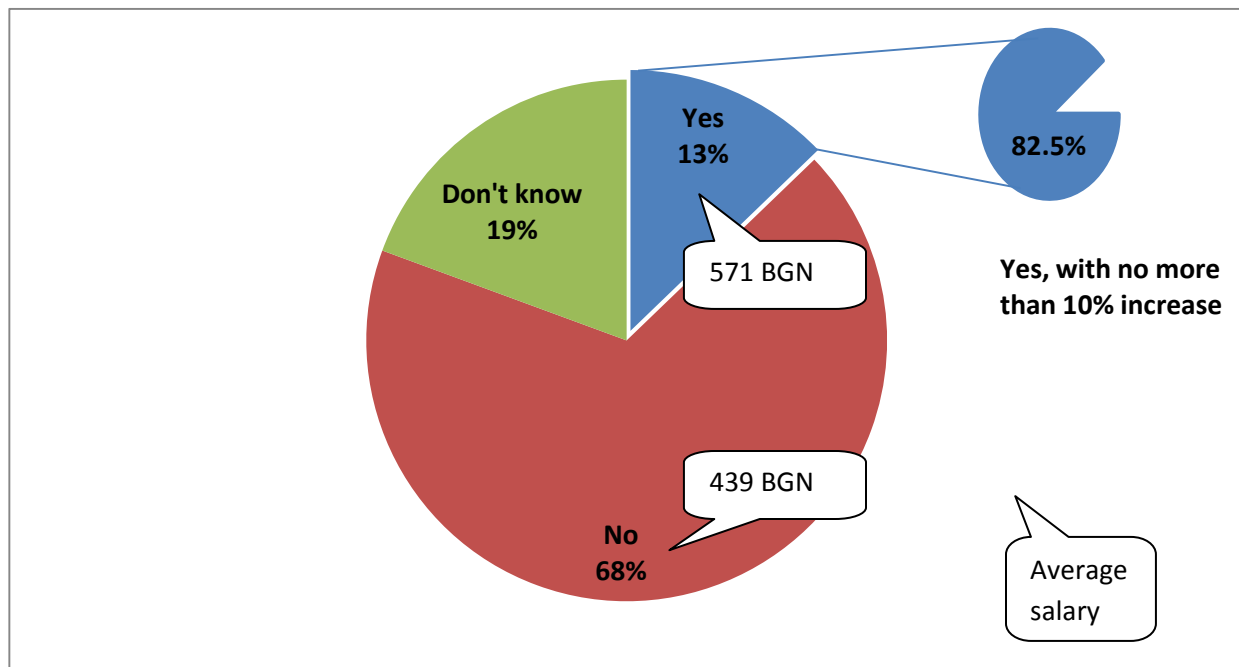


## Are Bulgarian consumers willing to pay for clean energy?

Would you pay a higher price for electricity if it were produced through renewable energy sources? How much more would you pay?



Source: National representative survey, November 2009, Vitosha Research, Center for the Study of Democracy

Bulgarian households pay the lowest price of electricity in Europe in absolute terms. Price increases are inevitable to cover costs of new investments in production and transmission. Bulgaria has signed binding agreements within the European Union to achieve 16% of final or energy consumption from renewable energy sources (RES) by 2020, which will bring further pressure on prices for final consumers. Are Bulgarian households ready to foot the bill of more expensive electricity? How much more are they willing to fork out of their budget for green energy?

**A mere 13% of Bulgarian households** are willing to pay extra for clean energy. Of those **82.5% would only bear a modest increase in their electricity bills** – with up to 10%. Willingness to pay a ‘green energy premium’ is directly linked to the level of income. Low income households support cheaper although ‘dirtier’ energy. **63% of the population has used wood for heating**, which remains the cheapest energy source. This shows that sustainable development through RES is not readily supported by Bulgarian consumers and there is a need of economic stimuli and campaigns to activate people and businesses in that direction. The Bulgarian government needs to balance carefully between new investments and the effects of price increases on socially and energy vulnerable members of society.