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Rational Energy Utilization Act of the Republic of Korea

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Wholly Amended by Act No. 4891, Jan. 5, 1995

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Chapter 1 General Provisions

Article 1 (Purpose) The purpose of this act is to contribute to the sound development of the national economy and the promotion of the national welfare, by realizing the stability of the demand and supply of the energy, increasing the rational and efficient utilization of the energy, and reducing the environmental damages caused by the consumption of energy.

Article 2 (Definitions) For the purpose of this Act:

1. the term "energy" means the fuel, heat and electricity;
2. the term "fuel" means the petroleum, coal, substitute energy, and other heat sources producing the heat (excluding the nuclear fuel), except those used as raw materials of products;
3. "energy using facilities" means factories, business places and other facilities using the energy, and facilities using any converted energy;
4. the term "energy user" means the owner or manager of the energy using facilities;
5. the term "energy using machinery and materials" means the heat using machinery and materials and other ones using the energy;
6. "heat using machinery and materials" means machines and tools using the fuel and heat, regenerative electric apparatus, and adiabatic materials as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy;
7. "Energy supply equipment" means the equipment set up to produce, convert, transport and store the energy; and

8. the term "energy supplier" means a businessman producing, importing, converting, transporting, storing and selling the energy.

Article 3 (Responsibilities of Government, Energy User, Supplier)

(1) The Government shall be responsible for the establishment and enforcement of a fundamental and comprehensive policy on the stability of demand and supply of the energy and the rational and efficient utilization of the energy.

(2) The local government shall be responsible for the establishment and enforcement of the local energy policy to carry out efficiently the national energy policy and to aim at the development of the regional economy.

(3) The energy users and suppliers shall participate and cooperate positively in the national or local energy policy, and make efforts to maximize the efficiency in the production, conversion, transport, storage, and utilization of energy.

(4) The manufacturers producing the energy using machinery and materials and energy supply equipment, shall make efforts for the development and introduction of the technology to increase the energy efficiency of such machinery, materials and equipment.

(5) All citizens shall make efforts to utilize rationally the energy in the daily living.

Chapter 2 Policy and Plan on Energy

Article 4 (Basic National Energy Plan)

(1) The Government shall consider the measures to attain effectively the goal of the national energy policy on the stability of demand and supply of the energy required for the sound development of the national economy, the minimization of the factors of the environmental damages caused by the energy consumption, the rationalization of the energy utilization, and the promotion of the development of the energy related technology.

(2) The Minister of Trade, industry and Energy shall establish every five years the basic national energy plan to attain the goal of the national energy policy as referred to in paragraph(1), and integrate, coordinate and control the affairs incidental to the execution of such plan.

(3) The period of the basic national energy plan shall be ten or more years, but include the following matters:

1. Transition and prospect of the domestic and foreign situation on the demand and supply of the energy;
2. Measures for a stable security and supply of required energy;
3. Measures for the utilization of the energy with the environmental affinity;
4. Measures for the rationalization of the energy utilization;
5. Measures for promoting the development and dissemination of the energy related technology;
6. Measures for the international harmony and cooperation of the energy and energy related environmental policy; and
7. Other matters which are deemed necessary by the Minister of Trade, Industry and Energy for attaining the goal of the national energy policy.

(4) In establishing the basic national energy plan as referred to in paragraph (2), the Minister of Trade, Industry and Energy shall determine it through the deliberation of the State Council.

Article 5 (Regional Energy Plan)

(1) The Seoul Special Metropolitan City Mayor, the Metropolitan City Mayor, or the local government governor (hereinafter referred to as the "Mayor/Governor"), shall establish and execute every five years the regional energy plan to attain effectively the basic national energy plan as prescribed in Article 4 and to develop the regional economy, taking into consideration the regional specialty of the area under his jurisdiction.

(2) The period of the regional energy plan as referred to in paragraph (1), shall be five or more years, but include the following matters:

1. Transition and prospect of the demand and supply of the energy in the area;
2. Measures for a stable supply of the energy required for the area;
3. Measures for the rationalization of the energy utilization in the area;
4. Measures for exploiting and utilizing the unutilized energy source in the area; and
5. Other matters which are deemed necessary by the Mayor/Governor to the energy projects and policy in the area.

(3) When the Mayor/Governor has established the regional energy plan as referred to in paragraph (2), he shall submit it to the Minister of Trade, Industry and Energy.

(4) The Government may consider the measures for any support necessary for promoting the regional energy policy and projects of the local governments.

Article 6 (Energy Demand and Supply Plan in Case of Emergency)

(1) The Government shall consider necessary measures, such as pluralization of the energy sources, expansion of the proper supply facilities capacity, maintenance of the proper reserve quantity, expansion of the fuel conversion capacity, promotion of international cooperation, etc., so as to stabilize the demand the supply of the energy and the national economy in a situation that the energy is short.

(2) The Minister of Trade, Industry and Energy shall establish the energy demand and supply plan in case of emergency (hereinafter referred to as "emergency energy plan") to maintain the stability of the national economy, coping effectively with the situation, if the demand and supply of the energy is or might be upset seriously due to any domestic and foreign circumstances.

(3) The emergency energy plan shall include the following matters:

1. Transition and prospect of the situation on the domestic and foreign demand and supply of the energy ;
2. Measures for reducing the energy consumption in case of emergency;
3. Measures for utilizing the reserved energy in case of emergency;
4. Measures for adjusting the demand and supply, such as allotment, distribution, etc. of the energy in case of emergency;
5. Measures for the international cooperation in the stabilization of the energy demand and supply in case of emergency;

6. Administrative plan to execute efficiently the emergency energy plan; and

7. Other matters which are deemed necessary by the Minister of Trade, Industry and Energy.

(4) In establishing the emergency energy plan, the Minister of Trade, Industry and Energy shall determine it through the deliberation of the State Council.

Article 7 (Measures for Stabilization of Demand and Supply)

(1) In order to stabilize the demand and supply of the energy, the Minister of Trade, Industry and Energy may impose the duty for securing the energy storing facilities and storing the energy, on major energy users and energy suppliers as prescribed by the Presidential Decree.

(2) If it is deemed that the demand and supply of the energy is or might be upset due to any change in the domestic and foreign energy circumstances, the Minister of Trade, Industry and Energy may do any adjustment, order and other necessary measures concerning the following matters, to the energy users and suppliers, or the owners and managers of the energy using machinery and materials, in the limit necessary for stabilizing the demand and supply of the energy:

1. Allotment of the energy by area, major demander and supplier;
2. Operation of the energy supply equipment;
3. Reserve and storage of the energy;
4. Introduction, export, import and consignment processing of the energy;
5. Exchange and distribution of the energy among the energy suppliers;
6. Distribution facilities of the energy, the use of such facilities and the distribution channels;
7. Distribution of the energy;
8. Restriction or prohibition of the transfer of the energy;
9. Restriction or prohibition of the use of the energy; and
10. Other matters as determined by the Presidential Decree to stabilize the demand and supply of the energy.

(3) The Minister of Trade, Industry and Energy may request the head of the related administrative agency or local government, any cooperation necessary for executing the measures as referred to in paragraph (2), and the head of the administrative agency or local government shall cooperate with it.

(4) If it is deemed that the cause by which the measures as referred to in paragraph (2) are taken, disappears, the Minister of Trade, Industry and Energy shall cancel the measures without delay.

Article 8 (Consultation about Energy Use Program)

(1) If the state agency, local government or government or government-invested institution desires carry out energy using project or to install such energy using facilities, larger than a specified scale, as prescribed by the Presidential Decree, it shall analyze the effect of the execution of such project or installation of such facilities on the demand & supply of the energy, and establish the supply program of the required energy and the program of a rational use of the energy and an evaluation thereof (hereinafter referred to as "energy use program"), and submit it and request a consultation to the Minister of Trade, Industry and Energy before such project is executed, or such facilities are installed.

(2) The state agency, local government or government invested institution which desires to carry out the project or install the facilities under paragraph (1) (hereinafter referred to as the "superintendent of project") may have a person who is deemed capable of establishing the energy use programs, such as any national or public institute, government contributed research institution, and who is designated by the Minister of Trade, Industry and Energy established the energy use programs on its behalf.

(3) The contents of the energy use programs, consultation, designation of the acting institution, and other necessary matters, shall be determined by the Presidential Decree.

Article 9 (Examination of Energy Use Programs)

(1) If it is deemed after examining the energy use programs, that the execution of the project or installation of the facilities is not proper for the demand and supply of the energy and the rationalization of the energy utilization, the Minister of Trade, Industry and Energy may request the superintendent of project to take any necessary measures, such as adjustment, supplement, etc. of the energy use programs, under the conditions as prescribed by the Presidential Decree.

(2) If it is deemed necessary for examining the energy use programs, the Minister of Trade, Industry and Energy may request the superintendent of project to present any related materials.

(3) The criteria and methods for examination of the energy use programs as referred to in paragraph(1), and other necessary matters, shall be determined by the Ordinance of the Ministry of Trade, Industry and Energy.

Article 10 (Post Management of Energy Use Programs)

(1) The Minister of Trade, Industry and Energy may conduct an investigation on whether or not the superintendent of project fulfill the energy use programs or the measures requested under Article 9(1).

(2) The methods of investigation as referred to in paragraph (1), and other necessary matters, shall be determined by the Presidential Decree.

Article 11 (Report on Use Programs by Person other than Superintendent of Project)

(1) If a person other than the superintendent of project, desires to carry out any project or install any facilities using the energy, larger than a specified scale as prescribed by the Presidential Decree, he shall establish a rational energy use programs, and report it to the Minister of Trade, Industry and Energy before the project is executed, or the facilities are installed, except in case where he has obtained the permission on the mass energy project as prescribed in Article 9 of the Mass Energy Supply Act, or on the electricity business as prescribed in Article 5 of the Electricity Business Act.

(2) If the use program reported under paragraph (1) is unconformed to the energy control standards as prescribed in Article 24(1), the Minister of Trade, Industry and Energy may recommend the person who has made the report, to adjust or supplement the use program, as to such matters as determined by the Presidential Decree.

(3) The contents and report of the use program as referred to in paragraph (1), and other necessary matters, shall be determined by the Ordinance of the Ministry of Trade, Industry and Energy.

Article 12 (Demand Side Management Investment Plan of Energy Supplier)

(1) Any energy supplier as prescribed by the Presidential Decree shall establish and execute the annual demand side management investment plan to improve the efficiency in the production, conversion, transport, storage and utilization of the energy, and the reduction of the demand, etc., and report the plan and the result of execution to the Minister of Trade, Industry and Energy.

(2) If it is deemed necessary, the Ministry of Trade, Industry and Energy may request any revision or supplement of the demand side management investment plan as referred to in paragraph (1).

(3) If it is deemed to be necessary for energy demand side management, the Minister of Trade, Industry and Energy may recommend energy supplier as prescribed in paragraph (1), to establish and to carry out energy efficiency measures in order to reduce a part of energy demand expected in the long-term demand plan and the energy supplier shall carry them out if there is no special reason. <Newly established by Act No. 5351, Aug. 22, 1997>

(4) The energy supplier as prescribed in paragraph (1) may contribute a part of the annual investment of demand side management project to the specialized agency for demand side management as prescribed by the Presidential Decree.

<Newly established by Act No. 5351, Aug. 22, 1997>

(5) The Minister of Trade, Industry and Energy may establish and carry out the least cost plan to promote the investment of demand side management by the energy supplier as prescribed in paragraph (1). <Newly established by Act No. 5351, Aug. 22, 1997>

Article 13 (Recommendation on Use of Specified Energy Using Machinery and Materials)

(1) If it is deemed necessary for the stabilization of the energy demand and supply, rationalization of the energy utilization, promotion of the energy technology development, etc., the Minister of Trade, Industry and Energy may recommend such energy users and energy suppliers as prescribed by the Presidential Decree, to install or use any specified energy using machinery and materials, energy supply equipment or its incidental equipment (hereinafter referred to as "specified energy using machinery and materials"). In this case, the specified energy using machinery and materials shall be notified publicly by the Minister of Trade, Industry and Energy after consulting with the head of the administrative agency concerned.

(2) The Government may consider any assistance measures necessary for promoting the installation and use of the specified energy using machinery and materials.

Article 14 (Management and Publication of Energy Statistics)

(1) In order to establish and execute effectively the basic national energy plan and the energy related policy as prescribed in Article 4, the Minister of Trade, Industry and Energy shall prepare, analyze and manage the statistics on the domestic and foreign demand and supply of the energy, and may publish it to the extent that it is not contrary to the related Acts and subordinate statutes.

(2) If it is deemed necessary for preparing the statistics as referred to in paragraph (1), the Minister of Trade, Industry and Energy may demand such related institutions and major energy users as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy, to present materials.

(3) The Minister of Trade, Industry and Energy may, if necessary, conduct an investigation on the gross energy, under the conditions as prescribed by the Presidential Decree.

(4) The Minister of Trade, Industry and Energy may designate any specialized institution to carry out the whole or part of the affairs concerning the preparation, analysis and management of the statistics as referred to in paragraph (1), and the investigation on the gross energy as referred to in paragraph (3).

Chapter 3 Rationalization of Energy Utilization

Article 15 (Basic Energy Utilization Rationalization Plan)

(1) In order to utilize rationally the energy, the Minister of Trade, Industry and Energy shall establish the basic plan on the rationalization of the energy utilization (hereinafter referred to as the "basic rationalization plan").

(2) The basic rationalization plan shall include the following matters:

1. Conversion into an economic structure of energy economizing type:
2. Increase of the efficiency of the energy utilization:
3. Development of the technology for the rationalization of the energy utilization;
4. Public information and education for the rationalization of the energy utilization;
5. Energy substitute plan;
6. Safety control over the heat using machinery and materials;
7. pre-notification of energy price for the rationalization of the energy utilization; <Newly established by Act No. 5351, Aug. 22, 1997>
8. Other matters necessary for driving forward the rationalization of the energy utilization.

(3) If the Minister of Trade, Industry and Energy desires to establish the basic rationalization plan under paragraph (1), he shall consult with the heads of the related administrative agencies. In this case, the Minister of Trade, Industry and Energy may request the heads of the related administrative agencies to present the necessary materials.

Article 15-2 (National Energy Conservation Promotion Board)

- (1) The Government shall establish the national energy conservation promotion board for establishing and deliberating on the basic rationalization plan.
- (2) The chief of the national energy conservation promotion board shall be the prime minister and the number of the members shall be 25 or less.
- (3) The composition and operation matters of the national energy conservation promotion board shall be prescribed by the Presidential Decree. <This Article Newly established by Act No. 5351, Aug. 22, 1997>

Article 16 (Operational Program on Rationalization of Energy Utilization)

- (1) The head of the administrative agency concerned and the Mayor/Governor shall establish and execute the operational program on the rationalization of the energy utilization in conformity with the basic rationalization plan.
- (2) The head of the administrative agency concerned and the Mayor/Governor shall submit the operational program as referred to in paragraph (1) and the result of execution thereof, to the Minister of Trade, Industry and Energy.

Article 17 (Standards of Energy Consumption Efficiency or Quantity Consumed)

- (1) If it is deemed necessary for the rationalization of the energy utilization, the Minister of Trade, Industry and Energy may determine and notify publicly the criteria for establishment, period of achievement, method of measurement, etc. of the target consumption efficiency or target quantity consumed of the energy, and the minimum consumption efficiency or maximum quantity consumed of the energy, with respect to the energy using machinery and materials and the energy supply equipment which come into a wide and general use, and consume a considerable quantity of energy in the use thereof, and which are prescribed by the Ordinance of the Ministry of Trade, Industry and Energy to increase the consumption efficiency of the energy (hereinafter referred to as "efficiency standard machinery and materials").
- (2) If the Minister of Trade, Industry and Energy desires to determine the standards of the consumption efficiency or quantity consumed of the energy as referred to in paragraph (1), he shall consult in advance with the heads of the related administrative agencies.

(3) If it is turned out as a measurement of the standards of the energy consumption efficiency or quantity standards of the efficiency standard machinery and materials, that it is under the minimum consumption efficiency standards of the energy as referred to in paragraph (1), or exceeds the standards of the maximum quantity consumed, the Minister of Trade, Industry and Energy shall publish the contents thereof.

(4) The Minister of Trade, Industry and Energy may order the manufacturer or owner of the efficiency standard machinery and materials as referred to in paragraph (3), to modify in conformity with the minimum consumption efficiency or maximum quantity consumed standards with a period over 6 months fixed, and if the matters of the order are not fulfilled without any justifiable reason, he may order the prohibition of production and sale of it. <Amended by Act No. 5351, Aug. 22, 1997>

(5) The provisions of paragraphs (1), (3) and (4) shall be applicable mutatis mutandis to any efficiency standards machinery and materials imported for sale.

Article 18 (Indication of Energy Consumption Efficiency or Energy Quantity Consumed)

(1) If it is deemed necessary for the rationalization of the energy utilization, the Minister of Trade, Industry and Energy may determine and notify publicly the machinery and materials of the energy using machinery and materials, to which the energy consumption efficiency or quantity consumed is to be indicated (hereinafter referred to as "efficiency indicated machinery and materials"), after consulting with the head of the administrative agency concerned.

(2) Any manufacturer or importer of the efficiency indicated machinery and materials shall have the energy consumption efficiency or quantity consumed measured by a test institution designated by the Minister of Trade, Industry and Energy (hereinafter referred to as the "test institution"), with respect to the efficiency indicated machinery and materials, and indicate the result to the efficiency indicated machinery and materials concerned.

(3) The criteria for and method of the measurement, the method of indication, of the energy consumption efficiency or quantity consumed as referred to in paragraph (2), and other necessary matters, shall be determined by the Minister of Trade, Industry and Energy.

(4) If a manufacturer, importer or distributor of the efficiency indicated machinery and materials, makes any advertisement of the efficiency indicated machinery and materials using such advertisement media as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy, he shall include the energy consumption efficiency or quantity consumed, and the method of use in the contents of the advertisement.

Article 19 (Reporting on Grading According to Energy Consumption Efficiency or Quantity Consumed)

(1) If it is deemed necessary for the rationalization of the energy utilization, the Minister of Trade, Industry and Energy may determine and notify publicly the machinery and materials of the energy using machinery materials which are used widely and generally, and consume a considerable quantity of energy in the use hereof, to which the grades according to the energy consumption efficiency or quantity consumed, is to be indicated (hereinafter referred to as "grade indicated machinery and materials"), after consulting with the head of the administrative agency concerned.

(2) Any manufacturer or importer of the grade indicated machinery and materials shall have the energy consumption efficiency or quantity consumed for the grade indicated machinery and materials measured by the test institution, and report the result of measurement and the grades according to the result, to the Minister of Trade, Industry and Energy.

(3) The manufacturer or importer of the grade indicated machinery and materials shall indicate on the grade indicated machinery and materials, the grades according to the energy consumption efficiency or quantity consumed, which are reported to the Minister of Trade, Industry and Energy under paragraph (2).

(4) The standards, methods of report and indication, of the grades as referred to in paragraph (2) and (3), and other necessary matters, shall be determined by the Minister of Trade, Industry and Energy.

(5) If a manufacturer, importer or distributor of the grade indicated machinery and materials makes an advertisement of the grade indicated machinery and materials using such advertising media as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy, he shall include the grades according to the energy consumption efficiency or quantity consumed, and the efficient using method of the energy, in the contents of the advertisement.

(6) If any manufacturer, importer or distributor violates the provisions of paragraph (3) or (5), the Minister of Trade, Industry and Energy may publish it.

Article 20 (Public Information for Rationalization of Energy Utilization)

The Government shall consider the public information programs on the energy policy of the Government, basic rationalization plan, and method of efficient use of the energy, etc. for the purpose of the rationalization of the energy utilization.

Article 21 (Support in Finance and Taxation)

In order to promote the rationalization of the energy utilization, the Government may give any support in the finance, taxation, etc., or payment of subsidy, or other necessary support, to any investment in facilities of energy saving type, manufacture, installation, execution, etc. of machinery and materials of energy saving type, and other projects concerning the rationalization of energy utilization, as prescribed by the Presidential Decree.

Article 22 (Support to Energy Service Company)

(1) If a person who operates the following business by entrustment of a third person, and has registered with the Minister of Trade, Industry and Energy (hereinafter referred to as "Energy Service Company : ESCO"), may borrow the funds from the Government, the Fund established by the Government, domestic and foreign financial institutions, foreign governments or international organizations, if it is required for the energy saving projects:

1. Management and service projects for the energy saving of the energy using facilities;
2. Projects concerning the investment in facilities of energy saving type as prescribed in Article 21; and
3. Other projects for energy saving as prescribed by the Presidential Decree.

(2) Matters for the criteria for and procedure of the registration as referred to in paragraph (1), shall be determined by the Presidential Decree.

Article 23 (Revocation of Registration of Energy Service Company)

If the energy service company falls under any of the following subparagraphs, the Minister of Trade, Industry and Energy may revoke the registration, or suspend the support as prescribed by this Act : Provided, That if it falls under subparagraph 1, the registration shall be revoked:

1. Where it makes the registration as prescribed in Article 22 (1) by a deceitful or other unlawful way;
2. Where it becomes unconformed to the criteria for registration as prescribed in Article 22 (2); and
3. Where it fails to make the report as prescribed in Article 89(1), or makes a false report, or refuses, interferes with, or evades the inspection as prescribed in the said paragraph.

Article 24 (Energy Management Standards)

(1) The Minister of Trade, Industry and Energy may determine and announce publicly by section the standards necessary for an efficient management of the energy by the energy users (hereinafter referred to as "energy management standards"), after consulting with the head of the administrative agency concerned.

(2) If it is deemed necessary to investigate on the energy management situation of the energy users, the Minister of Trade, Industry and Energy may conduct the investigation, and if it is found out as a result of the investigation, that any energy user fails to observe the energy management standards, he may give the person any guidance for implementation of the energy management standards (hereinafter referred to as "energy management guidance").

Article 25 (Designation of Those Subject to Energy Management)

(1) Any energy user whose energy quantity consumed is over such standard quantity as determined by the Presidential Decree, shall report the following matters to the Minister of Trade, Industry and Energy, not later than January 31 each year, under the conditions as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy:

1. Quantity of the energy consumed and the products manufactured in the previous year;
2. Estimated quantity of the energy to be consumed and the products to be manufactured in the current year;
3. Present situation of the energy using machinery and materials; and
4. Actual result of the rationalization of energy utilization in the previous year, and the program in the current year.

(2) The Minister of Trade, Industry and Energy shall designate as the person subject to the energy management, a person of those energy users subject to the report as referred to in paragraph (1), who uses the energy over such specified quantity as determined by the Presidential Decree (hereinafter referred to as "designated quantity").

Article 26 — Deleted. <by Act No. 5351, Aug. 22, 1997>

Article 27 (Revocation of Designation of Person Subject to Energy Management)

(1) If the estimated quantity of energy to be consumed as prescribed in Article 25(1) 2 is less than the designated quantity, the designated person subject to energy management as prescribed in Article 25 (2) (hereinafter referred to as "the designated person subject to energy management") may apply for a revocation of the designation to the Minister of Trade, Industry and Energy, under the conditions as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 5351, Aug. 22, 1997>

(2) If the application for revocation of designation as referred to in paragraph (1) is deemed well-grounded, the Minister of Trade, Industry and Energy shall revoke without delay the designation.

(3) Even though there is no application for revocation of designation as referred to in paragraph (1), the Minister of Trade, Industry and Energy shall revoke the designation against the designated person subject to energy management, who is deemed to hold no longer any cause of designation.

Article 28 — Deleted. <by Act No. 5351. Aug. 22. 1997>

Article 29 — Deleted. <by Act No. 5351. Aug. 22. 1997>

Article 30 (Order of audit on Energy Management)

(1) If it is deemed necessary for the energy management guidance, the Minister of Trade, Industry and Energy may order any energy user to undergo an energy audit conducted by the specialized energy auditing institution (hereinafter referred to as "auditing institution") designated by the Minister of Trade, Industry and Energy.

(2) The auditing institution as referred to in paragraph (1) shall hold the facilities and technical manpower conformed to such standards as determined by the Ordinance of the Ministry of Trade, Industry and Energy.

Article 31 (Criteria for Energy Audit)

The Minister of Trade, Industry and Energy shall determine and announce publicly the criteria for the energy audit as prescribed in Article 30 (1).

Article 32 (Revocation of Designation of Auditing Institution)

If a person who is designated as an auditing institution, falls under any of the following subparagraphs, the Minister of Trade, Industry and Energy may revoke the designation, or order a suspension of the business with a period not exceeding two years fixed: Provided, That if he falls under subparagraph 1, the designation shall be revoked.

1. Where he is designated by a deceitful or other unlawful way;
2. Where he becomes unconformed to the criteria as prescribed in Article 30 (2);
3. Where he fails to make the report as prescribed in Article 89 (1), or makes a false report, or refuses, interferes with, or evades the inspection as prescribed in the said paragraph;
4. Where he conducts remarkably improper energy audit in view of the energy management standards and the energy audit standards as prescribed in Article 31; and
5. Where he violates this Act or any order or disposition made under this Act.

Article 33 (Improvement Order)

(1) If it is deemed necessary, as a result of the energy management guidance or the energy audit as prescribed in Article 30 (1), for the reducing the factors in any loss of energy, the Minister of Trade, Industry and Energy may order the energy user concerned to improve the factor in the loss of energy. <Amended by Act No. 5351. Aug. 22. 1997>

(2) The requirement and procedure for improvement order as referred to in paragraph (1), shall be determined by the Presidential Decree. <Newly established by Act No. 5351. Aug. 22. 1997>

Article 34 (Target Energy Intensity)

(1) If it is deemed necessary for increasing the efficiency of the energy utilization, the Minister of Trade, Industry and Energy may determine, after consulting with the head of the administrative agency concerned, the target quantity of energy consumed by unit of products manufactured using the energy, or by the unit area of buildings (hereinafter referred to as "target energy intensity"), and recommend the energy users to implement it.

(2) If the Minister of Trade, Industry and Energy desires to recommend the implementation of the target energy intensity under paragraph (1), he shall determine and announce publicly the energy users who are subject to it, the period of achievement, other necessary matters, etc.

Article 35 (Endeavor to Utilize Waste Heat and Development & Utilization by Third Person)

(1) Any energy user shall make an endeavor for utilization of the waste heat produced in the business place, and if a third person desires to supply the waste heat not used in the business place outside the business place to utilize it, he shall cooperate positively in it.

(2) If it is deemed necessary for promoting the utilization of the waste heat, the Minister of Trade, Industry and Energy may recommend the energy users producing the waste heat a joint utilization of the waste heat or a supply, etc. to any third person.

(3) Any businessman as prescribed by the Mass Energy Supply Act, shall make a positive effort for utilizing the waste heat producing from the general waste disposal facilities (limited to incineration facilities) established under the Wastes Control Act, in the area designated as area subject to the supply of mass energy under Article 5 of the Mass Energy Supply Act.

Article 36 — Deleted. <by Act No. 5351. Aug. 22. 1997>

Chapter 4 Development of Energy Technology

Article 37 (Energy Technology Development Plan)

(1) The Minister of Trade, Industry and Energy shall establish the plan to facilitate the development and dissemination of the energy related technology (hereinafter referred to as "energy technology development plan"), and set up and execute the annual implementation program in accordance with it.

(2) The period of the energy technology development plan shall be ten or more years, and it shall include the following matters:

1. Development of the technology for improving the efficiency of energy utilization;
2. Development of technology for reducing the air pollution caused by the energy utilization;
3. Promotion of the practicability of the developed energy technology;
4. Promotion of the international cooperation in the energy technology;
5. Expansion and efficient utilization of the technical development energy, such as manpower, information, facilities, etc. related to the energy technology; and
6. Other matters necessary for the development of the energy technology.

(3) In establishing the energy technology development plan, the Minister of Trade, Industry and Energy shall go through the deliberation of the General Science and Technology Council as prescribed by the Science and Technology Promotion Act.

Article 38 (Execution of Energy Technology Development)

(1) In order to drive forward efficiently the development of energy technology, the Minister of Trade, Industry and Energy may have the person falling under any of the following subparagraphs, execute the development of energy technology, under the conditions as prescribed by the Presidential Decree:

1. Energy related government invested and contributed institutions;
2. National and public research institutes;
3. Specified research institutions to which the Support of Specific Research Institutions Act applies;

4. Instituters attached to enterprises;
5. Colleges, junior colleges and open colleges as prescribed by the Education Act;
6. Industrial technology research associations as prescribed by the Act of the Support of the Industrial Technology Research Cooperatives; and
7. Other persons who are recognized to be capable of developing the technology by the Minister of Trade, Industry and Energy.

(2) The Minister of Trade, Industry and Energy may contribute the whole or part of the expenses for the development of technology as referred to in paragraph (1).

Article 39 (Institution in Exclusive Charge of Energy Technology Development Project)

(1) In order to carry out efficiently the annual execution plan as prescribed in Article 37 (1), and to support and control efficiently those who implement the development of energy technology under Article 38 (1), the Minister of Trade, Industry and Energy may designate the institution taking an exclusive charge of the energy technology development project, under the conditions as prescribed by the Presidential Decree.

(2) The Minister of Trade, Industry and Energy may support the funds required for the operation of the institution taking the exclusive charge of the energy technology development project as referred to in paragraph (1).

Article 40 (Expenses for Energy Technology Development Project)

(1) In order to drive forward comprehensively and efficiently the energy technology development project, the Minister of Trade, Industry and Energy may make the energy technology development project expenses necessary for implementing the annual execution plan as prescribed in Article 37 (1).

(2) The energy technology development project expenses as referred to in paragraph (1), shall be made with the contribution or loan, etc. of the Government or energy related enterprisers.

(3) The Minister of Trade, Industry and Energy may have the institution taking the exclusive charge of the energy technology development project as prescribed in Article 39, take charge of the affairs concerning the formation and management of the energy technology development project expenses.

(4) The energy technology development project expenses made under paragraphs (1) through (3), shall be used for the support to the following projects:

1. Research and development of the energy technology;
2. Survey on the demand for the energy technology;
3. Technical development as to the energy using machinery and materials, energy supply equipment, and parts thereof;
4. Dissemination and public information on the result of the energy technology development;
5. International cooperation on the energy technology;
6. Cultivation of the research manpower on the energy;
7. Development of technology to reduce the atmospheric pollution incidental to the energy utilization; and
8. Other projects as prescribed by the Presidential Decree for the development of energy technology.

Article 41 (Recommendation on Energy Technology Development Investment)

If it is deemed necessary for promoting the development of the energy technology, the Minister of Trade, Industry and Energy may recommend those who carry on the business related to the energy, to make any investment in or contribution to the project for developing the energy technology.

Chapter 5 Control Over Heat-Using Machinery and Materials

Articles 42 through 47 — Deleted. <by Act No. 5351. Aug. 22. 1997>

Article 48 (Indication)

If a manufacturer or importer desires to manufacture or import and sell any heat using machinery and materials, he shall indicate the matters as determined by the Ordinance of the Ministry of Trade, Industry and Energy, such as dimension, performance. <This Article Wholly Amended by Act No. 5351. Aug. 22. 1997>

Article 49 (Prohibition of Sale and Display)

Any heat using machinery and materials without bearing the indication as prescribed in Article 48, may not be sold or displayed for sale.

Article 50 — Deleted. <by Act No. 5351. Aug. 22. 1997>

Article 51 (Specified Heat-Using Machinery and Materials)

Any person who is engaged in installing, executing or washing such heat-using machinery and materials as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy (hereinafter referred to as "specified heat-using machinery and materials") (hereinafter referred to as the "execution business") shall register it with the Minister of Construction and Transportation pursuant to the provisions of Article 11 (1) of the Framework Act on the Construction Industry. <This Article Wholly Amended by Act No. 5230, Dec. 30. 1996>

Article 52 Deleted. <by Act No. 5230, Dec. 30. 1996>

Article 53 (Standards of Installation and Execution of Specified Heat-Using Machinery and Materials)

(1) The installation and execution of the specified heat using machinery and materials, shall be conformed to such standards as determined by the Ordinance of the Ministry of Trade, Industry and Energy.

(2) If a person who has registered the execution business pursuant to the provisions of Article 11 (1) of the Framework Act on the Construction Industry (hereinafter referred to as an "execution businessman"), has installed and executed the specified heat using machinery and materials, he shall prepare and keep the records concerning the installation and execution, piping drawings, and records concerning other necessary matters, under the conditions as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 5230, Dec. 30. 1996>

Article 54 (Indication of Execution Business)

(1) An execution businessman shall make an indication that he is an execution businessman, where he makes any advertisement through use of signboard, published materials or other advertising media.

(2) Person who is not the execution businessman in his office or advertising materials nor shall use any name similar to this.

(3) Deleted. <by Act No. 5351. Aug. 22. 1997>

Article 55 (Confirmation of Installation and Execution of Specified Heat-Using Machinery and Materials)

(1) Any execution businessman who has installed and executed such specified heat using machinery and materials of those not the machinery and tools subject to the inspection as prescribed in Article 58, as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy, shall obtain the confirmation of the Mayor/Governor on whether or not such machinery and materials are conformed to the installation and execution standards as prescribed in Article 53 (1), before operating them.

(2) Matters necessary for the confirmation as referred to in paragraph (1), shall be determined by the Ordinance of the Ministry of Trade, Industry and Energy.

Article 56 (Request for Cancellation of Registration of Execution Business)

Where an execution businessman falls under any of the following subparagraphs, the Ministry of Trade, Industry and Energy may request the Ministry of Construction and Transportation to cancel the registration or order the person concerned to suspend all or part of the execution business:

1. Where he executes the work using any heat-using machinery and materials bearing no indication as prescribed in Article 48;

2. Where he fails to undertake the execution in conformity with the criteria as prescribed in Article 53 (1), or fails to prepare and keep the record as prescribed in Article 53 (2);

3. Where he allows another person to use any specified heat-using machinery and materials without obtaining the confirmation on the installation and execution as prescribed in Article 55 (1);

4. Where he fails to make the report as prescribed in Article 89 (1) or does make a fraudulent report, or rejects, interferes with or evades the inspection as prescribed in said Article; and

5. Where he violates this Act or any order issued or disposition taken under this Act. <This Article Wholly amended by Act No. 5230. Dec. 30. 1996>

Article 57 (Self-inspection)

(1) A manufacturer of heat-using machinery and materials shall conduct the self inspection, and prepare and keep the record of inspection: Provided, That the whole or part of the self inspection may be omitted for those as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy. <Amended by Act No. 5351. Aug. 22. 1997>

(2) Deleted. <by Act No. 5351. Aug. 22. 1997>

(3) Any person who has installed the machinery and tools subject to inspection as prescribed in Article 58, shall conduct regularly the self inspection on the operation, repair, etc. of such machinery and tools, and prepare and keep the record of inspection.

(4) The contents of and criteria for the inspection as referred to in paragraphs (1) and (3), and other necessary matters, shall be determined by the Ordinance of the Ministry of Trade, Industry and Energy.

Article 58 (Inspection on Machinery and Tools Subject to Inspection)

(1) Any manufacturer of the machinery and tools subject to inspection of the specified heat using machinery and materials, which are prescribed by the Ordinance of the Ministry of Trade, Industry and Energy (hereinafter referred to as "machinery and tools subject to inspection"), shall undergo the inspection of the Mayor/Governor on the manufacture of such machinery and tools subject to inspection.

- (2) Any person who has installed, extended, remodeled, or replaced the machinery and tools subject to inspection, or changed the place of installation (hereinafter referred to as "installer of machinery and tools subject to inspection"), shall undergo the inspection of the Mayor/Governor on such installation, extension, remodeling or replacement, or change of installation place.
- (3) Mayor/Governor shall deliver without delay a certificate specified the validity of the inspection, to the manufacturer or installer of the machinery and tools subject to inspection, which have passed the inspection as referred to in paragraph (1) or (2).
- (4) Any person who desires to continue to use the machinery and tools subject to inspection for which the validity term of inspection as referred to in paragraph (3) expires, shall undergo again the inspection of the Mayor/Governor, before the validity term expires: Provided, That of there is any inevitable reason, the inspection may be postponed by the period as determined by the Ordinance of the Ministry of Trade, Industry and Energy.
- (5) Any machinery and tools which fails to pass the inspection as referred to in paragraph (1), (2) or (4), may not be used: Provided, That the Mayor/Governor may permit to continue to use any machinery and tools subject to inspection which fails to pass the inspection as to such items as determined by the Ordinance of the Ministry of Trade, Industry and Energy, to the extent that it is not obstacle to the safety control over, and prevention of danger and injury by, such machinery and tools subject to inspection, in the contents of inspection as referred to in paragraph (4), under the condition that it should pass the inspection within such period as determined by the Ordinance of the Ministry of Trade, Industry and Energy.
- (6) In the inspection as referred to in paragraphs (1), (2) and (4), the Mayor/Governor may exempt the whole or part of the inspection, to the extent that it is not obstacle to the safety control and prevention of danger and injury of the machinery and tools subject to inspection, under the conditions as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy.
- (7) The contents of and the criteria for the inspection as referred to in paragraphs (1), (2), (4) and (6), and other necessary matters, shall be determined by the Ordinance of the Ministry of Trade, Industry and Energy.

Article 59 (Appointment of Operator of Machinery and Tools Subject to Inspection)

- (1) The installer of the machinery and tools subject to inspection shall appoint an operator of such machinery and tools (hereinafter referred to as "operator of machinery and tools subject to inspection") for the safety control over, and prevention of danger injury by the machinery and tools subject to inspection.
- (2) The criteria of the qualification and appointment of the operator of the machinery and tools subject of inspection, shall be determined by the Ordinance of the Ministry of Trade, Industry and Energy.
- (3) If the installer of the machinery and tools subject to inspection appoints or dismisses the operator of the machinery and tools subject to inspection, or the operator retires from office, he shall report it to the Mayor/Governor, under the conditions as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy.
- (4) If the installer of the machinery and tools subject to inspection dismisses the operator of the machinery and tools subject to inspection, or the operator retires from office, he shall appoint another operator of the machinery and tools subject to inspection, before the dismissal or retirement: Provided, That if it falls under such cause as prescribed by the Ordinance of another operator of the machinery and tools subject to inspection, may be postponed with the approval of the Mayor/Governor.
- (5) If the Mayor/Governor approves under paragraph (4) a postponement of the time limit of appointment of the operator of the machinery and tools subject to inspection, he may order the installer of the machinery and tools subject to inspection to take any measures necessary for the safety control over, and prevention of any danger and injury by the machinery and tools subject to inspection, up to the day preceding the day on which the operator of the machinery and tools subject to inspection is appointed.

Article 60 (Duty of Operator of Machinery and Tools Subject to Inspection)

- (1) The operator of the machinery and tools subject to inspection shall observe such matters as determined by the Ordinance of the Ministry of Trade, Industry and Energy for the safety control over machinery and tools subject to inspection.
- (2) The installer of the machinery and tools subject to inspection shall take measures necessary for the opinion, etc. of the operator of the machinery and tools subject to inspection, for the safety control over the machinery and tools subject to inspection.

Article 61 (Order of Suspension of Use of Machinery and Tools Subject to Inspection)

- (1) If any damage, etc. which might cause any danger and injury, is found as the result of the inspection on the machinery and tools subject to inspection under Article 89 (1), the Mayor/Governor may order the installer to suspend the use of such machinery and tools subject to inspection.
- (2) The provisions of Article 58 (2), (3) and (5) shall apply mutatis mutandis to the case where an installer of the machinery and tools subject to inspection who has been ordered to suspend the use thereof under paragraph (1), reuses such machinery and tools subject to inspection.

Chapter 6 Korea Energy Management Corporation

Article 62 (Establishment of Korea Energy Management Corporation)

- (1) In order to drive forward efficiently the projects for rationalization of the energy utilization, Korea Energy Management Corporation (hereinafter referred to as "Corporation") shall be established.
- (2) The Government or any person other than the Government may make the contribution to appropriate the funds needed for the establishment, operation and projects of the Corporation.
- (3) The time and method of the contribution as referred to in paragraph (2), and other necessary matters, shall be determined by the Presidential Decree.

Article 63 (Legal Personality)

The Corporation shall be a juristic person.

Article 64 (Office)

- (1) The seat of the principal office of the Corporation shall be determined by the articles of association.
- (2) The Corporation may establish any branch office, training center, business office, or affiliated organization, at any necessary place, with the approval of the Minister of Trade, Industry and Energy.

Article 65 (Articles of Association)

- (1) The articles of association of the Corporation shall include the following matters:

1. Objective;
2. Title;
3. Matters concerning the principal office, branch office, training center, and business office;
4. Matters concerning the operation and management of the attached organization;

5. Matters concerning the executive officers and employees;
6. Matters concerning the board of directors;
7. Matters concerning the affairs and execution thereof;
8. Matters concerning the property and accounts;
9. Matters concerning the modification of the articles of association;
10. Matters concerning the method of the public notice; and
11. Matters concerning the enactment, revision and repeal of the agreement and rules.

(2) If the Corporation desires to modify the articles of association, it shall obtain the authorization of the Minister of Trade, Industry and Energy.

Article 66 (Registration of Establishment)

(1) The Corporation shall come into existence by making the registration of establishment at the seat of its principal office.

(2) The registration of establishment as referred to in paragraph (1) shall include the following matters:

1. Objective;
2. Title;
3. Principal office, branch office, training center and business office;
4. Names and addresses of executive officers; and
5. Method of the public notice.

(3) Matters necessary for the registration other than the registration of establishment, shall be determined by the Presidential Decree.

Article 67 (Prohibition of Use of Similar Title)

No person other than the Corporation, may use the title "Korea Energy Management Corporation" or similar one.

Article 68 (Executive Officers)

(1) The Corporation shall appoint the following executive officers:

1. One president;
2. One vice president;
3. Six or less directors (including three or less non permanent directors; hereinafter the same shall apply); and
4. One auditor.

(2) The president and the auditor shall be appointed and dismissed by the Minister of Trade, Industry and Energy upon the proposal of the president.

Article 69 (Term of Executive Officers)

The term of executive officers shall be three years. <Amended by Act No. 5351. Aug. 22. 1997>

Article 70 (Duties of Executive Officers)

- (1) The president shall represent the Corporation, and have the general control over the affairs of the Corporation.
- (2) The vice president shall assist the president, and if the president is absent by any inevitable reason, he shall act for the president.
- (3) The directors shall take partial charge of the affairs of the Corporation, under the conditions as prescribed by the articles of association, and if both the president and vice president are absent by any inevitable reason, they shall act for their duties according to such order as determined by the articles of association.
- (4) The auditor shall inspect the affairs and accounts of the Corporation.

Article 71 (Disqualification for Executive Officer)

Any person who falls under any of the following subparagraphs, may not be the executive officer of the Corporation:

1. Person who is not the national of the Republic of Korea;
2. Person who is incompetent, quasi-incompetent, or declared bankrupt, but not reinstated;
3. Person who was sentenced to any penalty heavier than imprisonment without prison labor, and for whom two years have not passed after the execution of sentence is terminated, or non-execution becomes definite;
4. Person whose qualification is lost or suspended by Acts or judgments of the court; and
5. Person who was sentenced to any penalty heavier than the fine for violation of this Act, and for whom two years have not passed after execution of the sentence is terminated, or non-execution becomes definite.

Article 72 (Security of Status of Executive Officer)

No executive officer shall be dismissed contrary to his will during his term of office, except in case where he falls under any of the following subparagraphs:

1. Where he violated this Act or any order issued under this Act, or the articles of association;
2. Where he becomes difficult or unable to carry out his duties due to any mental or physical debility;
3. Where he causes on purpose or by negligence any loss to the Corporation; and
4. Where he becomes falling under any of subparagraphs of Article 71.

Article 73 (Restriction on Additional Office by Executive Officer)

- (1) The executive officers (excluding those who are non-permanent directors) of the Corporation may not hold concurrently other office, unless it is approved by the Minister of Trade, Industry and Energy.
- (2) The executive officers and employees of the Corporation shall not operate or be engaged in any business having a competitive relation to that of the Corporation.

Article 74 (Board of Directors)

- (1) In order to deliberate the important matters of the Corporation, the board of directors shall be established in the Corporation.
- (2) The board of directors shall be composed of the president, vice president and directors.
- (3) The president shall convene the board of directors and preside at the meeting thereof.
- (4) The board of directors shall make a decision with attendance of majority of all members, and by a concurrent vote of majority of members present.
- (5) The auditor may attend the board of directors and state his opinion.

Article 75 (Appointment and Dismissal of Employees)

The employees of the Corporation shall be appointed and dismissed by the president, under the conditions as prescribed by the articles of association.

Article 76 (Projects)

The Corporation shall carry out the following projects:

1. Driving forward of the projects for rationalization of the energy utilization;
2. Development, introduction, guidance and dissemination of the energy technology;
3. Loan and support funds for the rationalization of the energy utilization, development and dissemination of the substitute energy and mass energy supply projects;
4. Energy audit and guidance on energy management;
5. Promotion of the substitute energy development project;
6. Investigation, research, education and public information for energy management;
7. Acquisition, installation, operation, lease, and transfer of land, buildings and facilities for projects for rationalization of the energy utilization;
8. Mass energy projects;
9. Efficiency management of the energy using machinery and materials, and safety control of the heat using machinery and materials;
10. Projects incidental to those as referred to in subparagraphs 1 through 9; and
11. Projects for the rationalization of the energy utilization, other than those as referred to in subparagraphs 1 through 10, which are entrusted by the Minister of Trade, Industry and Energy, Mayor/Governor or other agencies.

Article 77 (Liability for Expenses)

The Corporation may have any person who benefits by the projects, bear the expenses needed for the projects, with the approval of the Minister of Trade, Industry and Energy.

Article 78 (Accounts)

- (1) The fiscal year of the Corporation shall be conformed to that of the Government.
- (2) The Corporation shall, before each fiscal year commenced, formulate as budget the gross revenue and expenditure of the Corporation to obtain the approval of the Minister of Trade, Industry and Energy, through a resolution of the board of directors. This provision shall also apply in case where it desires to modify it.
- (3) The Corporation shall prepare the statement of accounts within three months after the expiration of each fiscal year, and submit it to the Minister of Trade, Industry and Energy.

Article 79 (Settlement of Profits)

If there is any profit as a result of the settlement of accounts in each fiscal year, the Corporation shall appropriate it for making up any loss brought forward, and the remainder shall be reserved, if any, under the conditions as prescribed by the Minister of Trade, Industry and Energy.

Article 80 (Guidance and Supervision on Affairs)

- (1) The Minister of Trade, Industry and Energy may guide and supervise the affairs of the Corporation, and may, if necessary, make any direction, disposition or order necessary for carrying out such affairs, to the Corporation.
- (2) The Minister of Trade, Industry and Energy may have the Corporation make a report on matters necessary for the affairs, accounts and property of the Corporation, or have any public official under his control inspect any books, documents and other things of the Corporation.
- (3) Any public official who conducts the inspection under paragraph (2), shall carry with himself a certificate indicating his competence, and show it to the interested person.

Article 81 (Application of Civil Act)

Except as provided by this Act, the provisions of the Civil Act concerning the foundation, shall be applicable *mutatis mutandis* to the Corporation.

Chapter 7 Korea Heat Management and Execution Association

Article 82 (Establishment of Korea Heat Management and Execution Association)

- (1) For the purpose of the maintenance of dignity, advancement of the technology, improvement of execution method, and sound development of the execution business, the execution businessmen shall establish the Korea Heat Management and Execution Association (hereinafter referred to as "Association") with the authorization of the Minister of Trade, Industry and Energy.
- 2) The Association shall be a juristic person.
- (3) The Association shall come into existence by making the registration of establishment at the seat of its principal office.

Article 83 (Articles of Association of Association)

Matters necessary for the matters to be included in the articles of association, affairs direction and control of the Association, shall be determined by the Presidential Decree.

Article 84 (Qualification for Member)

(1) Any execution businessman may be a member of the Association as of the date at which he registers in the execution business as prescribed in Article 51. <Amended by Act No. 5351. Aug. 22. 1997>

(2) If an execution businessman is subject to a disposition of the business suspension under Article 56, his qualification as member of the Association shall be suspended, and if the registration of execution business is revoked, the qualification for member of the Association shall be lost.

Article 85 (Proposal and Advice)

(1) The Association may propose the Minister of Trade, Industry and Energy any matters concerning the sound development of the execution business.

(2) The Association shall provide advice and suggestions as requested by the Minister of Trade, Industry and Energy for the sound development of the execution business.

(3) If any execution businessman violates this Act, or disturbs the order by carrying on the execution business by unlawful way, the Association shall report it without delay to the Minister of Trade, Industry and Energy.

Article 86 (Prohibition of Use of Similar Title)

No person other than the Association established under this Act, may use the title "Korea Heat Management and Execution Association", or any similar one.

Article 87 (Application of Civil Act)

Except as provided by this Act, the provisions of the Civil Act concerning the corporate body shall be applicable mutatis mutandis to this Association.

Chapter 8 Supplementary Provisions

Article 88 (Education)

(1) If it is deemed necessary for the efficient performance of the energy management and the safety control over the machinery and tools subject to inspection, the Minister of Trade, Industry and Energy may order the energy managers, technical manpower of the execution business, or operators of the machinery and tools subject to inspection, to receive the education.

(2) The designated person subject to the energy management, execution businessman, or installer of machinery and tools subject to inspection shall have the energy managers, technical manpower of the execution business, or operators of the machinery and tools subject to inspection, who are appointed or employed by him, receive the education conducted under paragraph (1).

(3) The institution in charge, period and curricula of the education as referred to in paragraph (1), and other matters necessary for the education, shall be determined by the Ordinance of the Ministry of Trade, Industry and Energy.

Article 89 (Report and Inspection)

(1) If it is required for enforcing this Act, the Minister of Trade, Industry and Energy may order the designated person subject to energy management, and the manufacturer, importer, distributor, execution businessman, test institution, and auditing institution of the efficiency standard machinery and materials, efficiency indicated machinery and materials, grade indicated machinery and materials and heat using machinery and materials, the Energy Service Company (ESCO), and the installer of machinery and tools subject to inspection, to make a report on his affairs (the energy management situation, to the designated person subject to energy management), or have any public official under his control or the Corporation enter

the office, business place, factory or warehouse of the designated person subject to energy management, etc. to inspect any books, documents, energy using machinery and materials, or other things.

(2) Deleted. <by Act No. 5351. Aug. 22. 1997>

(3) Deleted. <by Act No. 5351. Aug. 22. 1997>

(4) The provisions of Article 80 (3) shall be applicable mutatis mutandis to the public officials or employee of the Corporation who conduct the inspection as referred to in paragraph (1).

Article 90 (Fee) <Wholly amended by Act No. 5351. Aug. 22. 1997>

Any person who desires to undergo the inspection on the machinery and tools subject to inspection as prescribed in Article 58 (1)?(2) or (4), shall pay the fee under the conditions as prescribed by the Ordinance of the Ministry of Trade, Industry and Energy. <This Article Wholly Amended by Act No. 5351. Aug. 22. 1997>

Article 91 (Hearing)

If the Minister of Trade, Industry and Energy desires to make any of the following dispositions, he shall give a hearing.

1. Prohibition order of production or sale of efficiency standard machinery and materials as prescribed in Article 17 (4).

2. Revocation of the registration of the Energy Service Company (ESCO) as prescribed in Article 23.

3. Revocation of the designation of auditing institution as prescribed in Article 32. <This Article Wholly Amended by Act No. 5351. Aug. 22. 1997>

Article 92 (Delegation or Entrustment of Authority)

(1) The Minister of Trade, Industry and Energy may delegate part of his authority as prescribed by this Act to the Mayor/Governor, under the conditions prescribed by the Presidential Decree.

(2) The Minister of Trade, Industry and Energy or the Mayor/Governor may entrust the Corporation, the Association or the Institution designated by the Presidential Decree with the authority as prescribed by the Presidential Decree. <Amended by Act No. 5351. Aug. 22. 1997>

Article 93 (Relation with Other Acts)

(1) If any machinery and tools subject to inspection are inspected under Article 58 (1), (2) or (4), they shall be considered to have undergone the inspection on design, completion or performance, and the regular inspection as prescribed in Article 34 (3) and (5) of the Industrial Safety and Health Act, with respect to the items of inspection over the manufacture and safety standards as prescribed in Article 34 (1) of the said Act, and if the self inspection is conducted under Article 57, it shall be considered to have been conducted under Article 36 (1) of the Industrial Safety and Health Act.

(2) If the propriety of the supply of mass energy is consulted under Article 4 of the Mass Energy Supply Act, the matters of the contents of consultation on the energy use program as prescribed in Article 8, concerning the supply of mass energy, shall be considered to have been consulted.

Chapter 9 Penal Provisions

Article 94 (Penal Provisions)

Any person who refuses or fails to fulfill the duty for holding or storing the energy storage facilities as prescribed in Article 7 (1), at the time it is imposed, without any justifiable reason, or person who violates the measures, such as adjustment, order, etc. as prescribed in paragraph (2) of the said Article, shall be punished by imprisonment for not more than two years, or a fine not exceeding twenty million won. <This Article Wholly Amended by Act No. 5351. Aug. 22. 1997>

Article 95 (Penal Provisions)

Any person who falls under any of the following subparagraphs, shall be punished by imprisonment for not more than one year, or a fine not exceeding ten million won:

1. Deleted. <by Act No. 5351. Aug. 22. 1997>
2. Deleted. <by Act No. 5230. Dec. 30. 1996>
3. Person who fails to undergo the inspection on the machinery and tools subject to inspection in contravention of the provisions of paragraph (5) of the said Article (including the case where it is applicable mutatis mutandis under Article 61 (2));
4. Person who violates the order to suspend the use of the machinery and tools subject to inspection as prescribed in Article 61 (1);
5. Deleted. <by Act No. 5351. Aug. 22. 1997>

Article 95-2 (Penal Provisions)

Any person who violates the prohibition order of production or sale as prescribed in Article 17 (4), shall be punished by a fine not exceeding twenty million won. <Newly established by Act No. 5351. Aug. 22. 1997>

Article 96 (Penal Provisions)

Any person who falls under any of the following subparagraphs, shall be punished by a fine not exceeding ten million won:

1. Person who refuses, interferes with, or evades the order of energy audit as prescribed in Article 30 (1);
2. Person who fails to make the indication as prescribed in Article 48, or who makes a false indication;
3. Person who sells or displays for sale any heat using machinery and materials without bearing the indication, in contravention of the provisions of Article 49;
4. Person who indicates that he is an execution businessman, or uses a similar term, in contravention of the provisions of Article 54 (2);
5. Deleted. <by Act No. 5351. Aug. 22. 1997>
6. Person who allows other persons to use any specified heat using machinery and materials, without obtaining the confirmation on the installation and execution of such specified heat using machinery and materials, in violation of the provisions of Article 55;
7. Deleted. <by Act No. 5351. Aug. 22. 1997>
8. Person who fails to appoint the operator of the machinery and tools subject to inspection, in contravention of the provisions of Article 59 (1) or (4), or who violates the order of measures for the safety control or prevention of any danger and injury as prescribed in paragraph (5) of the said Article;
9. Person who refuses, interferes with, or evades the inspection as prescribed in Article 89 (1); and

10. Deleted. <by Act No. 5351. Aug. 22. 1997>

Article 97 (Penal Provisions)

Any person who falls under any of the following subparagraphs, shall be punished by a fine not exceeding five million won:

1. Deleted. <by Act No. 5351. Aug. 22. 1997>

2. Person who fails to indicate the consumption efficiency or quantity consumed of the energy, in contravention of the provisions of Article 18 (2), or who makes a false indication;

3. Person who makes any advertisement not including the contents of advertisement as prescribed in Article 18 (4) or 19 (5);

4. Person who fails to indicate the grade in contravention of the provisions of Article 19 (3), or who makes a false indication;

5. Deleted. <by Act No. 5351. Aug. 22. 1997>

6. Person who fails to make the report in contravention of the provisions of Article 89 (1), or who makes a false report.

Article 98 (Joint Penal Provisions)

If a representative of a juristic person, or an agent, employee or other employed person of a juristic person or individual, commits the offense as prescribed in Articles 94 through 97 in connection with the affairs of the juristic person or individual, the fine as prescribed in the respective Article shall also be imposed on the juristic person or individual, in addition to a punishment of the offender.

Article 99 (Fiction as Public Official in Application of Penal Provisions)

The executive officers and employees who are engaged in the affairs as prescribed by this Act, in the test or auditing institutions, the Corporation or the Association, shall be considered as public officials in application of Articles 129 through 132 of the Criminal Act.

Article 100 (Fine for Negligence)

(1) Any person who falls under any of the following subparagraphs, shall be punished by a fine for negligence not exceeding three million won:

1. Government invested institution which fails to request any consultation as prescribed in Article 8 (1);

2. Government invested institution which refuses or fails to fulfill the request for necessary measures as prescribed in Article 9 (1), without any justifiable reason;

3. Government invested institution which refuses the request for presentation of the related materials as prescribed in Article 9 (2), without any justifiable reason;

4. Government invested institution which refuses, interferes with, or evades the investigation on whether or not it is discharged, under Article 10, without any justifiable reason;

5. Person who fails to submit the demand and supply management and investment program and the result of execution thereof, without any justifiable reason, in contravention of the provisions of Article 12 (1);

6. Person who fails to make the report as prescribed in Articles 11 (1), 19 (2), 25 (1), 59 (3), or who makes a false report;

7. Deleted. <by Act No. 5351. Aug. 22. 1997>

8. Person who fails to fulfill the improvement order as prescribed in Article 33, without any justifiable reason. <Amended by Act No. 5351. Aug. 22. 1997>

9. Person who fails to prepare or keep the record as prescribed in Article 53 (2);

10. Deleted. <by Act No. 5351. Aug. 22. 1997>

11. Person who fails to observe the duty of the operator of the machinery and tools subject to inspection, or installer of machinery and tools subject to inspection who fails to take necessary measures, under Article 60 (1) and (2);

12. Person who uses the title of Korea Energy Management Corporation or similar one, in contravention of the provisions of Article 67;

13. Person who uses the title of the Korea Heat Management and Execution Association or similar one, in contravention of the provisions of Article 86; and

14. person who prevents persons concerned from receiving the education as prescribed in Article 88 (2).

(2) Any person who fails to receive the education in violation of the order as prescribed in Article 88 (1), shall be punished by a fine for negligence not exceeding five hundred thousand won.

(3) The criteria for imposition of the fine for negligence as referred to in paragraphs (1) and (2), shall be determined by the Ordinance of the Ministry of Trade, Industry and Energy.

(4) The fine for negligence as referred to in paragraphs (1) and (2) shall be imposed and collected by the Minister of Trade, Industry and Energy (if the authority is delegated to the Mayor/Governor under Article 92, It refers to the Mayor/Governor; hereinafter in this Article, the same shall apply), under the conditions as prescribed by the Presidential Decree.

(5) Any person who is dissatisfied with the disposition of the fine for negligence as referred to in paragraph (4), may make an objection against the Minister of Trade, Industry and Energy, within thirty days after he is informed of the disposition.

(6) If the person who is subject to the disposition of the fine for negligence as referred to in paragraph (4), has made the objection under paragraph (5), the Minister of Trade, Industry and Energy shall notify it without delay to the competent court, which shall, upon receiving the notification, bring the case of the fine for negligence, into a trial under the Non-Contentious Case Litigation Procedure Act.

(7) If no objection is made, and no fine for negligence is paid, in the period as referred to in paragraph (5), it shall be collected according to the examples of the disposition of national taxes in arrears.

Addenda <Act No. 4891. Jan. 5. 1995>

Article 1 (Enforcement Date)

This Act shall enter into force at the expiration of six months after its promulgation.

Article 2 (Transitional Measures Concerning Manufacturer of Heat Using Machinery and Materials)

Any manufacturer of the heat using machinery and materials who has obtained the permission as prescribed in previous Article 32, before this Act enters into force, shall be considered to have made the registration as prescribed in Article 42.

Article 3 (Transitional measures Concerning Execution Businessman of Specified Heat Using Machinery and Materials)

Any person who has the execution business of the specified heat using machinery and materials designated pursuant to the provisions of the previous Article 41, before this Act enters into force, shall be considered to have made the registration as prescribed in Article 51.

Article 4 (Transitional Measures Concerning Energy Manager)

Any energy manager and the operator of the machinery and tools subject to inspection, who are employed under previous Articles 23 and 49, before this Act enters into force, shall be considered to have been appointed under Articles 28 and 59.

Article 5 (Transitional Measures Concerning Application of Penal Provisions)

The application of the penal provisions to any act committed before this Act enters into force, shall be subject to the previous provisions.

Article 6 Omitted.

Article 7 (Relation with Other Acts)

In case where other Acts cite the previous provisions at the time this Act enters into force, if this Act includes the provisions corresponding to them, the corresponding provisions shall be considered to have been cited.

Addenda <Act No. 5230, Dec. 30, 1996>

Article 1 (Enforcement Date)

This Act shall come into force on July 1, 1997. (Proviso is Omitted)

Articles 2 through 11 Omitted.

Addenda <Act No. 5351, Aug. 22, 1997>

Article 1 (Enforcement Date)

This Act shall come into force on January 1, 1998. (Proviso is Omitted)

Articles 2 through 4 Omitted.