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# Energy Economy Organization Act<sup>1</sup>

Adopted 16.06.2016  
RT I, 05.07.2016, 3  
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## Amended by the following acts

Reception	Publication	Enforcement
14.06.2017	RT I, 01.07.2017, 1	01.09.2017
06.06.2018	RT I, 29.06.2018, 2	09.07.2018
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2	19.10.2020, partially 25.10.2020, 01.01.2021 and 01.01.2022; in the law, the word "energy efficiency obligation" has been replaced by the word "energy saving obligation" in the corresponding case.
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

## Chapter 1 General settings

### § 1. Scope of the Act

[ RT I, 18.05.2022, 1 - entered into force. 28.05.2022]

(1) This Act stipulates:

- 1) measures to achieve the national energy efficiency goal;
- 2) principles of renewable energy promotion;
- 3) requirements for improving energy efficiency and obliged parties in both the public and private sectors.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

(2) [Repealed - RT I, 18.05.2022, 1 - entered into force. 28.05.2022]

(3) The provisions of the Administrative Procedure Act apply to the administrative procedure prescribed in this Act, taking into account the specifics of this Act.

### § 2. Terms

In this Act, the terms are used in the following sense:

- 1) public sector institution – procurer within the meaning of the Public Procurement Act;
- 2) public sector implementing agency – a state agency or public legal entity involved in the implementation of energy conservation policy, which is responsible for implementing or monitoring energy and carbon dioxide taxation, financing plans and instruments, budget policy measures, standards and norms, energy labeling systems, and training and educational activities;

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- 2 ) biomass fuel – gaseous and solid fuel produced from biomass provided for in § 57 subsection 2 of the Electricity Market Act;

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

- 3) energy - energy products, including fuel, heat, renewable energy, electricity and other energy products;
- 4) energy audit - a systematic procedure that is carried out to obtain adequate knowledge about the energy consumption profile of a building or a group of buildings, an industrial or commercial process or facility, or private or public services, and which determines the possibilities of cost-effective energy savings and the amount of savings, and based on the results of which a report is drawn up;
- 5) energy retail entrepreneur – a natural or legal person who sells energy to end consumers;
- 6) energy management system - a set of interrelated or mutually influencing elements that appear in the plan, which establishes the energy efficiency goal and the strategy for achieving this goal;

7) final energy consumption - all energy supplied to the industrial, transport, service and agricultural sectors and households, excluding supplies to the energy conversion sector and the energy industry;

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- 7 ) energy purchase risk group – within the meaning of the Social Welfare Act, a person living alone or a family whose monthly income per family member during the last six months does not exceed the minimum wage;

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

7 ) person unable to purchase energy - within the meaning of the Social Welfare Act, a person living alone or a family who has received subsistence allowance at least once in the last six months and whose income per family member of the previous month does not exceed the minimum wage;

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

8) energy savings - the amount of energy saved, which is determined by measuring or estimating consumption before and after the implementation of the energy efficiency improvement measure in a situation where equal external conditions that may affect energy consumption are ensured;

9) energy supplier - a natural or legal person, including a distribution network operator, which is responsible for the transport of energy to the final consumer or to the consumer's installation;

10) energy service - a physical benefit, service or good obtained by combining energy with energy-efficient technology or an activity, which may include operations, maintenance and control necessary for the provision of the service, which are carried out on the basis of a contract and for which it has been proven that under normal circumstances it helps to improve the controllable and measurable or assessable energy efficiency or save primary energy;

11) energy service provider - a natural or legal person who provides energy services or implements other measures to improve energy efficiency in the end user's equipment or premises;

12) energy efficiency – the relationship between work, service, goods or energy output and energy input;

13) energy efficiency agreement - an agreement between the end user and the energy service provider, the fulfillment of which is checked and monitored throughout the term of the agreement, and on the basis of which the end user pays for the investments made for the provision of energy services depending on the level of energy efficiency improvement agreed in the agreement or another agreed energy efficiency criterion, such as financial savings;

14) improving energy efficiency - increasing energy efficiency by means of technological, behavioral or economic changes;

15) energy intermediary - a demand-side service provider that combines several short-term consumption loads for sale directly or by auction on organized energy markets, which is an electricity exchange or an over-the-counter market for trading energy, capacity, balance and additional services in any period of time, including term contract markets, day-ahead markets and intraday markets ;

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15 ) procurement area - a geographically defined area from which forest biomass raw material is procured, about which reliable and independent information is available and whose conditions are sufficiently uniform to assess the compliance of forest biomass with sustainability criteria;

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

16) distribution network operator – distribution network operator within the meaning of the Electricity Market Act and the Natural Gas Act;

17) useful total floor surface - the heated surface of the building, which is the sum of the closed net surfaces of all the rooms of the building, for which energy is used to ensure the quality of the room air, including maintaining, raising or lowering the temperature;

18) district heating and cooling infrastructure - functional set of pipelines, equipment, auxiliary equipment and related buildings built in place or part thereof, which is necessary for the distribution of heat or cooling, excluding consumer installations;

19) central government - state authorities and managed state institutions;

20) cogeneration – simultaneous production of thermal energy and electrical energy or mechanical energy in one process;

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20 ) end user - a natural or legal person who buys heating, cooling and domestic hot water for personal final consumption, or a resident or user of an apartment or building supplied with heating, cooling and hot domestic water from a central source, a natural or legal person who does not have a contract with an energy supplier;

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

21) final consumer – a natural or legal person who purchases energy on the basis of a contract concluded with an energy supplier;

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

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21 ) multi-purpose building - a residential or non-residential building with more than one purpose of use, in which an end user lives or is used in addition to the end user;

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

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21 ) liquid and gaseous transport fuels produced from renewable raw materials other than biological origin – liquid or gaseous fuels used in the transport sector, which are not biofuels or biogas and whose energy content comes from a renewable energy source other than biomass;

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

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21 ) measurement point – a place where the amount of consumed fuel or energy is measured;

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

22) smart meter – an electronic system that is capable of measuring energy consumption, providing more information than a local meter, and transmitting and receiving data using an electronic means of communication;

23) demand management - measures aimed at influencing the volume and temporal distribution of electricity consumption in order to reduce primary electricity consumption and short-term high loads (peak loads);

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23 ) consumer of renewable energy produced for his own use - end consumer whose main business or professional activity is not energy production and who consumes, stores or sells energy produced from a renewable energy source on his property;

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

24) participating person – an entrepreneur or public sector institution that has undertaken a voluntary agreement to achieve certain goals or that is covered by a national regulatory policy measure;

25) policy measure - a means of influence that the Riigikogu, the Government of the Republic or a minister has officially established or implemented to create a supporting framework, requirement or incentive for market participants to offer and purchase energy services and implement other measures to improve energy efficiency. A policy measure can be a regulatory influencing tool, a financial or fiscal instrument, a voluntary activity or an information activity;

26) primary energy - energy obtained from a natural source, which is consumed without being converted into other types of energy, excluding non-energy uses;

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26 ) certificate of origin system administrator – system administrator within the meaning of the Natural Gas Act and transmission system operator within the meaning of the Electricity Market Act;

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

27) efficient district heating and cooling – a district heating or district cooling system that uses at least 50 percent renewable energy, 50 percent waste heat, 75 percent co-produced heat, or a combination of 50 percent renewable energy and waste heat or co-produced heat;

28) authorized person – a legal person to whom the Government of the Republic or a state authority has delegated the authority to develop, manage or manage the financing plan that is part of the energy policy on behalf of the Government of the Republic or a state authority;

29) small and medium-sized enterprise - an enterprise with less than 250 employees and whose annual turnover does not exceed 50 million euros or the total volume of the annual balance sheet does not exceed 43 million euros;

30) individual measure - a measure that helps to improve the controllable and measurable or evaluable improvement of energy efficiency and which is implemented as a result of a policy measure;

31) general energy saving obligation - the obligation provided for in this Act to achieve energy saving or improve energy efficiency in the production, transmission and distribution of energy and at the end consumer of energy;

32) transmission system operator – transmission system operator within the meaning of the Electricity Market Act and system operator within the meaning of the Natural Gas Act.

## **Chapter 2**

### **National energy efficiency goal and sector strategies**

#### **§ 3. National energy efficiency goal and action plan**

(1) The Ministry of Climate (hereinafter *the energy saving coordinator*) sets the national energy efficiency goal until 2020 and prepares the national energy efficiency action plan.

[ RT I, 30.06.2023, 1 - enters into force. 01.07.2023]

(2) When setting the goal named in subsection 1 of this section, the final energy consumption is taken as a basis, in addition:

1) the goal of the European Union, that the energy consumption in 2020 does not exceed 1483 million oil-equivalent tons for primary energy or 1086 million oil-equivalent tons for final energy;

2) measures established by this Act and other legislation to improve energy efficiency and achieve energy savings;

3) the country's energy policy.

(3) The energy saving coordinator informs about the energy efficiency goal specified in subsection 1 of this section with a report from the European Commission, which is in accordance with Directive 2012/27/EU of the European Parliament and of the Council dealing with energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and recognizing repealed by Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, pp. 1–56), Annex XIV, Part 1. The report also expresses the goal as an absolute level of primary energy consumption in 2020 and explains how and on the basis of which data it has been calculated.

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

(5) An updated estimate of the expected general primary energy consumption in 2020 shall be added to the national energy efficiency action plan specified in subsection 1 of this section. The estimate must comply with the provisions of 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 specified in subsection 1 of this section must comply with the provisions of Annex XIV, Part 2 of Directive 2012/27/EU of the European Parliament and of the Council.

(7) The national building reconstruction strategy specified in § 4 subsection 1 of this Act is part of the national energy efficiency action plan specified in subsection 1 of this section.

(8) The requirements set forth in the State Budget Act for a strategy document and the requirements set forth in the Environmental Impact Assessment and Environmental Management System Act for a planning document shall not apply to the national energy efficiency action plan specified in subsection 1 of this section.

(9) The Government of the Republic sets a national energy efficiency goal until 2030 and establishes an integrated national energy and climate plan, which is drawn up by the energy saving coordinator in accordance with Regulation (EU) 2018/1999 of the European Parliament and of the Council, which deals with the management of the energy union and climate measures and which amends the European Parliament and of the Council Regulations (EC) No. 663/2009 and (EC) No. 715/2009, European Parliament and Council Directives 94/22/EC, 98/70/EC, 2009/31/EC, 2009/73/EC, 2010/31/ EU, 2012/27/EU and 2013/30/EU and Council Directives 2009/119/EC and (EU) 2015/652 and Regulation (EU) No. 525/2013 of the European Parliament and of the Council (OJ L 328, 21.12.2018, pp. 1–77), with the requirements set forth in articles 3, 4 and 6–12.

[ RT I, 09.10.2020, 2 - enters into force. 01.01.2021]

(10) The objective specified in subsection 9 of this section may be established primary or final energy:

1) on consumption;

2) about savings;

3) about energy intensity.

[ RT I, 09.10.2020, 2 - enters into force. 01.01.2021]

(11) When setting the objective specified in subsection 9 of this section, the objective specified in subsection 1 of Article 3 of Directive 2012/27/EU of the European Parliament and of the Council shall be taken into account.

[ RT I, 09.10.2020, 2 - enters into force. 01.01.2021]

#### **§ 4. National building reconstruction strategy to improve energy efficiency**

(1) The energy saving coordinator prepares a long-term, nationwide reconstruction strategy (hereinafter referred to as *the long-term reconstruction strategy*) to support the reconstruction of residential and non-residential buildings in order to achieve an energy-efficient and low-carbon building fund by 2050 and to facilitate the cost-effective reconstruction of existing buildings into near-zero energy buildings.

[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

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(1 ) The long-term reconstruction strategy must include:

- 1) an overview based on a statistical sample of buildings with indoor climate protection located on the territory of the country and the proportion of buildings reconstructed by January 1, 2020;
- 2) cost-effective reconstruction solutions determined on the basis of the type of building, the climatic conditions of the building's location and, if necessary, the estimated time required for appropriate reconstruction with the life span of the building;
- 3) an overview of targeted, cost-effective reconstruction solutions for buildings and the promotion of policies that support cost-effective, if necessary, gradual comprehensive reconstruction of buildings, and the developed support measures;
- 4) an overview of the least energy-efficient part of the entire building stock and the situations caused by the divergence of interests of market participants and, as a result, of the policy that excludes market failures and the developed support measures;
- 5) an overview of support measures developed to alleviate the inability to purchase energy;
- 6) an overview of the energy efficiency policy and support measures aimed at the public sector;
- 7) an overview of national initiatives that promote knowledge-based solutions and smart solutions in the field of construction and energy efficiency and the implementation of energy efficiency solutions between individual buildings or regional ones;
- 8) evidence-based assessment of energy savings and the broader economic benefit to society.

[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

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

(3) The energy saving coordinator prepares an action plan with measures and measurable performance indicators for the implementation of the long-term reconstruction strategy, keeping in mind the following long-term goals:

- 1) to reduce greenhouse gas emissions in the European Union by 2050 by 80-95 percent compared to 1990;
- 2) ensure an energy-efficient and low-carbon national building fund;
- 3) to facilitate the cost-effective reconstruction of existing buildings into near-zero energy buildings.

[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

(4) The action plan contains recommended intermediate goals for Estonia for 2030, 2040 and 1 January 2050 and explanations of how the fulfillment of the intermediate goals helps to achieve the energy efficiency goals set by the European Union in accordance with European Parliament and Council Directive 2012/27/EU .

[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

(5) The development of the investment support measures necessary to fulfill the goals set in the long-term reconstruction strategy is based on the following principles:

- 1) to enable investors to access activities that improve the energy efficiency of buildings and to offer complete solutions to potential customers by bringing together construction project solutions, involving investment groups and platforms, and consolidating small and medium-sized enterprises ;
- 2) reduce the predictable risk of energy efficiency-related measures for investors and the private sector;
- 3) enhance private sector investments or eliminate market failures;
- 4) direct investments into making the fund of public buildings more energy efficient in accordance with the instructions of the Statistical Office of the European Union (Eurostat);
- 5) create accessible and generally usable counseling tools.

[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

(6) The long-term reconstruction strategy may deal with risks related to fire safety, which affect the energy efficiency of the reconstruction solutions and the life of the building.

[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

(7) As an appendix to the long-term reconstruction strategy, the following shall be published:

- 1) an overview of the strategy's implementation plan, planned policy and measures;
- 2) summary of the results of the public consultation.

[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

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#### **§ 4 . Public consultation on the long-term reconstruction strategy**

During the development of the long-term reconstruction strategy, the energy saving coordinator organizes a public consultation with interest groups at least twice. The public consultation is organized and a summary of the results of the consultation is prepared based on the procedure for cooperation and involvement provided for in the regulation established on the basis of § 18 (6) of the Government of the Republic Act.

[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

### **Chapter 3 National measures to achieve energy savings**

#### **§ 5. Improving the energy efficiency of buildings of public sector institutions**

(1) The central government's real estate energy saving coordinator arranges that 3 percent of the useful total floor area of buildings used by the central government is reconstructed every year in order to meet at least the minimum requirements for energy efficiency,

which are stipulated in the regulation established on the basis of § 65 (3) of the Construction Code for buildings undergoing significant reconstruction. The tasks of the central government real estate energy saving coordinator are performed by the Ministry of Finance.

(2) The limit of 3 percent specified in subsection 1 of this section is calculated from the useful total floor area of buildings with a useful total floor area of more than 250 square meters, which are located in the territory of the Republic of Estonia and are used by the central government on the basis of the right of ownership or use agreement, which do not meet the minimum energy efficiency requirements by January 1 of each year.

(3) When implementing subsection 1 of this section, priority is given to central government buildings with lower energy efficiency, if their reconstruction is cost-effective and technically feasible.

(4) The reconstruction requirement specified in subsection 1 of this section does not apply to buildings with indoor climate protection listed in § 62 subsection 2 of the Construction Code, in which compliance with minimum energy efficiency requirements is not required, and to buildings belonging to the armed forces or the central government that serve national defense purposes, with the exception of personnel in the service of the armed forces and national defense institutions individual residences or office buildings.

(5) If more than 3 percent of the useful total floor area of central government buildings is reconstructed in one year, the useful total floor area of the remaining central government buildings may be considered as if it had been reconstructed during the three previous or three following years.

(6) The one-year reconstruction rate of central government buildings may be reduced by a new building that meets the requirements, which has been put into use or acquired in place of central government buildings that have been demolished in the previous two years, or in place of buildings that have been sold, demolished or decommissioned in the previous two years. due to higher usage.

(7) For the application of subsection 1 of this section, the central government real estate energy saving coordinator shall make an inventory of the heated and cooled central government buildings provided for in subsection 2 of this section. Buildings that are subject to an exception based on paragraph 4 of this section are excluded from the inventory. The inventory report contains the following data for each building:

1) useful total floor area in square meters or, in the absence of these data, closed net area within the meaning of the regulation established on the basis of § 3 (5) of the Building Code;

2) class of energy efficiency index or class of weighted special use of energy and information on whether or not the building meets the minimum energy efficiency requirements of the building to be significantly reconstructed.

(8) In the absence of the data specified in subsection 7 of this section, the building is deemed not to meet the minimum requirements in the inventory.

(9) The central government real estate energy saving coordinator makes the inventory report provided for in subsection 7 of this section available to the public.

(10) The task of the energy saving coordinator is to encourage, through the sharing of best practices, public sector institutions, including regional and local level and social housing institutions:

1) to adopt an energy efficiency plan, which is separate or part of a larger climate or environmental plan and contains specific energy saving and energy efficiency goals and measures to follow the model of central government buildings set out in subsections 1-8 of this section;

2) implement an energy management system, including energy audits;

3) if necessary, involve energy service companies and enter into energy efficiency contracts in order to maintain or improve energy efficiency.

## **§ 6. Energy-efficient purchases of public sector institutions**

(1) The central government may only purchase products, services and buildings with high energy efficiency, as long as it is cost-effective, economically feasible, generally sustainable and technically suitable, and if there is sufficient competition in accordance with the requirements established on the basis of paragraph 2 of this section. The requirement of high energy efficiency does not apply to buildings listed in § 62 subsection 2 of the Construction Code.

(2) The Government of the Republic establishes the energy efficiency requirements for products, services and buildings purchased by the central government by regulation.

(3) The obligation set forth in subsection 1 of this section applies to contracts concluded by the central government for the purchase of products, services and buildings, the cost of which is equal to or greater than the international threshold for public procurement provided for in subsection 14, subsection 3 of the Public Procurement Act.

[ RT I, 01.07.2017, 1 - enters into force. 01.09.2017 ]

(4) The obligation established in subsection 1 of this section applies to contracts of the armed forces only to the extent that it does not contradict the nature and main purpose of the activities of the armed forces. This obligation does not apply to defense equipment procurement contracts specified in Directive 2009/81/EC of the European Parliament and of the Council coordinating the procedure for concluding public procurement contracts for certain construction works and goods and services to be concluded by purchasers in the field of defense 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 the application of paragraph 1 of this section, the public sector institution provides that Regulation (EU) 2017/1369 of the European Parliament and of the Council establishing the framework for energy labeling and repealing Directive 2010/30/EU (OJ L 198, 28.07.2017, pp. 1–23), when purchasing a package of products covered as a whole by the delegated act adopted on the basis, the total energy efficiency of the package is more important than the energy efficiency of the individual products of the package.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022 ]

(6) The task of the energy saving coordinator is to encourage, through the sharing of best practices, public sector institutions, including regional and local level institutions, to follow the example of the central government and purchase only products, services and buildings with high energy efficiency. The energy saving coordinator encourages public sector institutions to evaluate whether it is possible to enter into long-term energy efficiency contracts, which would help to achieve long-term energy savings, when organizing

service procurements.

[ RT I, 05.07.2016, 3 - enters into force. 01.01.2017]

## **Chapter 4**

### **Improving the efficiency of energy production and delivery**

#### **§ 7. Energy efficiency measures in energy conversion, transmission and distribution**

(1) The transmission system operator and the distribution system operator (hereinafter jointly *the network operator*) determine the cost-effective measures and necessary investments for improving the energy efficiency of their network and the schedule for their introduction, and submit an overview of them to the energy saving coordinator.

[ RT I, 05.07.2016, 3 - enters into force. 01.01.2017]

(2) The energy saving coordinator prepares and publishes an analysis on its website, which evaluates the possibilities of improving the energy efficiency of the gas and electricity system, especially in the areas of transmission, distribution, load regulation and interoperability, and connection of production equipment.

(3) The Competition Authority shall take into account the energy efficiency measures of network operators when making decisions arising from the Electricity Market Act and the Natural Gas Act regarding the operation of the gas and electricity network.

(4) The Competition Authority takes into account the cost of measures taken to improve the energy efficiency of the network, the cost of measures enabling the participation of network users in improving the efficiency of the system, and the cost of measures enabling demand management, including the cost of additional services related to smart meters, when coordinating the network charges specified in the Electricity Market Act and the Natural Gas Act. The network charge must not prevent the improvement of the overall efficiency of the gas or electricity system, including energy efficiency, demand management, the participation of market participants in the balancing market or the acquisition of additional services.

#### **§ 8. Promotion of heating and cooling efficiency**

(1) The energy saving coordinator submits a report to the European Commission on the possibilities of applying efficient cogeneration and efficient district heating and cooling, the preparation of which complies with Annex VIII of Directive 2012/27/EU of the European Parliament and of the Council.

(2) The requirements for efficient cogeneration shall be established by a regulation of the minister responsible for the field, based on Annexes I and II of Directive 2012/27/EU of the European Parliament and of the Council.

[ RT I, 05.07.2016, 3 - enters into force. 01.01.2017]

(3) During the preparation of the report provided for in subsection 1 of this section, the energy saving coordinator analyzes the economic justification of the measures promoting the energy efficiency of heating and cooling covering the national territory, based on Directive (EU) 2018/2002 of the European Parliament and of the Council, which amends Directive 2012/27/EU, which deals with energy efficiency (OJ L 328, 21.12.2018, pp. 210–230), from point 3 of Article 1. The analysis is based on climatic conditions, economic feasibility and technical suitability of the measures. The result of the analysis must make it possible to determine the most resource- and cost-effective solutions for meeting the heating and cooling needs.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

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(3) Heating and cooling is efficient if the new planned production solution for heating and cooling uses less primary energy than the originally planned production solution and the amount of primary energy can be measured. In doing so, the energy required for the extraction, conversion, transport and distribution of the fuel used is taken into account when evaluating the production solution.

[ RT I, 29.06.2018, 2 - enters into force. 09.07.2018]

(4) When developing the infrastructure for district heating and cooling, the entrepreneur is based on the report specified in subsection 1 of this section and the result of the analysis specified in subsection 3.

(5) When drawing up a development plan regulating the field of energy in accordance with § 19 (3) of the State Budget Act, it must be based on the principle of promoting the use of efficient heating and cooling systems, especially systems using efficient cogeneration, in the development of local and regional heat economy.

#### **§ 9. Demand management**

(1) The Competition Authority publishes information on the possibilities of demand management on the wholesale and retail energy market on its website.

(2) The network operator prepares and publishes on its website the technical instructions for access to the markets of system services, including balance and reserve services, for end consumers and energy intermediaries.

(3) The network operator offers the user of the network service additional services related to smart meters necessary to improve energy efficiency and manage demand, and publishes relevant information on its website.

(4) The network operator shall comply with the requirements related to balance and other system services within the meaning of the Electricity Market Act or the Natural Gas Act and the principle of equal treatment of the energy intermediary and shall take into account their technical capacity.

#### **§ 10. Analysis of the assessment of costs and benefits of an efficient cogeneration plant**

(1) In the sense of the Industrial Emissions Act, the entrepreneur prepares an analysis of the costs and benefits of converting the facility into an efficient cogeneration plant when planning:

- 1) a new thermal power plant with a total nominal thermal capacity exceeding 20 MW;
- 2) significant reconstruction of the existing thermal power plant, the total nominal heat capacity of which exceeds 20 MW;
- 3) significant reconstruction or construction of an industrial facility producing waste heat with a total nominal heat capacity of more than 20 MW and at a useful temperature;

- 4) new district heating and district cooling network;
- 5) a new thermal power plant with a total nominal heat capacity exceeding 20 MW in the existing district heating or district cooling network;
- 6) significant reconstruction of the existing thermal power plant in such a way as to effectively utilize the waste heat of the nearby industrial facility.

(2) Significant reconstruction specified in points 2, 3 and 6 of subsection 1 of this section means reconstruction, the cost of which exceeds 50 percent of the investment costs of a new equivalent device.

(3) The analysis specified in subsection 1 of this section must be confirmed by a person who has at least the professional qualification of an authorized engineer in the field of thermal engineering or electrical engineering VIII or the corresponding level.

(4) The minimum requirements for the analysis of the costs and benefits of converting the facility into an efficient cogeneration plant shall be established by a regulation of the minister responsible for the field .

(5) The reconstruction referred to in points 2, 3 and 6 of subsection 1 of this section is not considered to be the installation of equipment with the aim of collecting and geologically storing carbon dioxide generated in the combustion plant, as provided for in Directive 2009/31/EC of the European Parliament and of the Council, which deals with the geological storage of carbon dioxide and which Council Directive 85/337/EEC and 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).

[ RT I, 05.07.2016, 3 - enters into force. 01.01.2017]

## **Chapter 5**

### **Requirements for measuring energy consumption and providing information to improve energy efficiency**

**[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]**

#### **§ 11. Measurement of heating, cooling and hot water consumption**

(1) The energy supplier ensures the measurement of thermal energy and the collection and processing of measurement data accompanying the provision of district heating, district cooling and domestic hot water services to the end user.

(2) The energy supplier installs a meter for the final consumer at his heat exchanger or at the place of delivery to measure the heat consumed for the production of district heating, district cooling and domestic hot water supplied from the district heating or district cooling network or from a central source serving several buildings.

(3) Individual heating cost allocators or meters are installed in the end-user's apartment building or multi-purpose building to measure the volume of district heating, district cooling and domestic hot water consumption, if their installation is cost-effective and technically feasible. The installed meters and cost allocators must have a remote reading function, if the installation of such meters and cost allocators is cost-effective and technically feasible.

(4) The energy saving coordinator organizes an assessment of the cost-effectiveness and technical feasibility of installing an individual heating cost allocator or meter with a remote reading function in the end-user's apartment buildings or multi-purpose buildings.

(5) The minister responsible for the field may establish by regulation the conditions for the installation of individual heating cost allocators and meters in the apartment building or multi-purpose building of the end user.

[ RT I, 09.10.2020, 2 - enters into force. 25/10/2020]

#### **§ 12. Requirements for the invoice presented to the final consumer**

(1) The energy supplier submits an invoice to the final consumer electronically and at least once a month, unless otherwise agreed. If it is a consumer within the meaning of the Consumer Protection Act, the energy supplier submits the bill in the manner provided in § 4 subsections 6 and 7 of the Consumer Protection Act. No fee is charged for the submission of invoices and electronic access to the information and consumption data provided on the invoices. The biller has the right to charge a fee for submitting a repeat invoice.

[ RT I, 05.07.2016, 3 - enters into force. 01.01.2017]

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

(3) The energy supplier submits the following information to the final consumer together with or on the invoice:

- 1) current prices and actual energy consumption;
- 2) fuel mix used for heating, cooling and domestic hot water production by energy type, and if the total nominal heat capacity of the district heating network exceeds 20 MW, also the amount of greenhouse gas emissions due to production;
- 3) applied taxes, fees and tariffs;
- 4) comparison of the energy consumption of the period reflected in the invoice with the consumption of the last 12 months with the appropriate adjustment for the climate;
- 5) reference to web addresses where it is possible to obtain information about the energy efficiency improvement measures used, comparable profiles of end users and technical indicators of energy-consuming devices;
- 6) procedure for submitting a complaint;
- 7) comparison of energy consumption with a similar end user or with the average of end users.

[ RT I, 09.10.2020, 2 - enters into force. 25/10/2020]

(4) If there is a remotely readable meter, the energy supplier must provide the end user with the data specified in subsection 3 of this section at least once a month. Otherwise, the said data shall be provided at least twice a year.

[ RT I, 09.10.2020, 2 - enters into force. 01.01.2022]

(1) The end user ensures that the end user receives all invoices and the information provided on the invoices regarding the consumption of heating, cooling and domestic hot water free of charge. Invoices and information are delivered to the end user at his choice at a postal address or e-mail address, or through an electronic customer service environment, internet bank or other such environment, or on a data carrier, if the end user has agreed to this in a form that allows for written reproduction.

(2) The end user distributes the costs of measuring, allocating and accounting for the individual consumption of heating, cooling and domestic hot water in apartment buildings and multi-purpose buildings in a non-profit-making manner.

(3) Reasonable costs resulting from the fact that the end user entrusts the performance of the task specified in subsection 2 of this section to a third party, and which include the measurement, distribution and calculation of actual individual consumption, may be passed on to the end users.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

### **§ 13. Information to be submitted to the energy service provider**

(1) At the end consumer's request, the energy supplier shall submit measurement data, including additional information on previous consumption, to the energy service provider designated by the end consumer. No fee is charged for providing information if access to measurement data and previous consumption data is done electronically in the manner established by the network operator or through a data platform.

[ RT I, 05.07.2016, 3 - enters into force. 01.01.2017]

(2) At the request of the end user, the end user submits the information specified in subsections 3 and 4 of § 13<sup>1</sup> of this Act regarding the individual consumption data of heating, cooling and domestic hot water for the previous 12 months to the energy service provider designated by the end user.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

### **§ 13<sup>1</sup>. Information and consumption data provided on heating, cooling and domestic hot water bills**

(1) The information presented to the end user with the bill based on the meter reflecting the consumption of heating, cooling and domestic hot water and the heating cost allocator must be based on the actual consumption or the reading of the heating cost allocator.

[ RT I, 09.10.2020, 2 - enters into force. 25/10/2020]

(2) If there is a meter or heating cost allocator that reflects the consumption of heating, cooling and domestic hot water, the bill submitted by the end user to the end user must contain the data of the actual consumption based on the end user's meter or the reading of the heating cost allocator.

[ RT I, 09.10.2020, 2 - enters into force. 25/10/2020]

(3) If there is a meter or a heating cost allocator, the end user must provide the end user with the invoice or on the invoice the following information:

- 1) valid prices and actual energy consumption or the total cost of heat and cooling and readings of the heating cost allocator;
- 2) fuel mix used for heating, cooling and domestic hot water production by energy type, and if the total nominal heat capacity of the district heating network exceeds 20 MW, also the amount of greenhouse gas emissions due to production;
- 3) applied taxes, fees and tariffs;
- 4) comparison of the energy consumption of the period reflected in the invoice with the consumption of the last 12 months with the appropriate adjustment for the climate;
- 5) reference to web addresses where it is possible to obtain information about the energy efficiency improvement measures used, comparable profiles of end users and technical indicators of energy-consuming devices;
- 6) procedure for submitting a complaint;
- 7) comparison of energy consumption with a similar end user or with the average of end users.

[ RT I, 09.10.2020, 2 - enters into force. 25/10/2020]

(4) The invoice submitted by the end consumer to the end user, which is not drawn up on the basis of the actual consumption of the consumer based on the meter or the reading of the heating cost allocator, must contain information on how the amount presented on the invoice was calculated, as well as the information provided in clauses 5 and 6 of subsection 3 of this section.

[ RT I, 09.10.2020, 2 - enters into force. 25/10/2020]

(5) If there is a remotely readable meter or heating cost allocator, the end consumer must provide the end user with the data specified in subsection 3 of this section at least once a month. In other cases, the said data is provided at least twice a year.

[ RT I, 09.10.2020, 2 - enters into force. 01.01.2022]

## **Chapter 6 Energy saving obligation**

### **Section 1 General energy saving obligation**

#### **§ 14. Volume of the general energy saving obligation**

(1) The volume of the general energy saving obligation is established by the Government of the Republic in the legislation provided for in § 16 subsection 2 of this Act.

(2) The starting volume of the general energy saving obligation for the period from January 1, 2014 to December 31, 2020 is 1.5 percent of the average annual amount of energy sold to final consumers for each calendar year. The average amount of energy sold to final consumers is determined based on the years 2010-2012.

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(2 ) The volume of the general energy saving obligation for the period from January 1, 2021 to December 31, 2030 is 0.8 percent of the average annual amount of energy sold to final consumers for each calendar year. The average amount of energy sold to final consumers is determined based on the years 2016-2018.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

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(2 ) The volume of the general energy saving obligation in each ten-year period after December 31, 2030 is an average of 0.8 percent of the average annual amount of energy sold to final consumers for each calendar year.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

(3) When calculating the average amount of energy sold to final consumers, the amount of energy sold to final consumers for use in transport is not taken into account.

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(4) The calculation of the volume of the general energy saving obligation provided for in subsection 2<sup>1</sup> of this section shall be submitted in accordance with the requirements set forth in Annex III of Regulation (EU) 2018/1999 of the European Parliament and of the Council in the integrated national energy and climate plan prepared on the basis of the same regulation.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

### § 15. Reduction of the general energy saving obligation

(1) The starting volume of the general energy saving obligation provided for in subsection 2 of § 14 of this Act may be reduced if:

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

1) the general energy saving obligation is implemented on a smaller scale, in which case the amount of the energy saving obligation is 1 percent of the average annual amount of energy sold to end consumers for each calendar year in 2014 and 2015, 1.25 percent for each calendar year in 2016 and 2017, and 1.5 percent for each calendar year in 2018, 2019 and 2020;

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

3) energy savings are achieved in the country by means of a single measure that has been implemented since December 31, 2008 and will continue to have an impact in 2020 and that can be measured and proven.

(2) The total final energy consumption of industrial installations belonging to the European Union emissions trading system may be subtracted from the starting volume of the general energy saving obligation provided for in subsection 14 of this Act.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

(3) As a result of the application of subsections 1 and 2 of this section, the starting volume of the general energy saving obligation may be reduced by up to 25 percent, and the energy saving coordinator shall notify the European Commission of their application. The energy saving coordinator also informs the European Commission about the effect of the application of subsections 1 and 2 of this section on the general energy saving obligation.

### § 16. Executors of the general energy saving obligation

(1) Executors of the general energy saving obligation are:

- 1) public sector implementing agency;
- 2) an authorized person;
- 3) a private legal entity in which the state has majority decision-making power;
- 4) distribution network operator.

[ RT I, 29.06.2018, 2 - enters into force. 09.07.2018]

(2) The distribution of the fulfillment of the general energy saving obligation among its fulfillers (hereinafter *the distribution plan of the energy saving obligation* ) shall be established by the Government of the Republic by regulation, based on the provisions of §§ 14 and

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15, § 16<sup>1</sup> subsection 2 and § 21 of this Act.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

(3) The proposal for the distribution plan of the energy saving obligation is prepared by the energy saving coordinator.

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### § 16<sup>1</sup>. Implementation of the general energy saving obligation

(1) Energy conservation policy measures implemented on or after December 31, 2020 may be taken into account when fulfilling the general energy saving obligation, provided that such measures result in new individual measures implemented after December 31, 2020.

(2) In the distribution plan for the general energy saving obligation established on the basis of subsection 2 of § 16 of this Act, policy measures are determined in order to fulfill the general energy saving obligation, the implementation of which provides for exceptions for persons unable to purchase energy and persons belonging to the risk group of energy purchase or service providers aimed at them, in order to alleviate the inability to purchase energy.

(3) In accordance with Regulation (EU) 2018/1999 of the European Parliament and of the Council, the energy saving coordinator presents an overview of the effectiveness of measures to alleviate energy poverty in integrated national energy and climate progress reports.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

### § 17. Types of policy measures

The types of policy measures in fulfilling the general obligation to save energy can be, among others, the following:

- 1) pollution fees for the emission of pollutants into the outside air and excise taxes, which have the effect of reducing the final energy

consumption;

2) financing plans within the meaning of the State Budget Act and other measures that help implement energy-efficient technology or energy-efficient methods and have the effect of reducing final energy consumption;

3) legislation that helps achieve the implementation of energy-efficient technology or energy-efficient methods and has the effect of reducing final energy consumption;

4) voluntary agreements, including agreements concluded on the basis of the Administrative Cooperation Act, which help implement energy-efficient technology or energy-efficient methods and have the effect of reducing final energy consumption;

5) standards and technical regulations aimed at improving the energy efficiency of products and services, including buildings and vehicles, except when they are applicable on the basis of European Union law;

6) energy labeling systems, except for those that are applicable on the basis of European Union law;

7) training and education, including energy consulting programs, which help to implement energy-efficient technology or energy-efficient methods and have the effect of reducing final energy consumption.

#### **§ 18. Consideration of the effectiveness of energy saving measures**

(1) The minister responsible for the field establishes by regulation the rule for calculating the energy savings achieved by means of policy measures, individual measures and the activities implemented within them (hereinafter *the energy saving rule* ).

(2) The energy saving regulation provides for:

1) the basis for calculating energy savings, including conversion factors for calculating final energy savings from primary energy savings;

2) requirements for calculating energy savings, including the methodology for calculating energy savings;

3) requirements for submitting energy savings calculation results;

4) requirements for notification of energy saving calculation methods;

5) requirements for initial data used in calculations;

6) the basis for organizing the monitoring of the effectiveness of the implementation of policy measures;

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6 ) methods of calculating the volume of the general energy saving obligation and reporting on the fulfillment 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 - enters into force. 01.01.2021]

7) other requirements prescribed by law.

[ RT I, 05.07.2016, 3 - enters into force. 01.10.2016]

### **Section 2**

#### **Obligation to provide information for a large energy company**

#### **§ 19. Large energy company**

For the purposes of this Act, a large energy company is the following named energy supplier or energy retailer:

1) a distribution network operator within the meaning of the Electricity Market Act, whose annual volume of energy transmission to end consumers is over 100 GWh;

2) network operator within the meaning of the Natural Gas Act, whose annual volume of energy transmission to end consumers is over 100 GWh;

3) network operator within the meaning of the District Heating Act, whose annual volume of energy transmission to final consumers is over 100 GWh;

4) solid fuel retail sales company whose annual volume of solid fuel sold to final consumers is 100 GWh or more;

5) an entrepreneur of retail sale of liquid fuels, excluding motor fuels, whose annual quantity of liquid fuels sold to end consumers is 100 GWh or more;

6) an entrepreneur of retail sales of gas, with the exception of gas transmitted through pipeline transport, whose annual quantity of gas fuel sold to end consumers is 100 GWh or more.

#### **§ 20. Obligation to provide information of a large energy company**

(1) A large energy company shall submit the following information at the request of the energy saving coordinator:

1) energy quantities delivered to end consumers;

2) generalized statistical information by end-user groups about end-users who purchase or receive the company's energy transmission service, in which, among other things, significant changes are described compared to the previously provided information;

3) up-to-date information on the energy consumption of end-users, among other things, the energy saving coordinator may request information on the time dependence of consumption, groups of end-users and geographical location of end-users.

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

(3) Information may be requested for up to three immediately preceding calendar years.

(4) Data for the previous calendar year must be submitted if the deadline for responding to the energy saving coordinator's request ends after March 1 of the current calendar year.

(5) The deadline for responding to the request of the energy saving coordinator is 30 calendar days from the date of submission of the request.

(6) On the basis of subsection 1 of this section, information is not required more often than once a year.

### **Section 3**

#### **Energy saving obligation distribution plan**

#### **§ 21. Energy saving obligation distribution plan**

(1) The distribution plan of the energy conservation obligation provided for in subsection 2 of § 16 of this Act determines:  
1) the absolute volume of the general energy conservation obligation in the period from January 1, 2021 to December 31, 2030; [ RT I, 09.10.2020, 2 - enters into force. 01.01.2021]  
2) [invalid - RT I, 09.10.2020, 2 - entry into force. 01.01.2021] 3) policy measures implemented by public sector implementing agencies and their planned energy savings; 4) policy measures implemented by private legal entities in which the state has the majority decision-making power and their planned energy savings; 5) the policy measures implemented by the state company providing real estate services to the state and their planned energy savings; 6) other policy measures and their planned energy savings; 7) total energy savings of all policy measures; 8) policy measures, the implementation of which provides for exceptions for persons unable to purchase energy and persons belonging to the risk group of energy purchase or service providers aimed at them. [ RT I, 09.10.2020, 2 - enters into force. 01.01.2021]

(2) The energy saving required to fulfill the energy saving obligation is determined as the final consumption energy saving.

(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) The distribution plan of the energy saving obligation may stipulate:

1) how to determine persons unable to purchase energy and persons belonging to the energy purchase risk group or service providers aimed at them during the implementation of policy measures;

2) to what extent the policy measure supports persons unable to purchase energy and persons belonging to the risk group of energy purchase or service providers aimed at them.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

## **§ 22. Collection of data for the preparation of the distribution plan of the energy saving obligation**

(1) The calculation of the general energy saving obligation is primarily based on European Union and national statistics.

(2) The energy saving resulting from the implementation of policy measures is calculated by the energy saving coordinator, taking into account the information provided by the implementer of the policy measure.

## **Section 4 Fulfilling the energy saving obligation through policy measures**

### **§ 23. Requirements for policy measures**

(1) The policy measure implemented to fulfill the general energy saving obligation must meet the following requirements:

1) the policy measure must contribute to the fulfillment of the general energy saving obligation and ensure the achievement of energy savings at the end user;

[ RT I, 09.10.2020, 2 - enters into force. 01.01.2021]

2) the obligations of each authorized person, participating person or public sector executive body are specified in the legislation or other documents underlying the policy measure;

3) the planned energy saving is calculated in a transparent manner;

4) the energy saving planned by the policy measure is expressed through final energy consumption or primary energy consumption, using the conversion factors provided in the energy saving regulation;

5) when calculating the energy savings planned by the policy measure, the principles and methods stipulated in the energy saving regulations are applied;

6) the participating persons shall annually submit a report on the energy savings achieved as a result of the implementation of the policy measure, unless it is not feasible;

7) monitoring of the effectiveness of the policy measure must be ensured and appropriate options for changing the policy measure must be provided in the event that the originally planned energy savings were not achieved as a result of the implementation of the policy measure.

(2) The provisions of Clause 1, Clause 6 of this section apply only to the policy measures specified in Clause 4 of § 17 of this Act.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

### **§ 24. Monitoring of the effectiveness of the implementation of policy measures**

(1) Monitoring of the effectiveness of the implementation of the policy measures specified in the distribution plan for the energy saving obligation is organized by the energy saving coordinator.

(2) The authorized person, the participating person and the implementing institution of the public sector shall cooperate with the energy saving coordinator in monitoring the effectiveness of the implementation of policy measures.

(3) In order to organize the monitoring of the effectiveness of the implementation of policy measures, the energy saving coordinator creates a control system that ensures a statistically significant sample of the performance evaluation of the individual energy efficiency improvement measures. The basis for organizing the monitoring of the effectiveness of the implementation of policy measures is determined in the energy saving regulation.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

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(3 ) Performance evaluation of a single measure consists of measurement, control and verification, which is done independently of the participating and authorized person.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

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(3 ) The energy saving achieved as a result of a policy measure or individual measures is calculated according to the energy saving rule.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

(4) The energy saving coordinator annually publishes data on energy savings achieved and forecast as a result of policy measures, except in the case of a policy measure implemented by a participating person.

(5) The provisions of subsection 3 of this section shall not be applied to the policy measure specified in clause 17 of § 17 of this Act.

(6) If the effects of policy measures or individual measures overlap, the energy saving coordinator must ensure that energy saving is not counted multiple times.

#### **§ 25. Report of the person participating in the implementation of the policy measure**

(1) A participating person or a representative of all persons participating in the implementation of a policy measure shall publish a report on the implementation of the policy measure on their website once per calendar year. The report is published no later than three months after the end of the calendar year and the energy saving coordinator is informed about it.

(2) The report on the implementation of the policy measure provides at least the following information:

- 1) the name and registry code of the implementer of the policy measure;
- 2) name of the policy measure;
- 3) the names of institutions involved in the implementation of the policy measure and the names and registry codes of persons;
- 4) participation of energy service providers in the implementation of the policy measure;
- 5) a generalized list of activities carried out during the implementation of the policy measure;
- 6) planned, achieved and forecast energy savings as a result of activities;
- 7) information on specifying, changing or terminating a policy measure.

(3) The planned, achieved and forecasted energy savings specified in Clause 2, Clause 6 of this section must be calculated in accordance with the energy saving regulations.

(4) The minister responsible for the field of energy saving may, by regulation, establish more precise requirements for the reports of the participating person.

#### **§ 26. Financing of policy measures**

The financing of policy measures is carried out from the state budget in accordance with the state energy policy and the state budget strategy.

## **Chapter 7 Energy audits and energy management systems**

#### **§ 27. Requirements for energy audit and energy management system**

(1) The energy saving coordinator has the duty to encourage the availability of such energy audits and energy management systems to the end user, which are of high quality and cost-effective, and which are carried out independently by qualified experts or accredited persons.

(2) The expert specified in subsection 1 of this section must have at least level VI of the professional qualification of an energy auditor in the field of energy efficiency of buildings or a higher level, depending on the audited object, or independent accreditation in accordance with the relevant European or international standard, which proves the competence to certify energy or environmental management systems.

(3) The energy audits specified in subsection 1 of this section may be performed by internal experts or energy auditors provided that they are competent on the basis of subsection 2 of this section.

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

(5) In order to ensure the quality of the energy audits specified in subsection 1 of this section, the minister responsible for the field shall , by regulation, establish the minimum requirements for energy audits, including energy audits performed within the framework of the energy management system. If the purpose of use of the building that is the object of the energy audit is residential based on the regulation provided for in § 50 subsection 7 of the Construction Code, the energy audit must be guided by the regulation established on the basis of § 64 subsection 5 of the Construction Code.

(6) If energy audits are supported by the European Union or foreign aid funds, state budget or other financing sources, the implementation unit of the relevant support measure or other support processor must check the compliance of the energy audit with the requirements set out on the basis of paragraph 5 of this section.

(7) The reports of energy audits specified in subsection 1 of this section may not contain conditions that do not allow the results of energy audits to be forwarded to any qualified or accredited energy service provider, unless the end consumer objects to the forwarding.

(8) The energy saving coordinator shall develop programs to encourage small and medium-sized enterprises to conduct energy audits and implement the recommendations following the audits, and to introduce the economic benefits of the energy management system. The energy saving coordinator develops programs to increase household awareness of the benefits of energy audits specified in subsection 1 of this section.

[ RT I, 05.07.2016, 3 - enters into force. 01.10.2016]

## **§ 28. Obligation of large enterprises to perform regular energy audits**

(1) An entrepreneur who is not a small or medium-sized enterprise must perform an energy audit provided for in § 27 subsection 1 of this Act every four years.

[ RT I, 12.11.2019, 4 - enters into force. 22.11.2019]

(2) An enterprise specified in subsection 1 of this section, which implements an energy or environmental management system certified by an independent body in accordance with a relevant European or international standard, does not have the obligation provided for in subsection 1 of this section, if the enterprise proves that the relevant management system includes an energy audit, the report of which complies with this to the minimum requirements stipulated on the basis of § 27 (5) of the Act.

(3) The list of enterprises that must perform the energy audit provided for in § 27 subsection 1 of this Act is compiled by the energy saving coordinator and published on its website.

[ RT I, 05.07.2016, 3 - enters into force. 01.10.2016]

## **Chapter 8 State activities in the development of energy efficiency and energy services**

### **§ 29. Development of qualification systems for energy efficiency activities**

(1) The energy saving coordinator analyzes the level of technical competence, objectivity and reliability of natural and legal persons in Estonia who:

- 1) provide energy services;
- 2) perform energy audits;
- 3) are energy managers;
- 4) install construction products affecting the energy efficiency of the building.

(2) If it is established that the level specified in subsection 1 of this section is not sufficient in the listed fields of activity, the energy saving coordinator shall propose the development of a professional standard to the professional council formed on the basis of § 8 (6) of the Professional Act. When making the proposal, the energy saving coordinator ensures that the qualification system created by the professional standard is publicly available, transparent and reliable for the end user and contributes to the achievement of national energy efficiency goals.

(3) The energy saving coordinator ensures that cooperation with other member states of the European Union and the European Commission is carried out when comparing and recognizing the qualification systems specified in subsection 2 of this section.

(4) In the course of the analysis provided for in subsection 1 of this section, the energy saving coordinator analyzes the adequacy of the number of qualified experts required to perform an energy audit and, if necessary, makes a proposal to the competent authority to organize training.

### **§ 30. Distribution of information about energy efficiency**

(1) The energy saving coordinator publishes transparent information about the existing energy efficiency mechanisms, the financial framework and legislation on its website and distributes it through appropriate information channels to the relevant market participants, such as end users, builders, architects, engineers, environmental and energy auditors and installers of construction products affecting the energy efficiency of the building.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

(2) The energy saving coordinator develops and publishes a guide on how market participants could inform credit and financial institutions about the possibilities of participating in the financing of energy efficiency improvement measures, for example through a partnership between the public and private sectors.

(3) The energy saving coordinator creates an information platform for market participants to share adequate and targeted information about energy efficiency to the energy end user.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

(4) The Energy Conservation Coordinator shall promote, together with stakeholders, including local and regional authorities, information, awareness-raising and training initiatives to inform residents of the benefits and practicalities of energy efficiency improvement measures.

(5) The energy saving coordinator shall develop an information platform to promote the efficient use of energy by households and end-users consuming small amounts of energy by changing behavioral habits.

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

### **§ 31. Development of the energy services market**

In order to promote the energy services market and encourage the access of small and medium-sized enterprises to this market, the energy saving coordinator implements the following measures, if necessary:

1) distributes information regarding energy service contracts and the conditions that should be in such contracts in order to ensure energy saving and the rights of end consumers and end users;

[ RT I, 09.10.2020, 2 - enters into force. 19.10.2020]

2) distributes information regarding financial instruments, incentives, grants and loans intended to support energy services projects;

3) encourages the development of quality labels, among other things by associations of entrepreneurs;

4) makes publicly available a list of existing energy service providers who are qualified in accordance with § 29 of this Act, and regularly updates it;

5) supports the public sector in procuring energy services by developing model contracts for the conclusion of energy efficiency contracts, which include at least the elements listed in Annex XIII of Directive 2012/27/EU of the European Parliament and of the Council;

6) [invalidated - RT I, 09.10.2020, 2 - entered into force. 01.01.2021] 7) supports the proper functioning of the energy services market,

following the principle that market participants' access to the energy services market is based on transparent and non-discriminatory criteria.

## § 32. Other measures to promote energy efficiency

The energy saving coordinator assesses legal and other barriers to achieving energy efficiency and, if necessary, takes appropriate measures to eliminate them.

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### 8 . chapter

## PROMOTION OF RENEWABLE ENERGY

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

### Section 1

#### PURPOSE OF RENEWABLE ENERGY

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

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## § 32 . National renewable energy target

(1) By 2030, renewable energy will make up at least 65 percent of the total domestic final energy consumption. Renewable energy accounts for at least 100 percent of the total final consumption of electricity and at least 63 percent of the total final consumption of heat. Renewable energy used in road and rail transport accounts for at least 14 percent of the total energy consumed in the transport sector.

[ RT I, 22.10.2022, 3 - enters into force. 01.11.2022]

(2) When calculating the fulfillment of the goals specified in subsection 1 of this section, biofuels, liquid biofuels or biomass fuels or the

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energy produced from them are not taken into account, which do not comply with the principles described in subsections 1-6 of § 32 of this Act or in the regulation established on the basis of § 120 subsection 1 of the Atmospheric Air Protection Act to the mentioned greenhouse gas emissions reduction criteria and the use of which is not in accordance with the waste hierarchy in the sense of the Waste Act.

(3) The share of renewable energy in the country's total final consumption may not be less than that set out in Part A of Annex I of Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy produced from renewable energy sources (OJ L 328, 21.12.2018, pp. 82–209) starting weight specified in the third column of the table.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

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## § 32 . General principles for calculating the share of renewable energy

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

(2) To calculate the share of renewable energy in the total final consumption of energy, the following elements are added:

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

(3) Gas, electricity and hydrogen produced from renewable energy sources are taken into account only once when calculating the total final consumption of renewable energy provided in subsection 2 of this section.

(4) The total final consumption of renewable electricity is calculated as the amount of electricity produced from renewable energy sources, including the amount of electricity produced for self-use by consumers of renewable energy and renewable energy communities, excluding the amount of electricity produced in pumping power plants that use water previously pumped to the top of the mountain.

(5) In the case of power plants operating on several fuels, only the part of the electricity produced from renewable energy sources and the energy content of each fuel are taken into account when calculating the total final consumption of renewable electricity.

(6) Electricity produced with the help of water and wind is taken into account in the calculation of the total final consumption of renewable electricity in accordance with the normalization formula provided in Annex II of Directive (EU) 2018/2001 of the European Parliament and of the Council.

(7) The total final consumption of renewable energy in the heating and cooling sector is calculated as the amount of district heating and cooling energy produced from renewable energy sources, to which is added the amount of other renewable energy used for heating, cooling and production in industry, households, services, agriculture, forestry and fishing.

(8) In the case of multi-fuel power plants, only the part of the heating and cooling energy produced from renewable energy sources and the energy content of each fuel are taken into account when calculating the total final consumption of renewable energy.

(9) The energy of the surrounding environment used for heating and cooling with the help of heat pumps and district cooling systems within the meaning of the District Heating Act and the energy stored under the ground as thermal energy are taken into account when applying clause 2, point 2 of this section, provided that the final amount of energy obtained significantly exceeds the amount of primary energy used to operate the heat pump and district cooling system. Calculations are made according to the method presented in Annex VII of Directive (EU) 2018/2001 of the European Parliament and of the Council, taking into account energy consumption in all end-use sectors.

(10) In the application of Clause 2, Item 2 of this section, thermal energy produced using such passive energy systems, in which lower energy consumption is achieved passively with the help of building structures or thanks to heat produced from non-renewable energy sources, is not taken into account.

(11) When calculating the total final consumption of energy, it is taken into account that the amount of energy consumed in the aviation sector is not more than 6.18 percent of the total final consumption of energy.

(12) The methods and concepts provided for in 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) are used to calculate the share of renewable energy.

(13) Electricity produced from biomass fuels by production equipment that started production after June 15, 2022 is taken into account for the application of subsection 2 of this section only if it meets at least one of the following requirements:

- 1) electricity is produced by production equipment with a total nominal heat capacity of less than 50 MW;
- 2) the electricity is produced by a production facility with a total nominal thermal capacity of 50-100 MW, and efficient cogeneration technology has been used in the production or, in the case of installations that only produce electricity, has been achieved in Commission Implementing Decision (EU) 2017/1442 establishing Directive 2010/75 of the European Parliament and of the Council / EU best available technique (BAT) conclusions for large combustion plants (OJ L 212, 17.08.2017, p. 1-82), the energy efficiency achievable with the defined best available technique;
- 3) electricity is produced by a production facility with a total nominal heat capacity of more than 100 MW, and efficient cogeneration technology has been used in the production, or in the case of installations that only produce electricity, a net efficiency of electricity production of at least 36 percent has been achieved;
- 4) the collection and storage of carbon dioxide from biomass has been applied in the production of electricity.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

### 3

#### **§ 32 . The principles of calculating the proportion of renewable energy produced from biofuel, liquid biofuel and biomass fuel and the requirements and criteria for proving the sustainability of these fuels**

[ RT I, 07.03.2023, 21 - effective. 17.03.2023]

(1) Energy produced from agricultural biofuel, liquid biofuel and biomass fuel is taken into account when calculating the share in

provided for in subsection 2 of § 32 of this Act the following cases:

- 1) agricultural biofuel, liquid biofuel and biomass fuel are not produced from raw materials obtained from land that was in 2008 . under protection under the Nature Conservation Act by January of the year, unless it is proven that the collection of raw materials did not conflict with the objectives of the protected natural object;
- 2) biofuel, liquid biofuel and agricultural biomass fuel are not produced from raw materials obtained from a land area that was a peatland in January 2008, unless evidence is provided that the cultivation and collection of this raw material does not result in the drainage of previously undrained soil;
- 3) there is a monitoring or management plan for the production of biofuel, liquid biofuel and biomass fuel produced from waste and agricultural land residues, which deals with the impact of fuel production on soil quality and carbon content.

(2) Biofuel, liquid biofuel and energy produced from biomass fuel produced from forest biomass are taken into account when

calculating the proportion provided for in subsection 2 of § 32 of this Act if the produced energy meets:

- 1) the requirements set forth in the Forest Act on forest management;
- 2) the requirements stipulated in the Nature Protection Act regarding protected areas, storage areas and permanent habitats, protected natural objects of the local government unit resulting from the location of the biomass acquisition area, and valuable habitats in the Forest Act;
- 3) criteria for reducing greenhouse gas emissions provided in the regulation established on the basis of § 120 (1) of the Atmospheric Air Protection Act.

(3) In addition to the cases specified in subsection 2 of this section, biofuels, liquid biofuels and biomass fuels produced from forest biomass must meet the following land use, land use change and forestry criteria:

- 1) the country of origin of the forest biomass or the regional economic integration organization is a party to the Paris Climate Agreement;
- 2) the country of origin of the forest biomass or the regional economic integration organization has notified the Conference of the Parties to the United Nations Framework Convention on Climate Change of its nationally determined contribution, which includes emissions from agriculture, forestry and land use and their binding in binders, and which ensures that the changes in the carbon stock associated with the harvesting of biomass are taken into account in the national commitment to reduce or limit greenhouse gas emissions by the Nationally Determined Contribution, or has established national or regional legislation in accordance with Article 5 of the Paris Agreement to protect and enhance carbon stocks and sequesters in the harvesting area, and has demonstrated that emissions from the reported land-use, land-use change and forestry sectors are no greater than those associated with the sequesters amounts.

(4) Energy produced from biomass fuel produced from forest biomass originating from another European Union member state or a third country is taken into account when calculating the proportion provided for in subsection 2 of § 32 of this Act if the legislation of the respective country contains provisions according to which:

- 1) harvest is legal and the forest is renewed in harvested areas ;
- 2) on the basis of international or domestic law or by the relevant competent authority, land areas designated as nature reserves, including wetlands and peatlands, are protected;
- 3) harvesting takes into account the preservation of soil quality and biodiversity in order to minimize negative impacts, and that harvesting preserves or increases the long-term productive capacity of forests.

(5) If the circumstances specified in subsection 4 of this section cannot be proven, energy is taken into account when calculating the proportion provided for in subsection 2 of § 32 of this Act if the fuel producer or fuel user implements management systems at the level of the forest procurement area, which ensure that:

- 1) harvesting is legal and the forest is renewed in the harvested areas;
- 2) on the basis of international or national law or by the relevant competent authority, land areas designated as nature reserves, including wetlands and peatlands, are protected, unless evidence is provided that the extraction of the relevant raw material was not contrary to the objectives of these nature conservation;
- 3) harvesting takes into account the preservation of soil quality and biodiversity in order to minimize negative impacts, and that harvesting preserves or increases the long-term productive capacity of forests.

(6) For the purposes of this Act, a land area with a large carbon stock is a land area that was characterized in January 2008, but is no longer characterized by one of the following conditions:

- 1) wetland, that is, land that is constantly or for most of the year covered with water or saturated with water area;
- 2) a permanently forested area, that is, a land area of more than one hectare, on which trees over five meters high with a crown union of more than 30 percent grew, or trees that could reach the mentioned thresholds;
- 3) a land area of more than one hectare, on which trees over five meters in height with a crown union of 10-30 percent grew, or trees that were able to reach the specified thresholds, in the event that no evidence is provided that the hydrocarbon reserves of the land area before and after deployment is such that if you use the methodology set out in Part C of Annex 5 of Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy produced from renewable energy sources (OJ L 328, 21.12.2018, pp. 82–209), the Atmospheric Air Protection Act § 120 to the conditions stipulated in the regulation established on the basis of paragraph 1 of Article 120.

(7) Energy produced from waste and residues that do not originate from agriculture, aquaculture, fishing or forestry is taken into account when calculating the share provided for in subsection 2 of § 32 of this Act if such energy meets the greenhouse gas emissions specified in the regulation established on the basis of § 120 subsection 1 of the Atmospheric Air Protection Act to emission reduction criteria.

(8) The criteria for the reduction of greenhouse gas emissions provided for in the regulation established on the basis of § 120 (1) of the Atmospheric Air Protection Act shall not be applied to the electricity, heat and cooling energy produced from solid household waste, this Act.

which is taken into account when calculating the share specified in subsection 2 (2) of § 32 of

(9) If biomass fuel is used in an installation that produces electricity, heat and cooling energy or fuel, the total nominal heat output of which is at least 20 MW for solid biomass fuels and at least 2 MW for gaseous biomass fuels, the energy produced from biomass fuel is

taken in the calculation of the proportion specified in subsection 2 of § 32 of this Act taken into account if, regardless of geographical

origin, such energy meets the principles described in § 32 subsections 1-6 of this Act and the criteria for reducing greenhouse gas emissions specified in the regulation established on the basis of § 120 subsection 1 of the Atmospheric Air Protection Act.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

(10) When verifying and checking compliance with the requirements and criteria set forth in this section, the entrepreneur ensures:

- 1) the implementation of the mass balance system necessary for checking the sustainability of biofuel, liquid biofuel and biomass fuel, which ensures that the energy produced from each fuel shipment is taken into account only once when calculating the total renewable energy, and the mass balance system includes information on whether support has been granted for the production of renewable energy and, if support is provided, information on the type of support scheme;
- 2) auditing according to relevant standards by an independent auditor once a year by February 25 of the following year at the latest;
- 3) availability of relevant evidence.

[ RT I, 07.03.2023, 21 - enters into force. 17.03.2023]

(11) In order to prove compliance with the requirements and criteria set out in this section, the company may use the national certification referred to in Article 30 of Directive (EU) 2018/2001 of the European Parliament and of the Council on the promotion of the use of energy produced from renewable energy sources (OJ L 328, 21.12.2018, pp. 82–209) scheme or a voluntary scheme recognized by the European Commission.

[ RT I, 07.03.2023, 21 - enters into force. 17.03.2023]

(12) The company publishes information on its website about the geographical origin and precursors of biofuels, liquid biofuels and biomass fuels and updates it annually.

[ RT I, 07.03.2023, 21 - enters into force. 17.03.2023]

(13) The principles of calculating the proportion of renewable energy produced from biofuel, liquid biofuel and biomass fuel and the more precise requirements for proving compliance with the requirements and criteria of biomass sustainability and publishing the information specified in subsection 12 of this section shall be established by a regulation of the minister responsible for the field .

[ RT I, 07.03.2023, 21 - enters into force. 01.07.2023]

#### 4

### § 32 . Principles of calculating the share of renewable energy in the transport sector

(1) The total final consumption of renewable energy in the transport sector is calculated as the sum of all biofuels, biomass fuels and liquid and gaseous transport fuels produced from renewable raw materials other than biological origin consumed in the transport sector.

(2) When calculating the energy content of road and rail transport fuels permitted for consumption, motor gasoline, diesel fuel, natural gas, biofuels, biogas, liquid and gaseous transport fuels produced from renewable raw materials other than biological origin, recycled carbon-based fuels and electricity supplied to the road and rail transport sector are taken into account.

(3) Recycled carbon-based fuels are liquid and gaseous fuels produced from liquid or solid waste of non-renewable origin, which is not suitable for recycling as a material in accordance with Directive 2008/98/EC of the European Parliament and of the Council, which deals with waste and which repeals certain directives ( ELT L 312, 22.11.2008, pp. 3–30), to Article 4, or non-renewable origin from waste treatment gas and exhaust gas, which is inevitably and unintentionally generated in the production process of industrial facilities.

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

(5) When calculating the share of renewable energy in the transport sector, the energy content is calculated as follows:

1) the energy content of biofuels produced from precursors listed in Annex IX of Directive (EU) 2018/2001 of the European Parliament and of the Council and biogas used in transport is multiplied by two;

2) the content of renewable electricity supplied to road vehicles is multiplied by four;

3) the content of renewable electricity supplied to railway vehicles is multiplied by 1.5;

4) the energy content of fuels supplied to the aviation and maritime sectors, with the exception of fuels produced from food and fodder crops, is multiplied by 1.2.

(6) Food and fodder crops are starch-rich crops and sugar or oil crops grown as the main crop on agricultural land, with the exception of residues, waste and lignocellulosic material and additional crops such as cover crops and green manure plants, provided that the use of additional crops does not create a demand for additional land.

(7) When calculating the energy content of transport fuels, calorific values are used, which are presented in Annex III of Directive (EU) 2018/2001 of the European Parliament and of the Council. To determine the energy content of those transport fuels, which are not mentioned in Annex III, the standards for determining the calorific value of fuels of the European standardization organization are used. If the European standardization organization has not adopted such standards, the corresponding standards of the International Organization for Standardization are used.

(8) In order to calculate the proportion of renewable electricity supplied to road and railway vehicles, the amount of electricity delivered in megawatt-hours is multiplied by the national average share of renewable electricity in megawatt-hours of the previous year from the date of delivery and is presented as a percentage.

(9) If electrical energy was supplied to a road or railway vehicle directly from a renewable electrical energy production device, this electrical energy is considered renewable electrical energy.

(10) If electricity is used either directly or to obtain intermediate products for the production of liquid and gaseous transport fuels produced from renewable raw materials other than biological origin, the average share of renewable electricity is used to determine the share of renewable energy, taking into account the data of the previous year.

(11) Electric energy supplied directly from a renewable electricity production device within the meaning of the Electricity Market Act can be considered as renewable electricity if it is used for the production of liquid and gaseous transport fuels from renewable raw materials other than biological origin, in the event that the production device:

1) starts operating later than liquids from renewable raw materials other than biological origin and a facility producing gaseous transport fuels or at the same time;

2) is not connected to the grid or is connected to the grid, but it is possible to prove that the corresponding electrical energy is not taken from the grid.

(12) Electric energy taken from the network for the production of transport fuels specified in subsection 10 of this section can be considered fully renewable electricity if it is produced exclusively from renewable energy sources, its renewable energy properties and all other relevant criteria have been proven, and it is ensured that the properties of this renewable energy are declared only once and only in one final consumption sector.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

## Section 2

### CONSUMPTION OF RENEWABLE ENERGY PRODUCED FOR OWN USE

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

#### 5

#### § 32 . Reference framework for consumption of self-produced renewable energy

(1) The Ministry of Climate, together with the relevant institutions of other European Union member states, participates in the creation of a common reference framework for the promotion and facilitation of the consumption of renewable energy produced for its own use.

[ RT I, 30.06.2023, 1 - enters into force. 01.07.2023]

(2) The reference framework provided in subsection 1 of this section deals with:

1) access of end consumers and end users, including persons unable to purchase energy and persons belonging to the energy purchase risk group, to renewable energy produced for their own use;

2) unjustified obstacles to project financing in the market and measures to facilitate access to financing;

3) other unreasonable regulatory obstacles to the consumption of renewable energy produced for own use, including for tenants;

4) incentives for building owners to create opportunities for consumption of renewable energy produced for their own use, including for tenants;

5) giving consumers of renewable energy produced for their own use access to non-discriminatory relevant support schemes and all segments of the electricity market for the renewable energy produced for their own use directed to the grid;

6) the obligation of consumers of renewable energy produced for their own use to contribute sufficiently and in a balanced way to covering the general costs of the system when sending electricity to the grid.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

#### 6

#### § 32 . Renewable Energy Community

(1) Unreasonable and discriminatory conditions may not be imposed on the consumer's participation in the renewable energy community.

(2) A renewable energy community is a legal entity that is controlled by shareholders, partners or members of a natural person, small and medium-sized enterprise or local government unit, whose residence or location is close to the renewable energy projects owned and developed by the legal entity in question, and whose main goal is financial profit instead of providing environmental, economic or social community benefits to its shareholders, shareholders or members or to the regions in which it operates.

(3) The main business or professional activity of an entrepreneur participating in the renewable energy community must not be participation in the renewable energy community.

(4) The renewable energy community has the right to:

- 1) produce, consume, store and sell renewable energy;
- 2) share the renewable energy produced by community-owned production units within the community, preserving the rights and obligations of members as consumers;
- 3) access either directly or concentratedly to all suitable energy markets.

(5) In the energy measuring points of the renewable energy community, the used energy is measured with a remote-readable measuring device intended for this purpose.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

## 2

### 8 . chapter

### CERTIFICATE OF ORIGIN

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

#### 7

#### § 32 . Certificate of origin of fuel and energy

(1) A certificate of origin within the meaning of this Act is an electronic document issued by the operator of the certificate of origin system to a producer of biomethane, hydrogen, liquefied biomethane or electricity, heat or cooling energy based on the producer's request to prove that biomethane, hydrogen, liquefied gas, electricity, heat or cooling energy is produced from a renewable energy source or carbon neutral.

(2) The production of biomethane, hydrogen, liquefied biomethane or electricity, heat or cooling energy is considered carbon neutral if no carbon dioxide is emitted in the production process or if it is captured or reused.

(3) One certificate of origin shall be issued for each megawatt-hour of biomethane, hydrogen, liquefied biomethane or electricity, heat or cooling energy produced.

(4) The certificate of origin is valid for 18 months after the production of fuel or energy.

(5) The certificate of origin is used to prove the production from a renewable energy source of the unit of energy delivered and consumed to the consumer at the measuring point. The certificate of origin used for this purpose is marked as deleted to prove consumption, after which it can no longer be used.

(6) The certificate of origin may be used or transferred separately from the physically delivered fuel or energy within 12 months after the production of the energy unit.

(7) Only a certificate of origin issued in a contract country of the European Economic Area may be used to prove the origin of the delivered and consumed energy unit.

(8) The consumer has the right to see the certificates of origin used at his measuring point in the electronic database of certificates of origin. Based on them, the consumer can prove that the energy he consumes is produced from a renewable energy source.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

#### 8

#### § 32 . Conditions for issuing, transferring and erasing the certificate of origin

(1) The issuance, transfer and deletion of the certificate of origin within the country and between the contracting states of the

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European Economic Area is carried out through the electronic database of certificates of origin specified in § 32 subsection 1 of this Act.

(2) The issuance of a certificate of origin can be requested under the following conditions:

- 1) The certificate of origin system administrator (hereinafter *the system administrator*) has opened an account for the manufacturer in the electronic database of certificates of origin;
- 2) the production facility is located in the territory of the Republic of Estonia;
- 3) the production facility is registered in the electronic database of certificates of origin;
- 4) the manufacturer has submitted the information determined by the regulation established on the basis of subsection 11 of this

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section, which is necessary for submitting the data specified in § 32 of this Act on the certificate of origin.

(3) The amount of energy for which the certificate of origin is issued and deleted is determined by a remote reading device.

(4) The certificate of origin of biomethane is issued if the biomethane meets the gas quality requirements established on the basis of §

3

17 (2) of the Natural Gas Act, the amount of biomethane and compliance with the quality conditions have been measured in accordance with the requirements set out in § 5 (1) of the Measurement Act and the measurement data of the produced biomethane

has been transmitted to the data exchange platform specified in § 10 (1) of the Natural Gas Act . This paragraph also applies to biomethane produced in a production plant isolated from the transmission network.

(5) The system administrator has the right to receive information from the applicant for the certificate of origin, which is necessary to verify the correctness of the data submitted on the basis of subsection 2 of this section.

(6) The system operator fails to issue a certificate of origin or declares an issued certificate of origin invalid if:

1) the fuel or energy does not meet the requirements for issuing a certificate of origin specified in subsections 1 and 2 of § 32<sup>7</sup> of this Act , subsection 4 of this section or subsection 58 of the Electricity Market Act; 2) the manufacturer has submitted false data or has refused to issue the data requested from him on the basis of paragraph 5 of this section.

(7) The certificate of origin can be deleted from the electronic database of certificates of origin to prove the origin of energy consumed in Estonia.

(8) When selling renewable energy to a consumer, the supplier must delete the corresponding number of certificates of origin in the register in favor of the person to whom the renewable energy was sold and whose consumption is proven the origin of the energy.

(9) In order to prove the electricity consumption of a calendar year, the certificate of origin can be deleted until March 31 of the calendar year following the consumption.

(10) To prove the consumption of biomethane in a calendar year, the certificate of origin can be deleted until January 15 of the calendar year following the consumption.

(11) The procedure for issuing, transferring and deleting the certificate of origin and the composition of the information to be submitted when applying for a certificate of origin shall be established by a regulation of the minister responsible for the field .

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

## 9

### § 32 . Information to be provided on the certificate of origin

(1) The certificate of origin provides at least the following information:

- 1) location, type and installed capacity of the renewable energy production device, and the name of the energy source used to produce the energy unit and the code of the production device;
- 2) the date when the production facility started operating;
- 3) information on whether the production facility has received investment support or other support through a national support scheme, and the type of support scheme;
- 4) the name of the produced energy unit and the start and end date of production;
- 5) a list of fuels or raw materials used for fuel or energy production;
- 6) date and country of issuance of the certificate of origin and unique identification number.

(2) The certificate of origin issued for the production of biomethane and liquefied gas shall include:

- 1) information on the compliance of the fuel energy unit with the criteria established on the basis of § 120 (1) of the Atmospheric Air Protection Act regarding the sustainability of biofuels and liquid biofuels;
- 2) method of fuel production;
- 3) land use category and emission;
- 4) volume of greenhouse gas emissions;
- 5) lower and upper calorific value of fuel;
- 6) a note on whether it is advanced biofuel within the meaning of the Liquid Fuel Act.

(3) One certificate of origin shall be issued for one megawatt-hour of renewable electricity produced in the mode of efficient cogeneration, in which the indicators of both electricity and thermal energy are presented, and the following data shall be added to the data specified in subsection 1 of this section:

- 1) thermal capacity of the production device;
- 2) lower calorific value of used fuel;
- 3) amount and method of use of thermal energy produced in the cogeneration mode;
- 4) nominal electrical and thermal efficiency of the production device;
- 5) primary energy savings calculated on the basis of the regulation established on the basis of subsection 2 of § 8 of this Act.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

## 10

### § 32 . Management of certificates of origin

(1) The system administrator shall create an electronic database for the management of the certificates of origin it issues and shall publish data on issued, used, exported, imported and expired certificates of origin on its website once a month.

(2) The cost of managing the system of certificates of origin is covered from the renewable energy fee, and it may not amount to more than two percent of the total amount of subsidies paid. The system administrator has the right to charge a reasonable fee for operations performed with the certificate of origin. The system administrator develops and publishes on its website a price list of services to cover the costs related to the management of certificates of origin.

(3) The system administrator recognizes the certificates of origin issued by other European Union member states in accordance with Directive (EU) 2018/2001 of the European Parliament and of the Council as the only evidence to prove the circumstances stipulated in

## 8

§ 32 of this Act .

(4) The system administrator may refuse to recognize the certificate of origin only if he has reasonable doubts about its correctness or reliability.

(5) The system administrator shall notify the European Commission of the refusal to recognize the certificate of origin and the reasons thereof. If the European Commission finds that the refusal to recognize the certificate of origin is not justified, it can demand that the system administrator recognize the certificate of origin.

(6) The system administrator does not recognize certificates of origin issued in a third country, unless the European Union has concluded an agreement with the third country in question on the mutual recognition of certificates of origin issued on the basis of the system of certificates of origin of the European Union and an equivalent system of certificates of origin established in the third country in question, and only when the energy covered by the certificate of origin is directly imported or exported.

(7) The certificate of origin shall not be used to prove the fulfillment of the objectives specified in § 32<sup>1</sup> of this Act. The transfer of the certificate of origin together with the physical transfer of fuel or energy or separately from it does not affect the state's decision to use statistical transfers, joint projects or joint support schemes to fulfill the objectives set out in § 32<sup>1</sup> of this law, or the calculation of the total final consumption of renewable energy in accordance with § 32<sup>2</sup> and 32<sup>4</sup>.

(8) Certificates of origin that have lost their validity are taken into account in the calculation of the mixed balance of national energy.

(9) Mixed balance is the share of energy consumed in Estonia in a calendar year, the origin of which is not proven by certificates of origin. The mixed balance and the distribution of its energy sources are calculated based on the methodology developed by the system operator. The system administrator publishes the mixed balance by June 30 of the following calendar year.

(10) If, after June 15, 2022, a state investment subsidy is granted to a production facility or a decision is made regarding the production facility to start a subsidy period, certificates of origin for the production of this production facility will be issued to the account of the system operator, unless when paying out the subsidy in question, the income from the certificates of origin is deducted from the subsidy in accordance with the rules for granting state aid or if the received support and income from the certificates of origin are offset or if the recipient of the support has been identified by means of a lower bid.

(11) The procedure for offsetting income from investment support and certificates of origin granted to production equipment shall be established by a regulation of the minister responsible for the field.

(12) The system administrator develops and publishes on its website the conditions and procedure for using the electronic database of certificates of origin.

[ RT I, 18.05.2022, 1 - enters into force. 28/05/2022; The database specified in paragraph 1 will be created by December 31, 2022.]

## Chapter 9 State supervision

### § 33. Supervisors

(1) State supervision of compliance with the requirements of this Act and legislation established on the basis thereof shall be carried out by the Competition Authority and the Consumer Protection and Technical Supervision Agency and the Environmental Board in accordance with the procedure provided for in this Act and other legislation.

[ RT I, 07.03.2023, 21 - enters into force. 17.03.2023]

(2) The competence of the Competition Authority includes the exercise of state supervision over the fulfillment of the requirements set forth in § 12 of this Act on the invoice presented to the final consumer.

(3) The competence of the Consumer Protection and Technical Supervision Agency includes the exercise of state supervision over the fulfillment of the following requirements set forth in this Act:

[ RT I, 12.12.2018, 3 - entered into force. 01.01.2019]

- 1) the requirements for energy quantity measurement provided for in § 11 of this Act;
- 2) the requirement to perform energy audits provided for in subsection 1 of § 28 of this Act.

(4) The Environmental Board is competent to perform state supervision over the fulfillment of the requirements set forth in § 32<sup>3</sup> of this Act.

[ RT I, 07.03.2023, 21 - enters into force. 17.03.2023]

## Chapter 10 Application settings

### § 34. Submission of a report on achieving the energy efficiency goal

[Repealed - RT I, 09.10.2020, 2 - entered into force. 01.01.2021]

### § 35. Submission of the energy efficiency action plan and the national building reconstruction strategy

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

### § 35<sup>1</sup>. Presenting a long-term reconstruction strategy

(1) The energy saving coordinator prepares and submits to the European Commission the long-term reconstruction strategy in accordance with § 4 of this Act for the first time no later than July 1, 2020, then as part of the national energy and climate plan by January 1, 2029, and then every ten years.

(2) When updating the national energy and climate plan, Regulation (EU) 2018/1999 of the European Parliament and the Council, which deals with the management of the energy union and climate measures and which amends the Regulations (EC) No. 663/2009 and (EC) No. 715/2009 of the European Parliament and the Council, European Parliament and Council Directives 94/22/EC, 98/70/EC,

2009/31/EC, 2009/73/EC, 2010/31/EU, 2012/27/EU and 2013/30/EU and Council Directives 2009/119/EC and (EU) 2015/652 and Regulation (EU) No. 525/2013 of the European Parliament and of the Council is repealed (OJ L 328, 21.12.2018, pp. 1-77), on the basis of Article 14, the energy saving coordinator may update the strategy.  
[ RT I, 30.06.2020, 9 - enters into force. 01.07.2020]

### **§ 36. Beginning of accounting for the obligation to reconstruct central government buildings**

The obligation provided for in § 5 subsection 1 of this Act is taken into account from January 1, 2014.

### **§ 37. Deadline for submitting a report on the possibilities of applying effective cogeneration and effective district heating and cooling**

The energy saving coordinator submits to the European Commission the report specified in § 8 subsection 1 of this Act no later than three days after the entry into force of this Act and updates the report every five years at the request of the European Commission.

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### **§ 37 . Installation of meters with remote reading function**

(1) The meters specified in subsection 2 of § 11 of this Act installed starting from February 25, 2021 must have a remote reading function.

(2) From January 1, 2027, all meters specified in § 11 subsection 2 of this Act must have a remote reading function.

[ RT I, 09.10.2020, 2 - enters into force. 25/10/2020]

### **§ 38. Deadline for energy audit**

Enterprises must perform an energy audit in accordance with § 28 (1) of this Act no later than six months after the entry into force of this Act and again by December 5, 2019, and then at least every four years from the date of the last energy audit.

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### **§ 38 . Application of section 32**

The database specified in subsection 10

of § 32 of this Act will be created by December 31, 2022.

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]

2

### **§ 38 . Post-assessment of the achievement of the national renewable energy target**

By June 1, 2030 at the latest, the Ministry of Climate shall prepare an analysis of the achievement of the national renewable energy goal set forth in this Act.

[ RT I, 30.06.2023, 1 - enters into force. 01.07.2023]

### **§ 39. Amendment of the Construction Code**

[Omitted from this text.]

### **§ 40. Amendment of the Electricity Market Act**

[Omitted from this text.]

### **§ 41. Entry into force of the Act**

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

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

3

(3) Section 32 subsection 13 of this Act shall enter into force on July 1, 2023.

[ RT I, 07.03.2023, 21 - enters into force. 17.03.2023]

1

Directive 2010/31/EU of the European Parliament and of the Council on the energy efficiency of buildings (OJ L 153, 18.06.2010, 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 dealing with 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, 14.06.2019, pp. 125–199) and with 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 2012/27/EU of the European Parliament and of the Council dealing with 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, 14.06.2019, pp. 125–199) and with 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 produced from renewable energy sources (OJ L 328, 21.12.2018, pp. 82–209).

[ RT I, 18.05.2022, 1 - enters into force. 28.05.2022]