



SABIEDRISKO PAKALPOJUMU REGULĒŠANAS KOMISIJA

## ***UPDATE - LATVIA***

***Ainars Mengelsons***

***Public Utilities Commission of Latvia***

***Baltic Electricity market mini Forum  
January 12, 2012 Tallinn, Estonia***

- ***GDP 9 months of 2011 versus 9 months of 2010 – increase by 5.4%***
- ***Electricity consumption:  
11 months of 2011 versus 11 months of 2010 – decrease by 1.8%***
- ***Gas consumption  
11 months of 2011 versus 11 months of 2010 – decrease by 8.0%***

# ***TSO unbundling***



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***The amendment to the Electricity Market Law entered into force 11 August, 2011***

***Latvia has chosen unbundling model of independent system operator (ISO)***

***New company - owner of transmission assets has been established in April 4, 2011.***

***Approved new management board of ISO.***

***The final procedure about transfer of shares of ISO - SC “Augstsprieguma tīkls” has to be taken within some weeks***

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- ***Regulatory law, which determines status of regulator has been amended and is fully in line with the requirements of the 3-rd EC energy legislative package***
- ***Our Parliament adopted Regulatory law and it entered into force in August, 11 2011***



**The Energy law has been changed in October 2011 and simplify start up of trade and production activities in heat and electricity sectors.**

**The licensing of power and heat generation and sales activities is substituted by registration.**

**Registration is taking effect form 1 January 2012**

**All company which held licenses prior to Jaunary1, 2012 were registered automatically.**

**Regulator elaborated document setting provisions to be fulfilled by applicants.**

# ***Latest changes – legal acts***



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**Regulator at the end of 2011 adopted set of new legal acts about:**

- **10 year development plans and planning procedure;**
- **TSO certification requirements and procedure.**

**Drafted regulations about:**

**Requirement to traders on disclosure of information in their bills issued to customers.**

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## **Market opening:**

- **All customer are free to chose their supplier from 2007.**
- **Government passed decision to decrease eligibility threshold for captive market customers**
- **All with installed tripping device above 100A become market participants.**
- **From April 1, 2012 additional 4500 electricity customer will become market participants.**
- **Opening will reach close to 80% of inland consumption.**



- *From April 1, 2011 new electricity tariffs for end users are in force with average increase of ~ 21%*
- *Gas tariffs alters in line with prices of oil/ oil product in the world markets, increased from January 1, 2012 ~10-20%*
- *set up of heat tariffs depends on the fluctuation of price of gas or wood chips*
- *Energy arrears are becoming an important issue, especially in the heating sector*





***Take decision about transmission tariffs***

***Adopt TSO 10 years investment plan***

***Carry out Certification of TSO***

***Adopt changes in the Grid Code***

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***THANK YOU  
FOR ATTENTION !***

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