Republic of Latvia

Cabinet

Regulation No. 660

Adopted 18 October 2022

**Energy Efficiency Monitoring Regulations**

*Issued pursuant to*

*Section 5, Paragraphs four and five, Section 6, Paragraph five, Section 10, Paragraph seven, and Section 12, Paragraphs six and fifteen of the Energy Efficiency Law*

**I. General Provisions**

1. The Regulation prescribes the procedures by which:

1.1. a State institution, a local government, and another derived public entity shall notify of the implementation of an energy management system, the time limits for notification, the content of the notice and the documents to be attached thereto;

1.2. a State institution, a local government, and another derived public entity shall report on the energy savings resulting from the operation of the energy management system;

1.3. the implementation of an energy management system of a State institution, a local government, and another derived public entity is verified and approved;

1.4. a large enterprise and a large electricity consumer shall report on the conduct of an energy audit or the implementation and re-certification of a certified energy management system or a certified supplemented environmental management system, and the proposed energy efficiency improvement measures;

1.5. a large enterprise and a large electricity consumer shall report on an annual basis on the implemented energy efficiency improvement measures and the energy savings achieved;

1.6. an electricity consumer shall submit the electricity consumption balance sheet to the responsible institution;

1.7. the obligated party of the energy efficiency obligation scheme shall report on energy savings.

2. One or several of the following calculation methods shall be used for reporting the energy savings:

2.1. the method of metered savings (ex-post) – the energy savings are calculated determining the actual energy consumption and taking into account the factors which may affect the energy consumption;

2.2. the method of surveyed savings – the energy savings are established as a result of surveying or interviewing of final energy customers, evaluating changes in habits of final energy customers as a result of informing, labelling of installations, introduction of certification schemes and smart meters for commercial accounting, and implementation of other measures. This method shall not be used for determination of savings achieved through physical measures;

2.3. the scaled method – energy savings are calculated by the energy auditor of the enterprise or an independent expert in the field of energy efficiency of buildings, using technical estimates, in accordance with the laws and regulations in the field of energy efficiency. This method shall be used if it is difficult to obtain fully accurate measured data for a particular installation or obtaining such data is disproportionately expensive;

2.4. the method of deemed savings (ex-ante) – the energy savings are calculated by comparison with independently established results of previous energy savings in similar installations, using data from an energy savings catalogue developed and maintained by the State Construction Control Bureau (hereinafter – the responsible institution) which includes energy saving measures and energy savings to be achieved. The catalogue of energy savings shall be published on the website of the responsible institution.

3. Energy savings shall be reported as the final energy consumption or primary energy consumption, using the values referred to in Annex to this Regulation or the values set out in Table 1 of Annex VI to Commission Implementing Regulation (EU) 2018/2066 of 19 December 2018 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC of the European Parliament and of the Council and amending Commission Regulation (EU) No 601/2012.

4. Only such savings may be included in the energy savings which have been achieved:

4.1. by introducing policy measures with the aim to promote the increase in energy efficiency;

4.2. by introducing such policy measures in which energy savings have been achieved in addition to other benefits;

4.3. by introducing such goods, services and installations which conform to the laws and regulations regarding energy labelling, ecodesign, standardisation, and safety of goods and services;

4.4. by exceeding the requirements arising from the legal acts of the European Union, except for the case specified in Sub-paragraph 4.8 of this Regulation;

4.5. by exceeding the ecodesign requirements regarding removal of specific energy-related products from the market in relation to specific energy-related goods (products);

4.6. from such fiscal measures (tax and duties) the rate of which exceeds the minimum tax level specified in the European Union for energy, using the latest available data on flexibility of the demand (price) in the estimates and accounting separately savings from each fiscal measure;

4.7. by exceeding the emission performance standard for new passenger cars set in accordance with Regulation (EU) 2019/631 of the European Parliament and of the Council of 17 April 2019 setting CO2 emission performance standards for new passenger cars and for new light commercial vehicles, and repealing Regulations (EC) No 443/2009 and (EU) No 510/2011;

4.8. by renovating buildings, if the responsible institution, local government, large enterprise, large electricity consumer, obligated party of the energy efficiency obligation scheme, and party to the voluntary agreement on energy efficiency improvement referred to in Section 15, Paragraph four of the Energy Efficiency Law on the granting of funding demonstrates that it is essential for achieving energy savings;

4.9. in addition to the energy savings that would result without the activities of the responsible institutions referred to in Section 15, Paragraph four of the Energy Efficiency Law and the providers of information referred to in Paragraph 8 of this Regulation in the development and introduction of energy efficiency improvement measures. Energy consumption trends, changes in consumer behaviour, technical progress, and changes resulting from other measures implemented at the European Union and national level shall be taken into account to determine savings;

4.10. by introducing measures to promote the installation of small-scale renewable energy technologies on or in buildings which result in verifiable, measurable, or quantifiable energy savings;

4.11. by introducing policy measures that accelerate the entry into circulation of more energy-efficient products and vehicles. Such savings may be included in full if it is demonstrated that such entry into circulation occurs before the end of the expected average lifetime of the product or vehicle or before the product or vehicle would normally be replaced by a new one, and the savings are included only for the period until the end of the expected average lifetime of the product or vehicle to be replaced.

5. State institutions, local governments, and other derived public entities, large enterprises, large electricity consumers, and obligated parties of the energy efficiency obligation scheme shall retain all documents used as a basis for calculating the reported energy savings, including payment orders for energy sources, as well as documents on the methods used to calculate the savings, for a period of five years from the date of preparation or receipt of the documents.

6. The responsible institution shall:

6.1. once a year, publish the energy savings achieved by the obligated party of the energy efficiency obligation scheme on its website;

6.2. verify and approve the energy management system for State institutions, local governments, and other derived public entities;

6.3. publish a report on the implementation of an energy management system in State institutions, local governments, and other derived public entities on its website each year by 30 April;

6.4. collect information on energy savings obtained from the responsible institutions referred to in Section 15, Paragraph four of the Energy Efficiency Law and from the persons referred to in Paragraph 8 of this Regulation;

6.5. submit to the Ministry of Economics the information indicated in Section 4.1, Paragraph one of the Energy Efficiency Law for the calendar year before last and publish it on its website;

6.6. when metering the energy savings for achieving the State mandatory final energy consumption savings target, the following shall be done:

6.6.1. take into account the duration of the life cycle of each energy efficiency improvement measure and the rate at which savings decrease over time;

6.6.2. individually meter the savings achieved in measures financed from the State or local government energy efficiency fund.

7. The responsible institution has the right to request or carry out on-site checks of the following:

7.1. information on the implemented energy efficiency improvement measures, including the documentation referred to in Paragraph 5 of this Regulation, and also other information necessary for the fulfilment of the tasks of the responsible institution;

7.2. from the obligated party of the energy efficiency obligation scheme:

7.2.1. information regarding energy consumption of its final customers in division according to sectors and in the sector of households;

7.2.2. information regarding its final customers;

7.3. information from large electricity consumers on the use of electricity and the consumption of electricity transferred to sub-users.

**II. Reporting and Metering of Energy Savings**

8. The annual energy savings report shall be completed and submitted to the Energy Source Information System by:

8.1. a large electricity consumer which has an obligation to carry out an energy audit of the enterprise or to implement and maintain a certified energy management system or to implement and maintain a certified supplemented environmental management system;

8.2. a large enterprise which has an obligation to carry out an energy audit of the enterprise or to implement and maintain a certified energy management system or to implement and maintain a certified supplemented environmental management system;

8.3. a local government of a State city which has implemented a certified energy management system;

8.4. a State institution, local government, or another derived public entity which has implemented an energy management system;

8.5. the obligated party of the energy efficiency obligation scheme;

8.6. the State or local government energy efficiency fund in the fund of which the obligated party has paid a contribution;

8.7. an institution which has implemented information measures or organised an information campaign on energy efficiency improvement issues in one of the energy end-use sectors, and the funding from the State, local government, or other State authorities and programmes has been used to finance the abovementioned measure or campaign in full or in part.

9. The persons referred to in Paragraph 8 of this Regulation shall, each year by 1 July, submit energy savings reports in the Energy Source Information System on the savings achieved in the previous calendar year in the energy efficiency improvement measures implemented.

10. Persons other than those referred to in Paragraph 8 of this Regulation may submit energy savings reports in the Energy Source Information System on the savings achieved in the implemented energy efficiency improvement measures.

11. A State institution, local government, or another derived public entity shall, within 30 days after implementation or re-certification of a certified energy management system, notify thereof by submitting information in the Energy Source Information System.

12. A State institution, local government, or another derived public entity which has implemented but has not certified an energy management system shall, within 30 days after implementation of the energy management system, notify thereof by submitting information and the following documents in the Energy Source Information System:

12.1. an order of the head of the State institution, the responsible official of the local government council or another derived public entity on the implementation of energy management;

12.2. an energy efficiency plan indicating the set targets, the energy efficiency indicators, the planned measures and their prioritisation, and also the plan for financing the introduction of energy efficiency measures;

12.3. an energy consumption monitoring plan.

13. A large enterprise or a large electricity consumer shall, within 30 days after signing of the deed of delivery and acceptance of the energy audit report of the enterprise or the repeated energy audit report of the enterprise, notify thereof by submitting information in the Energy Source Information System.

14. If a certified energy management system or a certified supplemented environmental management system has been implemented in a large enterprise or for a large electricity consumer, or if the abovementioned systems are re-certified, the large enterprise or large electricity consumer shall, within 30 days after issuance of the relevant certificate, notify thereof by submitting information in the Energy Source Information System.

15. In fulfilling the obligation specified in Section 12, Paragraph thirteen of the Energy Efficiency Law, the system operator shall submit the data for the previous year in the Energy Source Information System by 31 January.

16. An electricity consumer who, in accordance with the laws and regulations in the field of energy efficiency, has the right to submit a balance sheet of the electricity consumption of the enterprise certified by the energy auditor of the enterprise or an independent expert in the field of energy efficiency of buildings shall submit it in the Energy Source Information System.

17. When submitting a report:

17.1. the responsible institution shall include the savings of each energy efficiency improvement measure once;

17.2. if an energy efficiency improvement measure, and also a measure the implementation of which is not directly oriented towards improvement of energy efficiency, however, promotes it and concurrently to other objectives energy savings are achieved, is implemented by receiving funding from the State or local government budget, the State or local government guarantees, loan interest rate subsidies, and also other funding from the State or local government resources, European Union budget programmes and funds, and foreign financial assistance resources may not be included as savings for the obligated party of the energy efficiency obligation scheme or the State or local government energy efficiency fund in which the obligated party has paid a contribution;

17.3. for an energy efficiency measure that is implemented, using several funding sources, the provider of information shall indicate what funding sources are used and how the energy savings achieved are divided;

17.4. the savings from an energy efficiency improvement measure notified by large enterprises and large electricity consumers may not be included for the obligated party of the energy efficiency obligation scheme or the State or local government energy efficiency fund in which the obligated party has paid a contribution.

18. Savings from energy efficiency improvement measures financed by the European Union budget programmes and funds, the State or local government budget, or the State or local government energy efficiency fund in which the obligated party has paid a contribution shall be included in the final energy savings target.

19. The provider of information shall use only documentarily justified information when completing and submitting reports in the Energy Source Information System.

**III. Verification and Approval of the Implementation of an Energy Management System for State Institutions, Local Governments, and Other Derived Public Entities**

20. The responsible institution shall, within 10 working days after receipt of a report of the State institution, local government, or another derived public entity on implementation or certification of an energy management system, assess the conformity of the information provided in the report with the requirements of Paragraph 12 of this Regulation and, if necessary, request to provide more detailed information, indicating a time period for submission which is not less than 10 working days from the day of notification.

21. If after assessment the responsible institution finds that the information provided in the report conforms to the requirements of this Regulation, it shall approve the implementation of the energy management system, including the State institution, local government, or another derived public entity in the list of such State institutions, local governments, or other derived public persons which have implemented or certified the energy management system, and shall publish the list on its website.

**IV. Closing Provisions**

22. Cabinet Regulation No. 668 of 11 October 2016, Regulations Regarding the Energy Efficiency Monitoring and Applicable Energy Management System Standard (*Latvijas Vēstnesis*, 2016, No. 211; 2019, No. 73; 2019, No. 257), is repealed.

23. The information referred to in this Regulation on energy efficiency measures in the previous calendar year and the energy savings achieved shall include the energy savings resulting from each individual energy efficiency improvement measure in the time period from the date of its implementation until 31 December 2030.

24. In 2022, the obligation referred to in Paragraph 9 of this Regulation must be fulfilled by 31 December.

**Informative Reference to European Union Directives**

The Regulation contains legal norms arising from Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC.

Prime Minister A. K. Kariņš

Minister for Economics I. Indriksone

**Annex**

Cabinet Regulation No. 660

18 October 2022

**Energy Content of Selected Fuels for End Use – Conversion Table**

|  |  |  |  |
| --- | --- | --- | --- |
| **Type of energy source or energy** | **kJ (lower calorific value)** | **kg oil equivalent (lower calorific value)** | **kWh (lower calorific value)** |
| 1 kg coke | 28 500 | 0.676 | 7.917 |
| 1 kg hard coal | 17 200–30 700 | 0.411–0.733 | 4.778–8.528 |
| 1 kg brown coal briquettes | 20 000 | 0.478 | 5.556 |
| 1 kg black lignite | 10 500–21 000 | 0.251–0.502 | 2.917–5.833 |
| 1 kg brown coal | 5 600–10 500 | 0.134–0.251 | 1.556–2.917 |
| 1 kg oil shale | 8 000–9 000 | 0.191–0.215 | 2.222–2.500 |
| 1 kg peat | 7 800–13 800 | 0.186–0.330 | 2.167–3.833 |
| 1 kg peat briquettes | 16 000–16 800 | 0.382–0.401 | 4.444–4.667 |
| 1 kg residual fuel oil (heavy oil) | 40 000 | 0.955 | 11.111 |
| 1 kg light fuel oil | 42 300 | 1.010 | 11.750 |
| 1 kg motor spirit (petrol) | 44 000 | 1.051 | 12.222 |
| 1 kg paraffin | 40 000 | 0.955 | 11.111 |
| 1 kg liquefied petroleum gas | 46 000 | 1.099 | 12.778 |
| 1 kg natural gas1 | 47 200 | 1.126 | 13.10 |
| 1 kg liquefied natural gas | 45 190 | 1.079 | 12.553 |
| 1 kg firewood (25 % humidity) | 13 800 | 0.330 | 3.833 |
| 1 kg pellets/wood bricks | 16 800 | 0.401 | 4.667 |
| 1 kg waste | 7 400–10 700 | 0.177–0.256 | 2.056–2.972 |
| 1 MJ derived heat | 1000 | 0.024 | 0.278 |
| 1 kWh electrical energy | 3600 | 0.086 | 12 |

Notes.

193 % methane.

2Applicable when energy savings are calculated in primary energy terms using a bottom-up approach based on final energy consumption. For electricity savings (kWh), a coefficient of 2.1 shall be applied.