

Title of the measure:	LV20 Agreements on Improving Energy Efficiency in Municipalities
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General description

The following measure is considered as the national alternative measure to be implemented in combination with the energy efficiency obligation scheme to achieve a cumulative end-use energy savings target of 1.5%, determined in accordance to the Article 7 of the Directive 2012/27/EU [1, p.24; 2, p.12]

Entering into a voluntary agreement between the Ministry of Economics and municipalities on energy efficiency measures might be done pursuant to Cabinet of Ministers (Governmental) Regulations No555 of 12 July 2011 "Regulation on the Procedure for Entering into and Supervision of Energy Efficiency Improvement Agreements", the agreement should have the target – at least 10% of energy efficiency improvement. The achievement of the energy savings target should be justified by the energy efficiency action plan. An agreement should be entered into for a time period of up to five years [3].

The new "Energy Efficiency Law" [4] which contains legal norms arising from the Directive 2012/27/EU was adopted 03 March 2016. The Law includes the Section 8 stating the general procedure of energy efficiency improving agreements. As the new Law has entered into force, the Cabinet of Ministers (Government) re-casted the noted above Regulations No555 by issuing in October 2016 the new Regulations No 669 [5] determining the procedures for voluntary agreements on energy efficiency. The main provisions of the previous Regulations – at least 10% of energy efficiency improvement, development of energy efficiency action plan, agreement duration at least 5 years – are continued in the new Regulation [5].

It may be introduced different forms of agreements for large (Daugavpils, Jelgava, Jēkabpils, Jūrmala, Liepāja, Rēzekne, Rīga, Valmiera, Ventspils) and small municipalities [1]

Initially the agreements may be offered to municipalities which have already become the signatories of the Covenant of Mayors. Currently Covenant of Mayors is signed by 21 Latvia municipalities which has developed their Sustainable Energy Actions Plans [6].

Latvia's National Development Plan 2014-2020 [7, Section 201] foresees the development of energy plans of municipalities providing for complex measures to promote energy efficiency and switch to renewable energy.

The Government should provide [1, p.24]

- small municipalities - with methodological support in designing their sustainable development plans, which may include the offer of suitable models, training on the application of the models and data aggregation.
- large municipalities - with methodological support in designing their sustainable development plans, energy audit support programmes, as well as financial support in the establishment of revolving funds in cities in the form of soft loans.

Impact evaluation

There is no provided in Latvia 2017 Report [2] the particular evaluation of the impact of voluntary agreements with local municipalities on improving energy efficiency. The [2, Table 3 in p.12] provides **the total (both municipalities' and private sector's voluntary agreements** are included) impact evaluation. Namely, these total **cumulative savings** of the measure could reach 150 GWh (0.540 PJ) in year 2020. Thus, the impact regarding only local municipalities are not provided by the [2].



Assuming that a half of noted above impact might be due to voluntary agreements with local municipalities, the annual 2020 savings might be evaluated as around 0.11 PJ. Thus the semi-quantitative impact of the measure might be evaluated as the medium.

The total final energy consumption in Latvia Tertiary sector (public and commercial, in total) in years 2010-2015 varied in the range 23.4-26.1 PJ (average ~ 25 PJ) [8].

Interaction of measures

See the MURE database Tertiary sector measures:

- TER-LV17 “Increasing Energy Efficiency in Municipal Buildings: EU Programming Period of 2014-2020” ;
- TER-LV25 “Energy management systems in municipalities”

The energy efficiency investments in public buildings in 2014-2020 financial programming period are supplemented with the investments to improve efficiency of district heating systems, foreseen by the [9, sections 334-345].

References

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