Republic of Latvia

Cabinet

Regulation No. 576

Adopted 27 August 2024

**Procedures for the Supply of Energy Customers during a Declared Energy Crisis and in Case of a Threat to National Security**

*Issued pursuant to*

*Section 64, Paragraph one, Clauses 1 and 3 of the Energy Law, Section 9, Clause 7, Sub-clause “a” of the Mobilisation Law*

**I. General Provisions**

1. The Regulation prescribes:

1.1. the procedures by which energy customers shall be supplied with energy during a declared national energy crisis, determining:

1.1.1. restrictions on energy consumption and priorities to individual groups of energy customers;

1.1.2. procedures for the establishment and use of strategic natural gas stocks in order to provide, as far as possible, natural gas customers with a continuous supply of natural gas;

1.2. the procedures for providing the National Armed Forces, the State Fire and Rescue Service, the State Police, the State Border Guard, the State Emergency Medical Service, civil defence units to be mobilised with energy sources in case of a threat to national security.

2. The procedures for the provision of the subjects referred to in Sub-paragraph 1.2 of this Regulation with natural gas and electricity in case of a threat to national security, if the supply of electricity or natural gas is disrupted, shall be the same as during a national energy crisis.

**II. Supply with Electricity during National Energy Crisis**

3. Measures for ensuring stable operation of the electricity system during a national energy crisis, including the procedure for manual or automatic demand disconnection, shall be organised by an electricity transmission system operator according to plans for the protection and restoration of the system.

4. In order to overcome a national energy crisis in the electricity sector, electricity distribution system operators, producers, and customers have the obligation to comply with the orders given by an electricity transmission system operator in relation to the production or consumption of electricity without delay. Electricity producers have the obligation to maintain the electricity production regime determined by an electricity transmission system operator. An electricity transmission system operator may give orders directly or with the intermediation of electricity distribution system operators.

5. An electricity transmission system operator shall manage the procedure for manual demand disconnection (hereinafter – the manual disconnection) which is implemented thereby directly or with the intermediation of electricity distribution system operators.

6. An electricity distribution system operator shall implement the manual disconnection in conformity with the principle of the periodic rotation of the outgoing feeders of the power lines to be disconnected so that the length of one disconnection of the outgoing feeder of a power line would not exceed three hours if technically possible.

7. An electricity distribution system operator shall inform the customers whose electric appliances are connected to the relevant power line of the manual disconnection.

8. On the basis of the decision of the State Energy Crisis Centre, the manual disconnection need not be applied to the outgoing feeders of power lines of 330/110/6-20 kV substations which ensure the supply of electricity to the customers referred to in Sub-paragraph 1.2 of this Regulation, high-priority significant users of the electricity network, and owners or lawful possessors of the critical infrastructure.

9. An electricity transmission system operator shall, in cooperation with electricity distribution system operators and the ministry responsible for the energy industry, prepare and agree with the State Energy Crisis Centre upon the list of the users referred to in Paragraph 8 of this Regulation and their objects. The list shall be updated as necessary but at least once in three years by 1 April of the relevant year, and an electricity transmission system operator shall inform the relevant users of inclusion on the list or deletion from it.

10. If the ensuring of stable electricity system operation mode is threatened to the extent that the consumption of electricity needs to be reduced without delay, electricity system operators shall implement the procedure for automatic demand disconnection.

11. In case of the procedure for automatic demand disconnection, the supply of electricity may be discontinued for any electricity customer.

12. The subjects referred to in Sub-paragraph 1.2 of this Regulation, high-priority significant users of the electricity network, and owners or lawful possessors of the critical infrastructure have the obligation to ensure themselves consistently with the possibility of individual supply of electricity if the supply of electricity is disrupted during a threat to national security or national energy crisis.

13. After the manual disconnection or procedure for automatic demand disconnection, the subjects referred to in Sub-paragraph 1.2 of this Regulation and high-priority significant users of the electricity network have the obligation to renew, within 12 hours, the heating fuel necessary for the supply of individual electricity, if such is necessary.

**III. Supply with Natural Gas during National Energy Crisis**

14. In order to overcome a national energy crisis in the natural gas sector, natural gas customers shall be divided into six groups:

14.1. natural gas customers of the first group (hereinafter – the protected customers) – households, educational institutions, hospitals, State and local government long-term social care and social rehabilitation institutions, crisis centres, emergency services, telecommunications hubs, the State Emergency Medical Service, the State Fire and Rescue Service, the National Armed Forces, the State Police, the State Border Guard, State security institutions, water supply and sewage stations, prisons, civil defence units to be mobilised, and merchants the permitted maximum load of the gasified objects of which is 25 m3/h or less;

14.2. natural gas customers of the second group – food and agricultural product production sites, except for the natural gas customers referred to in Sub-paragraphs 14.1 and 14.4 of this Regulation;

14.3. natural gas customers of the third group – energy supply merchants the permitted maximum load of the gasified objects of which exceeds 25 m3/h but is less than or equal to 4999 m3/h, except for the natural gas customers referred to in Sub-paragraph 14.4 of this Regulation;

14.4. natural gas customers of the fourth group – economically significant merchants;

14.5. natural gas customers of the fifth group – energy supply merchants the permitted maximum load of the gasified objects of which is 5000 m3/h or more, except for the natural gas customers referred to in Sub-paragraph 14.4 of this Regulation;

14.6. natural gas customers of the sixth group – customers which are not included in Sub-paragraphs 14.1, 14.2, 14.3, 14.4, and 14.5 of this Regulation.

15. The consumption of natural gas shall not be restricted or discontinued for the protected customers during a national energy crisis.

16. A combined natural gas transmission and storage system operator and natural gas distribution system operator shall prepare and submit a list of the protected customers and natural gas customers of the second, third, fifth, and sixth group to the ministry responsible for the energy industry in the form of an electronic document. The abovementioned information shall be updated once a year by 1 April.

17. The number of gasified objects and the total natural gas consumption of the group in the previous year shall be indicated in the list of natural gas customers referred to in Paragraph 16 of this Regulation, whereas the name of the natural gas customer, the address of the gasified object, the permitted load, and the natural gas consumption in the previous year shall be indicated for the natural gas customers of the second, third, fifth, and sixth group.

18. The Ministry of Economics shall, in cooperation with natural gas system operators, prepare and submit a list of natural gas customers of the fourth group to the ministry responsible for the energy industry in the form of an electronic document, taking into account the significance of the natural gas customer in the national economy, the possibilities for using an alternative heating fuel, and also the severity of consequences if the supply of natural gas is to be restricted or discontinued for the gasified object of the relevant customer during a national energy crisis. The name of the natural gas customer, the address of the gasified object, the permitted load, and the natural gas consumption in the previous year, and the permissible amount of reduction in the supply of natural gas shall be indicated in the list. The list shall be updated as necessary but at least once a year until 1 April of the relevant year. The Ministry of Economics shall inform the relevant customers of inclusion on the list or deletion from it.

19. A natural gas distribution system operator shall, within six hours after declaration of an energy crisis, submit information to the ministry responsible for the energy industry on the total average daily natural gas consumption of the protected customers and the average daily natural gas consumption of each customer of the second, third, fourth, fifth, and sixth group. The average daily consumption is determined on the basis of the gasified objects of natural gas customers for which the daily natural gas consumption is recorded by choosing eight highest indicators of daily consumption from the last 10 daily consumption indicators and calculating the arithmetical average therefrom. Whereas for gasified objects of natural gas customers for which the daily consumption of natural gas is not recorded, the arithmetical average daily consumption in the last month shall be measured.

20. The ministry responsible for the energy industry shall, on the basis of the information provided by a combined natural gas transmission and storage system operator and a natural gas distribution system operator and depending on the current crisis situation, prepare and the minister responsible for the energy industry shall submit to the Cabinet a draft order on the restrictions on the consumption of natural gas (in per cent, kWh, and m3 per day) or the discontinuation of natural gas supply to natural gas customers of the second, third, fourth, fifth, and sixth group.

21. A combined natural gas transmission and storage system operator and natural gas distribution system operator shall send information (in the form of a short message or electronic mail) to natural gas customers, except for the protected customers, on the restrictions on the consumption of natural gas approved by the Cabinet or the discontinuation of natural gas supply.

22. A combined natural gas transmission and storage system operator shall, within one day from the day when the quantity of negative imbalance is established, inform the ministry responsible for the energy industry of a user of the natural gas transmission system whose daily quantity of negative imbalance may endanger the security of natural gas supply and shall request the user of the natural gas transmission system to submit an action plan for the prevention of negative imbalance.

23. The user of the natural gas transmission system shall, within the time limit stipulated by the combined natural gas transmission and storage system operator, develop and send thereto an action plan for the prevention of negative imbalance, including for the reduction of consumption. If the plan provides for the reduction of natural gas consumption in individual gasified objects, the relevant user of the natural gas system shall inform the owner of the gasified object thereof.

24. If a user of the natural gas transmission system has not fulfilled the obligation imposed by Paragraph 23 of this Regulation, the ministry responsible for the energy industry shall, on the basis of the information provided by the combined natural gas transmission and storage system operator, prepare a draft Cabinet order on the restriction of natural gas consumption or the discontinuation of supply to the gasified objects for which the user of the natural gas transmission system referred to in Paragraph 22 of this Regulation is organising natural gas supply, and the minister responsible for the energy industry shall submit it to the Cabinet.

25. Measures for the reduction of natural gas consumption according to the imposed restriction shall be taken by the natural gas customer but measures for the discontinuation of natural gas supply shall be taken by the combined natural gas transmission and storage system operator or natural gas distribution system operator within the operational area of its licence.

26. A natural gas customer who is subject to the restriction or discontinuation of natural gas supply during an energy crisis has the following obligations:

26.1. to confirm the receipt of the information referred to in Paragraph 21 of Regulation from the combined natural gas transmission and storage system operator or natural gas distribution system operator within five hours from the moment of receipt of the notification. The natural gas customer shall confirm the receipt of information in the method specified in the notification of the combined natural gas transmission and storage system operator or natural gas distribution system operator;

26.2. after receipt of the information on the restrictions on natural gas consumption but not later than by the end of the following gas day, to reduce the consumption of natural gas to the level specified in the Cabinet order;

26.3. upon request of a representative of the combined natural gas transmission and storage system operator or natural gas distribution system operator, to provide him or her with unhindered access to the gasified object for the implementation of the functions provided for in legal acts.

27. If a natural gas customer, except for the protected customer, during a national energy crisis consumes a greater amount of natural gas per day than specified in the Cabinet order, the combined natural gas transmission and storage system operator or natural gas distribution system operator shall perform the following activities:

27.1. warn the natural gas customer if the permitted daily natural gas consumption is exceeded by 10 per cent;

27.2. without delay discontinue the supply of natural gas until the revocation of the national energy crisis in natural gas supply if the natural gas customer repeatedly exceeds the permitted daily natural gas consumption after the warning referred to in Sub-paragraph 27.1 of this Regulation or exceeds the permitted daily natural gas consumption by more than 10 per cent.

28. A combined natural gas transmission and storage system operator shall, after adoption of the order referred to in Paragraph 20 of this Regulation, inform the distribution system operator of the natural gas customers who store natural gas belonging to them at the Inčukalns underground gas storage facility and the stored amount of natural gas.

29. Withdrawal of natural gas from the Inčukalns underground gas storage facility shall not be restricted for the natural gas customers who store natural gas at the facility, unless the Cabinet has decided otherwise.

**IV. Establishment and Use of Strategic Natural Gas Stocks**

30. A combined natural gas transmission and storage system operator shall store the strategic natural gas stocks (hereinafter – the stocks) which are also a part of the stocks for the security of energy supply in accordance with the supply standard specified in Article 6 of Regulation (EU) 2017/1938 of the European Parliament and of the Council of 25 October 2017 concerning measures to safeguard the security of gas supply and repealing Regulation (EU) No 994/2010.

31. Natural gas traders shall, within two days after declaration of an energy crisis in natural gas supply, inform the ministry responsible for the energy industry of the protected customers with whom a natural gas sales contract has been concluded.

32. The ministry responsible for the energy industry shall, on the basis of the information provided by natural gas traders and the information provided by a natural gas distribution system operator on the average daily natural gas consumption of the protected natural gas customers for the last 10 days and depending on the current crisis situation, prepare and the minister responsible for the energy industry shall submit a draft order to the Cabinet on the use of the stocks, a list of natural gas traders entitled to use the stocks, and the quantity and price of natural gas to be supplied to the protected customers.

33. After approval of the Cabinet order on the use of the stocks:

33.1. a combined natural gas transmission and storage system operator shall ensure availability of the natural gas transmission system for withdrawal of the stocks from the Inčukalns underground gas storage facility and transportation to the natural gas traders entitled to use the stocks in the natural gas transmission system;

33.2. a natural gas trader shall ensure the supply of the stocks received from a combined natural gas transmission and storage system operator in accordance with the Cabinet order on the use of the stocks to the protected customers with whom it has concluded a natural gas sales contract.

34. If the stocks for the security of energy supply have been depleted, a combined natural gas transmission and storage system operator has the obligation to ensure the establishment of stocks at the level specified in Paragraph 30 of this Regulation. The technologically and economically justified costs of the establishment and storage of the stocks shall be included in the costs of the natural gas transmission system service.

**V. Closing Provisions**

35. An electricity transmission system operator shall submit the list referred to in Paragraph 9 of this Regulation for the first time to the ministry responsible for the energy industry within six months after the day of coming into force of this Regulation.

36. A combined natural gas transmission and storage system operator and natural gas distribution system operator shall submit the information referred to in Paragraph 16 of this Regulation for the first time to the ministry responsible for the energy industry within four months after the day of coming into force of this Regulation.

37. The Ministry of Economics shall prepare the list referred to in Paragraph 18 of this Regulation in cooperation with natural gas system operators within four months after the day of coming into force of this Regulation.

38. Cabinet Regulation No. 312 of 19 April 2011, Procedures for the Supply of Energy Customers and Sale of Heating Fuel During a Declared Energy Crisis and in the Event of a Threat to the State (*Latvijas Vēstnesis*, 2011, No. 69; 2013, Nos. 37, 179; 2016, No. 164; 2017, No. 70; 2018, No. 101; 2019, No. 257; 2021, No. 225; 2022, No. 165), is repealed.

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