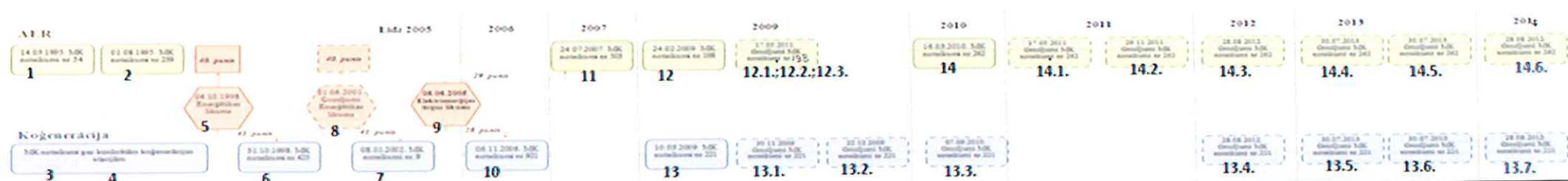


Legislation development of mandatory procurement chronologically



No.	Document, which introduced the support	Principles or changes of support
1.	Cabinet Regulation No. 54 of 14 March, 1995 „About the Price of Electricity Produced in Republic of Latvia”	The purchased price of electricity produced in the decentralized small scale hydroelectric power plants (up to 2 MW), which operates or which will be renewed until 2000, are in compliance with doubled electricity sales tariff calculated by the national JSC "Latvenergo" and is valid for 8 years from start of the power plant operation.
2.	Cabinet Regulation No. 239 of 1 Augusts, 1995 „Regulation on Purchased Electricity Price Produced in Wind Farm”	The wind farms are aligned to the small scale hydro electrical power plants and the price of electricity produced there is determined in accordance with paragraph 3of Cabinet Regulation No. 54 of 14 March, 1995 „About the price of electricity produced in Republic of Latvia”
3.	Cabinet Regulation No. 171 of 5 May, 1998 „Regulation about the Purchased Price for Electricity Surplus Produced in Cogeneration Station of Vangaži Municipal Company „Vangažu namsaimnieks””	It has been established that electricity surplus produced in cogeneration station of Vangažu municipal company "Vangažu namsaimnieks", which is in accordance with national quality standards, purchased the relevant electricity distribution company licensed in the territory at price 0.02247 LVL per kWh.
4.	Cabinet Regulation No. 170 of May 5, 1998 „Regulation about the Purchased Price for Electricity Surplus Produced in Cogeneration Station of SIA „Edon Latvia””	It has been established that electricity surplus produced in cogeneration station of SIA „Edon Latvia”, which is in accordance with national quality standards, purchased the relevant electricity distribution company licensed in the territory at price 0,02715 LVL per kWh.
5.	Energy law (into force since 6 October, 1998)	Art 40 paragraph one of Energy law (into force until April 15, 2005) stated that the licensed electricity distribution company in its license area is purchased the surplus electricity that is left after spending their own needs from small-scale hydropower stations and wind farms with a capacity less than 2 MW and solar station if the station and equipment are put into service before January 1, 2005. The electricity should be in align with the statutory parameters of power. The electricity is purchased for eight years from the start of operation of the power plants at a price that corresponds to twice the average of electricity sales tariff.
6.	Cabinet Regulation No. 425 of 31 October, 1998 „Order on Purchasing Electricity Surplus Produced in Cogeneration Power Plants”	Licensed electricity suppliers are obliged to purchase the generated electricity surplus remaining after the use of their own needs and correspond to the parameters set out by the State. Moreover it should be purchased from all cogeneration power plants with installed capacity up to 4 MW located in license area.
7.	Cabinet Regulation No. 9 of 8 January, 2002 “Requirements	The cogeneration power plant should followed the safety requirements of supply laid down in the contracts between the

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	for Cogeneration Power Plants and Procedures for the Determination of Purchased Price for Produced Electricity Surplus”	station and district heating system operator or station and system operators, it should not exceed the contractual maximum permissible deviations. The cogeneration power plant, which according to these rules determines the price at which it purchases its electricity surplus to the system operator, is the station that uses cogeneration cycle with the fuel uses’ efficiency, and expressed efficiency rate is not less than 80%.
8.	Amendment to Energy law (into force since 1 June, 2011)	Imposed obligation to licensed electricity distribution company to purchase electricity from producers who use renewable energy sources (hereinafter – RES).
9.	Electricity Market Law (into force since 8 June, 2005)	Provides that a producer that produces electricity from RES may acquire the right to sell the electricity in framework of mandatory procurement (hereinafter – MP) on the price of MP. The price of purchased electricity in MP depends on the used type of energy sources, the installed capacity of the station, number of worked hours, as well as the prices of natural gas.
10.	Cabinet Regulation No. 921 of 6 November, 2006 “Regulation on Electricity Production in Cogeneration”	This Regulation prescribes: 1.1. Criteria for classification of cogeneration units to obtain the right to sell electricity in MP; 1.2. Procedure on MP of produced electricity in cogeneration units and monitoring; 1.3. Pricing arrangement for electricity produced in cogeneration units depending on the electrical power of cogeneration unit and used fuel.
11.	Cabinet Regulation No. 503 of 24 July, 2007 “Regulation on Electricity Production from Renewable Energy Sources”	This Regulations prescribes: 1.1. Conditions for the production of electricity from RES; 1.2. Criteria under which a producer that produces electricity from RES, may acquire the right to sell the produced electricity in the form of mandatory procured electricity; 1.3. Order how to define the amount of mandatory procured electricity, which is produced from RES; 1.4. Share of each type of renewable energy, which is mandatorily covered by electricity produced from renewable energy sources in the end-users energy consumption in Latvia; 1.5. Price determination order for electricity produced from RES depending on the type of energy resources; 1.6. Order on amount of MP, implementation and monitoring arrangements; 1.7. Measures to promote the production of electricity from biomass.
12.	Cabinet Regulation No. 198 of 24 February, 2009 “Regulation on Electricity Production from Renewable Energy Sources and Price Determination” <i>with amendments</i>	Cabinet Regulation No. 503 of 24 July, 2007 “Regulation on Electricity Production from Renewable Energy Sources”. It establish the stable support mechanisms for energy producers from wind – establish the formula of MP, because in the past a principle of lower price in the competition procedure can cause the risk of rice damping and delayed the development of wind farms in Latvia
12.1.	Cabinet Regulation No. 486 of 26 May, 2009	It was changes in the pricing formulas and required amount for 2009, 2010 and further.
12.2.	Cabinet Regulation No. 1363 of 30 November, 2009	It was change responsible authority regarding monitoring of power plants (from State Construction office to the Regulator).
12.3.	Cabinet Regulation No. 1537 of 22 December, 2009	Specified dates, namely, that the public trader each year by March 1 calculates and publishes the updated from RES for the next years. In turn, merchants’ applications for qualification of rights to sell electricity in MP should submitted by April 1 of the current year.
13.	Cabinet Regulation No. 221 of 10 March, 2009 “Regulations Regarding Electricity Production and Price Determination upon Production of Electricity in Cogeneration” <i>with</i>	This Regulation prescribes 1.1. Criteria under which a producer that produces electricity in cogeneration power plant, may acquire the right to sell the produced electricity in the form of mandatory procured electricity or guaranteed payment for the installed electrical

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	<i>amendments:</i>	<p>power;</p> <p>1.2. Order for the MP of electricity produced in cogeneration power plant and monitoring;</p> <p>1.3. Order how to compensate the MP;</p> <p>1.4. Price determination order for electricity produced in cogeneration power plant depending on the electric power of cogeneration and the fuel used;</p> <p>1.5. Procedures by which to determine the cost of installed capacity of cogeneration power plant depending on the production technology, the fuel used and the installed capacity of cogeneration power as well as the modalities of its payment are made.</p>
13.1.	Cabinet Regulation Nr.1362 of 30 November, 2009	Technical amendments.
13.2.	Cabinet Regulation Nr.1621 of 22 December, 2009	Technical amendments (changes in formulas and ratios).
13.3.	Cabinet Regulation Nr.841 of 7 September, 2010	It was determined that further support in Latvia will be awarded only to high-efficiency cogeneration units which will use fuels from renewable energy sources and refused to support the gas stations.
13.4.	Cabinet Regulation Nr.604 of 28 August, 2012	Amendments prescribe - from 10 September 2012 until 1 January 2016 producer may not qualify for selling electricity within the scope of MP and for acquisition of the right to receive a guaranteed payment for the cogeneration power plant installed electric capacity. It was limited the time frame for receiving of support.
13.5.	Cabinet Regulation Nr.466 of 30 July, 2013	Through the Amendments monitoring and controlling of projects was strengthened. Amendments prescribe requirement to submit to the MoE a copy of a building permit and a certificate of adequacy of funding for the development of cogeneration plants until December 31, 2013.
13.6.	Cabinet Regulation Nr.1270 of 5 November, 2013	Technical (transition to EUR).
13.7.	Cabinet Regulation Nr.209 of 22 April, 2014	The amendments set out the decoupling of natural gas. It means, that the Regulator approved the final tariff for natural gas sales, excluding VAT in accordance with the actual calorific value of natural gas (EUR / thousand. N.m3) and it does not exceed the amount calculated when the natural gas price was € 277.46 / thousand. n.m3.
14.	Cabinet Regulation No.262. of 16 March, 2010 „Regulations Regarding the Production of Electricity Using Renewable Energy Sources and the Procedures for the Determination of the Price” <i>with amendments:</i>	<p>1 This Regulation prescribes:</p> <p>1.1. Conditions for the production of electricity, using RES existing in the territory of the Republic of Latvia or acquired in the Republic of Latvia;</p> <p>1.2. Criteria according to which a producer which produces electricity from RES may acquire the right to sell the produced electricity as the volume of electricity to be mandatorily procured;</p> <p>1.3. Criteria according to which a producer which produces electricity in power plants with the installed electric capacity above 1 MW, using biomass or biogas, may acquire the right to receive a guaranteed payment for the electric capacity installed in a power plant;</p> <p>1.4. Procedures for the determination, implementation and monitoring of the MP amount of electricity produced from RES;</p> <p>1.5. What part of the total consumption of the electricity end users in Latvia shall be mandatorily covered by the electricity, which is produced from RES, determining it for each type of RES;</p> <p>1.6. Procedures for the determination of the price for electricity, which is produced from RES, depending on the type of energy sources;</p> <p>1.7. Procedures for waiving the right to sell the produced electricity within the scope of MP;</p> <p>1.8. [29 November 2011];</p> <p>1.9. Measures for promotion of the production of electricity from biomass;</p>

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		<p>1.10. [29 November 2011];</p> <p>1.11. Procedures for the determination of the guaranteed payment for the electric capacity installed in a power plant, and the procedures for the monitoring thereof and amount of payment; and</p> <p>1.12. Procedures by which a merchant may waive the right to receive the guaranteed payment for the electric capacity installed in a power plant.</p> <p><i>[29 November 2011; Sub-paragraphs 1.3, 1.7, 1.8 and 1.9 shall come into force from 1 January 2012]</i></p>
14.1.	Cabinet Regulation No.365 of 17 May, 2011	Amendments prescribe - from 26 May 2011 until 1 January 2013 the MoE shall not organise tenders for the acquisition of the right to sell electricity produced in biomass, biogas, solar or wind power plants within the scope of MP, and the producer may not qualify for selling electricity within the scope of MP and for acquisition of the right to receive a guaranteed payment for the installed electric capacity.
14.2.	Cabinet Regulation Nr.913 of 29 November, 2011	Technical.
14.3.	Cabinet Regulation Nr.606 of 28 August, 2012	Amendments prescribe - until 1 January 2016 the Ministry shall not organise tenders for the acquisition of the right to sell electricity produced in biomass, biogas, solar or wind power plants within the scope of mandatory procurement, and the producer may not qualify for selling electricity within the scope of mandatory procurement and for acquisition of the right to receive a guaranteed payment for the installed electric capacity.
14.4.	Cabinet Regulation No.465 of 20 July, 2013	Through the Amendments monitoring and controlling of projects was strengthened.
14.5.	Cabinet Regulation No.1271 of 5 November, 2013	Technical (transition to EUR).
14.6.	Cabinet Regulation No.208 of 22 April, 2014	The amendments set out the decoupling of natural gas. It means, that the Regulator approved the final tariff for natural gas sales, excluding VAT in accordance with the actual calorific value of natural gas (EUR / thousand. N.m3) and it does not exceed the amount calculated when the natural gas price was € 277.46 / thousand. n.m3.