Power Market Liberalization in Bulgaria: A Decade Old Problem

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The liberalization of the Bulgarian power market has been characterized by constant external (the European Commission) and internal (private stakeholders) pressure. Regardless, the government has shown prevailing reluctance to take any serious actions that might deliver effective structural improvements to the market, making changes only on paper. In short, it may be described as "reform at gunpoint" – doing anything it takes to make the problem go away, while obstructing efficient market functioning..

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THE ROAD TO MARKET LIBERALIZATION IN BULGARIA BEGAN DURING THE COUNTRY'S PRE-ACCESSION PERIOD TO THE EUROPEAN UNION (EU) AND THE GOVERNMENT'S DECISION TO TAKE A STEP-BY-STEP APPROACH

The road to market liberalization in Bulgaria began during the country's pre-accession period to the European Union (EU) and the government's decision to take a step-by-step approach. The process began in 2004, when high voltage power consumers were required to secure their power consumption from the wholesale supply of electricity at freely negotiated market prices, followed by medium voltage consumers in 2013. Although there was a formal liberalized power market, it soon became obvious that it was characterized by low competition and a high degree of concentration. This was due to the fact that three state-owned enterprises (SOE), organized in a holding company – Bulgarian Energy Holding (BEH), also owned by the state, supplied the majority of the power for the liberalized market (around 85%) and were taking advantage of their position. This led to an antitrust procedure against BEH and the implementation of commitments on behalf of the holding to remedy the situation.

One of these commitments included establishing an organized power exchange (Independent Bulgarian Electricity Exchange – IBEX), which began working in early 2016 – nine years after the country's accession to the EU, thus marking the beginning of the first real steps taken towards market liberalization. And while the government was dragging its feet with regard to some reforms (for example to power exchange), other decisions – for example obligatory power trading on IBEX, effectively banning over-the-counter (OTC)[1] trading – were finalized in less than a week. Judging from the country's experience with deregulating the power market, it would seem that the government is deliberately delaying decisions that can improve market functioning and

[1] *Over-the-counter* or *off-exchange trading* is done directly between two parties, without the supervision of an exchange.

> THERE ARE, PERHAPS, TWO MAIN DIFFERENCES WHEN CONSIDERING BULGARIA'S AND THE REST OF THE EU'S EXPERIENCEINPOWER MARKET DE-REGULATION – THE PROCESS STARTED MUCH LATER IN BULGARIA AND THE POLITICAL "ENTHUSIASM" ABOUT IT WAS BORDERLINE NONEXISTENT

only making them when there is no other option due to the mounting pressure – both from external and internal parties.

The current result is that Bulgaria has a liberalized power market, which is highly concentrated, essentially monopolized, and thus it is inefficient and non-transparent. Some reforms that could improve market operations are being delayed (deliberately, it would seem), while others, which fundamentally change the market, are fast forwarded with little to no prior preparation – sometimes leading to greater uncertainty and higher risks for both traders and consumers. Perhaps what is most shocking, is that while market inefficiencies may be the result of government policy, it is state-owned enterprises, not private stakeholders, that are the beneficiaries, and ultimately are distorting the market.

MARKET COMPETITION AND CONCENTRATION

Traditionally, the power sector in Bulgaria operated as a vertically-integrated company, as was the case in the rest of Europe, in a completely regulated market. There are, perhaps, two main differences when considering Bulgaria's and the rest of the EU's experience in power market deregulation – the process started much later in Bulgaria and the political "enthusiasm" about it was borderline nonexistent. During the country's pre-accession period the companies being a part of the vertically-integrated company were uncoupled, which was one of the first steps in the liberalization process. In 2008, just over a year after Bulgaria joined the EU, the government reversed that step by transferring ownership of the state-owned energy companies (which are also the largest generating companies in the sector) to a state-owned holding company.

This move alone practically guaranteed that the power market liberalization process was put in reverse as the vertically-integrated company of the pre-accession period was replaced by a new vertically-integrated company. This was also the conclusion came to by the European Commission (EC) in its antitrust procedure against the holding:

"BEH has wide-ranging powers to decide on questions within the competence of the


CASINO
Skaggs
DRUG
CENTER
SKA
MJChristensen
The
MINT
HOTEL
HORSESHOE
CASINO

BEH HOLDS AROUND 85% OF THE WHOLESALE SUPPLY OF ELECTRICITY AT FREELY NEGOTIATED PRICES

general assemblies of BEH's subsidiaries. BEH appoints and dismisses the members of the boards of directors of BEH's subsidiaries, it approves decisions concerning the dismissal of the CEOs, it is informed of the agenda of the meetings of the boards of directors of BEH's subsidiaries and receives the minutes of these meetings, and it approves the business plans of BEH's subsidiaries. In addition, a number of persons have, since 2008, at one time or another been a member of both the board of directors of BEH and the board of directors of one or more of BEH's subsidiaries. Under the successive articles of association of BEH's subsidiaries in force between 2008 and 2014 and BEH's internal rules, BEH's subsidiaries have, in addition, been required to submit to BEH for approval all transactions above certain thresholds and to provide BEH with information concerning contracts that they intend to enter into"[2].

While market participants' coordination can distort free market functioning, the problem can be mitigated if the market in question is characterized by a high degree of competition. However, this is not the case with regard to the energy SOEs, which have a monopoly-like presence on the Bulgarian market. As the Bulgarian energy regulator constantly points out in its annual reports to the European Commission, BEH holds around 85% of the wholesale supply of electricity at freely negotiated prices. This means that the market share of all its competitors is around five times smaller, removing any competitive pressures.

There are some inherent circumstances leading to this situation. One is that some privately-owned generation companies supply electricity to the transmission system operator for ancillary services[3] and cold reserves, which limits the quantity of electricity they can sell on the free market. The obvious solution is to increase imports of electricity; however, two problems emerge – BEH has lower marginal costs (nuclear and hydro production) pricing out imports, and there is limited capacity for imports in terms of interconnections between electricity transmission systems with neighboring countries. As a result, the market share of imports varies between 3% and 8%, which is over ten times lower than the market share of BEH. As a consequence, the SOE holding company retained its monopoly-like function even after the liberalization process had started.

Despite the high concentration on the liberalized power market, one could argue that this does not necessarily lead to market malformations – if the BEH does not take advantage of its dominant position. However, that was not the case, which was the reason behind the antitrust procedure from the EC. The Commission came across two major problems. One was that the majority

[2] European Commission (2015) Case AT.39767-BEH ELECTRICITY, Antitrust Procedure Council Regulation (EC) 1/2003.3.

[3] *Ancillary services* are the specialty services and functions provided by the electric grid that facilitate and support the continuous flow of electricity so that supply will continually meet demand.

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THE SHORT AMOUNT OF TIME (LESS THAN TWO YEARS) IT TOOK BEH TO SET UP THE POWER EXCHANGE CLEARLY SHOWS THAT REFORMING THE MARKET HAS ALWAYS BEEN A QUESTION OF WILL AND NOT OF TIME OR RESOURSES

of the reviewed contracts contained provisions that stipulate where the electricity shall be consumed or where the electricity may be resold:

“These contracts limit customers’ freedom to choose whether to sell the purchased electricity in the territory of Bulgaria or to export it. These contracts also contain clauses which allow BEH’s subsidiaries to monitor whether or not the electricity purchased in fact reaches the destination stipulated in the contract. In addition, customers who fail to comply with the destination clause may be subject to financial penalties or may have their contracts terminated early, or both”[4].

The other was the unequal treatment of market participants – the majority of contracts included a destination clause, while others did not, which creates an uneven playing field.

The antitrust procedure was closed with BEH making commitments to set up a viable and independent power exchange and to supply a pre-determined minimum quantity of power at a price equal to its marginal cost. The power exchange received its license in March 2014 and started working in January 2016. The short amount of time (less than two years) it took BEH to set up the power exchange clearly shows that reforming the market has always been a question of will and not of time or resourses.

Although the EC considered the introduction of an organized power market and the binding commitments of BEH to supply a pre-determined amount of electricity on that market as a necessary and sufficient condition to improve the efficiency of the market, the assumption proved to be unfounded. Less than two years after the IBEX was set up (during the autumn of 2017), tensions began to rise again, and industrial consumers began protesting. Their main complaint was that the OTC market for bilateral power contracts was not working properly, citing cases when power purchasing took place “over the phone” rather than as a result of a tender offer. At the root of this problem, not surprisingly, were the state-owned enterprises in BEH. The business demanded reforms that will ensure the proper functioning of the power market, and the politicians were quick to reply.

[4] European Commission (2015) Case AT.39767-BEH ELECTRICITY, Antitrust Procedure Council Regulation (EC) 1/2003.3.

The legislative changes that followed were fast and on the edge of the law coming into effect through the transitional and final provisions of the Safe Use of Nuclear Energy Act[5]. By doing so, politicians skip the obligation to hold consultations and gather opinions from stakeholders, as well as to prepare an impact assessment of the proposed changes. Experience from the rapid adoption of regulatory changes in the energy sector and the lack of consultations with the stakeholders show that the results of the changes often differ with the goals set. In this way, it enters a spiral of frequent regulatory changes that create serious difficulties for the functioning of the free market.

What is even more shocking, besides the non-standard way for the legislative changes, is the short time frame for proposing and voting on the changes – only six working days (December 6–13). Moreover, after the adoption of the changes in the Energy Act, which came into effect on January 1, 2018, on the second reading, their publication in the *State Gazette* took place on December 22, 2017. The changes were implemented on January 1, 2018. This left only three working days until the end of the year, which was a highly inadequate time for the subsequent amendments to the rules of the organized power market for bilateral contracts of IBEX. This, of course, made conducting a consultation and gathering opinions from stakeholders practically impossible.

With these amendments the government made power trading obligatory on the organized exchange, effectively banning the OTC market. The reasoning was that this will ensure transparent and fair market functioning. This decision created an outrageous paradox because the government essentially confirmed that it could not control the dominant position of its state-owned enterprises and the only solution it found was the disciplining role of the free market. However, the logic behind the legislative changes was also unfounded as tensions related to the liberalized power market resurfaced again in the autumn of 2018.

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> EXPERIENCE FROM THE RAPID ADOPTION OF REGULATORY CHANGES IN THE ENERGY SECTOR AND THE LACK OF CONSULTATIONS WITH THE STAKEHOLDERS SHOW THAT THE RESULTS OF THE CHANGES OFTEN DIFFER WITH THE GOALS SET

The bottom line is that no matter the market structure, if there is sufficient concentration and lack of competition, market functioning can easily be compromised. Although there

[5] Instead of making amendment to the sectoral law, which is the Energy Act.

NO MATTER THE MARKET STRUCTURE, IF THERE IS SUFFICIENT CONCENTRATION AND LACK OF COMPETITION, MARKET FUNCTIONING CAN EASILY BE COMPROMISED

have been a lot of changes to the power market in Bulgaria since its accession to the EU, it may be safely assumed that their focus has never been improving the market; rather, it was liberalizing it on paper while keeping the monopoly position of the SOEs intact:

- the uncoupling of the vertically-integrated company of the fully regulated pre-accession market was overturned a year after the country's accession to the EU;
- in the following years, the new holding company dominated the market imposing so-called destination clauses, effectively restricting customer's freedoms and creating preferential treatment for some stakeholders;
- setting up an organized power exchange was completed in less than two years, but it took nine years to start the process;
- even after the power exchange began its operations, tensions on the market (related to opaque deals and preferential treatment) persisted;
- eventually, the government completely closed off the OTC market, essentially admitting that it cannot prevent its energy companies taking advantage of their dominant position and made power trading possible only on the organized power market.

REGULATION AND LEGISLATION

Generally, there are two solutions to improving the efficiency of a monopolized market: regulation and competition. The preferable option is always the introduction of competition and ensuring a lower degree of market concentration. However, there are cases where this is not always possible. One example is the so-called natural monopolies[6], where competition – given the current technological advancements and consumption structure – is almost impossible. Another example could be a temporal monopoly market, where competition is possible in the medium to long-term, after legislative or infrastructure improvements. Bulgaria's power market operates in the latter theorem – it is possible to increase the competition on the market, but it will take time. Until then, there should be adequate regulation, so as to ensure the efficient market functioning.

As it can be seen from the country's experience with market liberalization in the period 2007-2015, the only regulatory intervention introduced may be attributed to the European Commission's antitrust procedure. This development has led to the establishment

[6] A *natural monopoly* is a type of monopoly that exists due to the high fixed or start-up costs of conducting a business in a specific industry.

> THERE ARE TWO SOLUTIONS TO IMPROVING THE EFFICIENCY OF A MONOPOLIZED MARKET: REGULATION AND COMPETITION. THE PREFERABLE OPTION IS ALWAYS THE INTRODUCTION OF COMPETITION AND ENSURING A LOWER DEGREE OF MARKET CONCENTRATION

of the organized power exchange and the binding commitment from BEH to supply a pre-determined minimum quantity at a price equal to the holding's marginal cost on the power market. In the Commission's view, this should have been enough to guarantee the efficient functioning of the market.

As observed in the last two years, however, this assumption seems unfounded. Despite the current market structure – conducting power trading solely on the organized power market – BEH's market share of the wholesale supply of electricity at freely negotiated prices remains around 85%, according to Bulgaria's energy regulator. In short, there is no change between 2012 and 2017 and one cannot expect anything different going forward. In 2017, generation companies (not owned by BEH[7]) produced just over 11.5% of total net generation for the year. Importing energy is also not an option, as the European Commission pointed out[8] – BEH has lower marginal costs (nuclear and hydro production) pricing out imports and there is limited capacity for imports in terms of interconnections between electricity transmission systems.

As power prices in Bulgaria are traditionally lower than those in the region (as pointed out above), it is difficult to determine the exact deadweight loss[9], or the market premium Bulgarian consumers pay, due to the market concentration in the country. However, while power prices in the EU as a whole – and in the South East EU region in particular – have been on the rise in the past couple of years, they are increasing faster in Bulgaria, compared to the region as a whole. For example, in 2017, the price on the power exchange in Bulgaria was, on average, 20% lower than in Hungary, and 17% lower than in Romania. In 2018, Bulgarian prices continued to be the lowest;

[7] We are counting two privately-owned thermal power plants as part of BEH as they have long-term power purchasing agreements, and there still isn't a mechanism to integrate them into the market. Their annual production in 2017 was around 18.4% of total net power generation.

[8] European Commission (2015) Case AT.39767-BEH ELECTRICITY, Antitrust Procedure Council Regulation (EC) 1/2003.3.

[9] A *deadweight loss*, also known as *excess burden* or *allocative inefficiency*, is a loss of economic efficiency that can occur when equilibrium for a good or a service is not achieved. This may be caused by monopoly pricing in the case of artificial scarcity, an externality, a tax or subsidy, or a binding price ceiling or price floor such as a minimum wage.


LOVE
BAY

> THE ONLY REASON BEHIND THE LACK OF ENTHUSIASM ON BEHALF OF BOTH THE REGULATOR AND POLITICIANS APPEARS TO BE THE FACT THAT THE COMPANIES MONOPOLIZING THE MARKET ARE STATE-OWNED. IF THESE WERE PRIVATELY-OWNED COMPANIES, THERE WOULD HAVE BEEN SEVERAL REGULATORY REVIEWS AND AT LEAST A POLITICAL OUTCRY TO REVOKE THEIR LICENSES

however, the difference has shrunk to 17.4% and 12% compared to those in Hungary and Romania, respectively. As marginal costs for power generation in Bulgaria continue to be the lowest in the region and power markets were no more integrated in 2018 compared to 2017, this suggests that there are subjective factors at play. The most obvious explanation is that the SOE generation companies are indexing their prices to the regional market, but not as a result of market integration or increased regional competition, but rather because of their dominant position. Simply put – because they can.

In this situation, it is not only natural, but necessary, for the country's energy regulator to step in and establish some ground rules for the operations of BEH on the power market the same way the EC did as a result of its antitrust procedure. By now, it has become painfully obvious that the binding commitments of BEH to supply a predetermined quantity to the market are insufficient. The regulator can decide to increase the minimum commitments to be sold on the market at an adequate price – equal to the marginal cost of production of BEH, so as not to impose financial strain on the companies. This, however, is a temporary measure, while the end game should be increasing competition on the market. To this end, the process of integration of the Bulgarian market into the regional market should be accelerated so as to replace the temporary regulatory intervention. Nevertheless, not only is there no indication of such intentions, but, as if to add insult to injury, the regulator is extremely sluggish in regulating suspicious trading on the power exchange and is yet to produce a result from two inspections– one from the summer of 2017, and one from the autumn of 2018.

The only reason behind the lack of enthusiasm on behalf of both the regulator and politicians appears to be the fact that the

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companies monopolizing the market are state-owned. If these were privately-owned companies, there would have been several regulatory reviews and at least a political outcry to revoke their licenses. This was precisely the case with regard to the three distribution system operators in Bulgaria – all privately-owned, which were subject to a battery of reviews, sanctions, and constant political criticism.

As mentioned above, a regulatory intervention would, in most cases, be a short-term solution; however, in the case of Bulgaria, this is not the case. The energy regulator has traditionally been under heavy political influence and expecting a reasonable intervention in the case of BEH would be warranted only after improving its administrative capacity and its political independence, both of which could take years.

Another possible approach would be to have a very "clean" and sophisticated legislative process so as to:

- avoid, as much as possible, any pitfalls;
- hold public consultations and gather opinions from stakeholders;
- conduct a thorough regulatory impact assessment;
- implement best practices.

In reality, however, not only does the government shy away from such unnecessary complications, it goes out of its way to avoid them.

The absurdity of the situation is that improving the regulatory and legislative processes are second-best options, because the government is the sole owner of the energy companies that are distorting the market. If there was political will to improve the power market efficiency, all the government has to do is to appoint better management and implement market-oriented business practices. If politicians are short on willpower to improve the companies' management, then there certainly will not be any left in order to improve the legislative process, and certainly not so as to improve the regulatory independence.

Another possibility would be privatization; however, that is a flimsy option in Bulgaria's experience. Some of the smaller thermal and central heating plants in the country have been privatized by private investors with connections to the government. Although they are not competitive on the market and regularly violate environmental standards, they continue to operate due to providing ancillary services to the system operator, regulatory decisions (including preferential prices for high-efficiency co-generation of heat and electric power), lax regulatory policy, lack of sanctions, and so on. There have been similar experiences in other sectors as well, including tobacco manufacturing and trade, as well as manufacturing of military equipment. The excess profits of the SOEs can be easily transformed into political dividends through (but are not limited to):

- lower prices for businesses close to the government;
- inflated company costs that translate into excess revenues; for example, through inefficient public procurements for companies close to the government;
- a form of social/regional policy – employing more people than the companies actually need.

Furthermore, no matter whether state-owned or private, BEH's energy companies will continue to dominate the market, so long as the market remains illiquid. The only way to effectively sever the political connections and improve market liquidity is the regional and EU market integration and letting market competition price out these practices. This way a generation company will not be able to increase the market price and sell some of its production on the side at a much lower price, because its market share would have shrunk considerably, and market consumers will be able to punish such a behavior.

MARKET INTEGRATION

As there is no political will to improve market efficiency (which is the norm, rather than the exception, in terms of power market reforms), no short-term solutions will occur, and all that is left are medium to long-term solutions. An intervention from the European Commission is thus considered as a medium-term solution at best, as it takes too much time and has limited impact on market efficiency.

> IF THERE WAS POLITICAL WILL TO IMPROVE THE POWER MARKET EFFICIENCY, ALL THE GOVERNMENT HAS TO DO IS TO APPOINT BETTER MANAGEMENT AND IMPLEMENT MARKET-ORIENTED BUSINESS PRACTICES

The logical next step towards market liberalization would be the integration of the Bulgarian power market with the European one. Currently, there are two large market couplings in the EU – the Multi-Regional Coupling (MRC), which encompasses most of the EU, and the 4M Market Coupling (4MMC) regional group, including Romania, Hungary, the Czech Republic, and Slovakia. A natural prerequisite to join a market coupling group is for it to reach Bulgaria's border. For example, the country shares a border with Romania, which means it could join the 4MMC group and not the MRC group, although Bulgaria is a full member of MRC since January 2016. This was actually one of the recommendations from the European Network of Transmission System Operators for Electricity (ENTSO-e) in its 2017 report *Enhancing market coupling of SEE Region*[10] that the 4MMC group should initiate the market coupling projects with Croatia, Serbia, and Bulgaria.

And here is the tricky part – "as a condition for any market coupling, Bulgaria should abolish its border tariff for export", ENTSO-e explains[11]. Bulgaria is one of the last countries to abolish this tariff, which in effect increases the price of power purchased on the Bulgarian market and consumed outside the country. The presence of the export tariff has been a topic of heated debates in the country for several years and the question should finally be put to rest with a European Court decision stating that Member States may not impose a charge on the export of electricity generated in their own territory[12]. Should there have been no such decision, in light of all the government's efforts to preserve the Bulgarian power market in its current state, one may expect that the tariff would have remained for as long as possible, further delaying the integration with the regional and European power markets.

In the meantime, there are other ways to improve market liquidity, as the World Bank points out in a report to the government[13]. Although market coupling could take another year or two, the IBEX expects the integration with the 4MMC group to be finalized by the end of 2019, there are interim steps that could have been taken in order to improve the liquidity on the market. One such mechanism was proposed by the World Bank in a 2016 report – creating import/export zones:

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> THE LOGICAL NEXT STEP TOWARDS MARKET LIBERALIZATION WOULD BE THE INTEGRATION OF THE BULGARIAN POWER MARKET WITH THE EUROPEAN ONE

"Import/export zones have been used as a transitional measure in other EU countries (Latvia, Poland, Nordics, etc.) for power trade with neighboring areas prior to coupling. For the import and export areas to work, the ESO has to give some amount of cross-border trading capacity to the DAM for implicit auctioning. Options for establishing import/export zones include Turkey (as a non-EU member), Greece (not fully implementing the EU target model), and FYROM"[14] .

[10] European Network of Transmission System Operators for Electricity (2017) *Enhancing Market Coupling of SEE Region.*

[11] Ibid., p. 7.

[12] Court of Justice of the European Union (2018) Judgment in Case C-305/17 FENS spol. s r.o. v Slovak Republic – Úrad pre reguláciu sieťových odvetví.

[13] World Bank (2016) *Bulgaria Power Sector: Making the Transition to Financial Recovery and Market Liberalization*, Summary Report, Ministry of Energy of Bulgaria.

[14] Ibid.

> THE PROCESS OF POWER MARKET LIBERALIZATION IN BULGARIA IS A TEXTBOOK EXAMPLE OF DEREGULATION ON PAPER, AND NO MATTER HOW MUCH THE MARKET STRUCTURE HAS CHANGED IN THE PAST DECADE IT IS STILL CHARACTERIZED BY A HIGH DEGREE OF CONCEN-TRATION AND LACK OF COMPETITION

In its 2017 report, ENTSO-e states that the market coupling project involvement with the export-import zone as an interim step has started at the beginning of the year; however, two years later the result is yet to be seen.

CONCLUSIONS

The process of power market liberalization in Bulgaria is a textbook example of deregulation on paper, and no matter how much the market structure has changed in the past decade it is still characterized by a high degree of concentration and lack of competition. Moreover, 85% of the power supplied to the liberalized market is generated by state-owned enterprises, effectively preserving the government's monopoly on the market. In retrospect, it may be safely assumed that the focus of the power market reforms has never been improving the market, but rather on preserving it.

for There is a plethora of solutions to the current situation with a varying degree for success. For instance:

- appointing better management to the energy SOEs and implementing market-oriented business practices; however, politicians will be forfeiting the influence they have gained through these companies, which seems unlikely;
- privatizing the companies and letting the problem solve itself; however, this would either lead to the abovementioned problem and a lack of political interest, or change a state-owned monopoly to that of a privately-owned one, by someone close to the government;
- introducing temporary regulatory interventions – setting an adequate minimum quantity of electricity to be sold by BEH on the power exchange at an appropriate price (the marginal cost of the holding); however, the regulator has been under strong political pressure to refrain from such measures due to the abovementioned reasons;
- accelerating the market coupling process, including abolishing the current export tax (which could actually happen as of July 2019) and introducing an in-

terim measure to improve market liquidity through the introduction of import/export zones.

The bottom line is that the introduction of a transparent power market in Bulgaria has been delayed for as long as possible (nine years after the country acceded to the EU) and the same applies to improving its liquidity and efficiency. Currently, there operates a market that is dominated by state-owned companies, which have an overabundance of mechanisms at their disposal to benefit from their dominant position.

The only solution to this problem is the integration of the Bulgarian power market into the European market. This will effectively reduce the market share of the three biggest power generation companies in the country, allowing for real competition and market forces to shape power trading. In such a scenario, a company (private or state-owned) will be unable to charge a premium to the market for its inefficiency – bloated expenditure or preferentially low prices for related parties. If a company tries to impose such a premium, the competition will simply price it out of the market. ●

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