Text consolidated by Valsts valodas centrs (State Language Centre) with amending regulations of:

19 October 2021 [shall come into force on 23 October 2021].

If a whole or part of a paragraph has been amended, the date of the amending regulation appears in square brackets at the end of the paragraph. If a whole paragraph or sub-paragraph has been deleted, the date of the deletion appears in square brackets beside the deleted paragraph or sub-paragraph.

Republic of Latvia

Cabinet

Regulation No. 345

Adopted 1 June 2021

**Regulations Regarding the Trade Service of a Protected Customer**

*Issued pursuant to*

*Section 33.1, Paragraph four of the Electricity Market Law*

**I. General Provisions**

1. The Regulation prescribes:

1.1. the conditions for the provision of the trade service of a protected customer (hereinafter – the service) and also the procedures for the financing and supervision thereof;

1.2. the procedures by which a protected customer receives the service;

1.3. the procedures by which the service provider and the authorities involved ensure the circulation of information and the extent thereof, and also the provisions for data processing in the protected customer data information system (hereinafter – the information system).

**II. Conditions for the Provision of the Service and also the Procedures for the Financing and Supervision Thereof**

2. Any electricity trader may be the service provider.

3. The service shall be provided by applying to a protected customer a payment reduction of the bill amount for electricity, system services and the mandatory procurement component, excluding the value added tax (hereinafter – the payment reduction). The payment reduction shall be applied in the following amount:

3.1. for a poor or low-income household (person) – EUR 5;

3.2. for a family (person) which takes care for a child with a disability – EUR 5;

3.3. for a person with the group I disability or his or her trustee – EUR 5;

3.4. for a large family – EUR 10.

3.1The service shall not be provided to a protected customer who has been registered in the Register of Applicants and Debtors of the Maintenance Guarantee Fund as a debtor.

[*19 October 2021 / Paragraph shall come into force on 1 February 2022. See Paragraph 3 of the amendments*]

4. The payment reduction shall be applied to a protected customer for a full calendar month irrespective of the date of conclusion of the trade of electricity contract (hereinafter – the contract).

5. If the payment reduction for a payment period exceeds the amount of the bill for electricity, system services and the mandatory procurement component, excluding the value added tax, the unused part of the payment reduction shall be used to cover the amount of the bill for electricity of the following month. The accrued payment reduction shall be also valid when changing the contract, but not longer than until the end of the calendar year or change of the service provider.

6. The payment reduction during a payment period (calendar month) shall not exceed the actual amount of the bill for electricity, system services and the mandatory procurement component, and it shall not fully or partly cover the debt of a protected customer towards the service provider.

7. For large families, the service shall be provided by applying the payment reduction to one of the persons who himself or herself or together with a spouse has three or more children under 18 years of age (also children under guardianship or children placed in a foster family) or children under 24 years of age acquiring general, vocational or higher education.

8. For a family in which there is a child or children with a disability, the service shall be provided by applying the payment reduction to one of the parents, foster parents or guardians of the child for each child with a disability.

[*19 October 2021 / The new wording of the Paragraph shall come into force on 1 February 2022. See Paragraph 3 of Amendments*]

9. For a poor or low-income household (person), the service shall be provided by applying the payment reduction to one adult of the household.

10. If a person meets several categories of a protected customer – a poor or low-income household (person), a large family, or a family (person) which takes care of a child with a disability, or a person with the group I disability or the trustee of such person (hereinafter – the category) – an aggregated payment reduction shall be applied to the protected customer according to the amount of the payment reduction for each category specified in Paragraph 3 of this Regulation, and it shall not be divided into several contracts.

11. In the case referred to in Paragraphs 18 and 19 of this Regulation, the service provider shall apply the payment reduction to the amount of the bill for electricity issued to the final customer (contracting party) which the final customer is obligated to attribute to the amount of the bill for electricity issued to the sub-user (protected customer). The given name and surname of the protected customer, the address of the receipt of the service and the payment reduction applied thereto shall be indicated by the service provider in the bill for electricity of the final customer.

12. After the data exchange referred to in Sub-paragraph 34.2 of this Regulation, between the seventh day and the twenty-fifth day of the calendar month, the State Construction Control Bureau (hereinafter – the Bureau) shall pay to the service provider a compensation for the payment reduction applied to protected customers (hereinafter – the compensation) in the relevant payment period in the amount specified in Paragraphs 3 and 10 of this Regulation. The service shall be co-financed from the resources intended for such purpose in the State budget.

13. The information system shall calculate the compensation in each payment period and prepare an electronic source document.

14. Each year, by 31 January, the service provider shall transfer to the Bureau the amount formed during the calendar year by the balance between the payment reduction applied to protected customers in accordance with Paragraph 3 of this Regulation and the actual amount of the bill for electricity, system services and the mandatory procurement component during the previous calendar year, excluding the value added tax (hereinafter – the overpayment of compensation).

15. The information system shall calculate the overpayment of compensation for the previous calendar year, taking into consideration the condition referred to in Sub-paragraph 34.3 of this Regulation, and shall prepare an electronic source document.

16. The Bureau shall ensure the supervision of the use of State budget resources granted for the provision of the service. The Bureau has the right to request from the service provider information on the service and to perform on-site checks of the process of the provision of the service at the service provider.

**III. Procedures for Receiving the Service**

17. If a protected customer is a contracting party, the protected customer does not have to apply to the service provider in order to receive the service.

18. If a protected customer is not a contracting party, but instead a sub-user, the protected customer can receive the service in accordance with the contract entered into by the final customer. In such a case the protected customer shall, with the exception of a poor or low-income household (person) for which the local government shall provide the data required for receiving the service in accordance with Paragraph 28 of this Regulation, apply for receiving the service to the electricity trader chosen by the contracting party (final customer), indicating the contract number of the contracting party (final customer), the given name, surname, personal identity number of the protected customer, the address where the service is received, and contact details. Upon a justified request by the sub-user, the contracting party (final customer) has the obligation to show the contract number.

19. If a protected customer is not a contracting party in the family, he or she shall apply for receiving the service to the electricity trader chosen by the contracting party according to the procedures referred to in Paragraph 18 of this Regulation.

19.1If a protected customer is a large family where at least one of the children aged between 18 and 24 years acquires general, vocational or higher education abroad, one of the parents, foster parents or guardians who concurrently is a contracting party shall submit a submission to the Bureau for the receipt of the service, indicating his or her given name, surname, and personal identity number, and a copy of the Latvian Honorary Family certificate. If the family referred to in this Paragraph is not a contracting party but a sub-user, it shall receive the service in accordance with the procedures referred to in Paragraph 18 of this Regulation by submitting a submission to the Bureau where the given name, surname, and personal identity number of one of the parents, foster parents or guardians of the children is indicated, and a copy of the Latvian Honorary Family certificate.

[*19 October 2021 / Paragraph shall come into force on 1 November 2021. See Paragraph 2 of Amendments*]

20. A protected customer who has not received the service before and who has entered into several contracts shall receive the payment reduction according to a contract randomly selected by the information system, until he or she indicates a contract for receiving the service to the service provider, the Bureau or in www.latvija.lv e-service.

21. If in a family several protected customers of the same category apply for receiving the service each according to their contract, the service shall be received by one protected customer randomly selected by the information system, until the protected customers referred to in this Paragraph of the Regulation agree and indicate one contract for receiving the service to the service provider or the Bureau.

22. If upon request of a protected customer or based on the information provided by the data register controllers referred to in Paragraph 27 of this Regulation the Bureau finds that due to an error in the information system or the registers referred to in Paragraph 26 of this Regulation the payment reduction has not been applied to the protected customer, the Bureau shall attribute and the service provider shall apply the missing payment reduction in the current electricity bill of the payment period (calendar month) for a period that does not exceed two previous payment periods (calendar months) during one and the same calendar year.

23. A protected customer can check conformity with the status of a protected customer and also the payment amount applied to him or her via www.latvija.lv e-service or by contacting the Bureau.

24. A protected customer can make changes to the conditions of receiving the service or refuse from receiving the service via www.latvija.lv e-service or by contacting the service provider or the Bureau.

**IV. Procedures by which the Service Provider and the Authorities Involved Ensure the Circulation of Information and the Extent Thereof, and the Provisions for Data Processing in the Information System**

25. The information system shall calculate the payment reduction in accordance with Paragraphs 3 and 10 of this Regulation. The information system is a State information system and the Bureau is the controller thereof.

26. The information system shall check the conformity of a person with the status of a protected customer according to up-to-date data available in the Register of Natural Persons, the Information System of Disability, the Register of Applicants and Debtors of the Maintenance Guarantee Fund, and information systems of local governments, and the volume and content of such data shall be within the competence of the responsible controllers.

[*19 October 2021 / The new wording of the Paragraph shall come into force on 1 February 2022. See Paragraph 3 of Amendments*]

27. The information system shall automatically transmit and exchange data with the following data register controllers:

27.1. the Office of Citizenship and Migration Affairs;

27.2. the local government;

27.3. the State Medical Commission for the Assessment of Health Condition and Working Ability;

27.4. the service provider;

27.5. the Administration of the Maintenance Guarantee Fund.

[*19 October 2021 / The new wording of Sub-paragraph 27.4 and Sub-paragraph 27.5 shall come into force on 1 February 2022. See Paragraph 3 of Amendments*]

28. By the fifth day of each month, the local government shall provide to the information system the following data on adults who had a valid status of a poor or low-income household (person) in the previous month:

28.1. the name of the local government;

28.2. the personal identity number;

28.3. the given name, surname;

28.4. the household identifier;

28.5. the address of the receipt of the service;

28.6. the number of the contract according to which the poor or low-income household (person) receives electricity from the electricity trader;

28.7. the name of the electricity trader referred to in Sub-paragraph 28.6 of this Regulation.

29. By the fifth day of each month, the Office of Citizenship and Migration Affairs shall provide to the information system the following data on large families:

29.1. the personal identity number of the parent, guardian or foster parent of the child;

29.2. the given name and surname of the parent, guardian or foster parent of the child;

29.3. the personal identity number of the child.

30. By the second day of each month, concerning the situation as at the first day of the previous month, the Ministry of Education and Science shall send the information on the persons who are aged between 18 and 24 years and who are acquiring general, vocational or higher education, indicating the personal identity number of the educatee, to the Office of Citizenship and Migration Affairs for preparing the information referred to in Paragraph 29 of this Regulation.

[*19 October 2021 / The new wording of the Paragraph shall come into force on 1 November 2021. See Paragraph 2 of Amendments*]

30.1The Bureau shall, within five working days, examine the submission referred to in Paragraph 19.1 of this Regulation and enter the personal data referred to in the submission, namely the given name, surname and personal identity number, in the information system and shall regard them as true and not verify them in other data registers.

[*19 October 2021 / Paragraph shall come into force on 1 November 2021. See Paragraph 2 of Amendments*]

31. By the second day of each month, the State Medical Commission for the Assessment of Health Condition and Working Ability shall provide the following data from the previous month on persons with the group I disability and children with disabilities:

31.1. the personal identity number;

31.2. the given name, surname;

31.3. the indication – a person with the group I disability or a child with a disability.

32. Upon request by the information system, the Office of Citizenship and Migration Affairs shall provide the following data by the fifth day of each month on the persons referred to in Paragraph 31 of this Regulation:

32.1. the personal identity number;

32.2. the personal identity number of the parent, guardian, foster parent or trustee if the person with a disability has any of the aforementioned persons;

32.3. the given name, surname of the parent, guardian, foster parent or trustee if the person with a disability has any of the aforementioned persons;

32.4. the status of the person associated with the protected customer – the parent, guardian, foster parent or trustee if the person with a disability has any of the aforementioned persons.

32.1The Administration of the Maintenance Guarantee Fund shall, on the sixth day of each month, provide to the information system the personal identity numbers of those registered in the Register of Applicants and Debtors of the Maintenance Guarantee Fund who have the status of a debtor.

[*19 October 2021 / Paragraph shall come into force on 1 February 2022. See Paragraph 3 of Amendments*]

33. The service provider shall provide to the information system information on all valid contracts of natural persons and legal persons and applications for receiving the service, indicating the following data:

33.1. the personal identity number or registration number of the contracting party;

33.2. the given name, surname or name of the contracting party;

33.3. the contract number;

33.4. the personal identity number of the protected customer applied for the service;

33.5. the name and surname of the protected customer applied for the service;

33.6. the category of the protected customer attached to and applied for the service, if known to the service provider.

34. Data exchange between the service provider and the information system shall take place according to the following procedures:

34.1. by the fifth day of the month, the service provider shall provide to the information system the data referred to in Paragraph 33 of this Regulation;

34.2. by the seventh day of the month, the information system shall send to the service provider a confirmation and the full list of protected customers to whom the particular service provider provides the service and shall provide to the service provider the following data of protected customers:

34.2.1. the contract number;

34.2.2. the personal identity number;

34.2.3. the payment reduction, in euros;

34.2.4. the given name and surname;

34.2.5. the address of the receipt of the service of a poor or low-income household (person) in accordance with the data received according to Sub-paragraph 28.5 of this Regulation;

34.3. by the twenty-fifth day of the month, the service provider shall send to the information system the data on the actually applied payment reduction in the previous payment period (calendar month) for each protected customer.

35. The State information system integrator shall be used where possible to perform an automatic data exchange with the data register controllers and service providers referred to in Paragraph 27 of this Regulation, taking into consideration financial and technical considerations for providing the service.

36. Each data processing operation in the information system shall be audited. The audit trails shall be kept for 18 months by ensuring limited access to them.

37. Personal data on protected customers accumulated in the information system shall be kept for 18 months and shall thereafter be deleted.

**V. Closing Provisions**

38. Cabinet Regulation No. 459 of 12 July 2016, Procedures for the Provision of the Trade Service of a Protected Customer, for the Compensation of the Mandatory Procurement Component and Distribution System Service (*Latvijas Vēstnesis*, 2016, No. 138; 2017, No. 254; 2018, No. 123; 2019, No. 257), is repealed.

39. The Regulation shall come into force on 1 September 2021.

40. In the period between 1 November 2021 and 31 December 2022, the payment reduction shall be applied to the protected customer in the following amount:

40.1. for a poor or low-income household (person) – EUR 15;

40.2. for a family (person) which takes care for a child with a disability – EUR 15;

40.3. for a person with the group I disability or his or her trustee – EUR 15;

40.4. for a large family – EUR 20.

[*19 October 2021*]

**Informative Reference to European Union Directives**

The Regulation contains legal norms arising from Directive (EU) 2019/944 of the European Parliament and of the Council of 5 June 2019 on common rules for the internal market for electricity and amending Directive 2012/27/EU.

Prime Minister A. K. Kariņš

Acting for the Minister for Economics, Minister for Agriculture K. Gerhards