05.2024) The maximum cost of the transmission system operator for purchasing availability for additional services under Art. 105, para. 2 of the Energy Act is calculated based on the results of the reported costs for the previous price period.

Art. 27. (1) (Amended - SG No. 50/2019, effective 25.06.2019) The price for the transmission of electricity through the electricity transmission network is formed on the basis of the approved estimated necessary annual revenues pursuant to Art. 10 and the approved estimated quantity of electricity for sale on the territory of the country for the relevant regulatory or price period.

(2) The transmission network operator provides information on the amount of reported and estimated levels of technological costs of electricity during transmission through the transmission network.

(3) (Amended and suppl. - SG No. 52/2018) The estimated levels of technological costs for transmission are valued at the sum of the price determined in accordance with Section IIIa and the price for obligations to society.

(4) The electricity transmission network operator recovers the technological costs of electricity transmission determined by EWRC through the transmission price.

Art. 27a. (New - SG No. 52/2018, amended - SG No. 50/2019, effective 25.06.2019) The required annual revenues under Art. 27 shall be adjusted by over-/under-collected revenue in the event that the achieved weighted average market price (Π_n), at which the transmission network operator purchased electricity to cover technological costs during the previous regulatory period deviates by more than 5% from the estimated market price under Art. 37c, according to the following formula:

a) when $\Pi_n > \Pi_{yme}$,

$$H = (\Pi_n - \Pi_{yme}) * (1 + 5\%) * \kappa;$$

b) when $\Pi_n < \Pi_{mp}$,

$$H = (\Pi_n - \Pi_{yme}) * (1 - 5\%) * \kappa,$$

where:

Π_{yme} is the approved estimated market price under Art. 37c, at which the electricity transmission network operator purchases electricity to cover technological costs, BGN/kWh;

Π_n is the achieved weighted average market price at which the transmission network operator purchased electricity to cover technological costs during the previous regulatory period;

κ is the approved amount of electricity for the technological costs of transmission for the previous regulatory period;

H is an adjustment with over/under-collected revenue for the previous regulatory period

Art. 28. (1) The price for access to the electricity distribution network is formed by customer groups based on the approved estimated required annual revenues according to Art. 10 and the approved estimated quantity of electricity for distribution to end customers or the provided/contracted capacity.

(2)(Amended – SG No. 50/2019, effective 25.06.2019) The price for the transmission of electricity through the electricity distribution network is formed on the basis of the approved estimated required annual revenues pursuant to Art. 10 and the approved estimated quantity of electricity for distribution to end customers.

(3)(New - SG No. 52/2018) The estimated levels of technological costs for distribution are valued at the sum of the price determined in accordance with Section IIIa, the price for obligations to the public and the prices for transmission and access through/to the electricity transmission network.

Art. 29. (Amended – SG No. 50/2019, effective 25.06.2019) (1) The price for access to the electricity transmission and distribution network, respectively, for producers of electricity from renewable sources with dynamically changing generation reflects the respective share of these producers in the costs under Art. 26, para. 3, as well as the additional costs incurred, including for availability of reserve for additional services, for dispatching in connection with balancing, etc.

(2) The access price under para. 1 shall be formed on the basis of the approved estimated required annual revenues pursuant to art. 10 and the approved estimated quantity of electricity generated by the producers under para. 1 for the relevant regulatory or price period, with the amount of the required annual revenues at this price being increased by the share of producers of electricity with dynamically changing generation pursuant to art. 26, para. 2, second sentence.

Art. 30. (1) (Amended – SG No. 41/2024, effective 10.05.2024) In case of delay by the operators of the electricity transmission network or the electricity distribution networks in determining the prices for access and transmission to/through the respective network, EWRC may determine temporary prices under Art. 30, para. 1, items 10, 13 and 15 of the Energy Act.

(2) In the cases of para. 1, EWRC may take decisions on appropriate compensatory measures in the event that the final prices for access, transmission and distribution deviate from the temporary prices.

Art. 30a. (New – SG No. 52/2018, suppl. - SG No. 50/2019, effective 25.06.2019, suppl. - SG No. 41/2024, effective 10.05.2024) The price for obligations to the public is formed on the basis of estimated necessary annual revenues of the ESSF and estimated quantity of electricity for sale on the territory of the country for the relevant regulatory or price period, which does not include the quantity of electricity under Art. 35a, para. 2 and 3 of the Energy Act.

Art. 31. (1) (Amended - SG No. 41/2024, effective 10.05.2024) The types of services provided related to licensing activities are determined by a decision of EWRC based on information provided by the energy enterprises.

(2) The prices of the services under paragraph 1 shall be formed on the basis of the economically justified costs for their provision recognized by EWRC.

(3)(Amended - SG No. 41/2024, effective 10.05.2024) The prices of the services provided, related to the licensing activity, are determined in BGN, excluding value added tax, for each type of service.

Art. 32. (Amended - SG No. 41/2024, effective 10.05.2024) (1) The connection price of a producer, an electrical energy storage facility, as well as a facility - a set of facilities/installations for consumption and/or production and/or storage of electrical energy, which supplies and consumes electrical energy to/from the network, are individual

and include the actual costs of constructing the facilities for connection to the relevant electrical network. The connection price also includes the costs incurred by the relevant network operator for connecting the increased connected capacity to the operator of the electricity transmission or distribution network.

(2) The prices for connecting sites of operators of electricity distribution/closed electricity distribution networks to the electricity transmission/respective electricity distribution network are individual and include the actual costs of constructing the facilities for connecting the sites to the respective network. When connecting a facility of a closed electricity distribution network operator to an electricity distribution network, the connection price also includes the costs that the electricity distribution network operator incurs for connecting the increased connected capacity to the electricity transmission network operator.

(3) The required annual revenues for the activities of electricity transmission through the electricity distribution network do not include revenues from connection.

Art. 33. (1) (Amended - SG No. 41/2024, effective 10.05.2024) Prices for connecting end customers to electricity distribution/closed electricity distribution networks are formed depending on the power provided in kW and are divided into the following main groups:

1. I group – up to 6 kW inclusive;
2. II group - from 7 to 15 kW inclusive;
3. III group – from 16 to 50 kW inclusive;
4. IV group - from 51 to 100 kW inclusive;
5. V group - from 101 to 200 kW inclusive;
6. VI group - from 201 to 400 kW inclusive;
7. VII group - over 400 kW.

(2) (Amended - SG No. 41/2024, effective 10.05.2024) The prices for connecting end customers to an electricity distribution/closed electricity distribution network include only costs that are directly related to the service, and these costs are not an element of the prices for access and transmission through an electricity distribution/closed electricity distribution network.

(3) (Amended - SG No. 41/2024, effective 10.05.2024) The prices for connecting end customer sites to an electricity distribution/closed electricity distribution network in group VII - over 400 kW, and for connecting to medium voltage networks are determined according to an individual project and include all costs calculated according to a developed project for the connection facilities, in a volume sufficient to ensure the connected power. The connection price also includes the costs incurred by the relevant network operator for connecting the increased connected capacity to the operator of the electricity transmission or distribution network. In cases of connection in stages of facilities with a total capacity of over 400 kW, the connection price is determined for each stage of connection according to an individual project, with the price including all actual costs for the construction of the connection facilities.

(4) (Amended - SG No. 41/2024, effective 10.05.2024) The price for connecting end customers in territories outside the regulation of settlements is determined based on

the actual costs incurred for the construction of the connection facilities according to an individual project.

(5)(Amended - SG No. 41/2024, effective 10.05.2024) The prices for connecting end customers to an electricity distribution/closed electricity distribution network for end customer sites in groups III to VI contain a fixed and variable component depending on the supply point and the length of the power line.

(6)(Amended - SG No. 41/2024, effective 10.05.2024) The prices for connecting end customers to an electricity distribution/closed electricity distribution network for end customer sites under paragraph 1 in groups I and II contain only a fixed component.

(7)The types of costs applicable to the pricing of the fixed and variable components are classified by economic elements as follows: costs of remuneration and insurance, costs of materials, costs of external services and "other costs".

Art. 34. (1) (Amended - SG No. 41/2024, effective 10.05.2024) The costs recognized by EWRC, which form the fixed component of the connection prices, reflect the average connection costs for each group of end customers. The fixed component, depending on the connected capacity, may include the following construction and installation works:

1. installation of an electricity meter panel and its equipment;
2. construction of the wiring part for connection at a distance of up to 25 m;
3. installation of the necessary equipment, fittings and wiring in the switchboard in the transformer station;
4. building the necessary power in the transformer station, including its construction part;
5. installation of the measuring system devices;
6. increase in the contracted connected capacity of an existing connected facility;
7. (Amended - SG No. 41/2024, effective 10.05.2024) when establishing a new facility with independent metering of electrical energy by separating it from an existing facility that is connected to an electricity distribution/closed electricity distribution network;
8. when changing the number of phases, regardless of whether the contracted connected power changes;
9. when building new connection facilities, related to increasing the category of security of electricity supply;
10. costs for temporary power supply to a construction site.

(2) (Amended - SG No. 41/2024, effective 10.05.2024) When connection facilities are constructed by end customers pursuant to the ordinance under Art. 116, para. 7 of the Energy Act, the connection price and the mutually recognized costs incurred for these facilities shall be compensated under the conditions specified in the connection contract.

(3)(Amended - SG No. 41/2024, effective 10.05.2024) The scope of the costs for the connection facilities for groups of sites under Art. 33, para. 1 from I to VI does not include costs for expansions of the electricity network, which the relevant network operator must carry out in order to guarantee the security and quality of the electricity supply, namely:

1. increasing the capacity of the existing power line after the connection point;

2. installation of a more powerful power transformer in the transformer station;
3. construction of a new transformer station;
4. extension of other parts of the electrical network towards the power distribution substation.

(4) (Amended - SG No. 41/2024, effective 10.05.2024) The costs recognized by EWRC, which form the variable component of the connection prices, are determined by type of work depending on the optimal scheme for connection to the network of the respective voltage, including for the construction of the conductive part for connection over 25 m.

(5) The variable component is equal to zero when the distance under paragraph 4 is less than or equal to 25 m from the property boundary to the connection point.

(6) (Amended - SG No. 41/2024, effective 10.05.2024) For distances outside the cases under paragraph 5, each additional meter of cable or overhead line shall be paid at a price determined for the variable component for the relevant group of end customers, approved by EWRC.

(7) (Amended - SG No. 41/2024, effective 10.05.2024) For sites that will include more than one end customer, the connection price for the site is formed for the total connected capacity of the site. The total connected capacity for the site is formed as the sum of the individually determined connected capacities for each end customer of the same site.

(8) (Amended - SG No. 41/2024, effective 10.05.2024) The price for connecting an end customer to a backup power supply is equal to the costs of constructing the backup connection facilities and those that the operator of the electricity distribution/closed electricity distribution network will incur for connecting the increased connected capacity to the electricity transmission/relevant electricity distribution network, and is determined on an individual project basis.

Art. 35. (Repealed - SG No. 41/2024, effective 10.05.2024)

Art. 36. (Amended - SG No. 41/2024, effective 10.05.2024) For end customer facilities connected to an electricity distribution/closed electricity distribution network, for which construction of connection facilities is not required, the connection price is determined based on the actual direct connection costs that will be incurred by the relevant network operator.

Art. 37. (Repealed - SG No. 41/2024, effective 10.05.2024)

Section III "a".

Methodology for determining estimated market price (New – SG No. 52/2018)

Art. 37a. (New – SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024) EWRC determines an estimated baseload market price for each regulatory/pricing period based on an analysis of futures and/or forward transactions for that period on the national

and regional exchanges, as well as futures transactions on a European exchange relevant to the Bulgarian market.

Art. 37b. (New – SG No. 52/2018) (1) EWRC shall determine group coefficients reflecting the deviation between the average market price for base load on the day ahead market for the previous calendar year and the weighted average price achieved by the relevant group under paragraph 2 on the day ahead market for the previous calendar year.

(2) The groups for which EWRC determines a group coefficient are as follows:

1. independent transmission operator;
2. electricity distribution network operators;
3. producers of electricity generated from high-efficient combined heat and power generation;
4. producers of electricity generated from solar energy;
5. producers of electricity generated from wind energy;
6. producers of electricity generated by hydroelectric power plants with an installed capacity of up to 10 MW;
7. producers of electricity generated from biomass;
8. producers of electricity generated from other types of renewable sources;
9. (new - SG No. 41/2024, effective 01.07.2025) end suppliers.

(3) The achieved weighted average price on the day ahead market is determined by simulating day ahead market participation for the previous calendar year, based on the schedules validated by the independent transmission operator in D-1:

1. of the transmission network operator for the group under paragraph 2, item 1;
2. of the electricity distribution network operators for the group under paragraph 2, item 2;
3. of some of the producers from the relevant group under para. 2, items 3 - 8;
4. (new – SG No. 41/2024, effective 01.07.2025) of the end suppliers for the group under para. 2, item 9.

(4)(Amended - SG No. 41/2024, effective 10.05.2024) The part under paragraph 3, item 3 includes producers whose total installed capacity represents at least 5 percent of the total installed capacity of all producers to whom a premium is due, falling into the relevant group.

(5)(Amended - SG No. 41/2024, effective 10.05.2024) In case a group under paragraph 2 does not include participants, direct members of a balancing group, for whom the independent transmission operator has validated schedules for more than 270 days in the previous calendar year, the group coefficient is equal to the coefficient determined for the previous price period.

(6)(Previous para. 5 - SG No. 41/2024, effective 10.05.2024) EWRC shall not determine the achieved weighted average price on the day ahead market, respectively the group coefficient, when the group of producers under paragraph 2 does not include a participant to whom a premium is due.

Art. 37c. (New - SG No. 52/2018) The estimated market price for each price period for the relevant group under Art. 37b, para. 2 is determined as the product of the determined price under Art. 37a and the group coefficient under Art. 37b.

Chapter two "a".

DETERMINATION OF ELECTRICITY BASIC VALUE, THE PRICE COMPONENT FOR THE ACTIVITY "SUPPLY OF ELECTRICITY FROM AN END SUPPLIER" AND OF COMPENSATIONS FOR HOUSEHOLD END CUSTOMERS (NEW – SG No. 41/2024, EFFECTIVE FROM 01.07.2025,

(TITLE AMENDED - SG No. 52/2025, EFFECTIVE FROM 27.06.2025)

Art. 37d. (New - SG No. 52/2025, effective 27.06.2025) (1) The base price of electricity for 1 MWh, as part of the price that the household end customer pays to the end supplier for the relevant regulatory period, is determined taking into account:

1. the estimated market price of the end suppliers under Art. 37c for the relevant regulatory period and/or the achieved weighted average price of the electricity purchased under the mechanism under Art. 100, para. 8 of the Energy Act on the basis of transactions concluded by the end suppliers for the purchase of electricity for the supply of household end customers for the relevant regulatory period;

2. the funds under Art. 36e, para. 1 of the Energy Act for the relevant regulatory period, as well as a forecast for the funds under Art. 36e, para. 1, items 8, 8a and 11 of the Energy Act to cover expenses under Art. 36b, para. 1, item 5 of the Energy Act for the part of the regulatory period for which such funds are not provided;

3. other facts and circumstances that affect the base value.

(2) When determining the base value under para. 1, the data under art. 37f, paras. 4 and 5 and art. 43a, as well as information in relation to the facts and circumstances under para. 1, item 3, shall be used.

(3) In the course of the procedure under paragraph 1, for the purposes of calculating the achieved weighted average price of electricity by the beginning of the relevant regulatory period under paragraph 1, item 1, a forecast for the amount of this price may also be used.

(4) The base value under paragraph 1 is determined in BGN per 1 MWh of consumed electricity, excluding value added tax.

Art. 37e. (New - SG No. 41/2024, effective 01.07.2025, repealed, previous art. 37d, amended - SG No. 52/2025 [*]) (1) The component of the end supplier's price in relation to the supply of electricity to household end customers is set at up to 7 percent of the determined base price of electricity for 1 MWh under Art. 37d.

(2) The component includes economically justified costs and returns for the activity "supply of electricity from an end supplier", as well as balancing costs, and is defined as a total value, without specifying the specific amount of the elements that form it.

(3) Each quarter, the component under paragraph 1 shall be adjusted by over- or under-collected revenue, if, based on the reporting data for the previous quarter, it is established that as a result of applying the determined amount of the base value or the determined amount of the tariff structure of the base value of electricity for 1 MWh, a higher, respectively lower amount of the determined component for this period has been achieved.

(4) For the purposes of the adjustment under paragraph 3, if, based on the reporting data for the previous quarter, it is established that the relevant end supplier has applied a lower than the specified amount of the base value or a lower than the specified amount of the tariff structure of the base value, the component under paragraph 1 shall be adjusted by the amount of the over- or under-collected revenue under paragraph 3.

(5) The adjustment under paragraphs 3 and 4 may be deferred.

(6) The component under paragraph 1 may not exceed the amount of the component determined for the previous regulatory period, indexed with an inflation index for the previous calendar year based on data from the National Statistical Institute.

Art. 37f. (New - SG No. 41/2024, effective 01.07.2025) (1) (Amended - SG No. 52/2025, effective 27.06.2025) The compensation to cover part of the costs of household end customers for purchased electricity from an end supplier is determined as the difference between the achieved weighted average price for the relevant quantities purchased under the mechanism under Art. 100, para. 8 of the Energy Act and/or on a day ahead market segment, attributable to the relevant end supplier for the relevant month, and the determined base price of electricity for 1 MWh under Art. 37d. For the purposes of calculating the weighted average price attributable to the respective end supplier for the respective month, in the case of purchased quantity of electricity on other market segments and mechanisms, the achieved real weighted average price of the respective market segment and/or mechanism for the respective month shall be applied, but not higher than the weighted average price of the day ahead market segment for the respective month.

(2) The compensation under paragraph 1 may be for all or part of the purchased quantity of electricity from household end customers. The amount of compensation may be differentiated according to the quantity of purchased electricity.

(3) The compensation under paragraph 1 shall be determined monthly for the end household customers of the respective end supplier.

(4) The compensation under paragraph 1 shall be determined on the basis of data from the electricity market administration system of the independent transmission operator and information from the operator of an organized electricity exchange market.

(5) (Amended – SG No. 52/2025, effective 27.06.2025) The achieved weighted average price under paragraph 1 is calculated based on the data on the reported quantities of electricity consumed by the customers of the respective end supplier.

(6) (New - SG No. 52/2025, effective 27.06.2025) When determining the compensation under paragraph 1, the revenues of the end suppliers from the sale of electricity on an intraday market segment and/or on a day ahead market segment, which exceed the costs of its purchase, shall be taken into account.

(7) (New - SG No. 52/2025, effective 27.06.2025) Every quarter, when determining the amount of compensation, EWRC shall also take into account the correction for over- or under-collected income under Art. 37e, paras. 3 and 4, this adjustment can be deferred.

(8)(Previous para. 6 - SG No. 52/2025, effective 27.06.2025) The compensation is determined in BGN per 1 MWh of consumed electricity, excluding value added tax.

Art. 37g. (New - SG No. 41/2024, effective 01.07.2025) EWRC, if necessary, determines an amount from the revenues under Art. 36e, para. 1, items 1 - 9 of the Energy Act of the ESSF, with which to cover the costs of compensation under Art. 37f.

Art. 37h. (New - SG No. 41/2024, effective 01.07.2025) End suppliers submit a monthly report to EWRC on the funds received from the ESSF and provided to their end customers, including corrections and cancellations of invoices.

Art. 37i. (New - SG No. 52/2025, effective 27.06.2025) The procedure for determining the base value under Art. 37d, respectively for determining the component under Art. 37e, may be carried out in parallel by EWRC.

Chapter three.

PRICES CHANGE IN THE MAIN REGULATION METHODS. CHANGE IN THE ELECTRICITY BASIC VALUE AND THE COMPONENT OF THE END SUPPLIER PRICE (TITLE AMENDED – SG No. 52/2025, EFFECTIVE FROM 27.06.2025)

Art. 38. (1) (Amended – SG No. 50/2019, effective 25.06.2019, amended - SG No. 47/2020, effective 22.05.2020, amended - SG No. 41/2024, effective 10.05.2024) EWRC has the right, if necessary, during the regulatory/pricing period, but not more than once every 6 months, to amend the preferential prices, respectively the premiums, for electricity generated from high-efficient cogeneration of electricity and heat, provided that there is a significant deviation between the estimated natural gas price for this period compared to the achieved and estimated price for the remaining period.

(2)(New - SG No. 47/2020, effective 22.05.2020) When changing the prices under para. 1, EWRC may also apply the correction under art. 24a for the period from the beginning of the regulatory/pricing period until this change.

(3)(Amended and suppl. - SG No. 52/2018, previous para. 2, amended and suppl. - SG No. 47/2020, effective 22.05.2020, suppl. - SG No. 41/2024, effective 10.05.2024) Apart from the cases under para. 1, when regulating prices using the "rate of return on capital" method during the regulatory/price period, the prices, respectively the quantities under Art. 162a of the Energy Act, may be changed in the presence of circumstances leading to a change in the price of the main fuel, the occurrence of which could not have been foreseen when the prices were approved and leads to a significant change in their approved pricing elements and the financial position of the energy enterprise, as well as in

the case of building replacement capacity or carrying out reconstruction and modernization at the production site.

(4)(Previous para. 3 - SG No. 47/2020, effective 22.05.2020) When regulating prices through the price regulation methods under Art. 3, para. 2, item 2, the following annual adjustments may be made:

1. (amended - SG No. 41/2024, effective 10.05.2024) with an inflation index (I) for the previous calendar year based on data from the National Statistical Institute in accordance with its impact on recognized OPEX (excluding depreciation costs) and with a coefficient for improving efficiency in compliance with the principles of Articles 23 and 31 of the Energy Act;

2. (revpealed - SG No. 41/2024, effective 10.05.2024)

3. as a result of implemented and reported investments, based on reliable data on assets by type of activity, according to the submitted reports and/or a performed inspection.

(5)(New - SG No. 52/2018, previous para. 4, amended - SG No. 47/2020, effective 22.05.2020) The adjustment under para. 4, item 3 shall also be applied for the first year of the regulatory period, in which case the adjustment shall reflect the non-fulfillment of the investment program for the previous regulatory period, reduced by the adjustments under para. 4, item 3 applied during its price periods.

(6)(New - SG No. 52/2018, previous para. 5, amended - SG No. 47/2020, effective 22.05.2020) The adjustments under paragraphs 4 and 5 may be deferred in whole or in part, subject to compliance with the principles of the Energy Act.

(7) (Previous para. 4, amended - SG No. 52/2018, previous para. 6, amended - SG No. 47/2020, effective 22.05.2020) When applying the "revenue cap" method, an adjustment with the Z factor is also made, which is calculated using the following formula:

$$Z_t = \left(\Pi_{ymc} - E_{npor} * \frac{TP_{\text{odod}}\%}{1 - TP_{\text{odod}}\%} * \Pi_{mp} \right)_{t-1} - \left(\Pi_{omc} - E_{omc} * \frac{TP_{\text{odod}}\%}{1 - TP_{\text{odod}}\%} * \Pi_{mp}^1 \right)_{t-1} \pm P_{t-2},$$

where:

Π_{ymc} are the approved necessary revenues, BGN;

Π_{omc} - reported revenues, BGN;

E_{npor} - the estimated quantities of transmitted electrical energy, kWh;

E_{omc} - the reported quantities of transmitted electrical energy, kWh;

TP_{odod} - the approved technological costs for the regulatory period, %;

Π_{mp} is the approved estimated market price under Art. 37c, at which electricity distribution companies purchase electricity to cover technological costs, to which prices for transmission and access through/to the electricity transmission network, price for obligations to the public and balancing costs are added, BGN/kWh;

$\Pi_{mp.1}$ is a price calculated in accordance with paragraph 8, at which the electricity distribution companies have purchased electricity to cover technological costs, to which prices for transmission and access through/to the electricity transmission network, price for obligations to the public and balancing costs are added, BGN /kWh;

P - the correction for over/under-collected revenues as a result of estimated quantities used to determine Z_{t-1} , BGN;

t - the price period.

(8) (New - SG No. 52/2018, previous para. 7 - SG No. 47/2020, effective 22.05.2020, amended - SG No. 52/2025, effective 01.07.2025) When calculating the achieved weighted average market price at which the electricity distribution companies purchased electricity to cover the technological costs (Π), the revenues of the electricity distribution companies from targeted public funds provided to compensate for their costs for purchasing electricity are taken into account. When the achieved weighted average market price (Π):

1. deviates by 5% and below 5% from the estimated market price under Art. 37c, $\Pi^{.1}$ is equal to Π ;

2. deviates by over 5 % from the estimated market price under Art. 37c, $\Pi^{.1}$

is calculated by the following formula:

a) when $\Pi > (\Pi - \Pi_{30} - \Pi_{my} - \Pi_{\text{б}})$,

$$\Pi^{.1} = \Pi - 5 \% * (\Pi - \Pi_{30} - \Pi_{my} - \Pi_{\text{б}}) + \Pi_{30} + \Pi_{my} + \Pi_{\text{б}};$$

b) when $\Pi < \Pi$,

$$\Pi^{.1} = \Pi + 5 \% * (\Pi - \Pi_{30} - \Pi_{my} - \Pi_{\text{б}}) + \Pi_{30} + \Pi_{my} + \Pi_{\text{б}},$$

where:

Π is the approved estimated market price under Art. 37c, at which electricity distribution companies purchase electricity to cover technological costs, to which prices for transmission and access through/to the electricity transmission network, price for obligations to the public and balancing costs are added, BGN/kWh;

Π is the achieved weighted average market price at which the electricity distribution companies purchased electricity to cover technological costs, the calculation of which also takes into account the revenues of the electricity distribution companies from targeted public funds provided to compensate for their costs of purchasing electricity;

Π_{30} is the established price for public service obligation;

Π_{my} are the approved prices for transmission and access through/to the electricity transmission network;

$\Pi_{\text{б}}$ is the established balancing component.

(9) (Previous para. 5 - SG No. 52/2018, previous para. 8 - SG No. 47/2020, effective 22.05.2020) The Z-factor adjustment can also be applied for the first year of the regulatory period.

(10) (New - SG No. 52/2018, previous para. 9, amended - SG No. 47/2020, effective 22.05.2020) The adjustments under paragraphs 7 and 9 may be deferred in whole or in part, subject to compliance with the principles of the Energy Act.

Art. 38a. (New - SG No. 52/2018, amended - SG No. 47/2020, effective 22.05.2020) In the event that the change in prices under Art. 38, para. 1 and/or 3, respectively the premiums of energy enterprises, will have an impact on the price for obligations to the public, respectively on the approved prices of other energy enterprises, EWRC may also adjust these prices.

Art. 39. (1) (Amended - SG No. 41/2024, effective 01.07.2025) Price adjustments may be made if the energy company's actual revenues provide a different amount of revenue to cover the recognized sunk costs than the estimated amount.

(2)(Amended - SG No. 41/2024, effective 10.05.2024) Price adjustments may be made if the actual revenues of the ESSF provide a different amount of revenue - than the estimated amount - to cover the costs associated with public service obligation.

(3)The mechanism for paying the costs arising from the fulfillment of obligations to society of the relevant energy enterprises related to the security of supply, including the protection of facilities representing critical infrastructure in the energy sector, shall be determined by a decision of EWRC.

Art. 40. (1) (Previous text of Art. 40 - SG No. 52/2018) EWRC has the right, if necessary, to amend the approved prices of electricity during the price period, but not more often than once per calendar quarter, by:

1. (repealed - SG No. 41/2024, effective 01.07.2025)

2. amending the amount of technological costs of energy enterprises in the production, transmission and distribution of electricity, by determining their target values while observing the principle of ensuring a balance between the interests of energy enterprises and customers;

3. amending the recognized amount of other pricing elements while respecting the principle of ensuring a balance between the interests of energy enterprises and customers.

(2) (New - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024) EWRC shall amend the determined premiums, but not more frequently than once every 6 months, provided that there is a significant change between the determined estimated market price for base load for this period compared to the achieved and estimated price for the remaining period of the period on an organized exchange market.

(3) (New - SG No. 52/2018) In the event of a change in the premiums determined under paragraph 2, EWRC may change the price for public service obligation approved for the relevant regulatory/pricing period.

(4) (New - SG No. 52/2018) In the event that the circumstances determining the amendments under paragraphs 2 and 3 affect the approved prices of other energy enterprises, EWRC may also amend these prices.

Art. 40a. (New - SG No. 52/2025, effective 27.06.2025) EWRC may amend the determined base price of electricity for 1 MWh in the event of a change in the amount of funds under Art. 37d, para. 1, item 2 and/or in the event of a discrepancy between the estimated and the actual amount of funds for the part of the regulatory period for which such funds are not provided, and/or in the event of a change in the achieved weighted average price of electricity purchased under the mechanism under Art. 100, para. 8 of the Energy Act, and/or in the event of a significant change in the estimated market price for base load and/or in the event of a change, respectively the emergence of new facts and circumstances under Art. 37d, para. 1, item 3.

Art 40b. (New - SG No. 41/2024, effective 01.07.2025, previous art. 40a - SG No. 52/2025, effective 01.07.2025) (1) (Amended - SG No. 52/2025, effective 01.07.2025)

EWRC may amend the component of the end supplier's price during the regulatory period in the event of a change in the base price of electricity under Art. 37d, para. 1 or a change in the estimated market price under Art. 37c.

(2) The amount of the amended component under paragraph 1 may not exceed the amount of the component determined for the previous price period, indexed with an inflation index for the previous calendar year based on data from the National Statistical Institute.

(3) (Amended - SG No. 52/2025, effective 01.07.2025) In case the component under Art. 37e, para. 1 is determined in an amount corresponding to the amount of the component determined for the previous price period, indexed with an inflation index for the previous calendar year on the basis of data from the National Statistical Institute, para. 1 shall not apply.

Chapter four.

PROCEDURE FOR APPROVAL, DETERMINATION AND CHANGE OF PRICES, PRICE COMPONENTS AND BASIC VALUE (TITLE SUPPL. - SG NO. 41/2024, EFFECTIVE FROM 01.07.2025, AMENDED - SG NO. 52/2025, EFFECTIVE FROM 27.06.2025)

Art. 41. (1) Energy companies submit applications to EWRC using templates approved by it for approval of:

1. necessary revenues and prices, as well as all related indicators and coefficients for their change during the regulatory period;
2. change in tariff structure;
3. change in current prices;
4. other, related to the powers of EWRC on price regulation.

(2) Applications under paragraph 1 shall be submitted no later than 3 months before the expiration of the old price period or the entry into force of the proposed amendment to existing prices and/or tariff structures.

(3) (New - SG No. 41/2024, effective 10.05.2024) A user of a closed electricity distribution network may request EWRC to review the access and/or transmission prices applied by the relevant operator of a closed electricity distribution network and to approve prices of that operator for a certain period of time.

Art. 41a. (New - SG No. 52/2018) (1) (Suppl. - SG No. 41/2024, effective 10.05.2024, amended and suppl. – SG No. 35/2026, effective 14.04.2026) Applications shall be submitted in writing in electronic form or on hard and soft copy. The paper application shall be accompanied by a declaration of the truthfulness of the stated circumstances and of the attached documents and data, signed by the applicant.

(2) (Suppl. - SG No. 41/2024, effective 10.05.2024, amended and suppl. – SG No. 35/2026, effective 14.04.2026) When the application is not submitted by a person legally representing the energy enterprise, a power of attorney with a notarized signature of that person shall be attached to the application, unless another form is provided for by law.

When the application is submitted electronically, it shall be accompanied by an electronic power of attorney signed with a qualified electronic signature in a manner that allows certification of the power-of-attorney signing time with accuracy to the year, date, hour, minute and second with a qualified electronic time stamp.

(3) (Amended - SG No. 41/2024, effective 10.05.2024, , amended and suppl. – SG No. 35/2026, effective 14.04.2026) An application in electronic form may be submitted through the secure electronic service system under Art. 26, para. 2 of the Electronic Government Act or the EWRC Single Portal for provision of information and services, signed with a qualified electronic signature and in a manner that allows for the verification of the power-of-attorney signing time with accuracy to the year, date, hour, minute and second with a qualified electronic time stamp. A declaration of the truthfulness of the stated circumstances and the attached documents and data, signed by the applicant with a qualified electronic signature, shall be attached to the application.

(4)(Repealed – SG No. 35/2026, effective 14.04.2026).

(5) (Amended – SG No. 35/2026, effective 14.04.2026) An application submitted electronically that is not signed in accordance with the procedure set out in paragraph 3 shall not constitute grounds for initiating administrative proceedings.

(6)(Amended – SG No. 35/2026, effective 14.04.2026) EWRC may require that documents attached to the electronically submitted application be submitted on paper as well.

Art. 42. (1) Applications are checked for compliance with the requirements of the ordinance within 7 days of their receipt.

(2) When an irregularity in the application is found, the applicant is sent a written notice to eliminate the irregularities within 7 days.

(3) If the applicant does not eliminate the irregularities within the period under paragraph 2, the file shall not be considered on its merits and shall be terminated by a decision of EWRC.

(4) The applicant is sent a written notification that the file has been terminated and the application is not subject to consideration on the merits.

Art. 43. (1) (Amended - SG No. 52/2018) The application for approval of necessary revenues, prices and tariff structures shall be accompanied by information for a 12-month reporting period, called the base year.

(2) The application under paragraph 1 shall be accompanied by:

1. (suppl. - SG No. 41/2024, effective 10.05.2024) annual financial statement with annexes thereto, prepared in accordance with the requirements of the Accountancy Act and the applicable accounting standards, in case it has not been published in the commercial register and the register of non-profit legal entities at the Registry Agency;

2. financial and accounting information in accordance with Articles 4 and 5 for the base year;

3. technical and economic data, including monthly sales reports during the base year, as well as any other information related to the prices proposed for approval, required in accordance with the decision of EWRC under Art. 5;

4. information by customer group for the base year, including number of customers, energy sales, revenues and billing data;

5. other data that the energy company considers necessary to submit in support of the submitted application or requested by EWRC;

6. Document for paid application fee.

(3) The documents under paragraph 2 shall be submitted to EWRC in electronic and paper format, certified by the signature of the representative of the energy enterprise and the seal of the energy enterprise.

(4) Energy companies shall provide the necessary evidence of the reliability of the data and information.

(5) The application for approval of necessary revenues, respectively prices, shall contain data for the base year, forecast information for the new price period (costs, quantities for carrying out the licensed activity, investments, etc.).

(6) (Amended - SG No. 41/2024, effective 10.05.2024) The applicant shall submit information on the planned investments by areas and groups of facilities in accordance with Art. 14, para. 11.

(7) The investments justification proposed for approval shall include the achievement of specific indicators regarding the implementation of the licensed activity, including network development and improvement, increasing security of supply, reducing technological costs and other goals.

(8)(Amended - SG No. 41/2024, effective 10.05.2024) The applicant shall submit a detailed report on the results achieved for the implementation of the investments for each price year of the regulatory period and an analysis regarding the achieved indicators for energy quality and customer service, as well as changes in efficiency.

(9)(Amended - SG No. 41/2024, effective 10.05.2024) As an integral part of the price applications, energy companies submit annexes with references that include the information required by EWRC.

(10)(Amended - SG No. 41/2024, effective 10.05.2024) The reports shall be submitted on paper and in digital format. The reports format is mandatory and rows and/or columns cannot be deleted. The applicant may submit additional information beyond the mandatory information on the reports. The reports must be signed by a person with representative authority and by a chief accountant and be stamped with the seal of the relevant company.

(11) At EWRC request or if necessary for additional justification, the company shall submit additional written information regarding the pricing elements to the application.

(12) With applications for price approval, energy companies may submit requests for recognition and compensation of stranded costs and costs arising from public service obligations, by attaching relevant evidence substantiating their request.

Art. 43a. (New - SG No. 52/2018) The Electricity System Security Fund shall submit an application containing information on its expenses in relation to Articles 34 and 35 of the Energy Act, as well as its revenues under Article 36e of the Energy Act for the relevant period.

Art. 44. (1) (Amended - SG No. 52/2018, amended - SG No. 41/2024, effective 10.05.2024) Energy enterprises to which EWRC applies the "rate of return on capital" regulation method may submit applications for amendment of the approved prices under Art. 38, para. 3.

(2) The necessary information to prove the circumstances under paragraph 1 shall be attached to the applications for amendment of the approved prices.

(3) In the event that the prices amended under paragraph 1 affect the prices of other energy enterprises, EWRC may instruct these enterprises to submit an application for amendment of their approved prices. In case of failure to comply with the instructions, EWRC may ex officio amend these prices.

(4) The decision on price adjustment under paragraph 3 shall not interrupt the regulatory period.

Art. 44a. (New - SG No. 47/2020, effective 22.05.2020) (1) Proceedings for the amendment of prices under Art. 38, para. 1 shall be opened at EWRC initiative.

(2) EWRC shall, at a closed session, adopt a decision to initiate proceedings under paragraph 1, a report and a draft decision, and shall set a date and time for an open session and public consultation.

(3) The open session and the public consultation shall be held on the same date within 5 days of the closed session under paragraph 2.

(4) After the expiry of the term under Art. 14, para. 3 of the Energy Act, EWRC shall hold a closed session at which it shall adopt a decision.

Art. 45. (1) The energy enterprises to which EWRC applies price regulation methods under Art. 3, para. 2, item 2, shall submit an application for approval of a change in revenue requirements and prices for the second or subsequent price periods of the regulatory period.

(2) The application under paragraph 1 shall be submitted no later than 3 months before the expiry of the previous price period.

Art. 46. (Amended - SG No. 41/2024, effective 01.07.2025) The operators of the electricity transmission network and the electricity distribution networks shall, within one month before submitting to EWRC the application for new prices approval or for amendment of existing prices, announce in the mass media their proposal on new prices approval or on the amendment of existing prices.

Art. 47. (1) EWRC, within two months after the submission of the applications for approval and/or amendment of the approved prices, respectively for elimination of the identified irregularities, shall adopt a report at a closed session and shall schedule a date and time for holding an open session to discuss the adopted report.

(2) EWRC publishes the report, date and time of the public consultation on its website.

(3) At the open session, EWRC shall discuss with the energy enterprises the report under paragraph 1 and set a deadline for submitting opinions and written justification of the objections made at the open session within 3 days from the date of the open session.

Art. 48. Within 7 days from the date of the open session, EWRC shall hold a closed session at which it shall adopt a draft decision and set a date for public consultation under Article 14 of the Energy Act.

Art. 49. (1) For energy enterprises to which the "rate of return on capital" method is applied, the draft decision, respectively the decision under Art. 52, para. 1, shall contain:

1. estimated and/or revised revenue requirements of energy enterprises, including economically justified costs for the activities under the relevant licenses, the regulatory assets base and rate of return on capital and the relevant prices;

2. (amended - SG No. 41/2024, effective 10.05.2024) estimated quantities of electricity for the next price period.

(2) In case the analysis and assessment of the information submitted by the energy enterprise under Art. 44, para. 1 and 2 do not provide grounds for amending the approved prices, EWRC shall adopt a draft decision, respectively a decision under Art. 52, para. 1, by which it refuses to amend the current prices.

Art. 50. (1) For energy enterprises, to which the price regulation methods under Art. 3, Para. 2, Item 2 are applied, the draft decision, respectively the decision under Art. 52, Para. 1, shall contain:

1. at the start of a new regulatory period:

a) length of the next regulatory period and the rate of return on capital;

b) estimated revenue requirements of energy enterprises for the first price period;

c) (amended - SG No. 52/2018) estimated quantities of electricity for the first price period;

d) prices for the first pricing period, including by customer group and tariff structure;

2. for each subsequent price period within the regulatory period:

a) values of the adjustment indicators in accordance with the requirements under Art. 3, para. 2, item 2;

b) the estimated revenue requirements of energy enterprises for the price period in accordance with the values under letter "a";

c) (amended - SG No. 52/2018) the estimated quantities of electricity for the price period;

d) prices for the pricing period, including by customer group and tariff structure.

(2) In case an energy enterprise has made a request for approval of customer groups and tariff structures, but has not substantiated its request in the submitted study on the cost of the service under Art. 17, EWRC may refuse their approval.

(3) In case the energy enterprise has not submitted an application and/or has not submitted the information under Articles 41 and 45, EWRC may ex officio approve adjusted revenue requirements and prices for the next price period of the regulatory period based on the data at its disposal.

Art. 51. (1) The public consultation procedure under Article 14 of the Energy Act begins with the publication of the draft decision on the EWRC's website.

(2) EWRC shall discuss with the stakeholders, within the meaning of Art. 14, para. 2 of the Energy Act, the draft decision and set a deadline for submitting opinions on it of no less than 14 days from the date of the public consultation.

Art. 52. (1) Once the public consultation procedure is completed, EWRC shall adopt a decision in a closed session.

(2) (Amended - SG No. 41/2024, effective 10.05.2024) In proceedings that involve factual and legal complexity, the reasons for decisions may be adopted within 10 days of the adoption of the relevant decision.

(3) EWRC shall publish the decisions under paragraph 1, respectively the reasons under paragraph 2, on its website within 3 days of their adoption.

Art. 53. (1) In the cases under Art. 40, EWRC may adopt shortened procedures and deadlines.

(2) The decision to change prices shall enter into force on the day of its adoption by EWRC and it shall publish it on its website.

Art. 54. (Amended - SG No. 41/2024, effective 01.07.2025) (1) Within 7 days after receiving the decisions of EWRC for approval of new prices, the operators of the electricity transmission and distribution networks shall publish their approved maximum prices on their websites.

(2) (Amended - SG No. 52/2025, effective 27.06.2025) Within 1 working day after receiving the EWRC decision determining the base value under Art. 37d and the component under Art. 37e or amending the base value under Art. 40a and/or the component under Art. 40b, the end supplier shall publish on its website the price under Art. 30a, para. 3 of the Energy Act.

Art. 55. (Amended - SG No. 41/2024, effective 10.05.2024) (1) The proceedings for determining the types of services related to licensing activities and approving prices for these services shall be initiated by EWRC or at the request of a licensee.

(2) In case the proceedings under paragraph 1 are opened at EWRC initiative, the licensee shall submit information and a description of the types of services offered related to the licensing activity, as well as evidence and justification of the costs related to the provision of these services.

(3) In case the proceedings under paragraph 1 are initiated at the licensee request, the application shall contain information and a description of the types of services offered related to the licensing activity, as well as evidence and justification of the costs related to the provision of these services.

(4) Within two months from the commencement of the proceedings or from receipt of the information under paragraphs 2 and 3, EWRC shall adopt a draft decision in a closed session to determine the types of services and to approve the prices of these services and shall set a date and time for holding an open session and for holding a public consultation of the draft decision pursuant to Art. 14 of the Energy Act.

(5) EWRC shall publish the draft decision, the date and time of the open session and the date and time of the public consultation on its website.

(6) At the open session, EWRC shall discuss the draft decision with the energy company and shall set a deadline for submitting an opinion within 5 days from the date of its holding.

(7) At the public consultation, EWRC shall discuss the draft decision with stakeholders and sets a deadline for submitting opinions on it of no less than 14 days.

(8) Once the public consultation procedure is completed, EWRC holds a closed session at which it adopts a decision to determine the types of services provided related to licensing activities and to approve prices for these services.

Art. 56. Persons whose activities are not subject to licensing under the Energy Act, but who carry out transactions at regulated prices, shall submit applications under Art. 41, para. 1, which shall be considered by EWRC in accordance with the procedure of this Chapter.

Art. 57. (New - SG No. 41/2024, effective 01.07.2025) (1) (Amended and suppl. - SG No. 52/2025, effective 27.06.2025) The report under Art. 47, para. 1 shall contain an analysis regarding the determination of the base value under Art. 37d and the component of the end supplier's price in relation to the supply of electricity to household end customers.

(2) The end supplier shall submit information that is necessary for the purposes of the analysis under paragraph 1.

Art. 57a. (New - SG No. 52/2025, effective 27.06.2025) In connection with the proceedings under Art. 40a, EWRC shall adopt a report and a draft decision in a closed session, and shall set a date and time for a public consultation under Art. 14 of the Energy Act of the adopted draft decision, which shall be held within 5 days of the date of the closed session.

(2) EWRC shall publish the draft decision, the date and time of the public consultation on its website.

(3) At the public consultation, EWRC discusses the draft decision with stakeholders and sets a deadline for submitting opinions on it of no less than 14 days.

(4) After the public consultation procedure is completed, EWRC holds a closed session at which it adopts a decision to amend or not amend the base value.

(5) EWRC may request from the energy enterprises and the ESSF information that is necessary for the purposes of the proceedings under paragraph 1.

Art. 58. (New - SG No. 41/2024, effective 01.07.2025) (1) (Amended - SG No. 52/2025, effective 27.06.2025) In connection with the proceedings under Art. 40b in a closed session, EWRC adopts a report and a draft decision, schedules a date and time for an open session and for a public consultation under Art. 14 of the Energy Act of the adopted draft decision, which shall be held within 5 days from the date of the closed session.

(2) EWRC shall publish the draft decision, the date and time of the open session and the date and time of the public consultation on its website.

(3) At the open session, EWRC discusses the draft decision with the final supplier and sets a deadline for submitting an opinion within 3 days from the date of its holding.

(4) At the public consultation, EWRC discusses the draft decision with stakeholders and sets a deadline for submitting opinions on it of no less than 14 days.

(5) (Amended - SG No. 52/2025, effective 27.06.2025) Once the public consultation procedure is completed, EWRC holds a closed session at which it adopts a decision to amend or not amend the end supplier price component.

(6) The end supplier shall submit information that is necessary for the purposes of the proceedings under paragraph 1.

Art. 59. (New - SG No. 41/2024, effective 01.07.2025, amended - SG No. 52/2025, effective 27.06.2025) In connection with the proceedings under Art. 37f, EWRC shall adopt a report and a decision in a closed session, determining the monthly compensation for covering part of the costs of household end customers for purchased electricity from an end supplier.

Additional provisions

§ 1. Within the meaning of the Ordinance:

1. "Base year" means the previous calendar year or 12-month period preceding the submission of the proposal for which the energy enterprise provides information on the licensed service used as a pricing basis.

2. "Dynamically changing generation" is the electricity generation that is difficult to predict on the day before delivery due to an uncontrollably and dynamically changing primary energy source.

3. "Electrical energy" is the active electrical energy.

4. "Efficiency improvement coefficient" is a target value expressing the relative reduction in the costs of energy enterprises for carrying out the relevant licensed activity.

5. (repealed – SG No. 41/2024, effective 01.07.2025)

6. "Revenue requirements" are the economically justified revenues necessary for the energy enterprise to provide the service under the license with a certain quality and achievement of the specified return.

7. "Rate of return on capital" is the return on invested capital, expressed as a percentage of that capital.

7a. (new - SG No. 52/2018) "Day Ahead Market" is an organized market within the scope of the license for organizing an electricity exchange market under Art. 39, para. 1, item 6 of the Energy Act.

8. "Useful life" is the period for which EWRC assumes that an asset can be depreciated.

9. "Recognized value of assets" is the value recognized by EWRC of all assets of the energy enterprise that are used and directly related to the activity under the license.

10. "Variable costs" are those costs whose value changes depending on the quantities of energy produced, transmitted or sold.

11. "Service Value Study" is a study of the energy enterprise's costs of providing the service under the license by customer group and a comparison with the actual or estimated revenues received by each customer group at existing or proposed prices.

12. "Reactive electrical energy" is the energy generated and delivered by generators over a certain period of time, capable of maintaining the voltage and the electromagnetic field, measured in varh and its derivatives.

13. "Regulatory asset base" is the value of tangible and intangible assets that are both used and have a useful life for the provision of the licensed service, and the necessary working capital.

14. (amended – SG No. 52/2018) "Regulatory period" is the period between two regulatory reviews, which begins on the first of July of the relevant year and lasts:

a) usually 1 year for energy enterprises to which the method under Art. 3, para. 2, item 1 is applied;

b) from 2 to 5 years for energy enterprises to which the method under Art. 3, para. 2, item 2 is applied;

c) (amended – SG No. 41/2024, effective 01.07.2025) up to 1 year for energy enterprises that carry out the activity "supply of electricity from an end supplier".

15. "Regulatory review" means an activity in which EWRC analyses and assesses the reporting information for the base year and the forecast information for the next price/regulatory period provided by the energy enterprises. As a result of the regulatory review, EWRC approves:

a) (amended – SG No. 41/2024, effective 01.07.2025) the estimated necessary revenues and prices of energy enterprises, including economically justified costs and return on capital for the activities under the relevant licenses;

b) the duration of the regulatory period in the case of regulation through incentives, as well as the values of the pricing elements on the basis of which energy enterprises propose prices for approval for the next price period within the regulatory period.

16. "Capital structure" is characterized by the relative shares of equity and borrowed capital in the total capital of the energy enterprise.

16a. (new - SG No. 52/2018) "A significant change between the estimated market price for base load for a relevant period compared to the achieved and estimated price for the remaining period of the period on an organized exchange market" is present if this change is more than 15 percent.

16b. (new - SG No. 47/2020, effective 22.05.2020) "A significant change between the estimated price of natural gas for the regulatory/pricing period and the achieved and estimated price for the remaining period" is present if this change is more than 15 percent.

17. "Tariff structure" is a system of prices for the sale of electricity or the provision of a service, the revenues from which correspond to the revenue requirements for the relevant activity.

17a. (new - SG No. 35/2026, effective 14.04.2026) "Customer groups in the tariff structures of the basic electricity value for 1 MWh, which the household end customer should pay for the relevant regulatory period" are determined on the basis of similar consumption characteristics and/or on another basis, as well as depending

on whether the customers purchase electricity for the domestic needs of a household with a status of energy poverty, determined in accordance with the procedure and under the conditions of the ordinance under Art. 38e, para. 2 of the Energy Act.

18. "Tariff price" is any individual price from the tariff structure.

19. "Conditionally fixed costs" are those that do not change when the quantities of energy produced or transmitted change.

20. "Services related to the licensing activity" are other services performed by the company that are necessary for the implementation of the activity under the license.

21. (repealed - SG No. 52/2018)

22. (repealed - SG No. 52/2018)

23. "Price period" is a period during which prices remain unchanged by EWRC - usually twelve months.

Transitional and Conclusive Provisions

§ 2. Administrative proceedings pending as of the date of entry into force of the Ordinance shall be completed in accordance with the procedure of this Ordinance.

§ 3. The public supplier, the end suppliers and the operators of the electricity transmission network and the electricity distribution networks shall, within 3 days from the date of promulgation of the ordinance in the "State Gazette", announce in the mass media their proposal for approval of the new prices or for the amendment of the current prices for the regulatory/pricing period 1.07.2017 - 30.06.2018, if they have not done so earlier in accordance with Art. 36a, para. 1 of the Energy Act.

§ 4. Ordinance No. 1 of 2013 on the regulation of electricity prices (promul. in the State Gazette, No 33/2013; amended and suppl. SG No 17/2014, SG No 4/ 2015; amended by Decision No. 11674 of 5.11.2015 of the Supreme Administrative Court of the Republic of Bulgaria – SG No 20/2016; amended by Decision No. 13033/1.12.2016 of the Supreme Administrative Court of the Republic of Bulgaria – SG No 100/2016) is repealed.

§ 5. The Ordinance is adopted on the basis of Art. 36, para. 3 of the Energy Act and Art. 32 of the Renewable Energy Act and is in accordance with the requirements of Directive 2009/72/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity.

§ 6. Interpretation or instructions on the application of the Ordinance shall be given by decision of EWRC.

§ 7. The Ordinance enters into force on the day of its publication in the State Gazette.

Transitional and Conclusive Provisions

TO THE ORDINANCE FOR AMENDMENT AND SUPPLEMENT OF ORDINANCE No. 1 OF 2017 ON THE ORDINANCE OF ELECTRICITY PRICES

(PROMULG. – SG No. 52/2018)

§ 32. (1) The regulatory period of energy enterprises, which expires before, respectively after 30.06.2018, is extended until 30.06.2019.

(2) For the energy enterprises under paragraph 1, EWRC shall determine premiums as the difference between the preferential prices of the enterprises in force on the date of entry into force of this ordinance and the estimated market price determined for this period for electricity produced in a highly efficient combined cycle manner.

§ 33. For energy enterprises for which EWRC approves and/or sets prices for the first time, the regulatory period shall be of a duration specified in EWRC's decision, which may be shorter than 1 year.

§ 34. Administrative proceedings pending as of the date of entry into force of the ordinance shall be completed in accordance with the procedure of this ordinance.

Transitional Provisions
TO THE ORDINANCE FOR AMENDMENT AND SUPPLEMENT OF
ORDINANCE No. 1 OF 2017 ON THE ORDINANCE OF ELECTRICITY
PRICES

(PROMULG. – SG No. 50/2019, EFFECTIVE 25.06.2019)

§ 13. The Ordinance enters into force on the day of its publication in the State Gazette.

Transitional and Conclusive Provisions
TO THE ORDINANCE FOR AMENDMENT AND SUPPLEMENT OF
ORDINANCE No. 1 OF 2017 ON THE ORDINANCE OF ELECTRICITY
PRICES

(PROMULG. – SG No. 47/2020, EFFECTIVE 22.05.2020)

§ 9. The administrative proceedings pending as of the date of entry into force of the ordinance shall be completed in accordance with the procedure set out in this ordinance. When approving and/or setting prices for the regulatory period from 1.07.2020 to 30.06.2021, EWRC shall not make adjustments in accordance with the procedure set out in Art. 19, para. 3 and Art. 24a.

§ 10. The Ordinance enters into force on the day of its publication in the State Gazette.

Conclusive Provisions

**TO THE ORDINANCE FOR AMENDMENT AND SUPPLEMENT OF
ORDINANCE No. 3 OF 21.03.2013 ON LICENSING THE ACTIVITIES IN
THE ENERGY SECTOR**

(PROMULG. – SG No. 65/2021, EFFECTIVE 06.08.2021)

§ 13. The Ordinance enters into force on the day of its publication in the State Gazette.

Transitional and Conclusive Provisions

**TO THE ORDINANCE FOR AMENDMENT AND SUPPLEMENT OF
ORDINANCE № 1 OF 14.03.2017 ON REGULATING ELECTRICITY
PRICES**

(PROMULG. – SG No. 41/2024, EFFECTIVE 10.05.2024, AMENDED - SG No. 52/2025, EFFECTIVE 27.06.2025)

§ 50. (Repealed – SG No. 52/2025, effective 27.06.2025)

§ 51. (Repealed – SG No. 52/2025, effective 27.06.2025)

§ 52. EWRC shall conduct the proceedings under Art. 30a, para. 1 of the Energy Act for the regulatory period starting from July 1, 2025, and on the basis of § 1, item 2 in the part under items 7, 9, 10; § 2, item 1 in the part under letter "a" and item 2, letter "b" in the part under items 3 and 4; § 3, item 2; § 7; § 8, item 2; § 15; § 20; § 32, item 1 and 2; § 33; § 35, item 1; § 36, item 1; § 37; § 38; § 43; § 46; § 48 and § 49.

§ 53. The Ordinance shall enter into force on the day of its promulgation in the "State Gazette", with the exception of: § 1, item 2 in the part under items 7, 9, 10; § 2, item 1 in the part under letter "a" and item 2, letter "b" in the part under items 3 and 4; § 3, item 2; § 7; § 8, item 2; § 15; § 20; § 32, item 1 and 2; § 33; § 35, item 1; § 36, item 1; § 37; § 38; § 43; § 46; § 48 and § 49, that shall enter into force on 1 July 2025.

Transitional and Conclusive Provisions

**TO THE ORDINANCE FOR AMENDMENT AND SUPPLEMENT OF
ORDINANCE № 1 OF 14.03.2017 ON REGULATING ELECTRICITY
PRICES**

(PROMULG. – SG No. 52/2025, EFFECTIVE 27.06.2025)

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§ 25. For the regulatory period starting on 1 July 2025, the component under Art. 37e, para. 1 may not exceed the amount of the component for the activity "supply of electricity by an end supplier" included in the approved end supplier price in force before the start of this regulatory period.

§ 26. In the event that during the regulatory period starting on 1 July 2025, the component specified under Art. 37e, para. 1 is amended in accordance with Art. 40b, the amount of the amended component may not exceed the amount of the component for the activity "supply of electricity by an end supplier" included in the approved end supplier price in force before the start of this regulatory period.

§ 27. EWRC shall conduct the proceedings under Art. 30a, para. 1 and Art. 30b of the Energy Act for the regulatory period starting from July 1, 2025, and on the basis of § 1, 2, 4, 5, 6, 9, 14 and 16.

§ 28. The Ordinance shall enter into force on the day of its promulgation in the State Gazette, with the exception of § 1, 2, 4, 5, 6, 9, 14, 16 and 23, which shall enter into force on July 1, 2025.

Transitional and Conclusive Provisions
TO THE ORDINANCE FOR AMENDMENT AND SUPPLEMENT OF
ORDINANCE № 6 OF 28.03.2024 ON CONNECTION OF FACILITIES TO
THE ELECTRICITY NETWORKS

(PROMULG. – SG No. 35/2026, EFFECTIVE 14.04.2026)

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§ 25. The Ordinance was adopted on the basis of Art. 116, para. 7 of the Energy Act by decision of the Energy and Water Regulatory Commission under Protocol No. 81 of 7.04.2026, item 1, and enters into force on the day of its promulgation in the State Gazette.