



## Drivers of Electricity Prices

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This paper investigates drivers of electricity prices for different consumer groups in industry and households in Slovenia in the 2005-2014 period. There are three main components of the electricity price: liberalized market share for purchased electricity price, regulated infrastructure share for electricity network use and mandatory state charges in the sale of electricity (duty, excise duty and value-added tax). To calculate the real value of electricity prices the following deflators are used: index of industrial product prices for electricity prices in industry, harmonized index of consumer prices for electricity prices for households and implicit deflator of gross domestic product for the size of the economy. In the empirical econometric part is used regression analysis for electricity prices in the industry, depending on the amount of electricity consumption, the average cost of electricity production, value-added tax on the consumption of electricity and natural gas prices in the industry. The price of electricity in households in the regression analysis is explained by the amount of electricity consumption, the average cost of electricity production, value-added tax on electricity consumption, taxes on the consumption of electricity, natural gas price in the households and the prices of other energy products in households.

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