

ATTN:

**MR ANGELIN TSACHEV
EXECUTIVE DIRECTOR OF
ELECTRICITY SYSTEM OPERATOR EAD
SOFIA 1618, 201 TSAR BORIS III Blvd.**

**REGARDING: POSITION ON THE PLAN FOR THE DEVELOPMENT OF THE BULGARIAN
ELECTRICITY TRANSMISSION NETWORK FOR THE PERIOD 2022-2031**

Dear Mr. Tsachev,

The Bulgarian wind energy association (BGWEA), founded in 2010, is a representative organization for the wind energy sector in the country, uniting the majority of companies active in the sector, including investors in wind energy projects. The members of BGWEA form a significant share of the total installed wind power capacity in Bulgaria. BGWEA has been recognized by all key institutions and market participants as a discussion partner possessing the necessary expertise and representation authority.

The published draft PLAN FOR THE DEVELOPMENT OF THE BULGARIAN ELECTRICITY TRANSMISSION NETWORK FOR THE PERIOD 2022-2031 revealed that Electricity System Operator EAD (ESO EAD) has carried out consultations regarding the plans and intentions involving the development of new capacities only with some of the potential investors in wind power plants and BGWEA is not among the stakeholders whose proposals and intentions have been taken into consideration. As a representative organization in the sector, we keep constant communication with the entire network of companies involved in the wind sector, including companies which are not

members of our association, and we are the only organization that has representative information on the wind sector development.

The plan for the development of the Bulgarian transmission network for the period 2022-2031 shall take into account the significant role of wind energy in the country's electricity mix. Bulgaria has a significant resource of wind and sun for the construction of wind power plants (Wind PP) and photovoltaic power plants (PvPP), the development of which constitutes the fastest way to ensure energy independence and increase the share of green energy, produced using a local source at competitive prices. Our country needs both types of power plants, but they have to be built in a balanced way, i.e. the installed wind and solar capacities shall be close or equal in size. A balanced mix of Wind PPs and PvPPs will also facilitate the management of the power system and the more efficient use of the available capacity of the power transmission grid. In terms of energy balance, Wind PPs have a higher utilization rate, i.e. each installed MW of Wind PPs contributes to the availability of more and cheap energy within the grid. As of the end of 2020, the installed capacity of PvPPs in Bulgaria was 1 121 MW, and of Wind PPs - 701 MW, while at the same time the two types of power plants have produced the same amount of energy (1.478 TWh each). In terms of power balance, Wind PPs ensure a more uniform production around the clock, while PvPPs have a pronounced peak between 10:00 and 17:00. Wind PPs have a greater contribution within the periods when there is an increased need for energy (morning / evening, winter season), when there is no sunshine or it is greatly reduced.

The new production capacities for Wind PPs (343 MW), as provided for in the current draft Plan do not reflect the expected trend of increasing the share of wind energy in the energy mix in connection with the country's commitments, or the actually stated investment intentions and increased investment interest.

At present, the investor interest in wind energy projects is growing significantly, and according to the information available to BGWEA, more than 4000 MW are currently under development. BGWEA proposes revision of the forecast for accession of new Wind PPs to the electricity distribution and transmission grid, taking into account all valid contracts - final and preliminary ones, the coordination letters, as well as opinions issued to date and submitted requests for such opinions. In addition, the list of interested stakeholders needs to be updated to reflect the actual active investment intentions.

Considering the available investment intentions and projects currently under development, BGWEA proposes the forecast for accession of new Wind PPs by 2031 to be revised and to be increased from 343 MW of Wind PPS (as provided for in the current version of the Plan) to 4500 MW

of Wind PPs, which will be distributed as follows: 1500 MW for 2026, 1000 MW for 2027, and 500 MW for each year of the period 2028-2031.

Taking into account the fact that BGWEA represents the interests of a significant number of wind energy producers and investors, we ask you to organize a meeting so we could introduce you to our activities and discuss the possibility for a future constructive cooperation, including on topics concerning the future development of the electricity transmission grid, which needs to integrate the growing share of installed capacity of Wind PPs, that help the country achieve energy independence and decarbonisation.

Respectfully yours,

Miglena Stoilova

Chairperson of the Supervisory Board of

BGWEA