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Energy Sector Organisation Act¹

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RT I, 05.07.2016, 3

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Amended by the following acts

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21.11.2018	RT I, 12.12.2018, 3	01.01.2019
06.11.2019	RT I, 12.11.2019, 4	22.11.2019
17.06.2020	RT I, 30.06.2020, 9	01.07.2020
01.10.2020	RT I, 09.10.2020, 2	19.10.2020, in part 25.10.2020, 01.01.2021 and 01.01.2022; the phrase 'energy efficiency obligation' in this Act has been replaced with the phrase 'energy savings obligation'
04.05.2022	RT I, 18.05.2022, 1	28.05.2022
12.10.2022	RT I, 22.10.2022, 3	01.11.2022
15.02.2023	RT I, 07.03.2023, 21	17.03.2023
20.06.2023	RT I, 30.06.2023, 1	01.07.2023
12.06.2024	RT I, 04.07.2024, 1	14.07.2024, in part 01.06.2025 and 01.01.2030
25.09.2024	RT I, 10.10.2024, 2	20.10.2024
25.02.2026	RT I, 18.03.2026, 1	28.03.2026

Chapter 1 GENERAL PROVISIONS

§ 1. Scope of application of this Act

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

(1) This Act provides:

- 1) the measures for achieving the national target of energy efficiency;
- 2) the principles for promoting renewable energy;
- 3) the requirements for improving energy efficiency and the parties on whom obligations are imposed in the public as well as in the private sector.

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

(2) [Repealed –RT I, 18.05.2022, 1 - entry into force 28.05.2022]

(3) The provisions of the Administrative Procedure Act apply to administrative proceedings provided by this Act without prejudice to the rules specific to this Act.

§ 2. Definitions

The terms in this Act are defined as follows:

- 1) 'public sector body' means a contracting authority within the meaning of the Public Procurement Act;

- 2) ‘implementing public authority’ means a government agency or legal person in public law which is involved in the implementation of energy saving policies and which is responsible for the carrying out or monitoring of energy or carbon dioxide taxation, financial schemes and instruments, fiscal incentives, standards and norms, energy labelling schemes, training or education;
- 2¹) ‘biomass fuel’ means gaseous or solid fuel produced from biomass as provided for by subsection 2 of § 57 of the Electricity Market Act;
[RT I, 18.05.2022, 1 - entry into force 28.05.2022]
- 2²) ‘biogas’ means gaseous fuel produced from biomass as provided for by subsection 2 of § 57 of the Electricity Market Act;
[RT I, 04.07.2024, 1 - entry into force 14.07.2024]
- 2³) ‘forest biomass’ means biomass produced in forestry;
[RT I, 04.07.2024, 1 - entry into force 14.07.2024]
- 2⁴) ‘agricultural biomass’ means biomass produced in agriculture;
[RT I, 04.07.2024, 1 - entry into force 14.07.2024]
- 3) ‘energy’ means energy products, including combustible fuel, heat, renewable energy, electricity and other energy products;
- 4) ‘energy audit’ means a systematic procedure which is carried out with the purpose of obtaining adequate knowledge of the existing energy consumption profile of a building or group of buildings, an industrial or commercial operation or installation or a private or public service, and which identifies and quantifies cost-effective energy savings opportunities, and whose findings are reflected in a report;
- 5) ‘retail energy undertaking’ means a natural or legal person who sells energy to final customers;
- 6) ‘energy management system’ means a set of interrelated or interacting elements of a plan which sets an energy efficiency target and provides a strategy to achieve that target;
- 7) ‘final energy consumption’ means all energy supplied to industry, transport, households, services and agriculture, excluding deliveries to the energy transformation sector and the energy industries themselves;
- 7¹) ‘vulnerable energy consumers’ means persons living alone for the purposes of the Social Welfare Act or families whose monthly income per family member during the last six months does not exceed the minimum wage;
[RT I, 09.10.2020, 2 - entry into force 19.10.2020]
- 7²) ‘person suffering from energy poverty’ means a person living alone for the purposes of the Social Welfare Act, or a family who has, at least once during the last six months, received a subsistence benefit and whose income per family member in the last month does not exceed the minimum wage;
[RT I, 09.10.2020, 2 - entry into force 19.10.2020]
- 7³) ‘gross final consumption of energy’ means the entirety of the energy supplied to industry, transport, services, forestry, fisheries and agriculture as well as households, the consumption of electricity and thermal energy in the energy sector for the generation of electricity and thermal energy, including electricity and thermal energy losses in distribution or transmission;
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]
- 8) ‘energy savings’ means an amount of saved energy determined by measuring or estimating consumption before and after implementation of an energy efficiency improvement measure in a situation in which the equality of external conditions that may affect energy consumption is ensured;
- 9) ‘energy distributor’ means a natural or legal person, including a distribution network operator, responsible for transporting energy with a view to its delivery to final customers or to distribution stations that sell energy to final customers;
- 10) ‘energy service’ means the physical benefit, utility or good derived from a combination of energy with energy-efficient technology or with action, which may include the operations, maintenance and control necessary to deliver the service, which is delivered on the basis of a contract and in normal circumstances has proven to help to improve the verifiable and measurable or estimated energy efficiency or save primary energy.
- 11) ‘energy service provider’ means a natural or legal person who delivers energy services or implements other energy efficiency improvement measures in a final customer’s facility or premises;
- 12) ‘energy efficiency’ means the ratio of output of performance, service, goods or energy, to input of energy;
- 13) ‘energy performance contract’ means an agreement between the final customer and the energy service provider whose performance is verified and monitored during its entire term, and on the basis of which the investments made to provide the energy service are paid for by the final customer in relation to a contractually agreed level of energy efficiency improvement or other agreed energy performance criterion, such as financial savings;
- 14) ‘energy efficiency improvement’ means an augmentation of energy efficiency by means of technological, behavioural or economic changes;
- 15) ‘aggregator’ means a demand service provider that combines multiple short-duration consumer loads for sale or auction in organised energy markets which include power exchange or over-the-counter markets for trading energy, capacity, balancing and ancillary services in all timeframes, including forward, day-ahead and intra-day markets;
- 15¹) ‘sourcing area’ means a geographically defined area from which the forest biomass feedstock is sourced, from which reliable and independent information is available and where conditions are sufficiently homogeneous to evaluate whether such biomass meets sustainability criteria;
[RT I, 18.05.2022, 1 - entry into force 28.05.2022]
- 15²) ‘geothermal energy’ means energy stored beneath the Earth’s surface as thermal energy;
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]
- 16) ‘distribution network operator’ means distribution network operator within the meaning of the Electricity Market Act and the Natural Gas Act;

17) 'total useful floor area' means the building's heated area that is calculated as a total sum of the net areas of all of the building's rooms that use energy to control the quality of their indoor air, including to maintain, increase or reduce indoor temperature;

18) 'district heating and cooling infrastructure' means a fixed operational assembly of pipelines, equipment, auxiliary equipment and the construction works connected thereto, or the part of such an assembly which is necessary for the distribution of heat or cooling, except for consumer installations;

19) 'central government' means all state authorities and institutions administered by state authorities;

20) 'cogeneration' means the simultaneous generation in one process of thermal energy and electrical or mechanical energy;

20¹) 'final user' means a natural or legal person who purchases heating, cooling or domestic hot water for their personal final consumption, or a natural or legal person who does not hold a contract with an energy distributor and who has their residence in, or uses, an apartment or a building that is supplied with heating, cooling or domestic hot water from a central source;

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

20²) 'lignocellulosic material' means material consisting of lignin, cellulose and hemicellulose, derived from forest, woody energy crops as well as from industrial forestry waste and residue;

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

21) 'final customer' means a natural or legal person who purchases energy under a contract concluded with an energy distributor;

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

21¹) 'mixed-use building' means a residential or non-residential building that is characterized by more than one purpose of use and that accommodates, or is used by, a final user in addition to the final customer;

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

21²) 'renewable fuels of non-biological origin' means liquid and gaseous fuels the energy content of which is derived from renewable sources other than biomass;

[RT I, 18.03.2026, 1 - entry into force 28.03.2026]

21³) 'metering point' means a location where the amount of fuel or energy that has been consumed is measured;

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

22) 'smart meter' means an electronic system that can measure energy consumption, providing more information than a locally readable meter, and can transmit and receive data using a form of electronic communication;

23) 'demand management' means measures aimed at influencing the amount and timing of electricity consumption in order to reduce primary energy consumption and short-term high loads (peak loads);

23¹) 'renewables self-consumer' means a final consumer for whom energy production is not a primary commercial or professional activity and who consumes, stores or sells energy that they have produced on their immovable property from a renewable source;

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

24) 'participating party' means an undertaking or public sector body that has committed itself to reaching certain objectives under a voluntary agreement, or is covered by a national regulatory policy measure;

24¹) 'osmotic energy' means energy created from the difference in salt concentration between two fluids, usually fresh water and salt water;

[RT I, 18.03.2026, 1 - entry into force 28.03.2026]

25) 'policy measure' means an incentive instrument that is formally established or implemented by the Riigikogu, the Government of the Republic or a minister in order to create a supportive framework, requirement or incentive for market actors to provide and purchase energy services and to undertake other energy efficiency improvement measures. A policy measure may be a regulatory incentive instrument, a financial or fiscal instrument, a voluntary activity or provision of information;

26) 'primary energy' means energy that is obtained from natural sources and is used without any conversion to other energy types, excluding non-energy uses;

26¹) 'administrator of the system of certificates of origin' means the system operator – for the purposes of the Natural Gas Act – and the transmission network operator – for the purposes of the Electricity Market Act – who issues, for all energy carriers, the certificates of origin mentioned in subsection 1 of § 32⁷ of this Act and who administers the electronic database mentioned in subsection 1;

[RT I, 18.03.2026, 1 - entry into force 28.03.2026]

26²) 'contract for sale of renewable energy' means a contract by which a natural or legal person agrees to purchase renewable energy directly from a producer and which among other things covers electricity contracts within the meaning of clause 8³ of § 3 of the Electricity Market Act, as well as contracts for sale of heating and cooling produced from renewable sources;

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

26³) 'support scheme' means a tool, scheme or mechanism which serves to promote the use of energy produced from renewable sources and which among other things covers various investment and operating support;

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

26⁴) 'non-food cellulosic material' means feedstock which mainly consists of cellulose and hemicellulose, has a lower lignin content than lignocellulosic material and includes the residue of food and feed crops, herbaceous energy crops with low starch content, green manure plants preceding and following the principal crop, feed crops and industrial residue;

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

26⁵) 'renewable energy' means energy from renewable non-fossil sources, namely wind, solar, geothermal, osmotic, ambient, tide, wave and other ocean energy, hydropower, as well as energy produced from the biomass, landfill gas, sewage treatment plant gas and biogas that meet the requirements of § 32³ of this Act;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

26⁶) 'renewable electricity' means electricity generated from renewable sources for the purposes of subsection 1 of § 57 of the Electricity Market Act;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

26⁷) 'renewable energy plant' means a plant that produces energy from wind energy (hereinafter, 'wind power plant'), solar energy (hereinafter, 'solar energy equipment'), geothermal energy, osmotic energy, ambient energy, hydropower or from the biomass, landfill gas, sewage treatment plant gas and biogas that meet the requirements of § 32³ of this Act, or a generating installation that uses several of the aforementioned types of renewable energy for renewable energy generation;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

26⁸) 'renewable fuels' means biofuels, bioliquids and biomass fuels for the purposes of the Atmospheric Air Protection Act, as well as renewable fuels of non-biological origin;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

26⁹) 'hydrogen from renewable source' means hydrogen that has been produced exclusively from renewable sources for the purposes of subsection 1 of § 57 of the Electricity Market Act;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

27) 'efficient district heating and cooling' means a district heating or cooling system that uses at least 50 per cent renewable energy, 50 per cent waste heat, 75 per cent cogenerated heat or 50 per cent of a combination of such renewable energy and waste heat or cogenerated heat;

27¹) 'efficient cogeneration' means cogeneration of thermal and electrical energy that meets the requirements enacted under subsection 2 of § 8 of this Act;

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

27²) 'industrial grade roundwood' means saw logs, veneer logs, pulpwood and all other roundwood that is suitable for industrial purposes, excluding roundwood the characteristics of which make it unsuitable for industrial use;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

27³) 'industry' means the undertakings and products classified as belonging to Sections B, C and F, as well as to Part 63 of Section K, of the Estonian economic activities classification system (EMTAK);

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

28) 'entrusted party' means a legal entity to whom the Government of the Republic or a government agency has delegated the power to develop, manage or operate a financing scheme on behalf of the Government of the Republic or of the government agency;

29) 'small and medium-sized undertakings' means undertakings which employ fewer than 250 persons and whose yearly turnover does not exceed 50 million euros, or whose total yearly balance sheet assets do not exceed 43 million euros;

30) 'individual action' means action that helps to improve the verifiable and measurable or estimable augmentation of energy efficiency and that is undertaken as a result of a policy measure;

31) 'general energy savings obligation' means the obligation established in this Act to achieve energy savings or to improve energy efficiency in energy generation, transmission and distribution and at the final customer;

32) 'transmission system operator' means a transmission network operator within the meaning of the Electricity Market Act and a system operator within the meaning of the Natural Gas Act.

Chapter 2

NATIONAL ENERGY EFFICIENCY TARGET AND STRATEGIES IN THE SECTOR

§ 3. National energy efficiency target and action plan

(1) The Ministry of Climate (hereinafter, the *energy savings coordinator*) sets the national energy efficiency target until the year 2020 and prepares the national energy efficiency action plan.

[RT I, 30.06.2023, 1 - entry into force 01.07.2023]

(2) The target mentioned in subsection 1 of this section is to be set based on final energy consumption, additionally having regard to the following:

- 1) the European Union's target of its energy consumption in 2020 not exceeding 1,483 Mtoe in the case of primary energy or 1.086 Mtoe in the case of final energy;
- 2) the measures provided by this Act and in other legislation with a view to improving energy efficiency and achieving energy savings;
- 3) the national energy policy.

(3) The energy savings coordinator notifies the target referred to in subsection 1 of this section to the European Commission in the form of a report that conforms to Part 1 of Annex XIV of 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 (OJ L 315, 14.11.2012, pp. 1–56). The report must also express the target in terms of an absolute level of primary energy consumption in 2020 and must explain how, and based on what data, this has been calculated.

(4) The energy savings coordinator submits the national energy efficiency action plan referred to in subsection 1 of this section to the European Commission.

(5) The national energy efficiency action plan referred to in subsection 1 of this section is complemented with updated estimates of expected overall primary energy consumption in 2020. The estimates must conform to Part 1 of Annex XIV of Directive 2012/27/EU of the European Parliament and of the Council.

(6) The national energy efficiency action plan referred to in subsection 1 of this section must conform to Part 2 of Annex XIV of Directive 2012/27/EU of the European Parliament and of the Council.

(7) The national strategy for the renovation of buildings referred to in subsection 1 of § 4 of this Act forms a part of the national energy efficiency action plan referred to in subsection 1 of this section.

(8) The national energy efficiency action plan referred to in subsection 1 of this section is exempted from the requirements established for strategy documents in the State Budget Act and from the requirements established for planning documents in the Environmental Impact Assessment and Environmental Management System Act.

(9) The Government of the Republic sets the national energy efficiency target until the year 2030 and enacts an integrated national energy and climate plan which is drawn up by the energy efficiency coordinator in accordance with the requirements provided by Articles 3, 4 and 6–12 of Regulation (EU) 2018/1999 of the European Parliament and of the Council on the governance of the Energy Union and climate action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council.
[RT I, 09.10.2020, 2 - entry into force 01.01.2021]

(10) The target mentioned in subsection 9 of this section may be set with regard to:

- 1) primary or final energy consumption;
 - 2) primary or final energy savings;
 - 3) primary or final energy intensity.
- [RT I, 09.10.2020, 2 - entry into force 01.01.2021]

(11) When setting the target mentioned in subsection 9 of this section, the target mentioned in paragraph 1 of Article 3 of Directive 2012/27/EU of the European Parliament and of the Council is taken into account.
[RT I, 09.10.2020, 2 - entry into force 01.01.2021]

§ 4. National strategy for the renovation of buildings to improve their energy performance

(1) The energy savings coordinator draws up a nation-wide long-term renovation strategy (hereinafter, *long-term renovation strategy*) to support the renovation of residential and non-residential buildings, with the objective of making the nation's building stock energy efficient and reducing its CO₂ emissions to a low level by the year 2050, and of facilitating cost-effective renovation of existing buildings such that they become nearly zero-energy buildings.
[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

(1¹) The long-term renovation strategy must include:

- 1) an overview, based on a statistical sample, of buildings in the national territory that have indoor climate control and of the proportion of buildings renovated by 1 January 2020;
- 2) cost-effective renovation solutions that, based on the estimated duration of renovation work, have been determined to be appropriate to the type of building, to the climatic conditions at its location and, where required, to its life span;
- 3) an overview of targeted cost-effective renovation solutions for buildings and of policy measures that stimulate the cost-effective deep renovation of buildings, which may be staged where this is necessary, and of the support measures that have been elaborated;
- 4) an overview of the least energy efficient part of the building stock and of problem situations caused by diverging interests of participants of the relevant market, and of the policies to preclude market failure, adopted as a result of such situations, as well as of the support measures that have been elaborated;
- 5) an overview of the support measures that have been elaborated to alleviate energy poverty;
- 6) an overview of energy efficiency policies and support measures targeting the public sector;

7) an overview of national initiatives that promote knowledge-based solutions and smart solutions in the fields of building work and of energy efficiency, and that promote energy-efficient solutions that link individual buildings or an entire district;

8) an evidence-based estimate of the energy savings and of the wider economic benefits to result from these for the society.

[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

(2) The strategy referred to in subsection 1 of this section is not a strategy document within the meaning of the State Budget Act and is not a planning document within the meaning of the Environmental Impact Assessment and Environmental Management System Act.

(3) To implement the long-term renovation strategy energy, the savings coordinator draws up an action plan with measures and with measurable performance indicators, having regard to the following long-term targets:

1) to reduce, in the European Union and by the year 2050, the emissions of greenhouse gases by 80–95 per cent compared to the year 1990;

2) to provide for a national building stock that is energy efficient and characterized by a low level of CO₂ emissions;

3) to facilitate cost-effective renovation of existing buildings into nearly zero-energy buildings.

[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

(4) The action plan includes recommended interim targets for Estonia to be attained by 1 January 2030, 1 January 2040 and 1 January 2050, as well as explanations of how achieving such interim targets helps attain the energy efficiency targets established by the European Union according to Directive 2012/27/EU of the European Parliament and of the Council.

[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

(5) The following principles are observed when elaborating measures to support the investments required in order to achieve the goals established in the long-term renovation strategy:

1) to make it possible for investors to access actions for improving the energy performance of buildings and to offer comprehensive solutions to potential clients by concentrating, for this purpose, building design documentation solutions, and by engaging investment groups and platforms, and consolidating small and medium-sized undertakings;

2) to reduce estimated risk of measures related to energy efficiency for investors and the private sector;

3) to leverage private sector investments or to eliminate market failures;

4) to direct investments into making the stock of public-use buildings more energy-efficient in accordance with the guidelines of the Statistical Office of the European Union (Eurostat);

5) to create accessible and public-use consulting tools.

[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

(6) The long-term renovation strategy may deal with risks related to fire safety that have an impact on the energy efficiency of renovation solutions and on the life span of buildings.

[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

(7) The following are published as an annex to the long-term renovation strategy:

1) an overview of the strategy's implementation plan, of envisaged policies and measures;

2) a summary of the results of public consultation.

[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

§ 4¹. Public consultation on the long-term renovation strategy

In the course of elaborating the long-term renovation strategy, the energy savings coordinator arranges a public consultation with stakeholders at least on two occasions. The public consultation is arranged and a summary of its results is drawn up based on the rules for cooperation and engagement provided by the Regulation enacted under subsection 6 of § 18 of the Government of the Republic Act.

[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

Chapter 3 NATIONAL MEASURES TO ACHIEVE ENERGY SAVINGS

§ 5. Improving the energy performance of public bodies' buildings

(1) Each year, the energy savings coordinator for immovable property owned by the central government arranges for the renovation of 3 per cent of the total useful floor area of buildings occupied by the central government, to meet at least the minimum energy performance requirements for buildings undergoing major renovation, as established in the regulation enacted on the basis of subsection 3 of § 65 of the Building Code. The functions of the energy savings coordinator for immovable property owned by the central government are performed by the Ministry of Finance.

(2) The 3 per cent limit rate referred to in subsection 1 of this section is calculated by reference, in buildings whose total useful floor area exceeds 250 m² and which are occupied by the central government on the basis of

an occupancy agreement or the right of ownership, to the useful floor area that, on 1 January of each year, does not meet the minimum energy performance requirements.

(3) When applying subsection 1 of this section, central government buildings with the poorest energy performance have priority provided their renovation is cost-effective and technically feasible.

(4) The renovation obligation described under subsection 1 of this section does not apply to buildings with indoor climate control which are listed under subsection 2 of § 62 of the Building Code and which are not required to meet the minimum energy performance requirements, and to buildings which serve national defence purposes and are owned by the armed forces, apart from the individual residential premises or office buildings for the personnel of the armed forces or national defence authorities.

(5) If, in a given year, more than 3 per cent of the total useful floor area of central government buildings is renovated, the excess may be counted towards the annual renovation rate of any of the three previous or following years.

(6) The annual renovation rate of central government buildings may be reduced by subtracting from the total such new buildings that comply with the energy performance requirements and that are occupied or acquired as replacements for specific central government buildings demolished during the previous two years or for buildings that have been sold, demolished or taken out of use during the previous two years due to the more intensive use of other buildings.

(7) For the purposes of applying subsection 1 of this section, the energy savings coordinator for immovable property owned by the central government draws up an inventory of heated and cooled central government buildings referred to in subsection 2 of this section. Buildings subject to exemption under subsection 4 of this section are excluded from the inventory. The inventory report must contain the following information in respect of each building:

- 1) total useful floor area in square metres or, if this information is unavailable, the enclosed net floor area within the meaning of the regulation enacted under subsection 5 of § 3 of the Building Code;
- 2) the class of the energy performance indicator or the class of weighted specific energy use and information on whether or not the building meets the minimum energy performance requirements for buildings undergoing major renovation.

(8) In the absence of information set out in subsection 7 of this section, the inventory deems the building not to meet the minimum energy performance requirements.

(9) The energy savings coordinator for immovable property owned by the central government makes the inventory report referred to in subsection 7 of this section publicly available.

(10) The task of the energy savings coordinator is, by way of sharing best practices, to encourage public bodies, including public regional and local bodies and bodies administering social housing:

- 1) to adopt an energy efficiency plan, which is either a freestanding plan or part of a broader climate or environmental plan and contains specific energy saving and efficiency objectives and actions, with a view to following the example of central government buildings provided by subsections 1–8 of this section;
- 2) to put in place an energy management system, including energy audits;
- 3) where appropriate, to use energy service companies, and energy performance contracts to maintain or improve energy efficiency.

§ 6. Energy efficient purchasing by public bodies

(1) The central government may only purchase products, services and buildings that are highly energy efficient, insofar as this is cost-effective, economically feasible, generally sustainable, technically suitable and, given there is sufficient competition, in conformity with the requirements established under subsection 2 of this section. The buildings listed under subsection 2 of § 62 of the Building Code are exempted from the requirement of high energy efficiency.

(2) The Government of the Republic makes regulations to establish the energy efficiency requirements for the products, services and buildings purchased by the central government.

(3) The obligation established in subsection 1 of this section is applied to agreements entered into by the central government for the purchase of products, services and buildings whose cost equals or exceeds the international threshold for public procurements laid down in subsection 3 of § 14 of the Public Procurement Act.
[RT I, 01.07.2017, 1 - entry into force 01.09.2017]

(4) The obligation referred to in subsection 1 of this section applies to the agreements of the armed forces only to the extent that is compatible the nature and primary aim of the activities of the armed forces. The obligation does not apply to contracts for the supply of military equipment as defined by Directive 2009/81/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of procedures for the award of

certain works contracts, supply contracts and service contracts by contracting authorities or entities in the fields of defence and security, and amending Directives 2004/17/EC and 2004/18/EC (OJ L 216, 20.08.2009, pp. 76–136).

(5) Without prejudice to subsection 1 of this section, a public sector body, when purchasing a product package covered as a whole by a delegated act adopted under Regulation 2017/1639/EU of the European Parliament and of the Council of 4 July 2017 setting a framework for energy labelling and repealing Directive 2010/30/EU (OJ L 198, 28.07.2017, pp. 1–23), provides for the aggregate energy efficiency of the package to have priority over the energy efficiency of individual products within that package.
[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

(6) The task of the energy savings coordinator is, by way of sharing best practices, to encourage public bodies, including public regional and local bodies, to follow the example of the central government and to purchase only products, services and buildings that are highly energy efficient. The energy savings coordinator encourages public bodies, when tendering service contracts, to assess the possibility of concluding long-term energy performance agreements that would contribute to achieving long-term energy savings.
[RT I, 05.07.2016, 3 - entry into force 01.01.2017]

Chapter 4

IMPROVING EFFICIENCY IN ENERGY GENERATION AND ENERGY SUPPLY

§ 7. Energy efficiency measures in energy transformation, transmission and distribution

(1) The transmission network operator and the distribution network operator (hereinafter, together the *network operators*) determine, in relation to their network, the cost-effective energy efficiency improvement measures and the necessary investments, draw up a timetable for the introduction of such measures and investments and submit an overview of these to the energy savings coordinator.
[RT I, 05.07.2016, 3 - entry into force 01.01.2017]

(2) The energy savings coordinator prepares and makes public on its website an analysis assessing the energy efficiency improvement potential of the gas and electricity system, in particular regarding transmission, distribution, load management and interoperability, and regarding connection of energy generating installations.

(3) When making the decisions required under the Electricity Market Act and the Natural Gas Act concerning the operation of the gas and electricity network, the Competition Authority takes into account the energy efficiency measures of the network operators.

(4) When approving the network charges referred to in the Electricity Market Act and the Natural Gas Act, the Competition Authority takes into account the cost of the measures taken to improve the energy efficiency of the network, the cost of the measures permitting network users to participate in improving the efficiency of the system and the cost of the measures permitting the management of demand, including the cost of additional services related to smart meters. The network charge must not obstruct improvement of the general efficiency, including energy efficiency, of the gas or electricity system, the management of demand, the participation of market participants in the balancing market or the procurement of ancillary services.

§ 8. Promotion of efficiency in heating and cooling

(1) The energy savings coordinator submits to the European Commission a report on the potential for the application of high-efficiency cogeneration and efficient district heating and cooling. The report must be prepared following the instructions provided by Annex VIII of Directive 2012/27/EU of the European Parliament and of the Council.

(2) The minister responsible for the area makes regulations to establish requirements for high-efficiency cogeneration, taking guidance from Annex I and II of Directive 2012/27/EU of the European Parliament and of the Council.
[RT I, 05.07.2016, 3 - entry into force 01.01.2017]

(2¹) When preparing the report provided for by subsection 1 of this section, the energy savings coordinator analyses the potential, in the heating and cooling sector, for the generation of energy from renewable sources and for the use of waste heat and cold, which where relevant includes an analysis of the areas that are suitable for deployment of such energy and in which the related ecological risk is low, as well as of small-scale household projects.
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(2²) The analysis mentioned in subsection 21 of this section considers available and economically feasible technology for industrial and domestic uses in order to set out milestones and measures to increase the use of renewable energy in heating and cooling and, where appropriate, for more extensive use of waste heat and cold in district heating and cooling.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(2³) The aim of the analysis mentioned in subsection 2¹ of this section is to establish a long-term national strategy for effective reduction of the greenhouse gas emissions and air pollution emanating from the heating and cooling sector. The above-mentioned analysis is performed in accordance with the energy efficiency first principle.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(3) In the course of preparing the report provided for by subsection 1 of this section, the energy savings coordinator analyses the economic justifiability of the measures intended to promote energy efficiency in heating and cooling across the national territory, basing such an analysis on point 3 of Article 1 of Directive (EU) 2018/2002 of the European Parliament and of the Council amending Directive 2012/27/EU on energy efficiency (OJ L 328, 21.12.2018, pp. 210–230). The analysis is to take into account the climatic conditions, economic feasibility and technical suitability of the measures. The outcome of the analysis must facilitate the identification of the most resource-saving and cost-efficient solutions to meeting heating and cooling needs.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(3¹) Heating and cooling are efficient if the new projected generation solution uses less primary energy than the original projected solution, and if it is possible to measure the quantity of primary energy. The assessment of the generation solution also takes into account the energy necessary for the mining, conversion, transport and distribution of the fuel used.

[RT I, 29.06.2018, 2 - entry into force 09.07.2018]

(4) When developing district heating and cooling infrastructure, an undertaking takes guidance from the report referred to in subsection 1 of this section and from the results of the analysis referred to in subsection 3 of this section.

(5) The energy sector development plan, as defined in subsection 3 of § 19 of the State Budget Act, must be prepared in observance of the principle of promoting the deployment of efficient heating and cooling systems, especially systems that employ high-efficiency cogeneration, to improve local and regional heating provision.

(6) The Ministry of Economic Affairs and Communications arranges provision, to owners or tenants of buildings and to small and medium-size undertakings, of information on cost-effective measures and financial instruments to improve the use of renewable energy in heating and cooling systems. The information mentioned in the first sentence of this subsection must be presented through accessible and transparent advisory tools.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(7) The minister in charge of the policy sector may, by administrative contract, delegate authority to disseminate the information mentioned in subsection 6 of this section to a state foundation in accordance with the rules provided by the Administrative Cooperation Act.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 9. Demand management

(1) The Estonian Competition Authority disseminates through its website information regarding demand management opportunities in wholesale and retail energy markets.

(2) A network operator prepares and disseminates through its website technical instructions for accessing system services markets, including the balancing and reserve capacity markets, for final customers and aggregators.

(3) A network operator offers to users of its network service ancillary services which are necessary for the improvement of energy efficiency and demand management and which are related to smart meters, and disseminates the relevant information through its website.

(4) When fulfilling the requirements concerning balancing and other system services, the network operator observes the principle of equal treatment with regard to aggregators and to market participants within the meaning of the Electricity Market Act or Natural Gas Act, and takes into account their technical capabilities.

§ 10. Cost-benefit analysis in relation to high-efficiency cogeneration installations

(1) An undertaking prepares a cost-benefit analysis concerning the transformation of an installation, within the meaning of the Industrial Emissions Act, into a high-efficiency cogeneration installation, when it plans:

- 1) a new thermal electricity generation installation with a total rated thermal input exceeding 20 MW;
- 2) a major renovation of an existing thermal electricity generation installation with a total rated thermal input exceeding 20 MW;

- 3) the building of a new industrial installation whose total rated thermal input exceeds 20 MW and which generates waste heat at a useful temperature level, or a major renovation of an existing one;
- 4) a new district heating or cooling network;
- 5) a new thermal electricity generation installation with a total rated thermal input exceeding 20 MW within an existing district heating or cooling network;
- 6) a major renovation of an existing thermal electricity generation installation in a manner that permits to effectively utilise waste heat from a nearby industrial installation.

(2) The major renovation referred to in clauses 2, 3 and 6 of subsection 1 of this section means renovation whose cost exceeds 50 per cent of the investment cost for a new comparable unit.

(3) The analysis referred to in subsection 1 of this section must be endorsed by a person holding at least the professional qualification of a chartered electrical or thermal engineer at VIII or equivalent level.

(4) The minister responsible for the area makes regulations to establish the minimum requirements for the cost-benefit analysis in relation to transforming an installation into a high-efficiency cogeneration installation.

(5) The installation of equipment to capture carbon dioxide produced by a combustion installation with a view to its being geologically stored as provided for by Directive 2009/31/EC of the European Parliament and of the Council on the geological storage of carbon dioxide and amending Council Directive 85/337/EEC, European Parliament and Council Directives 2000/60/EC, 2001/80/EC, 2004/35/EC, 2006/12/EC, 2008/1/EC and Regulation (EC) No 1013/2006(OJ L 140, 05.06.2009, pp. 114–135) is not deemed to constitute the renovation referred to in clauses 2, 3 and 6 of subsection 1 of this section.
[RT I, 05.07.2016, 3 - entry into force 01.01.2017]

Chapter 5

REQUIREMENTS FOR MEASURING ENERGY CONSUMPTION AND FOR PROVISION OF INFORMATION IN ORDER TO IMPROVE ENERGY EFFICIENCY

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

§ 11. Metering the consumption of heating, cooling and domestic hot water

(1) The energy distributor ensures the measuring of thermal energy that accompanies the provision, to a final customer, of district heating, district cooling and domestic hot water services, and ensures the gathering and processing of the metering data.

(2) The energy distributor installs, at the final customer's heat exchanger or distribution point, a meter to measure the thermal energy expended in order to produce the district heating, district cooling or domestic hot water provided from the district heating or district cooling network or from a central source servicing several buildings.

(3) Where installation of individual heating cost allocators or meters to measure the consumption of district heating, district cooling or domestic hot water is cost efficient and technically feasible, such allocators or meters are installed in a final customer's apartment building or multi-use building. The allocators or meters must possess a remote-reading function, provided the installation of allocators or meters that possess such a function is cost efficient and technically feasible.

(4) The energy savings coordinator arranges assessment of the cost efficiency and technical feasibility of installing, in a final customer's apartment buildings or multi-use buildings, of heating cost allocators or meters, including of such allocators or meters possessing a remote-reading function.

(5) The minister responsible for the area may enact, by regulation, the conditions for installing, in a final customer's apartment building or multi-use building, of individual heating cost allocators and meters.
[RT I, 09.10.2020, 2 - entry into force 25.10.2020]

§ 12. Requirements for invoices presented to a final customer

(1) The energy distributor transmits an electronic invoice to the final customer at least once a month, unless agreed otherwise. If the final customer is a consumer within the meaning of the Consumer Protection Act, the energy distributor presents the invoice by a method mentioned in subsections 6 and 7 of § 4 of the Consumer Protection Act. The invoices and electronic access to invoicing information and consumption data are provided free of charge. For repeat invoices, a fee may be charged.
[RT I, 05.07.2016, 3 - entry into force 01.01.2017]

(2) [Repealed –RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(3) Together with or on the invoice to a final customer, the energy distributor provides the following information:

- 1) applicable prices and the actual consumption of energy;
- 2) the fuel mix used to produce heating, cooling or domestic hot water, by type of fuel and, if the total rated thermal input of the district heating network exceeds 20 MW, also the amount of greenhouse gas emissions resulting from the production;
- 3) any taxes, statutory fees and tariffs that have been applied;
- 4) a comparison of energy consumption during the period shown on the invoice to climate corrected consumption of the last 12 months;
- 5) a reference to URLs from which one can obtain information on applicable measures for improving energy efficiency, on comparative final customer profiles and on the technical parameters of energy-consuming equipment;
- 6) the rules for filing an appeal;
- 7) a comparison of the customer's energy consumption to that of a similar final customer or of an average final customer.

[RT I, 09.10.2020, 2 - entry into force 25.10.2020]

(4) Where a remote-reading meter is present, the energy distributor must provide the information mentioned in subsection 3 of this section to the final customer at least once a month. Otherwise, such information is provided at least twice a year.

[RT I, 09.10.2020, 2 - entry into force 01.01.2022]

§ 12¹. Obligations for final customers when invoicing a final user

(1) The final customer ensures that a final user receives, free of charge, all invoices, and all information shown on such invoices concerning their consumption of heating, cooling and domestic hot water. The invoices and information are presented to the final user, according to the consumer's choice, to the consumer's postal address or e-mail, or through an electronic customer service environment, an Internet banking service or other such environment, or on a data storage medium, if the consumer has consented to that in a form that allows for reproduction in writing.

(2) In the invoices to final users, the final customer distributes the costs of metering, distributing and accounting the individual consumption of heating, cooling or domestic hot water in a manner that does not envisage a profit.

(3) Reasonable costs which arise in relation to the final customer delegating the task mentioned in subsection 2 of this section to a third party, and which encompass the metering, distribution and accounting of actual individual consumption, may be passed on to final users.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

§ 13. Information to be presented to the energy service provider

(1) At the request of the final customer, the energy distributor presents the metering data, including additional information on historical consumption, to the energy service provider designated by the final customer. No fee is to be charged if measurement data and historical consumption information are accessed electronically by a method determined by the network operator or through a data platform.

[RT I, 05.07.2016, 3 - entry into force 01.01.2017]

(2) At the request of the final user, the final customer presents, to the energy service provider designated by the final user, the information mentioned in subsections 3 and 4 of § 13¹ of this Act concerning the data regarding individual consumption of heating, cooling or domestic hot water during the previous 12 months.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

§ 13¹. Information provided on heating, cooling or domestic hot water invoices and the consumption data

(1) The information provided to a final user on an invoice based on a meter or heating cost allocator that reflects the consumption of heating, cooling or domestic hot water must be based on actual consumption or on the reading of the allocator.

[RT I, 09.10.2020, 2 - entry into force 25.10.2020]

(2) Where a meter or heating cost allocator reflecting the consumption of heating, cooling or domestic hot water is present, the invoice presented by the final customer to a final user must show the data of actual consumption as reflected by the consumer's meter, or show the reading of the allocator.

[RT I, 09.10.2020, 2 - entry into force 25.10.2020]

(3) Where a meter or a heating cost allocator is present, the final customer must, together with or on the invoice to a final user, provide the following information:

- 1) applicable prices and the actual consumption of energy or the total cost of heating and cooling, and the readings of the allocator;

2) the fuel mix used to produce heating, cooling or domestic hot water, by type of fuel and, if the total rated thermal input of the district heating network exceeds 20 MW, also the amount of greenhouse gas emissions resulting from the production;

3) any taxes, statutory fees and tariffs that have been applied;

4) a comparison of energy consumption during the period shown on the invoice to climate corrected consumption of the last 12 months;

5) a reference to URLs from which one can obtain information on applicable measures for improving energy efficiency, on comparative final customer profiles and on the technical parameters of energy-consuming equipment;

6) the rules for filing an appeal;

7) a comparison of the consumer's energy consumption to that of a similar final user or of an average final user.

[RT I, 09.10.2020, 2 - entry into force 25.10.2020]

(4) Where an invoice presented to a final user by a final customer is not based on the consumer's actual consumption as reflected by a meter, or on the readings of a heating cost allocator, such an invoice must contain information on how the amount stated on the invoice was calculated, as well as the information provided for by clauses 5 and 6 of subsection 3 of this section.

[RT I, 09.10.2020, 2 - entry into force 25.10.2020]

(5) Where a remote-reading meter or a heating cost allocator is present, the final customer must provide the information mentioned in subsection 3 of this section to the final user at least once a month. Otherwise, such information is provided at least twice a year.

[RT I, 09.10.2020, 2 - entry into force 01.01.2022]

§ 13². Information provided by suppliers of equipment and systems

Suppliers of equipment and systems make available information concerning net gain, cost and energy efficiency of equipment and systems that use heating, cooling and electrical energy produced from renewable sources.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

§ 13³. Information published by suppliers of heating, cooling and domestic hot water

Suppliers of heating, cooling and domestic hot water publish the following information on their website:

- 1) the share, in final consumption by calendar year, of heating and cooling used in the district heating and cooling network and produced from a renewable source;
- 2) the share, in final consumption by calendar year, of heat produced in an efficient cogeneration process;
- 3) the share of waste heat in final consumption by calendar year;
- 4) the efficiency of the district heating district;
- 5) the average relative heat loss of the network for the previous calendar year together with consumption density for the same year.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

Chapter 6 ENERGY SAVINGS OBLIGATION

Subchapter 1 General Energy Savings Obligation

§ 14. Overall amount of the general energy savings obligation

(1) The Government of the Republic establishes the overall amount of the general energy savings obligation by the instrument provided for by subsection 2 of § 16 of this Act.

(2) The initial overall amount of the general energy savings obligation for the period from 1 January 2014 through 31 December 2020 is set at 1.5 per cent of the average annual amount of energy sold to final customers in each calendar year. The average annual amount of energy sold to final customers is calculated based on the years 2010–2012.

(2¹) The amount of the general energy savings obligation for the period from 1 January 2021 through 31 December 2030 is 0.8 per cent of the average annual amount of energy sold to final customers in each calendar year. The average annual amount of energy sold to final customers is calculated based on the years 2016–2018.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(2²) The amount of the general energy savings obligation for each ten-year period following 31 December 2030 is an average 0.8 per cent of the average annual amount of energy sold to final customers in each calendar year.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(3) The energy sold to final customers for use in transport is excluded from the calculation of the average annual amount of energy sold to final customers.

(4) The calculation of the general energy savings obligation provided for by subsection 2¹ of this section is set out in accordance with the requirements provided by Annex III of Regulation (EU) 2018/1999 of the European Parliament and of the Council in the integrated national energy and climate plan to be drawn up under that Regulation.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

§ 15. Reducing the overall amount of the general energy savings obligation

(1) The initial overall amount of the general energy savings obligation provided for by subsection 2 of § 14 of this Act may be reduced if:

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

1) a reduced general energy savings obligation is applied, in which case the overall amount equals, per calendar year, 1 per cent of the average annual amount of energy sold to final customers for 2014 and 2015, 1.25 per cent for 2016 and 2017, and 1.5 per cent for 2018, 2019 and 2020.

2) energy savings are achieved in the energy transformation, distribution and transmission sectors, including the efficient district heating and cooling infrastructure;

3) energy savings are achieved in the country as a result of an individual action implemented since 31 December 2008 that continues to have an impact in 2020 and that can be measured and verified.

(2) The gross final consumption of energy of the industrial installations that are part of the European Union emissions trading system may be subtracted from the initial overall amount of the general energy savings obligation provided for by subsection 2 of § 14 of this Act.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(3) As a result of the application of subsections 1 and 2 of this section, the initial overall amount of the general energy savings obligation may be reduced by up to 25 per cent; the application of these subsections is to be notified by the energy savings coordinator to the European Commission. The energy savings coordinator must also inform the European Commission of the effect of the application of subsections 1 and 2 of this section on the general energy savings obligation.

§ 16. Implementers of general energy savings obligation

(1) The general energy savings obligation is implemented by:

- 1) implementing public authorities;
- 2) entrusted parties;
- 3) legal persons in private law in which the State holds the majority of decision-making rights;
- 4) distribution network operators.

[RT I, 29.06.2018, 2 - entry into force 09.07.2018]

(2) The Government of the Republic enacts the apportionment of the general energy savings obligation between its implementers (hereinafter, the *energy savings obligation apportionment plan*) by regulation, having regard to the provisions of § 14, § 15, subsection 2 of § 16¹ and § 21 of this Act.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(3) The proposal of the energy savings obligation apportionment plan is drawn up by the energy savings coordinator.

§ 16¹. Implementing the general energy savings obligation

(1) Policy measures that are intended to lead to energy savings and that are applied on 31 December 2020 or after that date may be counted towards discharging the general energy savings obligation, provided such measures result in new individual actions applied after 31 December 2020.

(2) The general energy savings obligation apportionment plan enacted under subsection 2 of § 16 of this Act lays down policy measures for discharging the general energy savings obligation which, in order to alleviate energy poverty, are to be applied subject to special rules concerning persons suffering from energy poverty and vulnerable energy consumers or concerning providers of services intended for such persons or consumers.

(3) In accordance with Regulation (EU) 2018/1999 of the European Parliament and of the Council, in the integrated energy and climate progress reports the energy savings coordinator presents an overview of the performance of the energy poverty alleviation measures.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

§ 17. Types of policy measures

The policy measures facilitating the implementation of the general energy savings obligation may, inter alia, include the following types:

- 1) pollution charges imposed on emissions of pollutants into ambient air and excise taxes that have the effect of reducing end-use energy consumption;
- 2) financing schemes within the meaning of the State Budget Act and other measures that help to implement energy-efficient technology or techniques and have the effect of reducing end-use energy consumption;
- 3) legislation that helps to achieve the implementation of energy-efficient technology or techniques and has the effect of reducing end-use energy consumption;
- 4) voluntary agreements, including agreements concluded under the Administrative Co-operation Act, that help to implement energy-efficient technology or techniques and have the effect of reducing end-use energy consumption;
- 5) standards and norms that aim at improving the energy efficiency of products and services, including buildings and vehicles, except where these are applicable under European Union law;
- 6) energy labelling schemes, with the exception of those that are applicable under European Union law;
- 7) training and education, including energy advisory programmes, that help to apply energy-efficient technology or techniques and have the effect of reducing end-use energy consumption.

§ 18. Accounting the impact of energy saving measures

(1) The minister responsible for the area makes regulations to establish the rules for calculating the energy savings (hereinafter, the *energy savings rules*) achieved by means of policy measures, individual actions and activities carried out as part of these measures and actions.

- (2) The energy savings rules set out:
- 1) the principles for calculating energy savings, including conversion factors for calculating end-use energy savings from primary energy savings;
 - 2) requirements for calculating energy savings, including the methodology of calculating energy savings;
 - 3) requirements for presenting the results of a calculation of energy savings;
 - 4) requirements for notification of methods used for the calculation of energy savings;
 - 5) requirements for source data used in the calculations;
 - 6) principles for arranging the monitoring of the impact of implementation of policy measures;
 - 6¹) the methods of calculating the amount of the general energy saving obligation and the reporting obligations concerning fulfilment of the general energy saving obligation in accordance with Annex V of Directive (EU) 2018/2002 of the European Parliament and of the Council;
- [RT I, 09.10.2020, 2 - entry into force 01.01.2021]
- 7) other requirements prescribed by law.
- [RT I, 05.07.2016, 3 - entry into force 01.10.2016]

Subchapter 2

Obligation of major energy utilities to provide information

§ 19. Major energy utility

For the purposes of this Act, a major energy utility means the following energy distributors or retail energy undertakings:

- 1) a distribution network operator within the meaning of the Electricity Market Act, whose annual amount of energy distributed to final customers equals or exceeds 100 GWh;
- 2) a network operator within the meaning of the Natural Gas Act, whose annual amount of energy distributed to final customers exceeds 100 GWh;
- 3) a network operator within the meaning of the District Heating Act, whose annual amount of energy distributed to final customers equals or exceeds 100 GWh;
- 4) a retail undertaking selling solid fuel, whose annual amount of solid fuel sold to final customers equals or exceeds 100 GWh;
- 5) a retail undertaking selling liquid fuels, excluding motor fuels, whose annual amount of liquid fuels sold to final customers equals or exceeds 100 GWh;
- 6) a retail undertaking selling gas, excluding gas distributed via pipelines, whose annual amount of fuel gas sold to final customers equals or exceeds 100 GWh.

§ 20. Obligation of major energy utilities to provide information

(1) At the demand of the energy savings coordinator, a major energy utility provides the following information:

- 1) the quantities of energy distributed to final customers;
- 2) statistical information on final customers purchasing or receiving the utility's energy distribution service, generalised by groups of final customers; such statistical information must, among other things, describe any significant changes in comparison to previously submitted information;
- 3) up-to-date information regarding the energy consumption of final customers, the energy savings coordinator may also demand information on the dependency of consumption on time, on groups of final customers and on the geographic location of final customers.

(2) When submitting the information, the inviolability and confidentiality of private information and sensitive business information must be ensured.

(3) Information may be demanded for three immediately preceding calendar years.

(4) Information regarding the preceding calendar year must be provided if the time-limit for responding to the information demand of the energy savings coordinator expires after 1 March of the current calendar year.

(5) The time-limit for responding to the information demand of the energy savings coordinator is 30 calendar days from the presentation of the demand.

(6) Information demands under subsection 1 of this section are not presented more frequently than once a year.

Subchapter 3

Energy savings obligation apportionment plan

§ 21. Energy savings obligation apportionment plan

(1) The energy savings obligation apportionment plan provided for by subsection 2 of § 16 of this Act determines:

1) the absolute amount of the general energy savings obligation from 1 January 2021 to 31 December 2030; [RT I, 09.10.2020, 2 - entry into force 01.01.2021]

2) [Repealed –RT I, 09.10.2020, 2 - entry into force 01.01.2021]

3) policy measures to be implemented by the implementing public authorities and their envisaged energy savings;

4) policy measures to be implemented by legal persons in private law in whom the state holds the majority interest and their envisaged energy savings;

5) policy measures to be implemented by a state-owned company that provides real estate services to the state and their envisaged energy savings;

6) other policy measures and their envisaged energy savings;

7) the total envisaged energy savings to be achieved by all policy measures;

8) policy measures whose application is to be subject to special rules regarding persons suffering from energy poverty, regarding vulnerable energy consumers or regarding providers of services intended for such persons or consumers;

[RT I, 09.10.2020, 2 - entry into force 01.01.2021]

(2) The energy savings required to fulfil the energy savings obligation are determined as end-use energy savings.

(3) [Repealed –RT I, 09.10.2020, 2 - entry into force 01.01.2021]

(4) [Repealed –RT I, 09.10.2020, 2 - entry into force 01.01.2021]

(5) In the energy savings obligation apportionment plan, provision may be made for:

1) the method by which, in relation to implementing a policy measure, persons suffering from energy poverty and vulnerable energy consumers, or providers of services intended for such persons or consumers, are identified;

2) to extent to which persons suffering from energy poverty and vulnerable energy consumers, or providers of services intended for such persons or consumers, are to be supported under a policy measure.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

§ 22. Gathering information for the preparation of the energy savings obligation apportionment plan

(1) The general energy savings obligation is calculated using primarily the European Union and national statistics.

(2) The energy savings achieved as a result of the implementation of policy measures are calculated by the energy savings coordinator, taking into account the information provided by the implementer of the policy measure.

Subchapter 4

Fulfilling the energy savings obligation by policy measures

§ 23. Requirements for policy measures

(1) A policy measure to be implemented in order to fulfil the general energy savings obligation must meet the following requirements:

- 1) the policy measure must contribute to the fulfilment of the general energy savings obligation and ensure that energy savings are achieved among final customers;
[RT I, 09.10.2020, 2 - entry into force 01.01.2021]
- 2) the obligations of each entrusted party, participating party or implementing public authority are determined in the legislation or other documents that form the basis for the policy measure;
- 3) the envisaged energy savings are calculated in a transparent manner;
- 4) the envisaged energy savings of the policy measure are expressed as end-use energy savings or primary energy savings, using the conversion factors provided by the energy savings rules;
- 5) the envisaged energy savings of the policy measure are calculated applying the principles and methods set out in the energy savings rules;
- 6) participating parties submit each year a report on the energy savings achieved as a result of implementation of the policy measure, except where this is not feasible;
- 7) provision must be made for monitoring the impact of implementation of the policy measure and relevant options must be provided for modifying the policy measure in the event that its implementation fails to yield the initially envisaged energy savings.

(2) The provision in clause 6 of subsection 1 of this section only applies to policy measures listed under clause 4 of § 17 of this Act.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

§ 24. Monitoring the impact of implementation of policy measures

(1) The monitoring of the impact of implementation of policy measures identified in the energy savings obligation apportionment plan is arranged by the energy savings coordinator.

(2) Entrusted parties, participating parties and implementing public authorities cooperate with the energy savings coordinator in monitoring the impact of the implementation of policy measures.

(3) To arrange monitoring the impact of implementation of policy measures, the energy savings coordinator establishes a control system that ensures assessment of the impact of a statistically significant sample of individual actions to improve energy efficiency. The principles of arranging the monitoring of the impact of implementation of policy measures are laid down in the energy saving rules.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(3¹) Assessment of the impact of an individual policy measure consists of measuring, verifying and proving the relevant impact, all of which is undertaken independently of the entrusted or participating parties concerned.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(3²) The energy savings achieved as a result of a policy measure or of an individual action to improve energy efficiency are calculated in accordance with the energy saving rules.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(4) Each year, the energy savings coordinator disseminates information on the energy savings that have been achieved and the energy savings that are estimated as a result of the relevant policy measures, excluding policy measures implemented by participating parties.

(5) Subsection 3 of this section does not apply to policy measures mentioned in clause 1 of § 17 of this Act.

(6) When the impact of policy measures and individual actions overlaps, the energy savings coordinator must ensure that multiple counting of energy savings does not take place.

§ 25. Reporting by parties participating in the implementation of policy measures

(1) A participating party or a representative of all parties participating in the implementation of the policy measure disseminates through its website, once for each calendar year, a report on the implementation of the policy measure. The report is made public not later than three months after the end of the calendar year and is notified to the energy savings coordinator.

(2) The policy measure implementation report includes at least the following information:

- 1) the name and registration number of the implementer of the measure;
- 2) the title of the measure;
- 3) the names of the institutions and the names and registration numbers of the persons involved in the implementation of the measure;
- 4) the participation of energy service providers in the implementation of the measure;

- 5) the generalised list of activities carried out for the purpose of implementing the measure;
- 6) the envisaged, achieved and estimated energy savings resulting from the activities;
- 7) information on making the measure more specific, or on modifying or terminating the measure.

(3) The envisaged, achieved and estimated energy savings referred to under clause 6 of subsection 2 of this section must be calculated according to the energy savings rules.

(4) The minister responsible for the area of energy savings may make regulations to establish more specific requirements concerning the reports of participating parties.

§ 26. Funding of policy measures

The policy measures receive funding from the state budget in accordance with the national energy policy and the national fiscal strategy.

Chapter 7 ENERGY AUDITS AND ENERGY MANAGEMENT SYSTEMS

§ 27. Requirements for energy audits and energy management systems

(1) The energy savings coordinator must promote the availability to all final customers of high-quality energy audits and energy management systems which are cost-effective and carried out independently by qualified experts or accredited persons.

(2) The expert referred to in subsection 1 of this section must hold at least the professional qualification of an energy auditor, in the area of energy performance of construction works, level VI or higher, depending on the structure to be audited, or an independent accreditation that corresponds to a relevant European or international standard and that proves the competence to certify energy management systems or environmental management systems.

(3) The energy audits referred to in subsection 1 of this section may be carried out by an in-house expert or energy auditor, provided they are competent under subsection 2 of this section.

(4) The European or international standard referred to in subsection 2 of this section means a standard that is adopted by the European Committee for Standardisation, the European Committee for Electrotechnical Standardisation, the European Telecommunications Standards Institute or the International Organization for Standardisation, and that is made available for public use.

(5) In order to ensure the quality of the energy audits referred to in subsection 1 of this section, the minister responsible for the area makes regulations to establish the minimum requirements for energy audits, including for energy audits carried out as part of an energy management system. If, according to the relevant regulation enacted under subsection 7 of § 50 of the Building Code, the purpose of use of the building that is subject to an energy audit is 'residential building', the energy audit must be carried out in compliance with the relevant regulation enacted under subsection 5 of § 64 of that Code.

(6) If assistance is provided for carrying out energy audits from the funds of the European Union or of foreign aid, from the national budget or from other financing sources, the implementing unit of the relevant support measure or the institution conducting the proceedings concerning the assistance must scrutinise the conformity of the energy audit to the requirements established on the basis of subsection 5 of this section.

(7) The reports of the energy audits referred to in subsection 1 of this section may not include clauses preventing the findings of the audit from being transmitted to any qualified or accredited energy service provider, except where the final customer objects to the transmission.

(8) The energy savings coordinator develops programmes to encourage small and medium-sized undertakings to carry out energy audits and implement the recommendations from these audits, and to raise awareness of the economic benefits of energy management systems. The energy savings coordinator develops programmes to raise awareness among households of the benefits of the energy audits referred to in subsection 1 of this section. [RT I, 05.07.2016, 3 - entry into force 01.10.2016]

§ 28. Obligation of large undertakings to undertake regular energy audits

(1) An undertaking which is not a small or medium-sized undertaking or a distribution network operator or transmission network operator, must undertake an energy audit referred to in subsection 1 of § 27 of this Act every four years.

(2) An undertaking which is described in subsection 1 of this section and which implements an energy or environmental management system certified by an independent body in accordance with a relevant European or international standard is exempted from the requirement established under subsection 1 of this section, provided the undertaking proves that the management system concerned includes an energy audit whose report meets the minimum requirements established on the basis of subsection 5 of § 27 of this Act.

(3) The energy savings coordinator prepares a list of undertakings which must undertake the energy audit referred to in subsection 1 of § 27 of this Act and disseminates it through its website.

[RT I, 05.07.2016, 3 - entry into force 01.10.2016]

Chapter 8

GOVERNMENT ACTIONS IN PROMOTING ENERGY EFFICIENCY AND DEVELOPING ENERGY SERVICES

§ 29. Development of qualification schemes in areas of activity linked to energy efficiency

(1) The energy savings coordinator analyses the level of competence, objectivity and reliability of such natural and legal persons who:

- 1) provide energy services;
- 2) carry out energy audits;
- 3) are energy managers;
- 4) install construction products that have an impact on the energy performance of buildings.

(2) If it is ascertained that the level referred to in subsection 1 of this section is insufficient in the listed areas of activity the energy savings coordinator makes a proposal to the professional council convened under subsection 6 of § 8 of the Professions Act to draw up a professional standard. When making the proposal, the energy savings coordinator ensures that the qualification scheme to be created by the professional standard is publicly available, transparent and credible for final customers and contributes to reaching the national energy efficiency targets.

(3) The energy savings coordinator ensures cooperation with other member states of the European Union and the European Commission concerning comparisons between and recognition of the qualification schemes referred to in subsection 2 of this section.

(4) In the course of the analysis provided for by subsection 1 of this section, the energy savings coordinator assesses whether the number of qualified experts available for carrying out the required energy audits is sufficient and, if necessary, makes a proposal to the competent authority to hold a training course.

§ 30. Dissemination of information concerning energy efficiency

(1) The energy savings coordinator makes public, through its website, transparent information on available energy efficiency mechanisms, financial frameworks and relevant legislation and disseminates this information through appropriate information channels to relevant market actors, such as final users, builders, architects, engineers, performers of environmental and energy audits and installers of construction products that have an impact on the energy performance of buildings.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(2) The energy savings coordinator prepares and publishes guidelines on how market participants might inform credit and financial institutions of the opportunities for participation in the financing of energy efficiency improvement measures, for example, through the creation of public/private partnerships.

(3) The energy savings coordinator creates an information platform for market participants to provide adequate and targeted information on energy efficiency to final users of energy.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

(4) The energy savings coordinator, with the participation of stakeholders, including local and regional authorities, promotes suitable information, awareness-raising and training initiatives to inform citizens of the benefits and practicalities of taking energy efficiency improvement measures.

(5) The energy savings coordinator creates an information platform for the promotion, through changes in energy consumption habits, of efficient energy use among households and those small-scale final users of energy.

[RT I, 09.10.2020, 2 - entry into force 19.10.2020]

§ 31. Development of the energy services market

Where necessary, the energy savings coordinator takes the following measures to promote the energy services market and access to this market for small and medium-sized undertakings:

- 1) the dissemination of information on energy service contracts and clauses that should be included in such contracts to guarantee energy savings and the rights of final customers and final users;
[RT I, 09.10.2020, 2 - entry into force 19.10.2020]
- 2) the dissemination of information on financial instruments, incentives, grants and loans to support energy service projects;
- 3) encouraging the development of quality labels, inter alia, by associations of undertakings;
- 4) making publicly available and regularly updating a list of available energy service providers who are qualified according to § 29 of this Act;
- 5) supporting the public sector in the procurement of energy services by drawing up model contracts for energy performance contracting which include at least the items listed in Annex XIII to Directive 2012/27/EU of the European Parliament and of the Council;
- 6) [Repealed –RT I, 09.10.2020, 2 - entry into force 01.01.2021]
- 7) supporting the proper functioning of the energy services market by upholding the principle that market participants' access to the energy services market must be based on transparent and non-discriminatory criteria.

§ 32. Other measures to promote energy efficiency

The energy savings coordinator evaluates regulatory and non-regulatory barriers to energy efficiency and, if necessary, takes appropriate measures to remove such barriers.

Chapter 8¹ **PROMOTION OF RENEWABLE ENERGY**

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

Subchapter 1 **RENEWABLE ENERGY TARGET**

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

§ 32¹. National renewable energy target

(1) By the year 2030, renewable energy accounts for at least 65 per cent of gross domestic final consumption of energy. Renewable energy accounts for at least 100 per cent of gross final consumption of electricity and for at least 63 per cent of gross final consumption of thermal energy. Renewable energy used in road and rail transport accounts for at least 14 per cent of total energy consumed in the transport sector.
[RT I, 22.10.2022, 3 - entry into force 01.11.2022]

(2) When calculating the achievement of the targets mentioned in subsection 1 of this section, the following are not taken into account: biofuels, bioliquids or biomass fuels which do not respect the principles described in subsections 1–6 of § 32³ of this Act and the criteria for greenhouse gas emission reduction mentioned in the regulation enacted under subsection 1 of § 120 of the Atmospheric Air Protection Act and whose use is not compatible with the waste hierarchy within the meaning of the Waste Act – or the energy produced from such fuels or liquids.

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

(3) The share of renewable energy in gross final domestic consumption may not be less than the baseline share mentioned in the third column of the table shown in Part A of Annex I to Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, pp. 82–209).

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

(4) The contact point for permit-granting proceedings for building, updating and operating renewable energy projects to attain the national renewable energy target provided by subsection 1 of this section is the Ministry of Climate.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(5) By the year 2030, at least 42 per cent – and by the year 2035, at least 60 per cent – of the hydrogen used for final energy and non-energy purposes comes from renewable fuels of non-biological origin.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(6) The use for non-energy purposes mentioned in subsection 5 of this section means that the fuel is used as raw material in an industrial process, with the exception of energy production.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32². General principles for calculating the share of renewable energy

(1) The share of renewable energy is calculated as the gross final consumption of renewable energy divided by the gross final consumption of energy produced from all sources and is expressed as a percentage.

(2) The following elements are added up to calculate the share of renewable energy in the gross final consumption of energy:

- 1) gross final consumption of electricity generated from renewable sources (hereinafter, also *renewable electricity*);
- 2) gross final consumption of renewable energy in the heating and cooling sector;
- 3) gross final consumption of renewable energy in the transport sector.

(3) When calculating the gross final consumption values provided for by subsection 2 of this section, any gas, electricity or hydrogen produced from renewable sources is accounted only once.

(3¹) Energy produced from renewable fuels of non-biological origin is counted in the sector in which it is consumed in accordance with subsection 2 of this section. It is possible to agree, via a cooperation agreement, that all or part of renewable fuels of non-biological origin that are consumed in one country is counted towards the share of gross final consumption of energy from renewable sources of the country in which those fuels were produced.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(3²) The cooperation agreement mentioned in subsection 3¹ of this section must include the amount of renewable fuels of non-biological origin to be counted in total and for each country, and the date on which the agreement becomes operational.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(4) Gross final consumption of energy from renewable sources is calculated as the amount of electricity generated from renewable sources, including the amount of electricity generated by renewables self-consumers and renewable energy communities and from renewable fuels of non-biological origin. When calculating such final consumption, amounts of electricity produced previously in pumped-storage hydropower plants or for production of renewable fuels of non-biological origin.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(5) For a multi-fuel power plant, only the part of electricity that has been generated from renewable sources is taken into account when calculating the gross final consumption of renewable electricity, and the energy content of each fuel is accounted separately.

(6) When calculating the gross final consumption of renewable electricity, electricity generated by hydropower and wind power is accounted in accordance with the normalisation rules set out in Annex II of Directive (EU) 2018/2001 of the European Parliament and of the Council.

(7) The gross final consumption of energy from renewable sources in the heating and cooling sector is calculated as the quantity of district heating and cooling produced from renewable sources, plus the consumption of other energy from renewable sources in industry, households, services, agriculture, forestry and fisheries, for heating, cooling and production purposes.

(8) For a multi-fuel power plant, only the part of heating and cooling produced from renewable sources is taken into account when calculating the gross final consumption of renewable electricity, and the energy content of each fuel is accounted separately.

(9) Ambient energy – within the meaning of the District Heating Act – that is used for heating and cooling by means of heat pumps and district cooling systems, as well as geothermal energy, is taken into account when applying clause 2 of subsection 2 of this section provided that the final energy output significantly exceeds the primary energy input required to drive the heat pumps of the district cooling system. Calculations are performed in accordance with the methodology set out in Annex VII of Directive (EU) 2018/2001 of the European Parliament and of the Council, accounting for energy use in all end-use sectors.

(10) Thermal energy generated by passive energy systems, under which lower energy consumption is achieved passively through building design or owing to heat generated by energy from non-renewable sources is not taken into account when applying clause 2 of subsection 2 of this section.

(11) In calculating the gross final consumption of energy, the amount of energy consumed in aviation – as a percentage of such consumption – does not amount to more than 6.18 per cent.

(12) The methodology and definitions to be used in the calculation of the share of energy from renewable sources are those provided for by Regulation (EC) No 1099/2008 of the European Parliament and of the Council on energy statistics (OJ L 304, 14.11.2008, pp. 1–62).

(13) Electricity generated from biomass fuels by a production installation that started operation after 15 June 2022 is taken into account when applying subsection 2 of this section only if it meets at least one of the following requirements:

- 1) electricity has been generated by a production installation whose total rated thermal input is below 50 MW;
 - 2) electricity has been generated by a generating installation whose total rated thermal input is from 50 to 100 MW and high-efficiency cogeneration technology has been used in generating it – or, for electricity-only installations, an energy efficiency level associated with the best available techniques (BAT) as defined in Commission Implementing Decision (EU) 2017/1442 establishing best available techniques (BAT) conclusions, under Directive 2010/75/EU of the European Parliament and of the Council, for large combustion plants (OJ L 212, 17.08.2017, pp. 1–82) has been achieved;
 - 3) electricity has been generated by a production installation whose total rated thermal input is above 100 MW and high-efficiency cogeneration technology has been used in generating it – or, for electricity-only installations a net electrical efficiency of at least 36 per cent has been achieved;
 - 4) electricity has been generated applying biomass CO₂ capture and storage.
- [RT I, 18.05.2022, 1 - entry into force 28.05.2022]

(14) When applying subsection 2 of this section and when paying the support provided for by §§ 59, 59⁴, 59⁵ and 59⁶ of this Act, electricity generated by generating installations that exclusively produce electricity from biomass fuels is taken into account, provided they do not, as calculated for a month, use fossil fuel as their principal fuel and, according to the report prepared in accordance with subsection 1 of § 8 of this Act, cost-efficient implementation of efficient cogeneration technology is not possible.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(15) When calculating the share of renewable energy under subsection 2 of this section, when disbursing investment support or the support provided for by §§ 59 and 59⁴–59⁶ of the Electricity Market Act, biofuels and bioliquids are counted if they meet the sustainability criteria provided by § 32³ of this Act and the environmental requirements for biofuels and the criteria for greenhouse gas emissions reduction enacted under subsection 1 of § 120 of the Atmospheric Air Protection Act.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(16) When calculating the share provided for by subsection 5 of § 32¹ of this Act, the numerator includes the energy content of the hydrogen used for final energy and non-energy purposes, but does not include hydrogen:

- 1) used as intermediate products for the production of conventional transport fuels and biofuels or
- 2) produced by means of reducing the greenhouse gas content of industrial residual gases and used as replacement for the specific gases from which it is produced, or
- 3) produced as a by-product or derived from by-products of industrial installations.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(17) When calculating the share provided for by subsection 5 of § 32¹ of this Act, the numerator includes the energy content of renewable fuels of non-biological origin used by industry for final energy and non-energy purposes, but does not include renewable fuels of non-biological origin that are used as intermediate products for the production of conventional transport fuels and biofuels.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(18) For the calculation of the denominator and numerator mentioned in subsections 16 and 17 of this section, the values of the energy content of fuels stated in Annex III of Directive (EU) 2018/2001 of the European Parliament and of the Council are used.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32³. Principles for calculating the share of renewable energy produced from biofuels, bioliquids and biomass fuels, and requirements and criteria for proving the sustainability of these fuels

[RT I, 07.03.2023, 21 - entry into force 17.03.2023]

(1) Energy from biofuels produced from agricultural biomass, bioliquids and biomass fuels is taken into account when calculating the share mentioned in subsection 2 of § 32² of this Act provided these are not produced from raw material that has been sourced from land that by 1 January 2008 had or subsequently has at least one of the following statuses:

- 1) primary forests and other wooded land, specifically forest and other wooded land of native species where there is no clearly visible indication of human activity and where ecological processes are not significantly disturbed, as well as natural forests – i.e., forests that show certain traces of human activity which, however, are not extensive and have not resulted in a material change in the natural state of the forest stand – and which have been identified and mapped accordingly;
- [RT I, 18.03.2026, 1 – entry into force 28.03.2026]
- 2) highly biodiverse forest and other wooded land that is species-rich and not degraded or that the relevant competent authority has identified as an area of high biodiversity, except where it is proved that production of the relevant raw material was not contrary to the area's conservation aims;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

3) land that is under protection by virtue of the Nature Conservation Act, except where it is proved that sourcing the raw material was not contrary to the aims of the protected natural object;

4) land designated as conservation area of ecosystems or species that are rare, endangered or critically endangered and that have been recognised in treaties or recorded in lists compiled by intergovernmental organisations or the International Union for the Conservation of Nature, provided these are recognised under the first subparagraph of paragraph 1 of Article 30 of Directive (EU) 2018/2001 of the European Parliament and of the Council, unless evidence is presented to show that production of the raw material was not contrary to these conservation aims;

5) natural grassland whose area exceeds one hectare;

6) non-natural grassland whose area exceeds one hectare and which has been identified by the competent authority as an area of high biodiversity, except where it has been proved that raw material needs to be sourced in order to maintain the area's status as highly biodiverse grassland;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

7) peatland, unless evidence is presented to show that exploitation and sourcing of the raw material will not entail drainage of previously undrained soil;

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

8) heathland.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(1¹) Energy produced from biofuel, bioliquid and biomass fuel produced from agricultural biomass is taken into account when calculating the share provided for by subsection 2 of § 32² of this Act in the following situations:

1) a monitoring or management plan is in place for the production of biofuels, bioliquids or biomass fuels from waste or residues from agricultural land in order to address the impact of the production on soil quality and soil carbon;

2) agricultural biofuels, bioliquids and biomass fuels are not produced from raw material that has been sourced from land that, for the purposes of subsection 6 of this section, constitutes land with high carbon stock.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(1²) Clause 2 of subsection 1¹ of this section is not applied where, with the sourcing of the raw material, the land retains the status that it had on 1 January 2008.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(2) The energy produced from biofuels, bioliquids and biomass fuels that have been produced from forest biomass is taken into account when calculating the share provided for by subsection 2 of § 32² of this Act provided that such energy meets:

1) the forest management requirements provided by the Forest Act;

2) requirements that are provided by the Nature Protection Act with respect to protected areas, limited-conservation areas and species' protection sites, with respect to sites or features protected by the municipality from whose territory biomass is sourced and, with respect to key biotopes, by the Forest Act;

3) the criteria for reduction of greenhouse gas emissions provided by the Regulation enacted under subsection 1 of § 120 of the Atmospheric Air Protection Act.

(3) In addition to the situations mentioned in subsection 2 of this section, any biofuels, bioliquids or biomass fuels that are produced from forest biomass must meet the following land use, land use change and forestry criteria:

1) the country or economic integration organisation from which such biomass originates is a member of the Paris Agreement;

2) the country or economic integration organisation from which such biomass originates has notified, to the Conference of the Parties to the United Nations Climate Convention, its nationally determined contribution which includes emissions from agriculture, forestry and land use and their removal in sinks and by which it guarantees that the change in carbon stock that relates to the harvesting of biomass is taken into account in the national obligation to reduce or limit greenhouse gas emissions by a nationally determined contribution, or has enacted, in accordance with Article 5 of the Paris Agreement, national or regional legislation that is applied in the harvesting area in order to protect and enhance carbon stock and sinks, and has proved that emissions from certain land use, land use change and forestry do not exceed those removed by sinks;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

3) production of biofuels, bioliquids and biomass fuels from domestic forest biomass must be consistent with the commitments and targets laid down in Article 4 of Regulation (EU) 2018/841 of the European Parliament and of the Council on the inclusion of greenhouse gas emissions and removals from land use, land use change and forestry in the 2030 climate and energy framework, and amending Regulation (EU) No 525/2013 and Decision No 529/2013/EU (Text with EEA relevance) (OJ L 156, 19.06.2018, pp. 1–25), as well as with the policies and measures described in the integrated national energy and climate plan mentioned in subsection 9 of § 3 of this Act.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(4) Energy produced from forest biomass originating from another Member State of the European Union or from a third country is taken into account when calculating the share provided for by subsection 2 of § 32² of this Act if the legislation of the country in question contains provisions by virtue of which:

1) the harvesting of forest biomass is lawful and the forest in areas where cutting is carried out is regenerated in accordance with the conditions provided by the Forest Act;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

2) areas designated under international or national law or by the relevant competent authority for nature protection purposes are protected with the aim of preserving biodiversity and preventing habitat destruction, unless evidence is provided that the harvesting of that raw material did not interfere with those nature protection purposes;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

3) harvesting is carried out considering maintenance of soil quality, biodiversity and long-term productivity of the forest, or in a manner susceptible to improve these;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

4) the harvesting of forest biomass is consistent with the principle of sustainable forest management;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

5) the harvesting of forest biomass is consistent with maximum thresholds for clearcuts as well as with locally and ecologically appropriate retention thresholds for deadwood extraction and that harvesting is carried out in compliance with requirements to use logging systems that minimise any adverse impact on soil quality, biodiversity and habitats.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(5) Where the circumstances mentioned in subsections 3 and 4 of this section cannot be proved, energy is taken into account when calculating the share provided for by subsection 2 of § 32² of this Act and when paying support for the production of renewable energy if the producer applies management systems at forest sourcing area level that ensure circumstances mentioned in subsection 4 as well as long-term preservation or increase in the level of forest carbon stocks and carbon sinks.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(6) For the purposes of this Act, ‘high carbon stock land’ means land that in January 2008 had one of the following statuses, but no longer has that status:

1) wetlands, i.e. an area that is covered with water or saturated by water permanently or for a significant part of the year;

2) continuously forested areas, i. e. areas spanning more than one hectare with trees higher than five metres and a canopy cover of more than 30 per cent, or trees able to reach those thresholds;

3) areas spanning more than one hectare with trees higher than five metres and a canopy cover of between 10 and 30 per cent, or trees able to reach those thresholds, unless evidence is provided that the carbon stock of the area before and after conversion is such that, when the methodology laid down in Part C of Annex V of Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, pp. 82–209) is applied, the area complies with the criteria provided by the Regulation enacted under subsection 1 of § 120 of the Atmospheric Air Protection Act.

(6¹) The share of biofuels, bioliquids and biomass fuels that have been produced from food and feed crops with a high risk of indirect land use change whose area of cultivation has significantly expanded on high carbon stock land must not exceed 0.2 per cent when calculating the gross final consumption of energy produced from renewable sources as mentioned in subsection 2 of § 32² of this Act, except where the biofuels, bioliquids and biomass fuels have, according to this subsection, been certified as entailing a low risk of indirect land use change.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(7) Energy produced from waste and residues that do not stem from agriculture, aquaculture, fisheries or forestry is taken into account when calculating the share provided for by subsection 2 of § 32² of this Act provided such energy complies with the greenhouse gas emissions reduction criteria provided by the Regulation enacted under subsection 1 of § 120 of the Atmospheric Air Protection Act. The provisions of this subsection also apply to waste and residues that have first been processed into products and then into biofuels, bioliquids or biomass fuels.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(8) Electricity, thermal energy or cooling energy which has been produced from municipal solid waste and which is taken into account when calculating the share mentioned in subsection 2 of § 32² of this Act is not subject to the greenhouse gas emissions reduction criteria provided by the Regulation enacted under subsection 1 of § 120 of the Atmospheric Air Protection Act.

(9) Where biomass fuels are used in an installation that produces electricity, thermal or cooling energy or fuel and the total rated thermal input of the installation at least equals 7.5 MW in the case of solid biomass fuels and 2 MW in the case of gaseous biomass fuels, the energy produced from such biomass fuels is taken into account when calculating the share mentioned in subsection 2 of § 32² of this Act if such energy, regardless of its geographical origin, complies with the principles described in subsections 1–6 of § 32³ of this Act and with the criteria for greenhouse gas emissions reduction provided by the regulation enacted under subsection 1 of § 120 of the Atmospheric Air Protection Act.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(9¹) An installation producing gaseous biomass fuels must meet the requirements and criteria provided by this section if the average biomethane flow rate is:

- 1) above 200 m³ methane equivalent/h measured at standard conditions of temperature and pressure, namely 0 °C and 1 bar atmospheric pressure;
- 2) above 200 m³ methane equivalent/h if biogas is composed of a mixture of methane and non-combustible other gases, recalculated proportionally to the volumetric share of methane in the mixture.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(10) When proving that it meets the requirements and criteria provided by this section, and when its meeting of the requirements and criteria is checked, the undertaking ensures:

- 1) implementation of the mass balance system required to check the sustainability of biofuels, bioliquids and biomass fuels, which ensures that the energy produced from each consignment of fuel is only taken into account once for the calculation of total renewable energy, and the system includes information on whether support has been received to produce the renewable energy and, where this is the case, information on the type of support scheme;

- 2) that an audit is carried out based on the relevant standards by an independent auditor once a year at the latest by 25 February of the following year;

- 2¹) for audit purposes, a statement of assurance that the forest biomass is not sourced from the areas mentioned in clauses 1, 2, 4–7 of subsection 1 and in clause 1 of subsection 6 of this section;

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

- 3) the presence of the relevant evidence.

[RT I, 07.03.2023, 21 - entry into force 17.03.2023]

(10¹) Information on sustainability and on greenhouse gas emissions reduction indicators applies to any product or products resulting from the processing of a consignment of fuel and intended for production of biofuels, bioliquids, biomass fuels, liquid and gaseous transport fuels produced from renewable raw materials of non-biological origin and recycled carbon fuels, and is linked to production output.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(10²) Where the processing of a consignment of fuel results in a single product for production of fuels mentioned in subsection 10¹ of this section, a conversion coefficient is applied that shows, for such production, the ratio of the mass of processed product to that of the initial raw material of the processing operation.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(10³) Where the processing of a consignment of fuel results in several products intended for production of fuels mentioned in subsection 10¹ of this section, a separate conversion coefficient is applied to each product, and a separate mass balance system is used.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(11) To prove that it meets the requirements and criteria provided by this section, the undertaking may use the national scheme mentioned in Article 30 of Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, pp. 82–219) or a voluntary scheme recognised by the European Commission.

[RT I, 07.03.2023, 21 - entry into force 17.03.2023]

(12) The undertaking publishes on its website information on the geographical origin and feedstock of the biofuels, bioliquids and biomass fuels and updates it annually.

[RT I, 07.03.2023, 21 - entry into force 17.03.2023]

(12¹) For the biomass fuels, bioliquids, biofuels, renewable fuels of non-biological origin and recycled carbon fuels used, undertakings preserve information that allows to verify, for the entire supply chain, the compliance of such fuels and liquids with the sustainability criteria provided by this section and with the criteria for greenhouse gas emissions reduction enacted under clause 2 of subsection 1 of § 120 of the Atmospheric Air Protection Act. The information is preserved for five years.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(13) The Minister in charge of the policy sector enacts, by means of a regulation, detailed requirements for proving that the principles for calculating the share of renewable energy produced from biofuels, bioliquids and biomass, and biomass itself, meet the sustainability requirements and criteria, as well as for publishing the information mentioned in subsection 12 of this section.

[RT I, 07.03.2023, 21 - entry into force 01.07.2023]

(14) The obligations provided by this section apply to biofuels, bioliquids, biomass fuels, liquid and gaseous transport fuels produced from renewable raw materials of non-biological origin and recycled carbon-based fuels that have been produced in the European Union as well as to those that have been imported into the Union.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

§ 32⁴. Principles for calculating the share of energy in the transport sector

(1) Gross final consumption of renewable energy in the transport sector is calculated as the sum of all biofuels, biomass fuels and renewable liquid or gaseous transport fuels of non-biological origin consumed in the sector.

(2) Petrol, diesel, natural gas, biofuels, biogas, renewable liquid and gaseous transport fuels of non-biological origin, recycled carbon fuels and electricity supplied to the road and rail transport sectors are taken into account when calculating the energy content of road and rail transport fuels supplied for consumption.

(3) ‘Recycled carbon fuels’ means liquid and gaseous fuels that are produced from liquid or solid waste streams of non-renewable origin which are not suitable for material recovery in accordance with Article 4 of Directive 2008/98/EC (OJ L 312, 22.11.2008, pp. 3–30) on waste and repealing certain Directives, or from waste processing gas and exhaust gas of non-renewable origin which are produced as an unavoidable and unintentional consequence of the production process in industrial installations.

(4) When calculating the share of renewable energy in the transport sector, the energy content of all types of renewable energy supplied to all transport sectors, including renewable electricity supplied to the road and rail transport sectors, is taken into account.

(5) For the calculation of the share of renewable energy in the transport sector, the energy content is taken into account as follows:

- 1) the energy content of biofuels and of biogas used in transport, that has been produced from feedstock listed in Annex IX of Directive (EU) 2018/2001 of the European Parliament and of the Council, is multiplied by two;
- 2) the energy content of renewable electricity supplied to road vehicles is multiplied by four;
- 3) the energy content of renewable electricity supplied to rail vehicles is multiplied by one and five tenths;
- 4) the energy content of renewable electricity supplied to the aviation and maritime sectors, with the exception of fuels produced from food and feed crops, is multiplied by one and two tenths.

(6) ‘Food and feed crops’ means starch-rich crops, sugar crops or oil crops produced on agricultural land as a main crop excluding residues, waste or ligno-cellulosic material and intermediate crops, such as catch crops and cover crops, provided that the use of such intermediate crops does not trigger demand for additional land.

(7) For the calculation of the energy content of transport fuels, the calorific values to be used are those set out in Annex III Directive (EU) 2018/2001 of the European Parliament and of the Council. For the determination of the energy content of transport fuels not mentioned in Annex III, relevant standards of the European Standards Organisation for determining the calorific values of fuels are used. Where the European Standards Organisation has not adopted a relevant standard, the corresponding International Organization for Standardisation standards are used.

(8) For the calculation of the share of renewable electricity supplied to road and rail vehicles, the quantities of electricity supplied, in megawatt-hours, are multiplied by the national average share of renewable electricity in megawatt-hours for the year preceding that of supply by two years and expressed as a percentage.

(9) Where electricity has been supplied to a road or rail vehicle directly from an installation generating renewable electricity, such electricity is deemed to be renewable electricity.

(10) Where electricity has been used for the production of renewable liquid and gaseous transport fuels of non-biological origin, either directly or for the production of intermediate products, the average share of electricity from renewable sources, as measured two years before the year in question, is used to determine the share of renewable energy.

(11) Electricity supplied from direct connection to an installation generating renewable electricity within the meaning of the Electricity Market Act may be counted as renewable electricity where it is used for the production of renewable liquid and gaseous transport fuels of non-biological origin, provided that the installation:

- 1) comes into operation after, or at the same time as, the installation producing the renewable liquid and gaseous transport fuels of non-biological origin;
- 2) is not connected to the grid or is connected to the grid but evidence can be provided that the electricity concerned has not been taken from the grid.

(12) Electricity that has been taken from the grid for the production of transport fuels mentioned in subsection 10 of this section may be counted as fully renewable provided that it is produced exclusively from renewable sources and the renewable properties and other appropriate criteria have been demonstrated, ensuring that the renewable properties of that electricity are claimed only once and only in one end-use sector.

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

Subchapter 2

RENEWABLES SELF-CONSUMPTION

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

§ 32⁵. Support framework for renewables self-consumption

(1) Together with relevant authorities of other Member States of the European Union, the Ministry of Climate participates in setting up a common support framework for renewables self-consumption.

[RT I, 30.06.2023, 1 - entry into force 01.07.2023]

(2) The support framework mentioned in subsection 1 of this section addresses:

- 1) access of final consumers and end users, including those experiencing energy poverty as well as those that are part of a group that is at risk of energy poverty, to renewables self-consumption;
- 2) unjustified barriers to the financing of projects in the market and measures to facilitate access to finance;
- 3) other unjustified regulatory barriers to renewables self-consumption, including for tenants;
- 4) incentives to owners of buildings to create opportunities for renewables self-consumption, including for tenants;
- 5) the granting, to renewables self-consumers, with respect to self-generated renewable electricity that they feed into the grid, of access to relevant non-discriminatory support schemes as well as to all electricity market segments;
- 6) the obligation of renewables self-consumers, when feeding electricity into the grid, to contribute in an adequate and balanced way to covering the overall costs of the system.

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

§ 32⁶. Renewable energy community

(1) No unjustified or discriminatory conditions may be set for consumer participation in a renewable energy community.

(2) ‘Renewable energy community’ means a legal person controlled by shareholders or members who are a natural person, small or medium-sized undertaking or municipality, whose residence or seat is in the vicinity of the renewable energy projects that are owned or developed by such a legal person and whose primary purpose, instead of financial profits, is to provide environmental, economic or social community benefits for its shareholders or members or for the local areas where it operates.

(3) For an undertaking participating in a renewable energy community, such participation must not be its primary commercial or professional activity.

(4) A renewable energy community has a right to:

- 1) produce, consume, store or sell renewable energy;
- 2) share, within the renewable energy community, renewable energy that is produced by production units owned by that community, maintaining the rights and obligations of the community’s members as customers;
- 3) access all suitable energy markets either directly or through aggregation.

(5) Energy metering points of a renewable energy community use a dedicated remote-reading device to measure the energy used.

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

Chapter 8² GUARANTEES OF ORIGIN

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

§ 32⁷. Guarantees of origin of fuel and of energy

(1) For the purposes of this Act, ‘guarantee of origin’ means an electronic document issued by the certification provider on an application from a producer of biomethane, hydrogen or of electricity or thermal or cooling energy to certify the origin of the unit of energy produced, and the intensity of greenhouse gas emissions.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(2) Production of biomethane, hydrogen or electricity or thermal or cooling energy is deemed to be carbon neutral if no carbon dioxide is emitted in the production process or if the carbon dioxide has been captured or recovered.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(3) For each megawatt-hour of biomethane, hydrogen or of electricity or thermal or cooling energy that has been produced, one guarantee of origin is issued. The standard size of the guarantee of origin is one megawatt-hour. The system administrator may divide the standard size to a fraction size, provided the fraction is a multiple of one watt-hour.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(3¹) The supply chain of directly connected energy must be documented for the entirety of the chain. The system administrator may require the person that cancels the guarantee of origin from the electronic database of guarantees of origin to present the corresponding documentation.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(4) A guarantee of origin remains valid for 18 months following production of the fuel or energy.

(5) To prove, at the metering point, the origin of a unit of energy that has been supplied to, and consumed by, the consumer, a guarantee of origin of the relevant type is used. A guarantee that has been used for this purpose is recorded as cancelled as proof of consumption, after which it can no longer be used. In the case of electricity supplied to the consumer via a direct line, the guarantee of origin, upon issuance, is automatically cancelled in favour of the consumer.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(6) A guarantee of origin may be transferred – separately from the fuel or energy that has been supplied – during 12 months following production of that unit.

[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(7) Only guarantees of origin issued in a Contracting State of the European Economic Area may be used to prove the origin of a unit of energy supplied and consumed.

(8) The consumer has a right to see, in the electronic database of guarantees of origin, the origin of the energy they have consumed.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32⁸. Conditions for issuing, transferring and cancelling a guarantee of origin

(1) The issuing, transferring or cancelling of a guarantee of origin domestically or between Contracting States of the European Economic Area, takes place through the electronic database of guarantees of origin mentioned in subsection 1 of § 32¹⁰ of this Act.

(2) The issuing of a guarantee of origin may be applied for on the following conditions:

- 1) the certification provider (hereinafter, *provider*) has created an account for the producer in the database;
- 2) the production installation is located in the territory of the Republic of Estonia;
- 3) the production installation has been registered in the database;
- 4) the producer has filed the information listed in the Regulation enacted under subsection 11 of this section

which is required for stating, in the guarantee of origin, the particulars mentioned in § 32⁹ of this Act.

(3) The quantity of biomethane and electricity regarding which a guarantee of origin is issued – or cancelled – is determined by means of a remote-reading device.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(4) Guarantees of origin for biomethane are issued if the following requirements have been met:

- 1) the biomethane meets the quality requirements enacted under subsection 2 of § 17³ of the Natural Gas Act;
- 2) the quantity of biomethane whose consumption is proved by the guarantees of origin has been measured using traceably calibrated or, where the verification obligation applies, verified measuring instruments;
- 3) measurement data for the biomethane have been transmitted to the data exchange platform mentioned in subsection 1 of § 10² of the Natural Gas Act.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(4¹) A guarantee of origin for renewable fuel of non-biological origin is issued provided the fuel meets the requirements provided in Commission Delegated Regulation (EU) 2023/1184 supplementing Directive (EU) 2018/2001 of the European Parliament and of the Council by establishing a Union methodology setting out detailed rules for the production of renewable liquid and gaseous transport fuels of non-biological origin (OJ L 157, 20.06.2023, pp. 11–19).

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(4²) Guarantees of origin for biomethane produced in production plants not connected to the grid are issued in accordance with the requirements presented in subsection 4 of this section.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(5) The provider has a right to receive information from the applicant that is required to verify the truth of the particulars filed under subsection 2 of this section.

(6) The provider decides not to issue a guarantee of origin or revokes a guarantee that has been issued, if:
1) the fuel or energy does not meet the requirements concerning the issue of such guarantees that have been provided by subsections 1 and 2 of § 32⁷ of this Act, by subsection 4 of this section or by subsection 2 of § 58 of the Electricity Market Act;
2) the producer has filed untruthful particulars, or has refused to disclose the particulars that they have been required to disclose under subsection 5 of this section.

(7) A guarantee of origin can be removed from the electronic database of guarantees of origin to prove the origin of energy that has been consumed in Estonia.

(8) When renewable energy is transferred under a contract for sale of renewable energy or by any other method, the transferor must, in the register, transfer the corresponding number of guarantees of origin to the person who acquired the energy. Where energy was acquired by the consumer, the transferor must cancel the corresponding number of guarantees of origin in favour of the acquirer.
[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

(9) Consumption of electricity during a calendar year can be proved by cancelling a guarantee of origin until 31 March of the year following the year of consumption.

(10) Consumption of biomethane during a calendar year can be proved by cancelling a guarantee of origin until 15 January of the year following the year of consumption.

(11) The rules for issuing, transferring and cancelling a guarantee of origin and the list of particulars to be filed when applying for such a guarantee are enacted by a regulation of the Minister in charge of the policy sector.
[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

§ 32⁹. Particulars stated in a guarantee of origin

(1) A guarantee of origin states at least the following particulars:
1) the location, type, installed capacity and code of the installation that produced the energy;
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]
2) the date on which the installation commenced operation;
3) information on whether the installation has received investment support or any other support through a public support scheme, and the type of such a scheme;
4) the name of the unit of energy produced and the start and end dates of its production;
5) the energy source used to produce the fuel or energy;
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]
6) the date and country of issue of the guarantee, and the guarantee's unique identifier.

(1¹) When a guarantee of origin is issued, the intensity of greenhouse gas emissions is stated on the guarantee.
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(2) For accounting the consumption of biomethane for complying with the obligation mentioned in § 2¹ of the Liquid Fuel Act and for qualifying for the exemption from excise duty provided for by clause 28⁸ of subsection 1 of § 27 of the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act, a guarantee of origin issued with regard to production of biomethane, states – in addition to the particulars listed in subsection 1 of this section – the following particulars:

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

1) a statement of assurance on whether the raw material or fuel meets the sustainability criteria provided by § 32³ of this Act and the criteria for greenhouse gas emissions reduction enacted under clause 2 of subsection 1 of § 120 of the Atmospheric Air Protection Act;
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]
2) the method used to produce the fuel and the list of fuels or raw materials used to produce the energy;
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]
3) [Repealed – RT I, 18.03.2026, 1 – entry into force 28.03.2026]
4) the intensity of greenhouse gas emissions;
5) the lower and higher calorific value of the fuel;
6) a note on whether the fuel is an advanced biofuel within the meaning of the Liquid Fuel Act.

(2¹) Where an imported certificate of origin does not include all of the particulars presented in subsection 2 of this section for counting the consumption of biomethane for complying with the obligation mentioned in § 2¹ of the Liquid Fuel Act and for qualifying for the exemption from excise duty provided for by clause 28⁸ of subsection 1 of § 27 of the Alcohol, Tobacco, Fuel and Electricity Excise Duty Act, a certificate must be presented regarding the missing particulars.
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(3) For each megawatt-hour of electricity generated by high-efficiency cogeneration, one guarantee of origin is issued, which states the parameters of electricity and of thermal energy, and also the following particulars are added to those mentioned in subsection 1 of this section:
[RT I, 04.07.2024, 1 - entry into force 14.07.2024]

- 1) the thermal input of the production installation;
- 2) the lower calorific value of the fuel used;
- 3) the amount and method of use of the thermal energy produced by means of cogeneration;
- 4) the nominal electrical and heat generation efficiency of the production installation;
- 5) the primary energy saving calculated in accordance with the Regulation enacted under subsection 2 of § 8 of this Act.

[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

- (4) A guarantee of origin issued for production of hydrogen states:

- 1) the type of fuel produced;
- 2) the lower calorific value of the fuel;
- 3) in the case of renewable fuels of non-biological origin, information on the correspondence of the energy unit of the fuel to criteria established by Commission Delegated Regulation (EU) 2023/1184.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

- (5) The type of fuel mentioned in clause 1 of subsection 4 of this section is hydrogen produced from renewable sources of non-biological origin, hydrogen produced from renewable sources for the purposes of clause 26⁹ of § 2 of this Act or hydrogen from fossil sources.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32¹⁰. Administration of guarantees of origin

- (1) The provider creates an electronic database to administer the guarantees of origin that it issues, and publishes, once a month, information on its website concerning guarantees that have been issued, used, exported or imported, or that have expired.

- (2) The cost of administration of the system of guarantees of origin is covered from the renewable energy charge and may not amount to more than two per cent of the total amount of support paid. The system administrator may charge a justified fee for operations performed in relation to a guarantee. The system administrator elaborates and publishes on its website a price list of services to cover the cost related to administration of guarantees of origin. Preferential registration fees apply in the case of generating installations whose rated capacity is below 50 kW and in the case of renewable energy communities.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

- (3) The system administrator recognises guarantees of origin issued by another state party to the European Economic Area Agreement in accordance with Directive (EU) 2018/2001 of the European Parliament and of the Council as exclusive proof of circumstances provided for by subsections 5 and 5¹ of § 32⁷ of this Act.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

- (4) The provider may refuse to recognise a guarantee of origin only if it has well-founded doubts concerning its truth or reliability.

- (5) The provider notifies the European Commission of having refused to recognise a guarantee of origin and states the reasons of the decision. Where the Commission finds that the refusal was unfounded, it may require the provider to recognise the guarantee.

- (6) The provider does not recognise guarantees of origin issued by third countries, with the exception of situations where the European Union has concluded an agreement with a third country concerning mutual recognition of guarantees that have been issued under the European Union system of guarantees of origin, and under an equivalent system of such guarantees established in the third country, and only when the energy to which the guarantee relates is directly imported or exported.

- (7) A guarantee of origin is not used to prove attainment of the targets provided by § 32¹ of this Act. Transferring a guarantee, along with or separately from physical transmission of the energy concerned has no impact on the decisions of the State regarding the use of statistical transfers, joint projects or common support schemes for attaining the target provided by § 32¹ of this Act – or calculation of gross final consumption of renewable energy in accordance with § 32² and § 32⁴.

- (8) Guarantees of origin that have expired are taken into account for the calculation of national residual energy mix.

- (9) ‘Residual mix’ means the share of energy which has been consumed in Estonia in a calendar year and whose origin has not been proved by a guarantee of origin. The residual mix and its share of energy sources are calculated following the methodology established by the provider. The provider publishes the residual mix by 30 June of the following calendar year.

(9¹) An energy supplier who sells electricity or gas – including hydrogen and biomethane – to a consumer, presents to the consumer information regarding quantities certified and not certified by guarantees of origin, applying, to quantities that were consumed from the network and that have not been proved, the residual mix published by the system administrator.
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(10) Where, after 15 June 2022, investment support is paid by the state to a production installation or a decision is made regarding commencement of the support period for such an installation, any guarantees of origin for the installation's production are issued to the account of the system administrator, with the exception of situations in which:

- 1) on payment of such support, revenue from the guarantees of origin is deducted from the support following European Union rules for the granting of state aid;
 - 2) the support is set off against revenue from the guarantees of origin;
 - 3) the person to receive the support has been determined by means of a reverse auction or
 - 4) the producer proves, to the system administrator, that they sell electricity under competitive conditions or under a contract for the sale of renewable electricity, and the system administrator issues and transfers, to the supplier stated in the contract, guarantees of origin corresponding to the energy quantity or cancels the quantities stated in the contract in favour of the consumer.
- [RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(11) The rules for setting off investment support that has been granted to a production installation against revenue from guarantees of origin are enacted by a regulation of the Minister in charge of the policy sector.

(12) The provider elaborates and publishes on its website the rules and requirements for using the electronic database of guarantees of origin.
[RT I, 18.05.2022, 1 - entry into force 28.05.2022; the database specified in subsection 1 is created by 31 December 2022.]

(13) The system administrator sets up an electronic connection to the union's database mentioned in Article 31a of Directive (EU) 2018/2001 of the European Parliament and of the Council to transmit, from the electronic database of guarantees of origin mentioned in subsection 1 of this section, information concerning the quantity and parameters of domestically produced gas from renewable sources and domestically consumed gas produced from renewable sources which meet the sustainability criteria provided by § 32³ of this Act and the criteria for greenhouse gas emissions reduction enacted under clause 2 of subsection 1 of § 120 of the Atmospheric Air Protection Act.
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

Chapter 8³

ACCELERATING THE DEPLOYMENT OF RENEWABLE ENERGY

[RT I, 10.10.2024, 2 - entry into force 20.10.2024]

§ 32¹¹. Renewable energy projects of overriding public interest

(1) When balancing legal interests in proceedings for the issuing of permits required for renewable energy generation in situations listed below, it is presumed that the building and operation of construction works as well as of any network connections and storage installations connected to such works is of overriding public interest and promotes public health and safety for purposes of subsections 3 and 5 of § 29 of the Environmental Impact Assessment and Environmental Management System Act and of clause 3 of subsection 1 of § 42 of the Water Act, as well as in relation to the causing of harm to specimens of naturally occurring bird species and to specimens of animal and plant species mentioned in Annexes IV and V to Council Directive 92/43/EEC on the conservation of natural habitats and of wild fauna and flora (OJ L 206, 22.07.1992, pp. 7 –50):

- 1) onshore production of wind and solar energy;
- 2) production of wind energy in a marine area within the meaning of subsection 1 of § 70 of the Water Act;
- 3) production of energy from ambient energy within the meaning of clause 13 of § 2 of the District Heating Act;
- 4) production of biomethane.

(2) For the purposes of this Chapter, 'permit' means the superficies licence for an off-shore wind farm, building permit, building notice, use and occupancy permit, use and occupancy notice and any other permit required for operations provided for by subsection 1 of this section.
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

(3) The construction work to produce renewable energy – as well as the storage installation – mentioned in subsection 1 of this section must be situated outside:

- 1) areas of the Natura 2000 network, and unfavourable impact on conservation aims of such an area must be ruled out;

2) species protection sites of protected species and habitats – of protected species – that are situated in a protected or limited-conservation area and registered as such in the Estonian Nature Information System.

(4) In a situation mentioned in subsection 1 of this section, the permit required to produce renewable energy can be issued strictly on the condition that there are no alternatives to the operations concerned and that the harm that results from these to protected animal and plant species, and species of wild bird, does not degrade the status of such species and does not interfere with them attaining favourable status.

(5) The overriding public interest provided for by subsection 1 of this section also applies in proceedings for the issuing of a permit required to build and operate a storage installation that is not situated in the same location as the renewable energy installation.

[RT I, 10.10.2024, 2 - entry into force 20.10.2024]

§ 32¹². Special rule for assessment of environmental impact of renewable energy projects

(1) In situations mentioned in clauses 1, 3 and 4 of subsection 1 of § 32¹¹ of this Act, Article 6 of Council Regulation (EU) 2022/2577 laying down a framework to accelerate the deployment of renewable energy (OJ 335, 29.12.2022, pp. 36–44) is applied in proceedings for a permit for a construction work and any network connections and storage installations connected to it on the following conditions:

1) it is situated in an area which, under the spatial plan in effect, is suitable for production of the relevant type of renewable energy, and for which a detailed spatial plan has been brought into effect or, where a thematic spatial plan has been created, its proceedings have progressed beyond the stage of a detailed solution;

2) unfavourable impact on areas of the Natura 2000 network, and harming of protected plant and fungus species has been ruled out;

3) it is possible to mitigate, or compensate for – in accordance with the rules provided by §§ 32¹³ and 32¹⁴ of this Act – harm to protected animal species and wild bird species such that the species' status is maintained at least at an equivalent level;

4) the envisaged operations lack material cross-border environmental impact.

(2) In a situation provided for by subsection 1 of this section, application of the Environmental Impact Assessment and Environmental Management System Act is forgone in proceedings for the issuing of permits.

[RT I, 10.10.2024, 2 - entry into force 20.10.2024]

§ 32¹³. Implementation of mitigation measures in renewable energy projects

(1) To mitigate the potential unfavourable impact on the environment resulting from application of § 32¹¹ of this Act or of Article 6 of Regulation (EU) 2022/2577, the permit holder implements relevant and sufficient mitigation measures during the entire period of validity of the permit.

(2) For the purposes of this Chapter, 'mitigation measures' means measures adopted on the site of the activity to avoid harm to species. Mitigation measures are annexed to the permit and must be suitable and – except in a situation provided for by subsection 1 of § 32¹⁴ of this Act – sufficient to ensure mitigation of the harm resulting from the envisaged activity.

(3) Where §§ 32¹¹ and 32¹² are applied, the applicant for the permit, when filing the application, also suggests mitigation measures, together with requirements concerning monitoring of the impact of the measures (below, *follow-up monitoring*) in accordance with subsection 1 of this section.

(4) Where the authority issuing the permit is not the Environment Board, they request the board's approval regarding the mitigation measures stated in the permit proposal and the requirements for follow-up monitoring. The board assesses the suitability of envisaged mitigation measures and follow-up monitoring and grants its approval to the measures within 14 days. The board does not – except in a situation provided for by subsection 1 of § 32¹⁴ of this Act – approve measures that do not ensure mitigation of the harm resulting from envisaged activity.

(5) In the course of follow-up monitoring, the permit holder monitors the suitability and sufficiency of mitigation measures, takes additional measures where such are needed and notifies the Environment Board of the results of follow-up monitoring as well as of the taking of additional measures.

(6) Where, in the course of follow-up monitoring or regulatory enforcement operations, it becomes evident that mitigation measures were not suitable or not sufficient – or where the need to take such measures no longer applies – the authority that issued the permit initiates proceedings to amend the conditions of the permit at the proposal of the Environment Board or of the developer.

[RT I, 10.10.2024, 2 - entry into force 20.10.2024]

§ 32¹⁴. Application of compensatory measures in renewable energy projects

(1) Where it is not possible to fully mitigate the potential harm – to a protected species or a wild bird species – resulting from application of § 32¹¹ of this Act or of Article 6 of Regulation (EU) 2022/2577, compensation measures in accordance with this section are ordered in the permit regarding the harm that can not be mitigated.

(2) For the purposes of this Chapter, ‘compensation measures’ means measures to compensate for harm caused to a species, and such measures must, by the envisaged actions, ensure that the status of the protected species or of the wild bird species is preserved at least as equivalent.

(3) Where operations within the scope of the permit would endanger maintaining or improving the status of a species, an ancillary condition stipulating that operations that result in harm that must be compensated for by compensatory measures may only be commenced once measures have been implemented.

(4) Where §§ 32¹¹ and § 32¹² of this Act are applied, the compensation measures mentioned in subsection q of this section as well as requirements for follow-up monitoring and for notification of harm caused to specimens of the species in the course of the operations (below, *reporting*) are proposed by the applicant for the permit together with the application. The measures and the requirements for monitoring must be suitable and sufficient and are included in the permit together with the reporting requirements.

(5) Assessment of the suitability and sufficiency of compensation measures is based, first and foremost, on the following circumstances:

- 1) the suitability of the district where the measures are implemented;
- 2) the extent to and manner in which the measure contributes to preserving or improving the favourable status of the species;
- 3) the probability of successful implementation of the measures;
- 4) the time needed to implement the measures;
- 5) the extent, and proportionality, of costs resulting from the measures.

(6) Where the authority issuing the permit is not the Environment Board, they request the board’s approval regarding the compensation measures and the requirements for follow-up monitoring and for reporting. The board assesses the suitability and sufficiency of envisaged measures and grants its approval to the measures and to the requirements within 28 days. The board does not approve measures that – in a situation where operations under the permit result in harm to a protected species or to a wild bird species – do not ensure preservation of the species’ status at least as equivalent.

(7) The holder of the permit notifies the Environment Board of having completed implementation of compensation measures. The ancillary condition is deemed to have been fulfilled when the Environment Board has approved the completion. The board approves completion of the implementation within 14 days and – in a situation where the board is not the authority issuing the permit – notifies this to the relevant authority.

(8) Where, in the course of follow-up monitoring or of regulatory enforcement work, it becomes evident that the compensation measures are not suitable or not sufficient, the authority that issued the permit initiates proceedings to amend the conditions of the permit and to order additional compensation measures. Where the authority issuing the permit is not the Environment Board, the proposal to amend the conditions and to order additional measures is made by the board. To achieve their aim, additional measures must be relevant and justified and must not place – compared to previous measures – an excessive burden on the applicant for the permit.

(9) When compensation measures are included in the permit, the permit or consent provided for by subsections 5, 6, 6¹ and 7 of § 55 and by subsections 2 and 5 of § 58 of the Nature Conservation Act is deemed to have been granted.

[RT I, 10.10.2024, 2 - entry into force 20.10.2024]

§ 32¹⁵. Renewables areas

(1) ‘Renewables area’ means an area, onshore or offshore, of a renewable energy plant and connected infrastructure that is required for attaining the renewables target based on the integrated national energy and climate plan mentioned in subsection 9 of § 3 of this Act.

(2) The mapping of renewables areas and the updating of the maps is arranged by the Ministry of Climate.

(3) ‘Renewables acceleration area’ means an onshore renewables area that meets all of the following conditions:

- 1) the suitability of the area for constructing a wind farm has been ascertained in the detailed or designated spatial plan – or the part of the comprehensive spatial plan that does not require further detailed spatial planning – that has been brought into effect and is a prerequisite for such construction, that can be used as the basis for issuing design specifications and that has been the subject of strategic environmental assessment in accordance with § 32 of the Environmental Impact Assessment and Environmental Management System Act;
- 2) the area has appropriate and sufficient mitigation measures to mitigate the significant impact that construction of a wind farm will entail;

- 3) the area is situated outside any protected area, limited-conservation area, species' protection site, key biotope, compensation area, shore and bank protection zone, the habitat of a species belonging to protected categories I or II, protected natural monument, or the type of habitat mentioned in Annex I of Council Directive 92/43/EEC that is situated outside areas that are part of the Natura 2000 network;
 - 4) the strategic environmental assessment mentioned in clause 1 of this subsection has led to the conclusion that construction of the wind farm will not entail a significant adverse impact to areas mentioned in clause 3 of this subsection;
 - 5) strategic environmental assessment of the area has not ascertained any major migration routes of birds or bats;
 - 6) construction of a wind farm in the area does not entail a significant cross-border impact on the environment.
- [RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32¹⁶. Proceedings on renewable energy projects

(1) Proceedings on renewable energy projects include proceedings for any permits and notices required to construct, operate, retrofit and connect to the grid a renewable energy plant, the required infrastructure and on-site storage units (hereinafter, 'construction of a renewable energy plant') as well as, where appropriate, environmental impact assessment proceedings in accordance with § 3² of the Environmental Impact Assessment and Environmental Management System Act.

(2) The permits and notices mentioned in subsection 1 of this section are deemed to comprise the building permit, building notice, offshore wind farm superficies licence, use and occupancy permit, use and occupancy notice as well as any environmental permits such as the environmental protection permits provided for by clauses 1 and 2 of subsection 1 of § 40 of the General Part of the Environmental Code Act and the registrations mentioned in § 80 of the Atmospheric Air Protection Act, in § 98⁷ of the Waste Act, in subsection 3 of § 134 of the Industrial Emissions Act and in § 196 of the Water Act.

(3) A storage unit co-located with the renewable energy plant consists of energy storage equipment and a renewable energy plant that is connected to the connection point of the same network.

(4) 'Retrofitting a renewable energy plant' means renewing the plant producing the renewable energy and any construction works required to connect it to the grid, including replacement of the entirety or part of any installations or operating systems in order to change production capacity or increase the capacity or efficiency of the installation.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32¹⁷. Commencement of proceedings on renewable energy projects

(1) The time limit provided by § 32¹⁹ of this Act begins to run when, via the contact point on permit-granting procedure for renewable energy projects:

- 1) the application for the building permit, or the building notice, is filed;
- 2) the application for an offshore windfarm superficies licence for the purposes of subsection 1² of § 113¹ of the Building Code is accepted.

(2) Where the prerequisites for the envisaged activity include, in addition to what has been mentioned in clause 1 of subsection 1 of this section, an environmental permit, the application for such a permit must be filed together with the application for the building permit or with the building notice, following which the time limit provided by § 32¹⁹ of this Act begins to run. Where it is possible that the project entails an adverse impact on the environment, information concerning mitigation measures must be added to the application for the environmental permit.

(3) The tasks of the contact point on permit-granting procedure for renewable energy projects are carried out by the Register of Construction Works.

(4) In proceedings concerning a renewable energy project, prior to acceptance of the application for the permit, conformity is assessed as follows:

- 1) where an environmental permit must be applied for in order to implement a renewable energy project, the Environment Board takes a decision on accepting the application for the permit within 30 days following the filing of the application, provided the particulars stated in it comply with the requirements for initiating proceedings to issue the permit, and, where this is needed, sets a time limit for curing any defects in the application;
- 2) where, in order to implement the renewable energy project, an offshore wind farm superficies licence is applied for, the Consumer Protection and Technical Regulatory Authority takes a decision on initiating proceedings for the superficies licence within the time limit provided by subsection 2 of § 113⁴ of the Building Code.

(5) Where, in the situation mentioned in clause 1 of subsection 4 of this section, the Environment Board has not, within 30 days, communicated its decision to dismiss the application, the application is deemed to have been accepted.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32¹⁸. Conducting permit proceedings and environmental impact assessment on renewable energy projects

(1) Proceedings on renewable energy projects are conducted in accordance with rules governing applications for and the granting of the appropriate permits, and environmental impact assessment, as mentioned in subsection 1 of § 32¹⁶ of this Act.

(2) Where assessment of environmental impact is required in order to grant the permit applied for to implement the renewable energy project, a single decision to initiate such assessment is made in proceedings regarding the project, and a single environmental assessment is conducted bringing together the information needed to grant all permits.

(3) Environmental impact assessment is not initiated in proceedings on the following renewable energy projects:

- 1) installation, on a construction work, of solar energy equipment and of co-located energy storage;
- 2) retrofitting of solar energy equipment, provided this does not extend the area used and does not require additional mitigation measures.

(4) The authority conducting proceedings on the permit required to implement the renewable energy project, with the exception of offshore wind farm superficies licences, makes the decision to initiate, or not to initiate, an environmental impact assessment within 30 days following acceptance of the application for the permit.

(5) Where the preliminary assessment in accordance with subsections 2 or 2¹ of § 6 of the Environmental Impact Assessment and Environmental Management System Act, conducted as part of proceedings for the building permit, reveals the need to initiate an environmental impact assessment, and an environmental permit is also required to implement the renewable energy project, the authority to grant the building permit makes:

- 1) a proposal to the Environment Board to initiate a joint environmental impact assessment and presents, to the Board, its own preliminary assessment together with the reasons for initiating the assessment and the list of investigations that are needed;
- 2) the decision to initiate assessment of environmental impact, if the Environment Board, based on the proposal mentioned in clause 1 of this subsection, does not initiate the assessment.

(6) In the situation provided for by subsection 5 of this section, proceedings on the permit are suspended by operation of law until the decision is made not to initiate environmental impact assessment or to certify the report of the assessment as in conformity with the requirements.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32¹⁹. Duration of proceedings on renewable energy projects

(1) The duration of proceedings on a project to construct an onshore renewable energy plant is:

- 1) up to two years;
- 2) up to one year where the renewable energy plant to be constructed has a capacity of up to 150 kW or where a co-located energy storage unit or the plant's connection to the grid is to be constructed;
- 3) up to one year where the renewable energy plant is to be retrofitted.

(2) The duration of proceedings on a project to construct an offshore renewable energy plant is:

- 1) up to three years;
- 2) up to two years where the renewable energy plant to be constructed has a capacity of up to 150 kW or where a co-located energy storage unit or the plant's connection to the grid is to be constructed;
- 3) up to two years where the renewable energy plant is to be retrofitted.

(3) The duration of proceedings on a project to construct a renewable energy plant in an acceleration area mentioned in subsection 3 of § 32¹⁵ of this Act is:

- 1) up to one year;
- 2) up to six months where the renewable energy plant to be constructed has a capacity of up to 150 kW or where a co-located energy storage unit or the plant's connection to the grid is to be constructed;
- 3) up to six months where the renewable energy plant is to be retrofitted.

(4) In justified cases and upon emergence of extraordinary circumstances, the time limits mentioned in this section can be extended as follows:

- 1) the time limit mentioned in clause 1 of subsection 1, clause 1 of subsection 2 and clause 1 of subsection 3 of this section by up to six months;
- 2) the time limit mentioned in clauses 2 and 3 of subsection 1, clauses 2 and 3 of subsection 2 and clauses 2 and 3 of subsection 3 of this section by up to three months.

(5) The duration of proceedings on a renewable energy project does is deemed not to include:

- 1) the time it takes to assess compliance with the requirements of the application mentioned in clause 1 of subsection 4 of § 32¹⁷ of this Act and to cure any defects;
- 2) the time it takes to construct or retrofit the renewable energy plant;
- 3) the time it takes to complete the operations to connect the renewable energy plant to grid infrastructure and to ensure grid stability, reliability and safety;
- 4) the time it takes to exercise any legal remedies related to the proceedings.

(6) All proceedings that are mentioned in subsection 1 of § 32¹⁶ of this Act and that are needed to implement the renewable energy project are completed within the time limits provided by this section.

(7) The time limit for proceedings on a renewable energy project mentioned in subsection 1 of § 32¹⁹ of this Act ends when proceedings for the permits, notices and the environmental impact assessment required to implement the project have been completed.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32²⁰. Exemptions in permit proceedings on wind farms envisaged to be constructed in acceleration areas

(1) In permit proceedings for a wind farm envisaged to be constructed in an acceleration area, the proceedings authority verifies, among other things, the following circumstances:

- 1) whether the envisaged project may entail a significant unforeseen impact – including cross-border impact – on the environment that has not been taken into account in the course of strategic environmental assessment mentioned in clause 1 of subsection 3 of § 32¹⁵ of this Act;
- 2) whether the mitigation measures of the envisaged project are appropriate and sufficient.

(2) In permit proceedings for an envisaged wind farm, environmental impact assessment may be initiated strictly where:

- 1) the project is likely to entail a significant unforeseen impact on the environment that could not be foreseen in the course of earlier strategic environmental assessment;
- 2) there are no sufficient mitigation or compensatory measures to mitigate the impact mentioned in clause 1 of subsection 1 – where it is not possible to fully mitigate potential harm to a protected species or wild bird species;
- 3) the circumstances mentioned in clauses 1 and 2 of this subsection have been proven.

(3) In the situation mentioned in subsection 2 of this section, the decision to initiate environmental impact assessment is made within 30 days following the start of permit proceedings for the wind farm. Where the verdict is not to initiate environmental impact assessment proceedings, no separate decision is issued.

(4) In the situation mentioned in subsection 2 of this section, the environmental impact assessment is carried out within up to six months or, where extraordinary circumstances emerge, up to one year following the making of the decision to initiate the assessment.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

Chapter 8⁴ **DESIGNING SUPPORT SCHEMES FOR** **BIOFUELS, BIOLIQUIDS AND BIOMASS FUELS**

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 32²¹. Cascading use of biomass

(1) When designing support schemes for energy produced from biofuel, bioliquids and biomass fuels, all of the following conditions are taken into account:

- 1) forest biomass is used in a cascading manner according to its highest economic and environmental added value;
- 2) biofuels, bioliquids and biomass fuels meet the sustainability criteria provided by § 32³ of this Act and the criteria for greenhouse gas emissions reduction enacted under clause 2 of subsection 1 of § 120 of the Atmospheric Air Protection Act;
- 3) no support is paid for using sawlogs, veneer logs, industrial grade roundwood, stumps and roots for energy production.

(2) The preference list of the cascading uses mentioned in clause 1 of subsection 1 of this section is enacted by regulation of the minister in charge of the policy sector.

(3) Clause 1 of subsection 1 of this section is not applied where:

- 1) the energy produced from biofuels, bioliquids and biomass fuels is needed to ensure the security of energy supply;
- 2) local industry for the purposes of this Act is quantitatively or technically unable to use forest biomass for an economic and environmental added value that is higher than energy production.

(4) The exception mentioned in clause 2 of subsection 3 of this section is applied where the feedstock originates from the following activities:

- 1) forestry operations to ensure improvement prior to commercial use or which are performed in accordance with national law to prevent wildfires in high-risk areas;
- 2) sanitary cutting following documented natural disturbances or
- 3) the harvesting of certain woods whose characteristics are not suitable for local industry.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

Chapter 9

REGULATORY ENFORCEMENT

§ 33. Agencies performing regulatory enforcement

(1) Regulatory enforcement of compliance with the requirements of this Act and the legislation enacted under it is performed by the Competition Authority, the Consumer Protection and Technical Regulatory Authority and the Environment Board in accordance with the rules established in this Act and other legislative instruments.
[RT I, 07.03.2023, 21 - entry into force 17.03.2023]

(2) The Competition Authority performs regulatory enforcement of compliance with the requirements established under § 12 of this Act for invoices presented to final customers.

(3) The Consumer Protection and Technical Regulatory Authority performs regulatory enforcement of compliance with the following requirements established in this Act:

[RT I, 12.12.2018, 3 - entry into force 01.01.2019]

- 1) the requirements established in § 11 of this Act for measuring amounts of energy;
- 2) the requirement established in subsection 1 of § 28 of this Act to undertake energy audits.

(4) The Environment Board is competent to exercise regulatory enforcement of compliance with the requirements provided by § 32³ of this Act and of implementation of the mitigation measures provided by § 32¹³ as well as of compensatory measures provided by § 32¹⁴.

[RT I, 10.10.2024, 2 - entry into force 20.10.2024]

Chapter 10

IMPLEMENTING PROVISIONS

§ 34. Reporting on the progress made towards reaching the national energy efficiency target

[Repealed –RT I, 09.10.2020, 2 - entry into force 01.01.2021]

§ 35. Presentation of the national energy efficiency action plan and of the national strategy for the renovation of buildings

[Repealed –RT I, 30.06.2020, 9 - entry into force 01.07.2020]

§ 35¹. Presentation of long-term renovation strategy

(1) The energy savings coordinator draws up and presents to the European Commission a long-term renovation strategy according to § 4 of this Act for the first time by 1 July 2020 and, afterwards, by 1 January 2029 as part of the national energy and climate plan, and after that once every ten years.

(2) When the national energy and climate action plan is updated under Article 14 of Regulation (EU) 2018/1999 of the European Parliament and of the Council on the Governance of the Energy Union and Climate Action, amending Regulations (EC) No 663/2009 and (EC) No 715/2009 of the European Parliament and of the Council, Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU of the European Parliament and of the Council, Council Directives 2009/119/EC and (EU) 2015/652 and repealing Regulation (EU) No 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, pp. 1–77), the energy savings coordinator may update the long-term renovation strategy.

[RT I, 30.06.2020, 9 - entry into force 01.07.2020]

§ 36. Beginning of accounting of the obligation to renovate central government buildings

The obligation established under subsection 1 of § 5 of this Act is accounted starting 1 January 2014.

§ 37. Time-limit for presentation of a report on the potential for the application of high-efficiency cogeneration and efficient district heating and cooling

The energy savings coordinator submits to the European Commission the report referred to in subsection 1 of § 8 of this Act not later than three days after the entry into force of this Act and updates the report at the demand of the European Commission every five years.

§ 37¹. Installation of meters that possess a remote-reading function

(1) When installed on or after 25 February 2021, the meters referred to in subsection 2 of § 11 of this Act must possess a remote-reading function.

(2) Starting from 1 January 2027, all meters referred to in subsection 2 of § 11 of this Act must possess a remote-reading function.

[RT I, 09.10.2020, 2 - entry into force 25.10.2020]

§ 38. Time limit for undertaking energy audits

Undertakings must undertake an energy audit conforming to subsection 1 of § 28 of this Act not later than six months after the entry into force of this Act and once again by 5 December 2019, to be followed by repeat energy audits at least every four years counting from the date of the last energy audit.

§ 38¹. Implementation of § 32¹⁰

The database mentioned in subsection 1 of § 32¹⁰ of this Act is to be created by 31 December 2022.
[RT I, 18.05.2022, 1 - entry into force 28.05.2022]

§ 38². Retrospective assessment of meeting the national renewable energy target

At the latest by 1 June 2030, the Ministry of Climate completes an analysis of meeting the national renewable energy target provided by this Act.

[RT I, 30.06.2023, 1 - entry into force 01.07.2023]

§ 38³. Application of §§ 32¹¹–32¹⁴

§§ 32¹¹–32¹⁴ of this Act are also applied in proceedings on spatial plans initiated until 30 June 2025.
[RT I, 10.10.2024, 2 - entry into force 20.10.2024]

§ 38⁴. Application of §§ 32¹¹, 32¹³ and 32¹⁴

Sections 32¹¹, 32¹³ and 32¹⁴ of this Act apply in proceedings on applications for permits filed starting from 30 December 2022.

[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 38⁵. Application of §§ 32¹⁶–32¹⁹

(1) Where the applicant has, prior to the entry into force of this section, filed an application for a building permit and for an environmental permit, and where in the course of proceedings on these it emerges that there is a need to assess the impact on the environment, a single decision to initiate assessment of environmental impact is made, provided:

- 1) the applicant has, in proceedings on at least one of these, requested this, and presents information on the request to the authority conducting proceedings on the other;
- 2) no decision to initiate, or refuse to initiate, assessment of environmental impact, has been made in proceedings on either of these prior to the entry into force of this section.

(2) Where the applicant has, prior to the entry into force of this section, filed the application for an environmental permit to implement a renewable energy project but has not filed the application for the building permit, and where in the course of proceedings for permits required to implement the renewable energy project it emerges that there is a need to assess the impact on the environment, a single decision to initiate assessment of environmental impact is made, provided:

- 1) in proceedings for the environmental permit, the decision to initiate, or not to initiate, the assessment has not been made before the entry into force of this section and
- 2) the applicant files the application for the building permit and, with that application, an application for joint assessment of environmental impact and

3) the applicant presents information on the applications filed in clause 2 of this section to the authority conducting the proceedings for the environmental permit.

(3) Where the applicant has, prior to the entry into force of this section, filed an application for the building permit to implement a renewable energy project and an environmental permit is needed to implement the project, but the applicant has not filed the corresponding application, and proceedings for the permits needed to implement the project reveal the need for assessment of environmental impact, a single decision to initiate assessment of the impact is made, provided:

- 1) in proceedings for the building permit, the decision to initiate, or not to initiate, the assessment has not been made before the entry into force of this section and
- 2) the applicant files the application for the environmental permit and, with that application, an application for joint assessment of environmental impact and
- 3) the applicant presents information on the applications filed in clause 2 of this section to the authority conducting the proceedings for the environmental permit.

(4) The decision to initiate or not to initiate the assessment of environmental impact mentioned in subsections 2 and 3 of this section is made by the Environment Board.
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 38⁶. Application of subsection 9 of § 32³

The criterion provided by subsection 9 of § 32³ of this Act for installations using biomass fuel that produce electricity, heating and cooling or fuel and whose rated thermal capacity exceeds 7.5 MW but falls below 20 MW applies starting from 1 January 2027.
[RT I, 18.03.2026, 1 – entry into force 28.03.2026]

§ 39. Amendment of the Building Code

[Omitted from this text.]

§ 40. Amendment of the Electricity Market Act

[Omitted from this text.]

§ 41. Entry into force of this Act

(1) §§ 18, 27 and 28 of this Act enter into force on 1 October 2016.

(2) § 6, subsection 1 of § 7, subsection 2 of § 8, §§ 10–13, subsection 2 of § 16 and subsections 1–3 of § 40 enter into force on 1 January 2017.

(3) Subsection 13 of § 32³ of this Act enters into force on 1 July 2023.
[RT I, 07.03.2023, 21 - entry into force 17.03.2023]

¹Directive 2010/31/EU of the European Parliament and of the Council on the energy performance of buildings (OJ L 285, 31.10.2009, pp. 13–35), amended by Directive (EU) 2018/844 (OJ L 156, 19.06.2018, pp. 75–91) and Regulation (EU) 2018/1999 (OJ L 328, 21.12.2018, pp. 1–77);
Directive 2012/27/EU of the European Parliament and of the Council on energy efficiency amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, pp. 1–56), amended by Directives 2013/12/EU (OJ L 141, 28.05.2013, pp. 28–29), (EU) 2018/844 (OJ L 156, 19.06.2018, pp. 75–91), (EU) 2018/2002 (OJ L 328, 21.12.2018, pp. 210–230) and (EU) 2019/944 (OJ L 158, 14.06.2018, pp. 125–199) and Regulations (EU) 2018/1999 (OJ L 328, 21.12.2018, pp. 1–77) and (EU) 2019/826 (OJ L 137, 23.05.2019, pp. 3–9);
Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy from renewable sources (OJ L 328, 21.12.2018, pp. 82–209);
Directive (EU) 2023/2413 of the European Parliament and of the Council amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC as regards the promotion of energy from renewable sources, and repealing Council Directive (EU) 2015/652 (OJ L 2023/2413, 31.10.2023).
[RT I, 18.03.2026, 1 - entry into force 28.03.2026]