

Energy Efficiency Act

Promulgated, SG No. 35/15.05.2015, effective 15.05.2015

Text in Bulgarian: ЗАКОН за енергийната ефективност

Chapter One GENERAL DISPOSITIONS

Article 1. (1) This Act regulates the social relations associated with the implementation of the State energy efficiency improvement policy.

(2) This Act shall apply to final energy consumption by the armed forces, to the extent that it does not come into conflict with the Defence and Armed Forces of the Republic of Bulgaria Act or with another law in the sphere of national security.

Article 2. The purpose of this Act is to improve energy efficiency as part of the national sustainable development policy by:

1. using a system of energy efficiency improvement activities and measures in energy production, transmission and distribution, as well as in final energy consumption;
2. setting up energy savings obligation schemes;
3. developing the energy efficiency services market and encouraging the delivery of energy efficiency services;
4. setting up financing mechanisms and schemes helping to reach the national energy efficiency target.

Chapter Two STATE GOVERNANCE IN THE FIELD OF ENERGY EFFICIENCY

Section I Governing Bodies

Article 3. The State shall exercise the functions thereof in the field of energy efficiency through the National Assembly and the Council of Ministers.

Article 4. The National Assembly shall adopt a National Energy Efficiency Strategy of the Republic of Bulgaria, which shall define the stages, means and measures to reach the national energy efficiency target. The Strategy as adopted shall be promulgated in the State Gazette.

Article 5. (1) The Council of Ministers shall determine the State energy efficiency policy as part of the national sustainable development policy.

(2) In carrying out its functions under Paragraph (1), the Council of Ministers, acting on a motion by the Minister of Energy, shall lay the National Energy Efficiency Strategy of the Republic of Bulgaria before the National Assembly for adoption.

(3) The Council of Ministers shall adopt:

1. National Energy Efficiency Action Plans;
2. a National Plan for Nearly Zero-Energy Buildings;
3. a national plan for improvement of the energy performance of heated and/or cooled State-owned buildings occupied by the State administration;
4. a long-term national programme to encourage investments in implementing measures to enhance the energy performance of buildings of the public and private national residential and commercial building stock;
5. annual reports on the implementation of the National Energy Efficiency Action Plans;
6. statutory instruments of secondary legislation, as well as other instruments in the field of energy efficiency in the cases provided for in this Act.

(4) For the purposes of formulating the State energy efficiency policy, the State bodies and the municipality mayors shall ensure the provision of the information necessary for the drafting of the instruments referred to in Paragraph (2) and Items 1 to 5 of Paragraph (3).

(5) The information referred to in Paragraph (4) shall be provided to the authorities covered under Articles 6 and 11 herein.

Article 6. The State energy efficiency policy shall be implemented by:

1. the Minister of Energy: in the field of energy efficiency in energy production, transmission and distribution, as well as in final energy consumption;
2. the Minister of Economy: in the field of improvement of energy efficiency in small and medium-sized enterprises, as well as in energy use by industrial systems;
3. the Minister of Regional Development and Public Works: in the field of developing and setting up technical rules and standard specifications for the energy performance of new and existing buildings, implementing projects to renovate the residential building stock and improve energy efficiency in residential buildings in the Republic of Bulgaria;
4. the Minister of Transport, Information Technology and Communications: in the field of energy efficiency in the transport sector.

Article 7. (1) The Minister of Energy shall:

1. acting jointly with the Minister of Economy, the Minister of Regional Development and Public Works and the Minister of Transport, Information Technology and Communication, develop the National Energy Efficiency Strategy of the Republic of Bulgaria and shall lay the said Strategy before the Council of Ministers for approval;
2. acting jointly with the Minister of Economy, the Minister of Regional Development and Public Works and the Minister of Transport, Information Technology and Communication, develop the National Energy Efficiency Action Plans and submit the said plans to the European Commission;
3. participate, jointly with the Minister of Regional Development and Public Works, in the development and updating of the National Plan for Nearly Zero-Energy Buildings and submit the said plan to the European Commission;
4. participate in the development and updating of the national plan for improvement of the energy performance of heated and/or cooled State-owned buildings occupied by the State administration;
5. participate in the development and updating of the long-term national programme to encourage investments in implementing measures to enhance the energy performance of buildings of the public and private national residential and commercial building stock;
6. lay the annual reports referred to in Item 5 of Article 5 (3) herein before the Council of Ministers for approval and

submit the said reports to the European Commission;

7. interact with the other State bodies and local authorities, as well as with not-for-profit legal entities with regard to the implementation of the State energy efficiency policy;

8. draft statutory instruments to bring Bulgarian legislation in the field of energy efficiency into conformity with European Union law;

9. elaborate drafts of statutory instruments of secondary legislation and lay the said drafts before the Council of Ministers for adoption in the cases provided for in this Act;

10. acting independently or jointly with the competent ministers, issue the statutory instruments of secondary legislation related to energy efficiency, within the powers vested therein under this Act;

11. acting on a motion by the Executive Director of the Sustainable Energy Development Agency, endorse a methodology for assessment of the amounts of contributions by obligated parties under Article 14 (4) herein to the Energy Efficiency and Renewable Sources Fund and to other financial intermediaries, necessary to reach the individual targets of the said obligated parties;

12. endorse methodologies for evaluation of energy savings, prepared according to the ordinance referred to in Article 18 (2) herein;

13. submit the information provided for in European Union law to the competent institutions of the European Union;

14. acting within the powers vested therein, approach the competent institutions of the European Union with requests and notifications for granting a temporary exemption from provisions of European Union law and transitional periods in the field of energy efficiency in the cases provided for in European Union law;

15. implement the international cooperation of the Republic of Bulgaria in the field of energy efficiency;

16. implement other powers as well in the field of energy efficiency, assigned thereto by a statutory instrument.

(2) The content, structure, terms and procedure for the submission of information under Item 13 of Paragraph (1) shall be determined by the ordinance referred to in Article 9 (4) of the Energy Act.

Article 8. The Minister of Economy shall, acting within the competence thereof:

1. participate in the development of the National Energy Efficiency Strategy of the Republic of Bulgaria;

2. participate in the development of the National Energy Efficiency Action Plans and provide information on the implementation thereof to the Minister of Energy annually, not later than the 1st day of March of the year following the reporting year;

3. propose schemes to encourage the conduct of energy audits of small and medium-sized enterprises under Article 3 of the Small and Medium-Sized Enterprises Act, as well as the application of the measures recommended by the said audits;

4. propose schemes to encourage the implementation of energy efficiency measures in industrial systems.

Article 9. The Minister of Regional Development and Public Works shall, acting within the competence thereof:

1. participate in the development of the National Energy Efficiency Strategy of the Republic of Bulgaria;

2. participate in the development of the National Energy Efficiency Action Plans and provide information on the implementation thereof to the Minister of Energy annually, not later than the 1st day of March of the year following the reporting year;

3. jointly with the Minister of Energy, develop and update the National Plan for Nearly-Zero Energy Buildings and lay the said plan before the Council of Ministers for approval;

4. jointly with the Minister of Energy, develop and update the national plan for improvement of the energy performance of heated and/or cooled State-owned buildings occupied by the State administration and lay the said plan before the Council of Ministers for approval;

5. jointly with the Minister of Energy, develop and update the long-term national programme to encourage investments in implementing measures to enhance the energy performance of buildings of the public and private national residential and

commercial building stock and lay the said programme before the Council of Ministers for approval;

6. acting independently or jointly with the competent ministers, issue the statutory instruments of secondary legislation related to energy efficiency.

Article 10. The Minister of Transport, Information Technology and Communications shall, acting within the competence thereof:

1. participate in the development of the National Energy Efficiency Strategy of the Republic of Bulgaria;
2. participate in the development of the National Energy Efficiency Action Plans and provide information on the implementation thereof to the Minister of Energy annually, not later than the 1st day of March of the year following the reporting year.

Article 11. (1) The activities implementing the State energy efficiency improvement policy shall be carried out by the Executive Director of the Sustainable Energy Development Agency, hereinafter referred to as "the Agency".

(2) The Agency shall be a public-financed legal person with a head office in Sofia and shall enjoy the status of an executive agency under the Minister of Energy.

(3) The activity, structure and organisation of the Agency shall be determined by Rules of Organisation adopted by the Council of Ministers.

(4) For the implementation of the activity thereof, the Agency shall establish territorial units in the regions referred to in Article 4 (3) of the Regional Development Act. The headquarters of the territorial units shall be determined in the Rules of Organisation referred to in Paragraph (3).

(5) The Executive Director of the Agency shall be appointed and released by the Minister of Energy in consultation with the Prime Minister.

(6) The Executive Director:

1. shall direct and represent the Agency;
2. shall exercise control over the observance of legislation in the field of energy efficiency;
3. shall interact with the State bodies and local authorities, as well as with not-for-profit legal entities, with regard to the implementation of the State energy efficiency policy;
4. shall organize the preparation and submission annually to the Minister of Energy for approval of the reports referred to in Item 5 of Article 5 (3) herein;
5. shall publish annually, not later than the 31st day of March, a list of the buildings referred to in Item 4 of Article 27 (1) herein which, by the 1st day of January of the relevant year, do not satisfy the minimum requirements for energy performance established by the ordinance referred to in Article 31 (4) herein;
6. shall develop a methodology for assessment of the amounts of contributions by obligated parties under Article 14 (4) herein to the Energy Efficiency and Renewable Sources Fund and to other financial intermediaries, necessary to reach the individual targets of the said obligated parties;
7. shall confirm the amount of energy savings as a result of energy efficiency services provided and other energy efficiency improvement measures by issuing energy savings certificates;
8. shall organize the maintenance of the national information system on the state of energy efficiency;
9. shall assist the State bodies and local authorities, as well as the participants in the energy efficiency services market, in the fulfilment of the obligations thereof under this Act;
10. shall organize the popularization of energy efficiency improvement activities and measures;
11. shall assist the development of training in the field of energy efficiency and shall publish the existing qualification schemes on the Internet site of the Agency;
12. shall organize the compiling and keeping of a list of buildings, enterprises, industrial systems, outdoor lighting systems, hot-water-boiled heating systems and air-conditioning systems which must be mandatorily brought into

conformity with the requirements of this Act;

13. shall compile, keep and publish on the Internet site of the Agency a list of energy efficiency promotion financing mechanisms and schemes, which shall be updated annually;

14. shall participate in the drafting of statutory instruments, including methodologies for energy savings evaluations, to bring Bulgarian legislation in the field of energy efficiency into conformity with European Union law;

15. require, in accordance with the powers vested therein, information from the managing authorities for operational programmes of the European Union related to ensuring financing for the implementation of energy-saving measures and utilization of energy from renewable sources, regarding the amount of investments made in the implementation of energy-saving measures and utilization of energy from renewable sources, as well as the levels of energy savings and of decentralized use of energy from renewable sources obtained as a result of these investments;

16. shall organize the drafting of model energy performance contracts (ESCO contracts) for the delivery of energy efficiency services for the implementation of energy efficiency improvement measures in buildings, industrial systems and outdoor lighting systems;

17. shall carry out monitoring of the implementation of ESCO contracts in State- and municipal-owned buildings;

18. implement other powers as well in the field of energy efficiency, assigned thereto by a statutory instrument.

(7) The Agency shall administrate the revenues from:

1. State budget resources;

2. own activities;

3. proceeds from fines and pecuniary penalties imposed according to the procedure established by this Act;

4. international programmes and agreements;

5. other sources determined by a statutory instrument of the Council of Ministers.

Article 12. (1) The State energy efficiency policy shall be implemented by all State bodies and local authorities.

(2) For the purposes under Paragraph (1), the State bodies and local authorities shall develop and adopt energy efficiency programmes consistent with the objectives set in the instruments referred to in Article 4 and Items 1 to 4 of Article 5 (3) herein.

(3) The programmes referred to in Paragraph (2) shall be developed with regard to the strategic objectives and priorities of the regional development plans for the regions referred to in Article 4 (3) of the Regional Development Act and the sustainable economic development prospects of the said regions.

(4) The financial resources for implementing the programmes referred to in Paragraph (2) shall be provided within the budgets of the State bodies and of the municipalities.

(5) The State bodies and the local authorities shall submit annually reports on the implementation of the programmes referred to in Paragraph (2) to the Executive Director of the Agency.

(6) The reports referred to in Paragraph (5) shall describe the activities and measures, shall specify the amount of energy savings obtained, and shall be submitted not later than the 1st day of March of the year following the year when the activities and measures concerned are implemented.

(7) The reports referred to in Paragraph (5) shall be prepared according to a template endorsed by the Executive Director of the Agency.

(8) The report on the implementation of the National Energy Efficiency Action Plan shall include information on:

1. the fulfilment of the national energy efficiency target;

2. primary and final energy consumption;

3. final energy consumption and gross value added by sector;

4. disposable income of households;

5. gross domestic product;
 6. electricity generation from thermal power generation;
 7. electricity generation from combined heat and power;
 8. heat generation from thermal power generation;
 9. heat generation from combined heat and power plants, including industrial waste heat;
 10. fuel input for thermal power generation;
 11. passenger kilometres (pkm), if such information is available;
 12. tonne kilometres (tkm), if such information is available;
 13. combined transport kilometres (pkm + tkm), in case the information referred to in Item 11 and 12 is not available;
 14. population of the country;
 15. measures implemented during the previous year which contribute towards the national energy efficiency target, as well as the reported and/or expected effect of these measures;
 16. the total building floor area of the buildings referred to in Article 23 (1) and (2) herein;
 17. energy savings obtained through the energy savings obligation scheme;
 18. volume of public spending on energy efficiency, including by sector.
- (9) The reports referred to in Paragraph (5) shall be published on the Internet sites of the bodies and authorities referred to in Paragraph (1).
- (10) The reports referred to in Paragraph (8) shall be published on the Internet site of the Agency.

Section II

Energy Efficiency Targets

Article 13. (1) The national energy efficiency target shall be set as an amount of savings in primary and in final energy consumption by the 31st day of December 2020.

(2) The national target referred to in Paragraph (1) shall be set in the National Energy Efficiency Action Plan.

(3) In setting the target referred to in Paragraph (1), account shall be taken of the estimated energy consumption by the 31st day of December 2020, determined on the basis of:

1. the cost-effective energy-saving potential;
2. gross domestic product evolution and forecast;
3. changes of energy imports and exports;
4. utilization of energy from renewable sources, use of nuclear energy, construction of carbon capture and storage facilities;
5. the effective energy efficiency improvement measures implemented during a prior period.

Article 14. (1) An energy savings obligation scheme shall be set up in order to help reach the national energy efficiency target, which should ensure the achieving of a total cumulative target of energy savings in final consumption by the 31st day of December 2020.

(2) The total cumulative target referred to in Paragraph (1) for the 2014-2020 period shall be set as a cumulation of new energy savings each year of at least 1.5 per cent of the average annual value of the total volume of energy sales to final

customers within the territory of the country in 2010, 2011 and 2012, excluding the volume of sales of energy used in the transport sector, under Eurostat Code B_101900.

(3) The target referred to in Paragraph (2) shall be reduced by up to 25 per cent by excluding the volume of sales of energy used in industrial activities listed in Annex 1 to the Climate Change Mitigation Act and by applying Items 1 and 2 of Paragraph (5) and Items 1 and 2 of Article 16 herein.

(4) The total cumulative target referred to in Paragraph (1) shall be split in the form of individual energy savings target among the following obligated parties:

1. end suppliers, suppliers of last resort, traders licensed for the business of trade in electricity, which sell more than 20 GWh of electricity annually to final customers;
2. heat transmission companies and heat power suppliers which sell more than 20 GWh of heat power annually to final customers;
3. natural gas end suppliers and traders which sell more than 1 million cubic metres annually to final customers;
4. traders of liquid fuels which sell more than 6,500 tonnes of liquid fuels annually to final customers, with the exception of fuels for transport purposes;
5. traders of solid fuels which sell more than 13,000 tonnes of solid fuels annually to final customers.

(5) In setting the total cumulative target under Paragraph (1), the following values may be used to carry out the calculation of energy savings amounting to:

1. 1 per cent annually for 2014 and 2015;
2. 1.25 per cent annually for 2016 and 2017;
3. 1.50 per cent annually for 2018, 2019 and 2020.

Article 15. (1) The individual energy savings targets shall constitute annual energy savings among final customers for the period from the 1st day of January 2014 until the 31st day of December 2020.

(2) The individual energy savings referred to in Paragraph (1) shall be set by allocating the average annual value of the total volume of energy sales to final customers within the territory of the country in 2010, 2011 and 2012 in proportion to the amount of energy sold by the obligated party concerned under Article 14 (4) herein to final customers during the previous year.

(3) The list of obligated parties under Article 14 (4) herein and the individual annual targets thereof shall be updated annually to take into account the change in the volume of sales by the obligated party concerned vis-a-vis the total volume of sales by all obligated parties for the previous year.

Article 16. Reporting the fulfilment of the individual annual targets, the obligated parties under Article 14 (4) herein may count, in addition to amounts of energy saved among final customers, amounts of energy saved resulting:

1. from measures newly implemented since the 31st day of December 2008 that continue to have an impact until the 31st day of December 2020;
2. from energy efficiency improvement measures in energy production, transmission and/or distribution;
3. obtained in the four previous or three following years.

Article 17. To fulfil the individual energy savings targets, the obligated parties under Article 14 (4) herein may benefit from a reduction of the individual annual target set thereto by 1 per cent upon submission of the information referred to in Article 63 (6) herein.

Article 18. (1) The methodologies for setting the national energy efficiency target, the setting of the total cumulative target, the setting up of an energy savings obligation scheme and the allocation of the individual energy savings targets to the obligated parties under Article 14 (4) herein shall be determined by an ordinance of the Council of Ministers.

(2) The eligible measures for obtaining energy savings in final consumption, the manner of proving the energy savings obtained, the requirements to the methodologies for evaluation of energy savings and the manner for confirming energy savings shall be determined by an ordinance of the Minister of Energy.

(3) The eligible energy efficiency improvement measures in energy production, transmission and/or distribution, the procedure and terms for assessment of the state, as well as the procedure and terms for the evaluation of energy savings obtained as a result of such measures, shall be determined by an ordinance of the Council of Ministers.

Article 19. (1) The list of obligated parties under Article 14 (4) herein and the individual energy savings targets set thereto shall be adopted by the Council of Ministers together with the National Energy Efficiency Action Plans.

(2) The list of obligated parties under Article 14 (4) herein and the individual energy savings targets thereof shall be updated by the annual reports on the implementation of the National Energy Efficiency Action Plans.

(3) On the Internet site thereof, the Agency shall maintain information on the current fulfilment of the individual energy savings targets.

Article 20. In fulfilling the individual energy savings targets, the obligated parties under Article 14 (4) herein shall be bound:

1. to implement energy efficiency improvement measures, as well as activities related to the implementation of the said measures;
2. to refrain from any actions that may impede the demand for and development of energy efficiency services and the implementation of other energy efficiency improvement activities and measures, including foreclosing the market for competitors or abusing dominant positions.

Article 21. In fulfilling the individual energy savings targets, the obligated parties under Article 14 (4) herein may:

1. offer competitively priced energy efficiency services through an energy efficiency service provider, and/or
2. make contributions to the Energy Efficiency and Renewable Sources Fund or to other financial intermediaries for financing energy efficiency activities and measures in the amount of the investments necessary to implement measures to reach the individual targets of the said obligated parties, set according to the methodology referred to in Item 11 of Article 7 (1), and/or
3. conclude agreements with energy efficiency service providers or other non-obligated parties on transfer of energy savings by means of transfer of energy savings certificates under Article 75 (3) herein.

Article 22. The evaluation of the energy saving effect of implemented energy efficiency improvement measures in order to prove the fulfilment of the individual energy savings measures by the obligated persons under Article 14 (4) herein shall follow the procedure established by Article 76 herein.

Article 23. (1) To help reach the national energy efficiency target, measures to enhance the energy performance of at least 5 per cent of the total floor area shall be taken annually in all heated and/or cooled State-owned buildings occupied by the State administration.

(2) The target referred to in Paragraph (1) shall be calculated on the total floor area of buildings with a total floor area over 500 square metres and, as of the 9th day of July 2015, over 250 square metres, that, on the 1st day of January of each year, do not meet the minimum energy performance requirements set by the ordinance referred to in Article 31 (4) herein.

(3) The requirements of Paragraph (1) shall not apply to:

1. buildings of cultural merit, included in the scope of the Cultural Heritage Act, in so far as compliance with certain minimum energy performance requirements would alter the architectural and/or artistic character of the building;
2. buildings owned by the armed forces or the administration and serving national defence purposes, apart from single living quarters or office buildings for the armed forces and other staff employed by national defence authorities.

(4) Measures to improve the energy performance of the buildings referred to in Paragraph (1) shall be applied in the

order of the prioritisation thereof on the list referred to in Item 4 of Article 27 (1) herein.

(5) Where an improvement of energy performance of more than 5 per cent of the total floor area of the heated and/or cooled State-owned buildings occupied by the State administration is achieved in a given year, the excess may be counted towards the annual improvement rate of any of the three previous or following years.

Section III

National Strategy, National Plans and Programmes

Article 24. The National Energy Efficiency Strategy of the Republic of Bulgaria shall define:

1. the priorities of the State energy efficiency policy;
2. the instruments for the fulfilment of the national target referred to in Article 13 (2) herein, including the mechanisms, incentives and the institutional, financial and legal framework for removing the existing market barriers and failures that impede efficiency in energy production, transmission, distribution and consumption;
3. the mechanisms to stimulate the development and encouragement of the energy efficiency services market;
4. the instruments to promote behavioural change in energy customers through information provision on the benefits of energy efficiency audit, the application of energy efficiency measures and the roll-out of intelligent metering systems.

Article 25. (1) The National Energy Efficiency Action Plan shall be developed according to a template adopted by the European Commission.

(2) The plans shall contain energy efficiency improvement measures and the expected or obtained energy savings, including measures in energy transmission and distribution, as well as in final energy consumption, with a view to reaching the national energy efficiency target set by the National Energy Efficiency Strategy of the Republic of Bulgaria.

(3) The plans may include measures to be implemented as a priority in households affected by energy poverty or in social housing.

(4) The plans shall be developed for a period of three years.

Article 26. The National Plan for Nearly Zero-Energy Buildings shall contain:

1. the national definition and the technical parameters of nearly zero-energy buildings, reflecting the national conditions;
2. the national targets for increasing the number of nearly zero-energy buildings depending on the classification of the types of buildings according to the ordinance referred to in Article 31 (4) herein;
3. policies and mechanisms, including those of a financial nature, to stimulate the construction of nearly zero-energy buildings;
4. the period of operation of the plan.

Article 27. (1) The national plan for improvement of the energy performance of heated and/or cooled State-owned buildings occupied by the State administration shall contain:

1. an overview of the national building stock;
2. defining cost-effective approaches to improving the energy performance of buildings, relevant to the building type and climatic zone;
3. policies and measures to stimulate cost-effective deep improvement of the energy performance of buildings, including staged renovations;
4. a prioritised list of the buildings that, on the 1st day of January of the relevant year, do not meet the minimum energy performance requirements set by the ordinance referred to in Article 31 (4) herein, giving the highest priority to the

buildings with the poorest energy performance against the minimum energy performance requirements;

5. the period of operation of the plan.

(2) The plan referred to in Paragraph (1) shall be submitted to the European Commission together with the National Energy Efficiency Action Plans.

Article 28. (1) The long-term national programme to encourage investments in implementing measures to enhance the energy performance of buildings of the public and private national residential and commercial building stock shall contain:

1. an overview of the national building stock based on statistical sampling;
2. defining cost-effective approaches to improving the energy performance of buildings, relevant to the building type and climatic zone;
3. policies and measures to stimulate cost-effective deep improvement of the energy performance of buildings, including staged renovations;
4. setting up a financial framework to guide investment decisions of investors, the construction industry and financial intermediaries;
5. a forecast of the expected energy saving.

(2) The programme referred to in Paragraph (1) shall be submitted to the European Commission together with the National Energy Efficiency Action Plans.

Chapter Three

ENERGY EFFICIENCY IMPROVEMENT ACTIVITIES AND MEASURES AND DELIVERY OF ENERGY EFFICIENCY SERVICES

Section I

Energy Efficiency Improvement Activities and Measures

Article 29. There shall be the following energy efficiency improvement activities:

1. reduction of energy expenditure in energy production, transmission and distribution, as well as in final energy consumption;
2. training and attainment of qualification in the field of energy efficiency of persons delivering energy efficiency services;
3. conformity assessment of development-project designs of buildings as regards energy efficient requirements;
4. energy efficiency audits and certification of buildings;
5. energy efficiency inspection of heating systems with hot-water boilers and air-conditioning systems in buildings;
6. energy efficiency audits of enterprises, industrial systems and outdoor lighting systems;
7. energy efficiency management;
8. delivery of energy efficiency services;
9. raising awareness among households.

Article 30. (1) Energy efficiency improvement measures shall be the actions that lead to verifiable, measurable or estimable energy efficiency improvement in final energy consumption, as well as in energy production, transmission and distribution.

(2) The eligible measures under Paragraph (1) shall be determined by the ordinances referred to in Article 18 (2) and (3) herein.

Section II

Audits and Certification of Buildings

Article 31. (1) Each investment project for the construction of a new building, redevelopment, deep renovation or major renovation, where more than 25 per cent of the surface of the building envelope undergoes renovation, or remodelling of an existing building, whereupon the energy performance of the building is changed, must conform to the energy efficiency requirements provided for in this Act and in the Spatial Development Act.

(2) The development-project designs for new buildings under Paragraph (1) must take into account the technical, environmental and economic feasibility of high-efficiency alternative installations and systems for the use of:

1. decentralized systems for energy production and use from renewable sources;
2. electricity and heat cogeneration installations;
3. district or block heating and cooling, as well as such that are based entirely or partially on energy from renewable sources;
4. heat pumps.

(3) The indicators of energy expenditure and the energy performance of buildings and the parameters of the scale of energy consumption classes for buildings varying in assigned use shall be determined by an ordinance issued by the Minister of Energy and the Minister of Regional Development and Public Works.

(4) The cost-optimal levels of minimum energy performance requirements for buildings or parts thereof, the energy efficiency technical requirements and indicators, as well as the method/standards for determining annual energy expenditure in buildings, including of nearly zero-energy buildings, shall be determined by an ordinance of the Minister of Regional Development and Public Works.

(5) The energy performance requirements shall be subject to mandatory periodic verification every five years and, where necessary, shall be updated in order to reflect technological advances in the buildings sector.

Article 32. (1) The energy performance of a new building before the commissioning thereof shall be certified by a design energy performance certificate.

(2) Where individual new building units have a different assigned use and constitute distinct thermal zones and the air-conditioned volume of each of the said zones is less than 90 per cent of the total air-conditioned volume of the building, a certificate under Paragraph (1) shall be issued separately for each zone according to a scale corresponding to the assigned use of the zone concerned.

(3) Where there is a thermal zone whereof the air-conditioned volume is equal to or greater than 90 per cent of the total air-conditioned volume of the building, the certificate under Paragraph (1) shall be issued for the entire building in accordance with the scale for the category of buildings to which the said zone belongs.

(4) The certificate referred to in Paragraph (1) shall be issued on the basis of the energy performance of the building according to the development-project design of the building (the executive documents) by the persons referred to in:

1. Article 43 (1) herein;
2. Article 43 (2) herein: only for Category Five buildings according to Item 5 of Article 137 (1) of the Spatial Development Act, with the exception of public-services buildings of this category.

(5) The provision of Paragraph (1) shall not apply to:

1. places of worship of the legally registered religious denominations in Bulgaria;
2. temporary buildings with a planned time of use not exceeding two years;
3. farm buildings of agricultural producers, used for agricultural activity;
4. manufacturing buildings and parts of buildings with a productive assigned use;
5. residential buildings which are used as such for either less than four months of the year or, alternatively, for a limited annual time of use and with an expected energy consumption of less than 25 per cent of what would be the result of all-year use;
6. buildings with a total floor area of less than 50 square metres.

Article 33. (1) The contracting authority, within the meaning given by Article 161 (1) of the Spatial Development Act, shall be bound to obtain a design energy performance certificate of the building prior to the commissioning thereof.

(2) The owners of stand-alone units in a building shall have the right to receive a copy of the original design energy performance certificate of the building. The original of the certificate shall be kept by a person authorized by the owners.

Article 34. (1) Upon the sale of a new building as a whole, the seller shall provide to the purchaser the original design energy performance certificate.

(2) Upon the sale of stand-alone units in a new building, the seller shall provide to the purchaser the original design energy performance certificate of the building.

(3) Upon the renting of a new building or of stand-alone units therein, the landlord shall provide to the tenant a copy of the design energy performance certificate of the building.

(4) Where a new building for which a design energy performance certificate has been issued or a stand-alone unit therein is announced for sale or rent, the parameter "specific annual expenditure of primary energy" in kWh/m², stated in the certificate, shall be noted in all announcements.

Article 35. The terms and procedure for issuing a design energy performance certificate shall be set forth in the ordinance referred to in Article 48.

Article 36. (1) The energy performance of buildings in use shall be established by an energy efficiency audit.

(2) The purpose of an energy efficiency audit of buildings in use shall be to determine the level of energy consumption, to identify the specific opportunities for reducing the said consumption, and to recommend energy efficiency improvement measures.

(3) The audit shall be completed with a report and with the issuing of an energy performance certificate of the building. The report and the certificate shall be drawn up under the terms and according to the procedure established by the ordinance referred to in Article 48 herein.

Article 37. (1) The purpose of energy efficiency certification of buildings in use and of parts of buildings in use shall be to certify the current state of energy consumption in the buildings, the energy performance and the conformity thereof with the scale of energy consumption classes as defined in the ordinance referred to in Article 31 (3) herein.

(2) Energy efficiency certification of buildings in use and of parts of buildings in use shall be performed on the basis of an energy efficiency audit.

(3) Where individual new building units have a different assigned use and constitute distinct thermal zones and the air-conditioned volume of each of the said zones is less than 90 per cent of the total air-conditioned volume of the building, a certificate under Article 36 (3) herein shall be issued separately for each zone according to a scale corresponding to the assigned use of the zone concerned.

(4) Where there is a thermal zone whereof the air-conditioned volume is equal to or greater than 90 per cent of the total air-conditioned volume of the building, the certificate under Article 36 (3) shall be issued for the entire building in

accordance with the scale for the category of buildings to which the said zone belongs.

Article 38. (1) Any building in use may be audited and certified, with the exception of:

1. places of worship of the legally registered religious denominations in Bulgaria;
2. temporary buildings with a planned time of use not exceeding two years;
3. farm buildings of agricultural producers, used for agricultural activity;
4. manufacturing buildings and parts of buildings with a productive assigned use;
5. residential buildings which are used as such for either less than four months of the year or, alternatively, for a limited annual time of use and with an expected energy consumption of less than 25 per cent of what would be the result of all-year use;
6. buildings with a total floor area of less than 50 square metres.

(2) Buildings of cultural merit, included in the scope of the Cultural Heritage Act, may be audited for energy efficiency and may be certified in so far as compliance with certain minimum energy performance requirements would not alter the architectural and/or artistic character of the building.

(3) All public-services buildings in use with a total floor area over 500 square metres and, as of the 9th day of July 2015, over 250 square metres, shall be subject to mandatory audit and certification with the exception of the buildings covered under Paragraph (2).

(4) The owners of any buildings referred to in Paragraph (3) shall be bound to implement the measures prescribed by the first audit for achieving the minimum required energy consumption class within three years from the date of acceptance of the results of the audit.

(5) The owners of public-services buildings with a total floor area over 500 square metres and, as of the 9th day of July 2015, over 250 square metres, for which an energy performance certificate has been issued, shall be bound to clearly display the certificate in the building.

Article 39. (1) Pending the issuing of an energy efficiency certificate of a building in use, the energy performance shall be certified by the design energy performance certificate of the building.

(2) The owners of public-services buildings within the territory shall be bound to obtain an energy performance certificate of the building according to the procedure established by this Act not earlier than three and not later than six years from the date of commissioning of the said building.

(3) The energy performance certificate of a building in use shall be updated upon the performance of activities leading to a change in the energy performance of the building: redevelopments, deep renovation or major renovation, extending to more than 25 per cent of the area of the building envelope, and remodellings of existing buildings.

Article 40. (1) The energy efficiency improvement measures, which are recommended upon each redevelopment, deep renovation or major renovation of a building or of part of a building in use, shall be assessed as to the technical and economic appropriateness for use of alternative installations and systems referred to in Article 31 (2) herein.

(2) Energy performance must conform to the minimum regulatory requirements defined in the ordinance referred to in Article 31 (4) herein, after the execution of a redevelopment, deep renovation or major renovation that lead to a change in the energy performance of the building.

Article 41. (1) Upon the sale of a building under Article 38 (3) herein, the seller shall provide to the purchaser the energy performance certificate of the building, and upon the sale of a self-contained unit in a building, the seller shall provide to the purchaser a certified copy of the energy performance certificate of the building.

(2) Upon the renting of a building under Article 38 (3) herein or of a stand-alone unit in a building, the landlord shall provide to the tenant a copy of the energy performance certificate of the building.

(3) Where a building in use for which an energy performance certificate has been issued or a stand-alone unit therein is announced for sale or rent, the parameter "specific annual expenditure of primary energy" in kWh/m², stated in the

certificate, shall be noted in all announcements.

Article 42. The persons performing an audit and certification of buildings shall issue an energy performance certificate of the building, which shall be accompanied by a declaration on non-existence of the circumstances referred to in Article 43 (4) herein.

Article 43. (1) Energy efficiency audits, certification of buildings, preparing an assessment of conformity of development-project designs and preparing energy savings evaluations shall be performed by persons entered in the register referred to in Article 44 (1) herein, who or which:

1. are merchants within the meaning given by the Commerce Act or under the legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation;

2. have at their disposal the requisite technical devices, specified in the ordinance referred to in Article 44 (9) herein;

3. have at their disposal the requisite staff: energy efficiency consultants who meet the requirements of the ordinance referred to in Article 44 (9) herein and:

(a) have completed higher education in the field of technical sciences in a professional field and specialties according to the requirements of the ordinance referred to in Article 44 (9) herein, which is recognized in the Republic of Bulgaria or in another Member State of the European Union, or in another State which is a Contracting Party to the Agreement on the European Economic Area, or in the Swiss Confederation, or have completed secondary technical education;

(b) have acquired a length of service in a relevant position of not less than two years for holders of an educational qualification degree of Master, not less than three years for holders of an educational qualification degree of Bachelor, and not less than six years for persons who have completed secondary technical education;

(c) hold a certificate on a successfully passed examination for the attainment of the qualification necessary to perform the activities under this Paragraph at higher technical schools specialized in the professional fields of Energy, Electrical Engineering, and Architecture, Civil Engineering and Geodesy, accredited according to the procedure established by the Higher Education Act or according to the procedure of the relevant legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation.

(2) Energy efficiency audits, certification of buildings, preparing an assessment of conformity of development-project designs and preparing energy savings evaluations for Category Five buildings according to Item 5 of Article 137 (1) of the Spatial Development Act, with the exception of public-services buildings of this category, may also be persons entered in the register referred to in Article 44 (1) herein, who:

1. are natural-person energy efficiency consultants who meet the requirements of the ordinance referred to in Article 44 (9) herein;

2. have at their disposal the requisite technical devices, specified in the ordinance referred to in Article 44 (9) herein;

3. have completed higher education in the field of technical sciences in a professional field and specialties according to the requirements of the ordinance referred to in Article 44 (9) herein, which is recognized in the Republic of Bulgaria or in another Member State of the European Union, or in another State which is a Contracting Party to the Agreement on the European Economic Area, or in the Swiss Confederation, or have completed secondary technical education;

4. have acquired a length of service in a relevant position of not less than two years for holders of an educational qualification degree of Master, not less than three years for holders of an educational qualification degree of Bachelor, and not less than six years for persons who have completed secondary technical education;

5. hold a certificate on a successfully passed examination for the attainment of the qualification necessary to perform the activities under this Paragraph at higher technical schools specialized in the professional fields of Energy, Electrical Engineering, and Architecture, Civil Engineering and Geodesy, accredited according to the procedure established by the Higher Education Act or according to the procedure of the relevant legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation.

(3) Energy efficiency consultants shall attain qualification at two levels:

1. level 1: competent to perform the activities under Paragraph (1) for buildings of all categories according to Article 137 (1) of the Spatial Development Act and the nomenclature of the types of construction works by individual category, established by the ordinance referred to in Article 137 (2) of the Spatial Development Act;

2. level 2: competent to perform the activities under Paragraph (1) for Category Five buildings according to Item 5 of Article 137 (1) of the Spatial Development Act and the nomenclature of the types of construction works by individual category, established by the ordinance referred to in Article 137 (2) of the Spatial Development Act, excluding public-services buildings of the same category.

(4) The persons referred to in Paragraph (1), including the staff hired thereby, and the persons referred to in Paragraph (2), shall not have the right to perform energy efficiency audits and certification and/or energy efficiency conformity assessment of the designs of a building where the said persons are:

1. designers of the building;

2. developers and/or suppliers of machines, facilities and technological equipment of the building;

3. participants in the operation of the building;

4. participants in the implementation of energy saving measures in the building.

(5) The energy efficiency consultants referred to in Item 3 of Paragraph (1) may participate in the teams of not more than two persons under Item 1 of Paragraph (1) and under Item 1 of Article 59 (1) herein.

(6) The energy efficiency consultants, who have performed an energy efficiency audit of a building, may not perform an energy efficiency audit before the implementation of the energy savings measures prescribed in the audit to prove the implementation of the measures prescribed, as well as an evaluation to prove the levels of energy savings obtained as a result of the implementation of the said measures.

(7) A declaration on non-existence of the circumstances referred to in Paragraphs (4) and (6) shall be attached to the audit report.

Article 44. (1) The Agency shall enter the persons referred to in Article 43 (1) and (2) herein in a public register upon a request in writing therefrom.

(2) The following documents shall be attached to the request in writing referred to in Paragraph (1):

1. applicable to the persons referred to in Article 43 (1) herein: documents certifying the circumstances referred to in Items 1 to 3 of Article 43 (1) herein;

2. applicable to the persons referred to in Article 43 (2) herein:

(a) documents certifying the circumstances referred to in Items 3 to 5 of Article 43 (2) herein;

(b) a declaration referred to in Item 2 of Article 43 (2) herein.

(3) The Agency shall issue certificates to the persons entered in the register in consideration of payment of a fee fixed by the rate schedule referred to in Article 75 (1) herein.

(4) The Agency shall refuse to enter in the register any persons who or which do not meet the requirements covered under Article 43 (1) or (2) herein.

(5) The certificate of entry into the register or the reasoned refusal of entry in writing shall be issued by the Executive Director of the Agency under the terms and within the time limits provided for in the Administrative Procedure Code.

(6) The term of validity of the certificate of entry into the register shall be five years.

(7) After the expiry of the term of validity of the certificate of entry into the register, a new certificate of entry shall be issued after presentation of a declaration to the effect that the circumstances referred to in Paragraph (2) have not changed or of the relevant documents upon a change in the circumstances referred to in Paragraph (2).

(8) A refusal of entry into the register shall be appealable according to the procedure established by the Administrative Procedure Code.

(9) The circumstances subject to entry, covered under Article 43 herein, the procedure for entry into the register and for obtaining information, as well as the terms and procedure for the attainment of qualification under Item 3 (c) of Article 34

(1) and Item 5 of Article 43 (2) herein, shall be determined by an ordinance issued by the Minister of Energy and the Minister of Regional Development and Public Works.

Article 45. The Agency shall strike from the register the persons who or which have received certificates entitling them to perform energy efficiency audits where:

1. they cease to fulfil any of the conditions referred to in Article 43 (1) or (2) herein;
2. have submitted an untrue declaration under Item 2 (b) of Article 44 (2) herein;
3. have breached the requirements of Article 43 (4), (5) or (6) herein;
4. have committed systematic violations under this Act, ascertained by enforceable penalty decrees;
5. have been adjudicated in bankruptcy or wound up.

Article 46. (1) Annually, not later than the 31st day of January of the current calendar year, the persons referred to in Article 43 (1) and (2) shall submit to the Agency a list of the buildings for which they performed activities under Article 43 (1) and/or (2) herein during the previous year.

(2) The list referred to in Paragraph (1) shall be compiled according to a template endorsed by the Executive Director of the Agency and shall be submitted on a paper-based and electronic data medium.

Article 47. (1) An energy performance certificate of a building in use shall have a term of validity not exceeding ten years.

(2) After the expiry of the term of validity referred to in Paragraph (1), the owner of the building shall be obligated to obtain an up-to-date energy performance certificate of the building according to the procedure established by this Act.

(3) The term of validity referred to in Paragraph (1) shall begin to run as from the issuing date of the certificate, and in the cases referred to in Items 18 and 19 of Article 24 of the Local Taxes and Fees Act, as from the beginning of the year following the year when the certificate was issued.

Article 48. The terms and procedure for performing an energy efficiency audit and certification of building, of parts of buildings, as well as the terms and procedure for preparing an energy savings evaluation, shall be established by an ordinance issued by the Minister of Energy and the Minister of Regional Development and Public Works.

Section III

Energy Efficiency Inspection of Heating Systems with Hot-Water Boilers and Air-Conditioning Systems in Buildings

Article 49. The purpose of energy efficiency inspection of heating systems with hot-water boilers and air-conditioning systems in buildings shall be to establish the level of efficiency in the operation thereof and to identify measures for improvement of the said efficiency.

Article 50. (1) Systems used for heating buildings with hot-water boilers of an effective rated output for space heating purposes of more than 20 kW shall be subject to inspection according to the procedure established by this Act.

(2) Depending on the installed capacity and the type of energy used, the heating systems with hot-water boilers shall be subject to mandatory periodic energy efficiency inspection:

1. every eight years: for heating systems with hot-water boilers fired by liquid or solid fuel of a single rated output of 20 kW to 50 kW inclusive and by natural gas of a single rated output of more than 100 kW inclusive;
2. every four years: for heating systems with hot-water boilers fired by liquid or solid fuel of a single rated output of 50

to 100 kW inclusive;

3. every three years: for heating systems with hot-water boilers fired by liquid or solid fuel of a single rated output of more than 100 kW inclusive.

(3) The inspection under Paragraph (2) shall include an assessment of:

1. the condition and functioning of the accessible parts of building heating systems, including the hot-water boilers, the heat supply control systems and the circulation pumps;

2. the efficiency of hot-water boilers: only for hot-water boilers of a single rated output of more than 50 kW;

3. the sizing of the hot-water boilers compared with the heating requirements of the building.

(4) The assessment referred to in Item 3 of Paragraph (3) shall not be carried out as long as no changes were made to the heating system or as regards the heating requirements of the building in the period between two inspections.

(5) The inspection of heating systems with hot-water boilers shall be performed during the heating period while the heating systems with hot-water boilers are in operation.

(6) The first inspection of hot-water boilers installed in new buildings shall be performed within the scope of the energy efficiency audit of the building after the commissioning thereof.

Article 51. (1) Air-conditioning systems in buildings of a rated output of more than 12 kW shall be subject to inspection according to the procedure established by this Act.

(2) Air-conditioning systems shall be subject to mandatory periodic energy efficiency inspection every four years, which shall include an assessment of:

1. the condition and functioning of the accessible parts of the air-conditioning system;

2. the efficiency of the air-conditioning system;

3. sizing of the air-conditioning system compared to the cooling requirements of the building.

(3) The assessment referred to in Item 3 of Paragraph (2) shall not be carried out as long as no changes were made to the system or as regards the cooling requirements of the building in the period between two inspections.

Article 52. (1) The Agency shall build and maintain a database on the condition of:

1. the heating systems with hot-water boilers referred to in Article 50 (1) herein;

2. the air-conditioning systems referred to in Article 51 (1) herein.

(2) Within six months from the commissioning date of the facilities referred to in Paragraph (1), the owners thereof shall submit to the Agency a declaration completed according to a template endorsed by the Executive Director of the Agency.

(3) The information referred to in Paragraph (2) shall serve to build and maintain the database referred to in Paragraph (1).

Article 53. (1) For heating systems with hot-water boilers which have been in operation for more than 15 years, the energy efficiency inspection shall include recommendations to the owner to improve the efficiency, to replace the boilers, to make changes in the heating system, other modifications to the heating system and/or other alternative solutions.

(2) The inspection referred to in Paragraph (1) shall be performed on a single occasion.

Article 54. (1) The energy efficiency inspection of heating systems with hot-water boilers under Article 50 (1) herein and of air-conditioning systems under Article 51 (1) herein shall be performed by the persons referred to in Article 43 (1) and (2) and/or Article 59 (1) herein.

(2) The inspection referred to in Paragraph (1) shall be completed by a report, which shall be drawn up under the terms and according to the procedure established by the ordinance referred to in Article 56 herein.

(3) The report referred to in Paragraph (2) shall be provided to the owner or to the tenant of the building or to a person authorized by the owners of the building.

Article 55. (1) Annually, not later than the 31st day January of the current calendar year, the persons referred to in Article 43 (1) and (2) and Article 59 (1) herein shall submit to the Agency a list of the heating systems with hot-water boilers and of the air-conditioning systems of which they performed inspections during the previous year.

(2) The list referred to in Paragraph (1) shall be compiled according to a template endorsed by the Executive Director of the Agency and shall be submitted on a paper-based and electronic data medium.

Article 56. The terms and procedure for performing the energy efficiency inspection of heating systems with hot-water boilers under Article 50 (1) herein and of air-conditioning systems under Article 51 (1) herein, the terms and procedure for preparing an energy savings evaluation, as well as the terms and procedure for the building, maintenance and use of the database referred to in Article 52 herein, shall be established by an ordinance issued by the Minister of Energy and the Minister of Regional Development and Public Works.

Section IV

Energy Efficiency Audits of Enterprises, Industrial Systems and Outdoor Lighting Systems

Article 57. (1) The purpose of an energy efficiency audit of enterprises, industrial systems and outdoor lighting systems shall be to identify the specific opportunities for reducing energy consumption and to recommend energy efficiency improvement measures.

(2) All of the following shall be subject to mandatory energy efficiency audit:

1. enterprises in the production sector that are not small and medium-sized enterprises within the meaning given by Article 3 of the Small and Medium-Sized Enterprises Act;
2. enterprises in the services sector that are not small and medium-sized enterprises within the meaning given by Article 3 of the Small and Medium-Sized Enterprises Act;
3. industrial systems with annual energy consumption exceeding 3,000 MWh;
4. outdoor lighting systems, located in a nucleated settlement with population exceeding 20,000 residents.

(3) The audit referred to in Paragraph (1) shall be performed at least every four years.

(4) A new audit under Paragraph (1) shall mandatorily be performed of:

1. industrial systems: one year after making major changes to the technological equipment or production systems, fuel switching and a change to the energy conversion method;
2. outdoor lighting systems: one year after changes made to the installation (replacement of illuminants, a change to the lighting schemes and/or the power supply schemes), or where the requirements to the luminance of the illuminated target have been changed.

(5) Annually, not later than the 31st day of January, the owners of enterprises, industrial systems and outdoor lighting systems which are subject to mandatory audit under Paragraph (2), shall submit to the agency a declaration according to a template determined in the ordinance referred to in Paragraph (6).

(6) The indicators of energy expenditure, the energy performance of enterprises, industrial systems and outdoor lighting systems, as well as the terms and procedure for performing an energy efficiency audit and preparing an energy savings evaluation, shall be determined by an ordinance issued by the Minister of Energy and the Minister of Regional Development and Public Works.

(7) The enterprises referred to in Items 1 and 2 of Paragraph (2) and the owners of industrial systems referred to in Item 3 of Paragraph (2), which and who implement an energy or an environmental management system subject to certification by

an independent body for conformity to European or International Standards, shall be exempted from the requirements for mandatory energy efficiency audit, provided that the management system implemented thereby includes an energy audit of the enterprise or industrial system concerned.

Article 58. (1) Annually, not later than the 31st day January of the current calendar year, the persons referred to in Article 59 (1) herein shall submit to the Agency a list of the enterprises, industrial systems and outdoor lighting systems of which they performed an audit during the previous year.

(2) The list referred to in Paragraph (1) shall be compiled according to a template endorsed by the Executive Director of the Agency and shall be submitted on a paper-based and electronic data medium.

Article 59. (1) The audit under Article 57 (1) herein and the preparing of energy savings evaluations shall be performed by persons entered in the register referred to in Article 60 (1) herein, who or which:

1. are merchants within the meaning given by the Commerce Act or under the legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation;

2. have at their disposal the requisite technical devices, specified in the ordinance referred to in Article 44 (9) herein;

3. have at their disposal the requisite staff: energy efficiency consultants who meet the requirements of the ordinance referred to in Article 44 (9) herein and:

(a) have completed higher education in the field of technical sciences in a professional field and specialties according to the requirements of the ordinance referred to in Article 44 (9) herein, which is recognized in the Republic of Bulgaria or in another Member State of the European Union, or in another State which is a Contracting Party to the Agreement on the European Economic Area, or in the Swiss Confederation, or have completed secondary technical education;

(b) have acquired a length of service in a relevant position of not less than two years for holders of an educational qualification degree of Master, not less than three years for holders of an educational qualification degree of Bachelor, and not less than six years for persons who have completed secondary technical education;

(c) hold a certificate on a successfully passed examination for the attainment of the qualification necessary to perform energy efficiency audits of industrial systems at higher technical schools specialized in the professional fields of Energy, Electrical Engineering, and Architecture, Civil Engineering and Geodesy, accredited according to the procedure established by the Higher Education Act or according to the procedure of the relevant legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation.

(2) The persons referred to in Paragraph (1), including the staff hired thereby, shall not have the right to perform an energy efficiency audit of the industrial system where the said persons are:

1. designers of the industrial system;

2. participants in the building and/or operation of the industrial system;

3. participants in the implementation of energy saving measures in the industrial system.

(3) The energy efficiency consultants referred to in Item 3 of Paragraph (1) may participate in the teams of not more than two persons under Item 1 of Paragraph (1) and under Item 1 of Article 43 (1) herein.

(4) The persons referred to in Paragraph (1), who have performed an energy efficiency audit of an industrial system, may not perform an energy efficiency audit before the implementation of the energy savings measures prescribed in the audit to prove the implementation of the measures prescribed, as well as an evaluation to prove the levels of energy savings obtained as a result of the implementation of the said measures.

Article 60. (1) The Agency shall enter the persons referred to in Article 59 (1) herein in a public register upon a request in writing therefrom.

(2) Documents certifying the circumstances referred to in Items 1 to 3 of Article 59 (1) herein shall be attached to the request in writing referred to in Paragraph (1).

- (3) The Agency shall issue certificates to the persons entered in the register in consideration of payment of a fee fixed by the rate schedule referred to in Article 75 (1) herein.
- (4) The Agency shall refuse to enter in the register any persons who or which do not meet the requirements covered under Article 59 (1) herein.
- (5) The certificate of entry into the register or the reasoned refusal of entry in writing shall be issued by the Executive Director of the Agency under the terms and within the time limits provided for in the Administrative Procedure Code.
- (6) The term of validity of the certificate of entry into the register shall be five years.
- (7) After the expiry of the term of validity of the certificate of entry into the register, a new certificate of entry shall be issued after presentation of a declaration to the effect that the circumstances referred to in Paragraph (2) have not changed or of the relevant documents upon a change in the circumstances referred to in Paragraph (2).
- (8) A refusal of entry into the register shall be appealable according to the procedure established by the Administrative Procedure Code.

Article 61. The Agency shall strike from the register the persons who or which have received certificates entitling them to perform energy efficiency audits where:

1. they cease to fulfil any of the conditions referred to in Article 59 (1) herein;
2. have breached the requirements of Article 59 (2), (3) or (4) herein;
3. have committed systematic violations under this Act, ascertained by enforceable penalty decrees;
4. have been adjudicated in bankruptcy or wound up.

Article 62. The audit shall be completed by a report, which shall be drawn up under the terms and according to the procedure established by the ordinance referred to in Article 57 (6) herein and shall be accompanied by a declaration on non-existence of the circumstances referred to in Article 59 (2) herein.

Section V

Energy Demand Management

Article 63. (1) The obligated parties under Article 14 (4) herein, the owners of buildings referred to in Article 38 (1) herein, the owners of enterprises, industrial systems and outdoor lighting systems referred to in Article 57 (2) shall be bound to implement energy efficiency management.

(2) Energy efficiency management shall be implemented by means of:

1. organizing the implementation of the programmes referred to in Article 12 (2) herein, as well as of other measures leading to fulfilment of the individual energy savings targets;
2. maintaining databases on the monthly production/demand by types of energy and customers, including dates, prices, amount and quality of the energy and fuels supplied/sold;
3. preparing annually energy demand analyses;
4. evaluating the fulfilment of the individual energy savings targets set thereto.

(3) The obligated parties under Article 14 (4) herein shall prepare monthly and annual energy balances, including the energy purchased and sold.

(4) The persons referred to in Paragraph (1) shall submit annual reports on energy efficiency management to the Agency.

(5) The reports referred to in Paragraph (4) shall contain information on fulfilment of the requirements of Paragraph (2) and shall be submitted to the Agency not later than the 1st day of March of the year following the reporting year.

(6) Annually, not later than the 1st day of March, the obligated parties under Article 14 (4) herein shall provide to the mayor of the municipality concerned information on the amount of energy sold to final customers within the territory of the municipality for the previous year.

(7) The reports referred to in Paragraph (4) of the State bodies and the municipality mayors shall be submitted to the Agency together with the reports referred to in Article 12 (5) herein.

(8) The reports referred to in Paragraph (4) shall be prepared according to a template endorsed by the Executive Director of the Agency.

Article 64. For energy efficiency management in State- or municipal-owned buildings, expert councils may be established with the regional and municipal administrations to assist the activity of regional governors and municipality mayors.

Section VI

Delivery of Energy Efficiency Services

Article 65. The purpose of energy efficiency services shall be to combine the supply of energy with an energy efficient technology and/or an action encompassing the operation, maintenance and management necessary for the delivery of the service, and leading to verifiable, measurable or estimable energy efficiency improvement and/or saving primary energy resources.

Article 66. (1) Energy efficiency services shall be implemented on the basis of written contracts concluded with final customers.

(2) Energy efficiency services shall include the implementation of one or more energy efficiency improvement activities and measures specified in the ordinance referred to in Article 18 (2) herein.

(3) To ensure traceability of the energy costs and the levels of energy savings obtained as a result of the implementation of energy efficiency services, the persons under Article 14 (4) herein shall make available the following information to final customers with the bills:

1. the current actual prices and the energy actually consumed;
2. the energy consumption broken down by month for the past one-year period, compared to the energy consumption broken down by month for the previous one-year period;
3. contact information for consumer organizations, energy agencies or similar bodies, including website addresses, from which information may be obtained on available energy efficiency improvement measures.

Article 67. (1) Energy efficiency services may be implemented by natural or legal persons who or which are merchants within the meaning given by the Commerce Act or within the meaning given by the legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation.

(2) The obligated parties under Article 14 (4) herein shall provide energy efficiency services or shall make contributions to the Energy Efficiency and Renewable Sources Fund or to other financial intermediaries.

(3) Where the scope of energy efficiency services under Article 66 (2) herein includes the implementation of activities under Article 36 (2) and Article 57 (1) herein, the persons referred to in Paragraphs (1) and (2):

1. shall implement the activities themselves, in case they meet the requirements of Article 43 (1) or (2) or Article 59 (1) herein;
2. shall assign the implementation of the activities to persons who meet the requirements of Article 43 (1) or (2), or Article 59 (1) herein.

(4) The obligated parties under Article 14 (4) herein, jointly with the owners of commercial metering devices of the

energy supplied to final customers may provide, as a competitively priced energy service for the purpose of ensuring traceability of energy costs by final customers, replacement of the existing commercial metering devices by intelligent measurement and control systems or other technical solutions visualizing:

1. the current energy consumption;
2. the previous current bill;
3. the momentary energy load;
4. other necessary information.

(5) The energy efficiency improvement achieved and the degree of compliance with other requirements envisaged in the contract for delivery of the energy service shall be taken into account when determining the value of the energy efficiency services delivered.

(6) The obligated parties under Article 14 (4) herein, jointly with the owners of the commercial metering devices for metering the energy supplied to final customers, shall be bound:

1. to give appropriate advice and information to customers at the time of installation of intelligent metering systems about their full potential with regard to meter reading management and the monitoring of energy consumption;
2. to ensure the security of the intelligent metering systems and data communication;
3. in the process of data communication, to ensure the privacy of final customers in compliance with personal data protection and privacy legislation.

Section VII

Availability and Accessibility of Information

Article 68. (1) A national information system on the state of energy efficiency in the Republic of Bulgaria shall be established and maintained for the purpose of ensuring accessibility and availability of the information collected under the terms and according to the procedure established by this Act.

(2) For the purpose of ensuring accessibility, information on the following shall be provided through the system referred to in Paragraph (1):

1. the national energy efficiency target;
2. the implementation of activities and measures envisaged in the National Energy Efficiency Action Plans referred to in Item 1 of Article 5 (3) herein;
3. the annual energy savings obtained;
4. the state of energy efficiency: at the national level and by sector;
5. the instruments referred to in Article 4 and Items 1 to 5 of Article 5 (3) herein;
6. the programmes referred to in Article 12 (2) herein and the financial resources for implementing the said programmes, provided for under Article 12 (4) herein;
7. the reports referred to in Article 63 (4) herein;
8. the good practices in the field of energy efficiency;
9. the persons entered in the registers referred to in Article 44 (1) and Article 60 (1) herein;
10. the financial instruments and mechanisms to encourage projects for delivery of energy efficiency services;
11. the possibilities for participation of financial intermediaries in financing energy efficiency improvement measures.

(3) For the purpose of ensuring availability, information on the following shall be collected through the system referred to in Paragraph (1):

1. the fulfilment of the individual energy savings targets;
2. the energy sales made by the obligated parties under Article 14 (4) herein to final customers during the previous calendar year;
3. the quantities of finished output and/or services rendered and value added during the previous year and the energy used for this;
4. the energy efficiency activities and measures implemented;
5. the buildings subject to mandatory certification under Article 38 (1) herein;
6. the heating systems with hot-water boilers and the air-conditioning systems under Article 50 (1) and Article 51 (1) herein;
7. the enterprises, industrial systems and outdoor lighting systems subject to mandatory audit under Article 57 (2) herein;
8. projects implemented to reach the individual energy savings targets, financed by the Energy Efficiency and Renewable Sources Fund or by other financial intermediaries;
9. other activities related to the implementation of this Act.

Article 69. (1) The information covered under Article 68 (2) and (3) herein shall be provided by:

1. the obligated parties under Article 14 (4) herein;
 2. the owners of buildings referred to in Article 38 (1) herein;
 3. the owners of heating systems with hot-water boilers and air-conditioning systems referred to, respectively, in Article 50 (1) and in Article 51 (1) herein;
 4. the owners of enterprises, industrial systems and outdoor lighting systems referred to in Article 57 (2) herein;
 5. the Executive Director of the Energy Efficiency and Renewable Sources Fund, as well as the financial intermediaries;
 6. other persons delivering energy efficiency services.
- (2) The information referred to in Article 68 (2) and (3) herein shall be provided to the Agency not later than the 1st day of March of the year following the year of implementation of the activities and measures concerned.
- (3) The Agency shall guarantee the integrity and confidentiality of private and/or commercially sensitive information in compliance with European Union law.
- (4) Where the information provided is categorized as classified, all actions related to the processing and storage of the said information, as well as the granting of access to the said information, shall comply with the Classified Information Protection Act.

Article 70. The content, structure, terms and procedure for the collection and provision of information under Article 68 (2) and (3) shall be determined by an ordinance of the Minister of Energy.

Chapter Four

ENERGY EFFICIENCY PROMOTION SCHEMES

Section I

Types of Schemes

Article 71. (1) Schemes and mechanisms such as the following may be applied to encourage energy efficiency:

1. energy performance contracts;
2. energy savings certificates;
3. financing from the Energy Efficiency and Renewable Sources Fund or from other financial intermediaries;
4. other national or European support schemes and mechanisms.

(2) The energy efficiency promotion schemes and mechanisms introduced according to the procedure established by this Act shall be developed and applied in compliance with State aid requirements.

(3) Upon the development of schemes to encourage cogeneration, support shall be provided to high-efficiency cogeneration of electricity, the effective use of waste heat to achieve primary energy savings and the possibility to reduce technological losses in heat production and transmission and subject to the specificities of high-efficiency cogeneration.

Section II

Energy Performance Contracts

Article 72. (1) Energy performance contracts (ESCO contracts) shall have as a subject matter the implementation of energy efficiency improvement measures in buildings, enterprises, industrial systems and outdoor lighting systems, with the investments made being recouped and the remuneration due to the contractor being paid for from the energy savings obtained.

(2) Final customers may be clients under the contracts referred to in Paragraph (1), and energy efficiency service providers may be contractors. The contractors shall be persons who or which are merchants within the meaning given by the Commerce Act or within the meaning given by the legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation, having objects including the implementation of services under energy performance contracts.

(3) The contractors under contracts referred to in Paragraph (1) may not implement any activities under Articles 36 and 37 herein for the building or under Article 57 (1) herein for the enterprise, industrial system or outdoor lighting system subject to the contract.

Article 73. (1) An energy performance contract shall be concluded after an energy efficiency audit has been performed and an energy performance certificate certifying the current state of energy consumption in the building has been issued, or after an energy efficiency audit of the enterprise, industrial system or outdoor lighting system subject to the contract has been performed.

(2) The client under an ESCO contract shall provide the contractor under the contract with a summary of the report on the energy efficiency audit performed of the building, enterprise, industrial system or outdoor lighting system.

(3) Energy efficiency contracts shall be concluded in writing and shall contain at least:

1. the normalized energy consumption established by an energy efficiency audit;
2. a list of the efficiency measures that will be implemented, including the steps to be performed to implement the measures and, where relevant, associated costs;
3. the guaranteed energy savings, the procedure and time limits for establishing the said savings after implementing the measures under the contract, as well as provisions on measurement and confirmation of the energy savings achieved, quality checks and guarantees;
4. obligation to fully implement the measures in the contract and documentation of all changes made during the project;
5. display of financial implications of the project and distribution of the share of both parties in the monetary savings achieved;
6. method of financing;

7. method of payment of the remuneration;

8. other clauses, including provisions related to changing framework conditions that affect the content and the outcome of the contract, inclusion of equivalent requirements in any subcontracting with third parties, as well as detailed information on the obligations of each contracting party and the penalties for their breach.

(4) The contractors referred to in Article 72 (2) herein shall ensure the implementation of the service, in whole or in part, on their own financial resources and/or shall undertake to procure the financing thereof from a third party.

(5) The contractors referred to in Article 72 (2) herein shall incur the financial risk, as well as the technical and commercial risk associated with the implementation of the energy efficiency improvement activities and measures and for achieving the outcome guaranteed by the contract.

(6) Services under ESCO contracts shall ensure the achievement of the standardized energy consumption class of the building subject to the contract.

(7) For State- and/or municipal-owned buildings which are a subject matter of a contract referred to in Article 72 (1) herein, financial resources which, for the period of implementation of the contract, correspond to the normalized energy consumption of these buildings, shall be planned and allocated on the budgets of the State bodies and municipalities.

(8) The terms and procedure for determining the amount of financial resources planned under Paragraph (7), as well as the terms and procedure for paying the said resources, shall be established by an ordinance issued by the Minister of Energy and the Minister of Finance.

Section III

Energy Savings Certificates

Article 74. The purpose of energy savings certificates shall be to prove the contribution of the holder thereof to the implementation of energy efficiency improvement measures.

Article 75. (1) Energy savings certificates shall be issued by the Executive Director of the Agency in consideration of payment of a fee fixed by a rate schedule adopted by the Council of Ministers.

(2) The energy savings certificates, issued to the obligated parties under Article 14 (4) herein, shall be used to confirm the fulfilment of the individual energy savings targets set thereto.

(3) For the purposes of fulfilment of individual energy savings targets, energy savings certificates may be transferred by:

1. an obligated party to another obligated party under Article 14 (4) herein, where the former obligated party has overfulfilled the individual energy savings target set thereto;
2. a non-obligated party to an obligated party under Article 14 (4) herein.

Article 76. (1) The energy savings obtained shall be proved not earlier than one year after the introduction of the energy efficiency improvement measures among final customers by means of:

1. an energy efficiency audit of buildings, enterprises, industrial systems or outdoor lighting systems, inspection of heating systems with hot-water boilers and air-conditioning systems, or
2. applying the methodologies developed according to the requirements established by the ordinance referred to in Article 18 (2) herein.

(2) The energy savings obtained shall be proved by the persons referred to in Article 43 (1) and (2) and Article 59 (1) herein.

(3) The methodologies used to assess the effect of the various types of energy efficiency improvement measures implemented shall be verified by the Agency.

(4) The terms, procedure and form for issuing, transfer and revocation of energy savings certificates shall be established

by the ordinance referred to in Article 18 (2) herein.

Article 77. The rules for introducing a market mechanism for energy efficiency improvement through the implementation of energy efficient activities and measures shall be laid down by the Council of Ministers on a motion by the Minister of Energy.

Section IV

Energy Efficiency and Renewable Sources Fund

Article 78. (1) The Energy Efficiency and Renewable Sources Fund shall finance the implementation of energy efficiency improvement activities and measures and the activities of energy production and use from renewable sources with the exception of those financed by the State budget.

(2) The Energy Efficiency and Renewable Sources Fund, hereinafter referred to as "the Fund", shall be a legal person with a head office in Sofia.

Article 79. (1) The Fund shall manage financial resources provided for energy efficiency improvement development-project designs and for projects for energy production from renewable sources, in accordance with the priorities set in the National Energy Efficiency Strategy of the Republic of Bulgaria and in the National Energy Efficiency Action Plans.

(2) The Fund shall implement the activity thereof according to this Act and the agreements with donors.

Article 80. In pursuit of the objectives thereof, the Fund shall base the activity thereof on the following principles:

1. transparency in managing the financial resources;
2. equal treatment of all applicants for financing from the Fund;
3. partnership and cooperation with natural and legal persons who and which are merchants within the meaning given by the Commerce Act or within the meaning given by the legislation of another Member State of the European Union, or of another State which is a Contracting Party to the Agreement on the European Economic Area, or of the Swiss Confederation, as well as with not-for-profit legal entities for joint financing of energy efficiency projects and projects for energy production from renewable sources.

Article 81. (1) The financial resources of the Fund shall be raised from:

1. donations from international financial institutions, international funds and resident and non-resident natural or legal persons, conforming with the provisions of Article 11 of the Measures against Money Laundering Act and certifying, at the place of establishment, that there are no outstanding tax liabilities in a Member State of the European Union, or in another State which is a Contracting Party to the Agreement on the European Economic Area, or in the Swiss Confederation;
2. interest income on current accounts or bank deposits held by the Fund;
3. loans or other financial instruments in the form of loans from international organizations and banks, as well as from natural persons and/or from legal persons registered as merchants, obtained exclusively for attaining the objectives of the Fund;
4. contributions referred to in Item 2 of Article 21 herein;
5. other revenues compatible with the nature and activity of the Fund.

(2) The financial resources of the Fund shall be kept in at least three custodian banks licensed to operate within the national territory and selected through a competitive procedure.

Article 82. (1) The financial resources of the Fund shall be spent on:

1. onerous financing of energy efficiency development projects;
2. onerous financing of activities and projects for energy production from renewable sources;
3. furnishing guarantees on loans extended by financial and credit institutions for projects under Items 1 and 2;
4. priority financing of projects for:
 - (a) implementation of energy efficiency improvement activities in final energy consumption;
 - (b) utilization of energy from renewable sources in final energy consumption;
5. maintenance of the Fund according to the annual revenue and expenditure budget as approved by the Management Board and the Donors' General Assembly.

(2) Customers of electricity, heat and natural gas in condominium-project buildings, who have incorporated owners associations as legal persons according to the procedure established by the Condominium Ownership Management Act, may apply for financing from the Fund of energy efficiency improvement projects and of projects for building installations using renewable sources.

Article 83. The Fund shall have the following bodies:

1. a Donors' General Assembly;
2. a Management Board.

Article 84. (1) The Donors' General Assembly shall consist of the persons who are donors to the Fund.

(2) The Donors' General Assembly:

1. shall adopt rules of the working arrangements and operation of the Fund;
2. shall elect and release the members of the Management Board of the Fund under Item 6 of Article 85 (1) herein;
3. shall resolve on a termination of the activity of the Fund;
4. shall approve the revenues and expenditures on the budget and the annual activity report of the Fund and shall adopt the annual budget for the following calendar year;
5. shall address other matters as well which are placed within the competence thereof by a law.

Article 85. (1) The Fund shall be managed by a Management Board, which shall consist of eleven members as follows:

1. a representative of the Ministry of Energy, designated by the Minister of Energy;
2. a representative of the Ministry of Economy, designated by the Minister of Economy;
3. a representative of the Ministry of Environment and Water, designated by the Minister of Environment and Water;
4. a representative of the Ministry of Regional Development and Public Works, designated by the Minister of Regional Development and Public Works;
5. the Executive Director of the Agency;
6. six representatives elected by the Donors' General Assembly as follows:
 - (a) a representative of non-governmental organizations active in global climate change risk reduction;
 - (b) three experts who have completed higher education in Economics and are experienced in energy project financing;
 - (c) an expert in energy efficiency who has completed higher technical education;
 - (d) an expert in renewable sources who has completed higher technical education.

- (2) The term of office of the members of the Management Board shall be two years.
- (3) The Management Board shall elect a Chairperson from amongst the members thereof for a period of one year.
- (4) The member of the Management Board, who held the position of Chairperson, shall complete the term of office thereof as member of the Board after the period for holding that position expires.
- (5) The following natural persons, as well as representatives of a legal person, shall be ineligible for membership of the Management Board:
 1. those convicted of an intentional publicly prosecutable offence;
 2. the spouses or the lineal or collateral relatives up to the fourth degree of consanguinity and the affines up to the third degree of affinity to other members of the Management Board of the Fund;
 3. those working in the administration under an employment relationship or under a civil-service relationship, with the exception of the persons referred to in Items 1 to 5 of Paragraph (1).
- (6) Where any of the circumstances covered under Paragraph (5) occurs with regard to any member of the Management Board, the said member shall be bound to notify the Chairperson of the Management Board within seven days from the occurrence of any such circumstance.
- (7) The Donors' General Assembly shall resolve on the release of a member of the Management Board upon the occurrence of any circumstance under Paragraph (5).

Article 86. (1) The Management Board shall manage the overall activity of the Fund.

(2) The Management Board shall perform the following functions:

1. draw up rules of the working arrangements and operation of the Fund and move the said rules to the General Assembly for adoption;
2. approve the financing and guarantee-furnishing policy of the Fund;
3. adopt a strategy for the activity of the Fund;
4. adopt the criteria for evaluation and selection of projects for financing from the Fund;
5. approve project financing;
6. approve the contracts related to the guarantee-furnishing activity of the Fund;
7. adopt the annual report on projects implemented to reach individual targets of the obligated parties under Article 14 (4) herein, financed through the Fund;
8. approve the revenues and expenditures on the budget and the annual activity report of the Fund;
9. elect, after conduct of a competitive procedure, a Fund Manager, who shall facilitate the activity of the Management Board and shall implement the management of the Fund;
10. appoint an independent financial audit and adopt the annual financial statement;
11. approve the staffing schedule of the Fund and fix the remuneration of the employees thereof;
12. adopt other measures as well, necessary to attain the objectives of the Fund.

Article 87. (1) The Fund Manager shall facilitate the activity of the Management Board and shall implement the day-to-day management of the Fund.

(2) The Fund Manager shall perform the following functions:

1. represent the Fund;
2. facilitate the activity of the Management Board in the exercise of the powers thereof under Items 1 to 6 of Article 86 (2) herein;

3. draw up a draft strategy for the activity of the Fund;
4. draw up a business plan and a draft revenue and expenditure budget and ensure the implementation of the budget as approved by the Management Board;
5. draw up the documentation necessary for financing projects and furnishing guarantees for projects in accordance with the law and the agreements concluded with donors;
6. draw up an annual report on projects implemented to reach individual targets of the obligated parties under Article 14 (4) herein, financed through the Fund, and submit the said report to the Agency not later than the 31st day of January of the year following the reporting year;
7. prepare reports and other materials to be reviewed and approved by the Management Board in accordance with the internal rules of the Fund;
8. publish the information referred to in Items 7 and 8 of Article 86 (2) herein on the Internet site of the Fund;
9. prepare the meetings of the Management Board;
10. sign the contracts for financing and furnishing guarantees for projects, concluded with the Fund, which have been approved by the Management Board;
11. periodically inform the Management Board of the level of implementation of the projects financed;
12. appoint and release the employees in the Fund;
13. be responsible for the conservation of the property of the Fund;
14. perform other activities as well, which have been assigned thereto by a decision of the Management Board.

Article 88. The relations with the Fund Manager shall be regulated by a management contract for a period of five years according to the rules referred to in Item 1 of Article 84 (2) herein.

Chapter Five

ENERGY EFFICIENCY CONTROL

Article 89. (1) The Executive Director of the Agency shall exercise control over the activity of:

1. the final customers, where the implementation of energy efficiency improvement activities and measures according to this Act or another statutory instrument is mandatory for them;
2. the obligated parties under Article 14 (4) herein: upon the fulfilment of the individual energy savings targets set thereto;
3. the contracting authorities referred to in Article 161 (1) of the Spatial Development Act: as to the fulfilment of the obligation thereof under Article 39 (2) herein;
4. the authorities referred to in Article 12 herein: as to the submission of reports on the implementation of the programmes referred to in Article 12 herein;
5. the persons referred to in Article 43 (1) and (2) and Article 59 (1) herein.

(2) Exercising the control powers thereof, the Executive Director of the Agency:

1. shall conduct checks of the persons referred to in Paragraph (1) through employees empowered thereby;
2. shall perform verifications of audits by systematic or random sampling of the audited buildings, enterprises, industrial buildings and/or outdoor lighting systems through employees empowered thereby;
3. shall impose the administrative sanctions provided for by this Act.

Article 90. (1) Control over the activity of the persons referred to in Article 43 (1) and (2) herein shall be exercised by means of:

1. validity check of the input data of the building used to issue the energy performance certificate, as well as the results stated in the certificate;
2. check of the input data entered in the energy performance certificate and verification of the results, including the recommendations made for energy efficiency improvement;
3. full check of data, results and measures prescribed for energy efficiency improvement by an on-site visit in order to verify the correspondence between the data stated in the energy performance certificates and the building certified;
4. check of the compliance with the requirements of the ordinance referred to in Article 44 (9) herein.

(2) Control over the activity of the persons referred to in Article 59 (1) herein shall be exercised by means of:

1. validity check of the input data of the enterprises, industrial systems and/or outdoor lighting systems used to perform the audit, and of the results stated in the report;
2. validity check of the input data and of the audit results, as well as of the measures prescribed for energy efficiency improvement;
3. full check of data, results and of the measures prescribed for energy efficiency improvement by an on-site visit in order to verify the correspondence between the results stated in the audit/inspection documents and the condition of the industrial system/installation;
4. check of the compliance with the requirements of the ordinance referred to in Article 44 (9) herein.

Article 91. (1) The persons who conduct checks shall be designated by an order of the Executive Director of the Agency.

(2) The persons referred to in Paragraph (1) shall identify themselves by the order and by an identification card certifying the position occupied thereby.

Article 92. (1) The persons referred to in Article 91 herein shall have the right:

1. to unimpeded access to the sites to be checked;
2. to demand from the persons checked to produce the documents required for the conduct of the check;
3. to verify the audits specified by the ordinances referred to in Article 48 and Article 57 (6) herein;
4. to draw up written statements ascertaining administrative violations.

(2) In respect of any buildings, enterprises, industrial systems and outdoor lighting systems owned by the Ministry of Defence and by the Ministry of Interior, the actions referred to in Paragraph (1) shall be implemented under terms and according to a procedure established in the respective laws.

(3) The persons referred to in Article 91 herein shall be bound to respect the confidentiality of any official and commercial secrets which have come to the knowledge thereof in the course of, or in connection with, the performance of the control activity.

Article 93. The person checked shall be bound to ensure all conditions required for the normal conduct of the check and to cooperate with the persons referred to in Article 91 herein and, to this end:

1. provide a place for the conduct of the check;
2. designate a representative thereof to liaise with and assist the officials conducting the check;
3. provide access to office premises;
4. produce all documents required for the conduct of the check.

Article 94. (1) The persons referred to in Article 91 herein shall draw up a memorandum of ascertainment on the results of the checks, attaching thereto the data, documents and explanations collected.

(2) The memorandum shall be signed by the person who drew it up, by the person checked and, upon refusal, by two witnesses to the refusal.

(3) The memorandum shall be made available to the person checked, who shall have the right to give explanations and to lodge objections within fourteen days from the date of service.

Article 95. (1) On the basis of the results of the check, the persons referred to in Article 91 herein may:

1. issue mandatory directions to the persons checked to eliminate any violations ascertained and set a time limit for compliance with the said directions;

2. draw up written statements ascertaining administrative violations.

(2) The persons who have been issued mandatory directions shall notify the persons referred to in Article 91 herein of the compliance with the said directions within the time limit set.

Article 96. All State bodies, legal and natural persons shall be bound to cooperate with the persons referred to in Article 91 in the performance of the functions thereof.

Chapter Six

ADMINISTRATIVE PENALTY PROVISIONS

Article 97. Any obligated person under Article 14 (4) herein, who or which fails to fulfil the individual target set thereto for new annual energy savings in the amount referred to in Article 14 (5) herein or to make a contribution according to Item 2 of Article 21 herein, shall be liable to a fine of BGN 1,000 or exceeding this amount but not exceeding BGN 5,000 or to a pecuniary penalty of BGN 5,000 or exceeding this amount but not exceeding BGN 500,000.

Article 98. Any contracting authority within the meaning given by Article 161 (1) of the Spatial Development Act, who or which fails to fulfil the obligation thereof under Article 33 (1) herein, shall be liable to a fine of BGN 1,000 or exceeding this amount but not exceeding BGN 10,000 or to a pecuniary penalty of BGN 5,000 or exceeding this amount but not exceeding BGN 50,000.

Article 99. (1) Any owner of a building, who or which fails to fulfil the obligation thereof under Article 38 (3) herein, shall be liable to a fine of BGN 10,000 or exceeding this amount but not exceeding BGN 30,000 or to a pecuniary penalty of BGN 50,000 or exceeding this amount but not exceeding BGN 100,000.

(2) Any owner of a building, who or which fails to implement the measures prescribed in the energy efficiency audit report within the time limit referred to in Article 38 (4) herein, shall be liable to a fine of BGN 10,000 or exceeding this amount but not exceeding BGN 30,000 or to a pecuniary penalty of BGN 50,000 or exceeding this amount but not exceeding BGN 100,000.

Article 100. Any contracting authority within the meaning given by Article 161 (1) of the Spatial Development Act, who or which fails to fulfil the obligation thereof to update the energy performance certificate of a building in the cases referred to in Article 39 (3) herein, shall be liable to a fine of BGN 1,000 or exceeding this amount but not exceeding BGN 3,000 or to a pecuniary penalty of BGN 5,000 or exceeding this amount but not exceeding BGN 10,000.

Article 101. Any person referred to in Article 43 (1) or (2) herein, who or which has issued an energy performance certificate of a building without having performed an energy efficiency audit, shall be liable to a fine of BGN 50,000 or exceeding this amount but not exceeding BGN 100,000 or to a pecuniary penalty of BGN 200,000 or exceeding this amount but not exceeding BGN 300,000.

Article 102. Any person referred to in Article 43 (1) or (2) herein, who or which fails to submit in due time the list

referred to in Article 46 (1) herein, shall be liable to a fine of BGN 100 or exceeding this amount but not exceeding BGN 500 or to a pecuniary penalty of BGN 1,500 or exceeding this amount but not exceeding BGN 3,000.

Article 103. Any person, who or which performs certification of buildings or energy efficiency audit in violation of the provision of Article 43 (4) and (6) or Article 59 (2) and (4) herein, shall be liable to a fine of BGN 50,000 or exceeding this amount but not exceeding BGN 100,000 or to a pecuniary penalty of BGN 100,000 or exceeding this amount but not exceeding BGN 200,000.

Article 104. (1) Any owner of a heating system with hot-water boiler fired by liquid or solid fuel of a single rated output of 20 kW to 100 kW, who or which fails to fulfil the obligation thereof under Article 50 (2) herein, shall be liable to a fine of BGN 150 or exceeding this amount but not exceeding BGN 200 or to a pecuniary penalty of BGN 1,500 or exceeding this amount but not exceeding BGN 2,000.

(2) Any owner of a heating system with hot-water boiler fired by liquid or solid fuel of a single rated output of more than 100 kW, who or which fails to fulfil the obligation thereof under Article 50 (2) herein, shall be liable to a fine of BGN 1,500 or exceeding this amount but not exceeding BGN 2,000 or to a pecuniary penalty of BGN 15,000 or exceeding this amount but not exceeding BGN 20,000.

(3) Any owner of an air-conditioning system of rated output of more than 12 kW, who or which fails to fulfil the obligation thereof under Article 51 (2) herein, shall be liable to a fine of BGN 1,500 or exceeding this amount but not exceeding BGN 2,000 or to a pecuniary penalty of BGN 15,000 or exceeding this amount but not exceeding BGN 20,000.

(4) Any owner of a heating system with hot-water boiler under Article 50 (1) herein or of an air-conditioning system under Article 51 (1) herein, who or which fails to fulfil the obligation thereof under Article 52 (2) herein, shall be liable to a fine of BGN 150 or exceeding this amount but not exceeding BGN 200 or to a pecuniary penalty of BGN 1,500 or exceeding this amount but not exceeding BGN 2,000.

Article 105. Any person referred to in Article 43 (1) or (2) or article 59 (1) herein, who or which fails to submit in due time the list referred to in Article 55 (1) herein, shall be liable to a fine of BGN 100 or exceeding this amount but not exceeding BGN 500 or to a pecuniary penalty of BGN 1,500 or exceeding this amount but not exceeding BGN 3,000.

Article 106. Any owner of an enterprise, industrial system and outdoor lighting system, who or which fails to fulfil the obligation thereof under Article 57 (2) herein, shall be liable to a fine of BGN 10,000 or exceeding this amount but not exceeding BGN 30,000 or to a pecuniary penalty of BGN 50,000 or exceeding this amount but not exceeding BGN 100,000.

Article 107. Any person referred to in Article 63 (1) herein, who fails to fulfil the obligation thereof to submit to the Agency the reports referred to in Article 63 (4) herein within the time limit referred to in Article 63 (5) herein, shall be liable to a fine of BGN 500 or exceeding this amount but not exceeding BGN 1,000 or to a pecuniary penalty of BGN 3,000 or exceeding this amount but not exceeding BGN 5,000.

Article 108. Any person referred to in Article 69 (1) herein, who or which fails to submit information within the time limit referred to in Article 69 (2) herein, shall be liable to a fine of BGN 20,000 or exceeding this amount but not exceeding BGN 50,000 or to a pecuniary penalty of BGN 150,000 or exceeding this amount but not exceeding BGN 200,000.

Article 109. Any person, who or which obstructs or connives with the obstruction of the conduct of a check by the persons referred to in Article 91 herein, shall be liable to a fine of BGN 500 or exceeding this amount but not exceeding BGN 1,000 or to a pecuniary penalty of BGN 2,000 or exceeding this amount but not exceeding BGN 3,000.

Article 110. Any person referred to in Article 91 herein, who violates the provision of Article 92 (3) herein, shall be liable to a fine of BGN 10,000.

Article 111. Any person, who or which fails to comply with a mandatory direction under Item 1 of Article 95 (1) herein, shall be liable to a fine of BGN 2,000 or exceeding this amount but not exceeding BGN 5,000 or to a pecuniary penalty of

BGN 10,000 or exceeding this amount but not exceeding BGN 30,000.

Article 112. Any person, who or which fails to fulfil any other obligations provided for in this Act, shall be liable to a fine of BGN 500 or exceeding this amount but not exceeding BGN 1,500 or to a pecuniary penalty of BGN 1,000 or exceeding this amount but not exceeding BGN 10,000.

Article 113. The written statements ascertaining the administrative violations shall be drawn up by officials designated by the Executive Director of the Agency.

Article 114. The penalty decrees shall be issued by the Executive Director of the Agency.

Article 115. The ascertainment of violations, the issuing, appeal against and execution of penalty decrees shall follow the procedure established by the Administrative Violations and Sanctions Act.

SUPPLEMENTARY PROVISIONS

§ 1. Within the meaning given by this Act:

1. "Donor" shall be a natural or legal person, as well as a State, which have participated by donations in the initial raising of financial resources for the Fund or which make donations, including contributions by the obligated parties under Article 14 (4) herein.
2. "Energy efficiency service provider" shall be a natural or legal person who or which renders services including the implementation of energy efficiency improvement activities and/or measures.
3. "Energy" shall be energy products, combustible fuels, heat, renewable energy, electricity, or any other form of energy, as defined in Article 2(d) of Regulation (EC) No 1099/2008 of the European Parliament and of the Council of 22 October 2008 on energy statistics (OJ, L 304/1 of 14 November 2008).
4. "Energy efficiency in buildings" shall be ensuring and maintaining the regulatory parameters of the micro-climate in buildings, the heat preservation of buildings and saving of energy resources for the needs of the buildings at minimum financial costs.
5. "Energy savings" shall be an amount of save energy determined by measuring and/or estimating energy consumption as a different between the amounts of energy consumed before and after implementation of energy efficiency improvement measures, adjusting and normalizing for external conditions that affect energy consumption.
6. "Energy efficiency service" shall be the physical benefit, utility or good derived from a combination of energy with energy-efficient technology or with action, which may include the operation, maintenance and control necessary to deliver the service, which is delivered on the basis of a contract and in normal circumstances has proven to result in verifiable and measurable or estimable energy efficiency improvement and/or primary energy savings.
7. "Energy performance" shall be an indicator of the measured amount of energy that is actually consumed or calculated as necessary for consumption, used to meet the different energy needs associated with the standardized parameters of a building, including heating, hot water heating, cooling, ventilation and lighting.
8. "Energy efficiency" shall be the ratio of output of goods, service or energy produced to input of energy.
9. "Intelligent metering system" shall be an electronic system that can measure energy consumption, providing more information than a conventional meter, and can transmit and receive data using a form of electronic communication.
10. "Air-conditioning system" shall be a combination of all components required to provide air treatment in which the temperature is controlled, possibly combining such air treatment with the control of ventilation, humidity and air cleanliness.
11. "Boiler" shall be a facility constituting the combined boiler body-burner-unit, designed to transmit to fluids the heat released from burning.

12. "Final energy consumption" shall be the consumption of energy supplied for energy purposes to the manufacturing industry, ore extraction, construction, transport, households, services, including public services, agriculture, forestry and fisheries. It excludes deliveries to the energy production sector and the energy industries themselves.
 13. "Final customer" shall be any natural or legal person who purchases energy for own end use.
 14. "New building" shall be any newly constructed building that is commissioned for the first time.
 15. "Rated output" shall be the maximum calorific output, specified and guaranteed by the manufacturer as being deliverable during continuous operation.
 16. "Normalized energy consumption" shall be the energy expenditure necessary to ensure the standardized parameters of the micro-climate in a building as it exists.
 17. "Building unit" shall be a section, floor or apartment within a building which is designed or altered to be used separately.
 18. "Total energy consumption" shall be the total amount of energy purchase by the final customer for a period of one year.
 19. "Energy efficiency audit" shall be a process based on a systematic procedure for determination and valuation of the energy flows and expenditure in buildings, enterprises, industrial systems and outdoor lighting systems, which defines the scope of the technical and economic parameters of the energy efficiency improvement measures.
 20. "Major renovation" shall be the renovation of a building where more than 25 per cent of the surface of the building envelope undergoes renovation.
 21. "Waste heat" shall be the residual heat from a given process which, if technically and economically feasible, can be recovered.
 22. "Energy efficiency improvement" shall result from the implementation of a measure or activity leading to a reduction of the ratio of goods, service or energy produced, to input of energy without deterioration of quality or other characteristics.
 23. "Effective rated output" shall be the maximum calorific output, expressed in kW, specified and guaranteed by the manufacturer as being deliverable during continuous operation while complying with the useful efficiency indicated by the manufacturer.
 24. "Energy efficiency programmes" shall be activities and measures addressing the groups of final customers that lead to verifiable, measurable or estimable energy efficiency improvement.
 25. "Industrial systems" shall be the totality of manufacturing buildings, facilities, technologies and auxiliary plant involved in the production of goods and services.
 26. "Cost-optimal level" shall be the energy performance level which leads to the lowest cost during the estimated economic lifecycle, where:
 - (a) the lowest cost is determined taking into account energy-related investment costs, maintenance and operating costs, including energy costs and savings, the category of building concerned, earnings from energy produced, where applicable, and disposal costs, where applicable;
 - (b) the estimated economic lifecycle refers to the remaining estimated economic lifecycle of a building where energy performance requirements are set for the building as a whole, or to the estimated economic lifecycle of a building element where energy performance requirements are set for building elements.
- The cost-optimal level shall lie within the range of performance levels where the cost benefit analysis calculated over the estimated economic lifecycle is positive.
27. "Building" means a roofed construction having walls, for which energy is used to condition the indoor temperature.
 28. "Nearly zero-energy building" shall be a building which simultaneously fulfils the following conditions:
 - (a) the energy consumption of the building, defined as primary energy, complies with Class A on the scale of energy consumption classes for buildings of the relevant type;
 - (b) not less than 55 per cent of the energy consumed (supplied) for heating, cooling, ventilation, domestic hot water and

lighting is energy from renewable sources produced on-site or near the building.

29. "Energy performance certificate of a building" shall be an official document issued by energy efficiency consultants within the scope of the competence thereof in a form and according to a procedure, which includes the energy performance of a building calculated according to the methodology specified in the ordinance referred to in Article 31 (4) herein.

30. "Design energy performance certificate of a building" shall be an official document issued by energy efficiency consultants within the scope of the competence thereof in an established form and according to a procedure, which includes an assessment of the design energy performance of a building calculated according to the methodology specified in the ordinance referred to in Article 31 (4) herein.

31. "Energy efficiency promotion schemes" shall be any instrument, scheme or mechanism which encourages energy efficiency improvement.

32. "Heat pump" shall be a machine, a device or installation that transfers heat from natural surroundings such as air, water or ground to buildings or industrial applications by reversing the natural flow of heat such that it flows from a lower to a higher temperature. For reversible heat pumps, it may also move heat from the building to the natural surroundings.

33. "Thermal zone" shall be a building unit including spaces in the building which have the same functional purpose, heat and/or cool supply from a single system, the same mode of occupation, the same celestial orientation of the building envelope (for the cases where cooling is necessary) and specific requirements to ensure uniform micro-climate parameters in the heating and cooling mode where the temperature difference between the spaces in one and the same mode is smaller than 4K.

34. "Financial instruments" shall be instruments such as funds, subsidies, tax rebates, loans, third-party financing, energy savings contracts, energy performance contracts, outsourcing or other similar contracts that are offered on the market by public or private bodies in order to cover, in part or in whole, the initial project cost for implementing energy efficiency improvement measures.

35. "Financial intermediaries" shall be a term within the meaning given by Article 2, point 34 of Commission Regulation (EU) No 651/2014 of 17 June 2014 declaring certain categories of aid compatible with the internal market in application of Articles 107 and 108 of the Treaty (OJ, L 187/1 of 26 June 2014).

36. "District heating" or "district cooling" shall be the distribution of thermal energy in the form of steam, hot water or chilled liquids, from a central source of production through a network to multiple buildings or sites, for the use of space or process heating or cooling.

§ 2. This Act transposes the requirements of Directive 2012/27/EU of the European Parliament and of the Council of 25 October 2012 on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ, L 315/1 of 14 November 2012) and of Directive 2010/31/EU of the European Parliament and of the Council of 19 May 2010 on the energy performance of buildings (OJ, L 153/13 of 18 June 2010).

TRANSITIONAL AND FINAL PROVISIONS

§ 3. This Act supersedes the Energy Efficiency Act (promulgated in the State Gazette No. 98 of 2008; amended in Nos. 6, 19, 42 and 82 of 2009, Nos. 15, 52 and 97 of 2010, No. 35 of 2011, No. 38 of 2012, Nos. 15, 24, 59 and 66 of 2013, Nos. 22, 33 and 98 of 2014 and No. 14 of 2015).

§ 4. The obligated parties under Items 2 and 3 of Article 10 of the Energy Efficiency Act as superseded shall fulfil the individual energy savings targets, set by the Energy Efficiency Act as superseded, until 2016.

§ 5. The contracting authorities within the meaning given by Article 161 (1) of the Spatial Development Act of new buildings subject to mandatory certification according to the procedure established by the Energy Efficiency Act as superseded, which were not commissioned until the entry into force of this Act, shall be bound to obtain a design energy performance certificate of the building within one year from the entry into force of this Act.

§ 6. The inspection of heating systems with hot-water boilers under Article 53 herein shall be performed within one year from the entry into force of this Act, unless an inspection according to Article 30 of the Energy Efficiency Act as superseded had been performed until that date.

§ 7. (1) The owners of any buildings subject to mandatory certification according to the procedure established by the Energy Efficiency Act as superseded, who or which have reports on an audit performed until the entry into force of this Act, shall be bound to comply with the energy efficiency improvement measures prescribed by the audit within three years from the entry into force of this Act.

(2) The owners of any industrial systems subject to mandatory audit according to the procedure established by the Energy Efficiency Act as superseded, who or which have reports on an audit performed until the entry into force of this Act, shall be bound to comply with the energy efficiency improvement measures prescribed by the audit within two years from the entry into force of this Act.

§ 8. (1) The Executive Director of the Sustainable Energy Development Agency, jointly with the Executive Director of the Public Procurement Agency, shall issue guidelines for implementation of the energy efficiency and energy savings requirements upon the award of public procurements for the supply of equipment and vehicles, purchase and/or renting buildings with high energy-efficiency performance.

(2) The guidelines referred to in Paragraph (1) shall be issued within one year from the entry into force of this Act.

§ 9. The owners of any enterprises, industrial systems and outdoor lighting systems, which are subject to mandatory audit under Article 57 (2) herein, shall be bound to perform an energy audit within one year from the entry into force of this Act, unless a mandatory audit according to Article 33 of the Energy Efficiency Act as superseded had been performed until that date.

§ 10. The energy efficiency certificates, issued according to the procedure established by the Energy Efficiency Act as superseded, shall retain the validity thereof until the expiry of the term for which they have been issued.

§ 11. (1) Energy performance certificates of buildings for which an energy efficiency audit has been performed before the entry into force of this Act shall be issued by the persons who performed the audit of the building concerned within one year from the entry into force of this Act.

(2) In the cases under Paragraph (1), where the person who performed the audit has been stricken from the register referred to in Article 23a (1) of the Energy Efficiency Act as superseded, the energy performance certificate shall be issued by the Agency on the basis of the results of the audit performed by the person.

§ 12. Any persons, who have completed a training course and have attained a qualification to perform energy efficiency audits and certification of buildings, as well as energy efficiency audits of industrial systems according to the procedure established by the Energy Efficiency Act as superseded, shall retain the rights thereof to perform activities of energy efficiency audits of buildings and industrial systems and of certification of buildings, with the persons who have attained a qualification to perform energy efficiency audits and certification of buildings enjoying the rights of energy efficiency consultants at qualification level 1.

§ 13. (1) The certificates of entry into the registers under Article 23a (1) and Article 34a (1) of the Energy Efficiency Act as superseded shall retain the validity thereof until the expiry of the term for which they have been issued.

(2) The certificates on a successfully passed examination, issued under Item 3 (c) of Article 23 (1), Item 5 of Article 23 (2) and Item 3 (c) of Article 34 (1) of the Energy Efficiency Act as superseded, shall retain the validity thereof and shall acquire indefinite validity.

§ 14. (1) The persons referred to in § 10 of the Transitional and Final Provisions of the Energy Efficiency Act as superseded shall retain the rights thereof to perform energy efficiency audits and certification of buildings, as well as energy efficiency audits of industrial systems, shall retain the rights thereof to perform activities of energy efficiency

audits and certification of buildings, as well as energy efficiency audits of industrial systems, with the persons who have attained a qualification to perform energy efficiency audits and certification of buildings enjoying the rights of energy efficiency consultants at qualification level 1.

(2) The persons referred to in Paragraph (1) shall be bound to re-register according to the procedure established by this Act within five years from the entry into force of this Act.

(3) The persons referred to in Paragraph (1), who fail to re-register within the time limit referred to in Paragraph (2), shall be stricken ex officio from the public registers of the Agency.

§ 15. The voluntary agreements, concluded according to the procedure established by Section II of Chapter Five of the Energy Efficiency Act as superseded, shall retain the validity thereof until the expiry of the term for which they have been concluded.

§ 16. Within five years from the entry into force of this Act, the Council of Ministers, acting on a motion by the Minister of Energy, shall adopt a market mechanism for energy efficiency improvement through the implementation of energy efficient activities and measures.

§ 17. (1) The National Energy Efficiency Action Plans shall be submitted to the European Commission once every three years, as of the 30th day of April 2014.

(2) The national energy efficiency target shall be reported to the European Commission with the first National Plan.

§ 18. The National Plan for Nearly Zero-Energy Buildings shall be adopted by the Council of Ministers within six months from the entry into force of this Act.

§ 19. The national plan for improvement of the energy performance of heated and/or cooled State-owned buildings occupied by the State administration shall be submitted to the European Commission as part of the plans referred to in Item 1 of Article 5 (3) herein and shall be updated once every three years, as of the 30th day of April 2014.

§ 20. The long-term national programme to encourage investments in implementing measures to enhance the energy performance of buildings of the public and private national residential and commercial building stock shall be submitted to the European Commission as part of the plans referred to in Item 1 of Article 5 (3) herein and shall be updated once every three years, as of the 30th day of April 2014.

§ 21. (1) The statutory instruments of secondary legislation for the application of this Act shall be adopted or, respectively, issued and brought into conformity with this Act within six months from the entry into force of this Act.

(2) Pending the adoption of, respectively, the issuing of the statutory instruments of secondary legislation as provided for under this Act, the statutory instruments of secondary legislation issued for the application of the Energy Efficiency Act as superseded shall apply to the extent that they do not come into conflict with this Act.

§ 22. The Energy from Renewable Sources Act (promulgated in the State Gazette No. 35 of 2011; amended in Nos. 29 and 54 of 2012, Nos. 15, 59, 68 and 109 of 2013, No. 33 of 2014; Constitutional Court Judgment No. 13 of 2014 - No. 65 of 2014; amended in Nos. 14 and 17 of 2015) shall be amended as follows:

1. In Article 34 (5), the words "Article 51 (1)" shall be replaced by "Article 75 (1)".

2. In Article 47 (1):

(a) in Item 9, the word "2015" shall be replaced by "2018";

(b) in Item 10, the word "2016" shall be replaced by "2019".

§ 23. The Energy Act (promulgated in the State Gazette No. 107 of 2003; amended in No. 18 of 2004, Nos. 18 and 95 of 2005, Nos. 30, 65 and 74 of 2006, Nos. 49, 55 and 59 of 2007, Nos. 36, 43 and 98 of 2008, Nos. 35, 41, 42, 82 and 103

of 2009, Nos. 54 and 97 of 2010, Nos. 35 and 47 of 2011, Nos. 38, 54 and 82 of 2012, Nos. 15, 20, 23, 59 and 66 of 2013, No. 98 of 2014 and Nos. 14 and 17 of 2015) shall be amended and supplemented as follows:

1. In Article 4 (2), Item 11 shall be amended to read as follows:

"11. prepare and lay down before the Council of Ministers for approval:

(a) a comprehensive assessment of the potential for the application of high-efficiency cogeneration of heat and electricity and efficient district heating and cooling;

(b) a cost-benefit analysis as part of the comprehensive assessment referred to in Literati (a), covering an evaluation of programmes under Article 6 (1) herein and projects for establishing the most cost-effective and beneficial heating or cooling option; the said analysis may be part of the environmental assessment of the programme and the projects, if such assessment is envisaged;

(c) an analysis of the national potential as part of the comprehensive assessment referred to in Littera (a) and an assessment of the progress achieved in increasing the share of high-efficiency cogeneration in gross electricity consumption;

(d) measures for efficient district heating and cooling infrastructure to be developed and/or to accommodate the development of high-efficiency cogeneration and the use of heating and cooling from waste heat and renewable energy sources in accordance with the assessment and the analysis under Litterae (a), (b) and (c)."

2. In Article 13:

(a) in Paragraph (1), the words "the members" shall be replaced by "the total number of members or of the members of the relevant panel";

(b) in Paragraph (3), in the text before item 1, the words "the members" shall be replaced by "the total number of members or of the members of the relevant panel";

3. In Article 21 (1):

(a) there shall be inserted Items 19a and 19b:

"19a. require from electricity and gas network operators to make an assessment of the energy efficiency potentials of the networks concerned through reduction of technological losses; the said assessment shall include an analysis of transmission, distribution, loan management, network functioning and access possibilities for distributed energy generators;

19b. on the basis of the assessment referred to in Item 19a, require that network development plans include concrete measures and investments for energy efficiency improvement in the gas and electricity networks and a timetable for their introduction;"

(b) item 33 shall be amended to read as follows:

"33. control the fulfilment of the obligations to provide energy services customers with access to data on their consumption;"

4. In Article 23, there shall be added Items 14 and 15:

"14. promotion of the improvement of energy efficiency in energy and natural gas production, transmission and final consumption;

15. provision of incentives for transmission and distribution network operators to make available system services to final customers permitting them to implement energy efficiency improvement measures with the deployment of smart grids, taking into account the costs and benefits of each measures, while ensuring the security of the system."

5. In Article 31, there shall be added Items 9, 10, 11 and 12:

"9. electricity transmission and distribution prices do not restrict the improvement of energy efficiency in energy production, transmission and distribution and the participation of demand response in balancing markets and ancillary services procurement, as well as network tariffs that are cost-reflective of cost savings in networks achieved from demand-side and demand-response measures, distributed generation, lowering the cost of delivery or of network investment and a more optimal operation of the network;

10. electricity transmission and distribution prices allow final customer participation in an efficiency improvement of the

grid system through demand response;

11. encouragement of transmission and distribution network operators to make available system services for electricity demand response measures, demand management and distributed generation on organised electricity markets and to improve efficiency in network design and operation, in particular:

- (a) the shifting of the load from peak to off-peak times by final customers taking into account the availability of renewable energy, energy from cogeneration and distributed generation;
- (b) energy savings from demand response of distributed generation sources through a combination of making available energy efficiency services and participation in the balancing market for electricity;
- (c) demand reduction from energy efficiency measures undertaken by energy efficiency service providers;
- (d) the connection and dispatch of electricity generation sources at medium and low voltage levels;
- (e) the connection of generation sources from closer location to the consumption;
- (f) the provision of access to the networks of energy storage facilities;

12. introduction of dynamic pricing for demand response measures by final customers by means of:

- (a) time-of-use prices;
- (b) critical peak pricing;
- (c) real time pricing;
- (d) peak time rebates."

6. In Item 5 of Article 35 (2), the words "Article 10 (1)" shall be replaced by "Article 14 (4) and Article 15".

7. In Chapter Three, the heading of Section VI shall be amended to read as follows: "Measures for Protection of Energy Services Customers".

8. In Article 38a (1):

- (a) the text before Item 1 shall be amended to read as follows: "The contracts with energy services customers shall mandatorily state:";
- (b) in Item 5, after the word "services", there shall be inserted "including upon a change of the contractual conditions and prices";
- (c) in Item 7 at the end, there shall be added "within three months from the receipt of any such complaints".

9. In Article 38b:

- (a) in Paragraph (1):
 - (aa) in the text before Item 1, the word "companies" shall be replaced by "companies parties to the contracts";
 - (bb) Item 3 shall be amended to read as follows:

"3. the actual quantities consumed and the value of the service provided in accordance with the agreed metering frequency at no additional cost of that service;"

(cc) there shall be added an Item 8:

"8. conditions for the provision of electronic billing information and electronic bills."

(b) there shall be inserted a new Paragraph (2) and Paragraph (3):

"(2) An energy or natural gas supplier shall provide customers with a wide choice of payment methods, including advance payment systems that are fair and adequately reflect the expected consumption.

(3) An energy or natural gas supplier shall make available details about the consumption of a household customer to another energy or natural gas supplier if this is expressly agreed between the customer and the energy or natural gas supplier.";

(c) the existing Paragraph (2) shall be renumbered to become Paragraph (4);

(d) there shall be added Paragraphs (5) and (6):

"(5) Billing information shall be made available at least once every three months or, where requested or where customers have opted to receive electronic bills, twice a year.

(6) The energy companies referred to in Paragraph (1) shall provide customers of energy services related to electricity or natural gas supply with additional information on:

1. cumulative data covering a period of at least three previous years or since the entry into effect of the supply contract if that is more recent; the data shall correspond to the intervals for which the billing information is provided;

2. detailed information on the consumption for every day, week, month and year where intelligent metering systems are used, by providing the final customers via the Internet or via the interface of the metering device with data for a period covering not less than 24 previous months or since the entry into effect of the supply contract if that is more recent."

10. In Article 38c:

(a) in Paragraph (1), the words "Article 38a (1)" shall be replaced by "Article 38b (1)";

(d) there shall be added Paragraphs (5), (6), (7) and (8):

"(5) The energy companies referred to in Article 38b (1) herein shall notify the domestic energy services customers thereof of each proposed change to the contractual conditions and prices of the services provided, as well as of the right of the customers to terminate the contract unilaterally within 30 days from the date of notification if they do not accept the new conditions and/or prices.

(6) Notification of an increase of prices shall be effected within the billing time limit after the entry into effect of the increase of prices.

(7) Where the Commission approves general conditions, notification of a change to the contractual conditions shall be presumed effected as from the date of publication of the general conditions as approved.

(8) Paragraphs (5) to (7) shall not apply to heat supply contracts."

11. In Article 38d, the words "Articles 38a and 38b" shall be replaced by "Articles 38a, 38b and 38c".

12. In Article 80a:

(a) Paragraph (2) shall be repealed;

(b) there shall be inserted a new Paragraph (5):

"(5) Electricity producers possessing a plant with total installed capacity of below 1 MW shall not be subject to control on an annual basis under Paragraph (4). Such producers shall be subject to a check by the authorities of the Public Financial Inspection Agency according to an endorsed annual plan on the basis of risk assessment under the following criteria:

1. commissioning date;

2. amount of the feed-in tariff for mandatory purchase of the electricity produced;

3. date of conclusion of the purchase contract with the end supplier;

4. type of the energy source and production technology.";

(c) the existing Paragraphs (5), (6), (7), (8), (9) and (10) shall be renumbered to become Paragraphs (6), (7), (8), (9), (10) and (11), respectively;

(d) the existing Paragraph (11) shall be renumbered to become Paragraph (12), and the words "Paragraph (10)" therein shall be replaced by "Paragraph (11)";

(e) the existing Paragraph (12) shall be renumbered to become Paragraph (13);

(f) the existing Paragraph (13) shall be renumbered to become Paragraph (14), the words "Paragraph (10)" therein shall be replaced by "Paragraph (11)" and the words "Paragraph (11)" therein shall be replaced by "Paragraph (12)";

(g) the existing Paragraph (14) shall be renumbered to become Paragraph (15), and the words "Paragraph (10)" therein shall be replaced by "Paragraph (11)".

13. In Article 83 (1):

(a) in Item 4, after the words "for transmission of electricity over the electricity transmission network", there shall be inserted "including the access and dispatch priorities";

(b) in Item 5, after the words "for transmission of electricity over the electricity distribution networks", there shall be inserted "including the access and dispatch priorities";

14. In Article 105, there shall be added an Item 8:

"(8) Producers of energy from high-efficiency cogeneration may provide ancillary services to the transmission network operator in the cases referred to in Paragraph (7), where this is technically and economically feasible with the mode of operation of the generation source."

15. In Article 106:

(a) the existing text shall be redesignated to become Paragraph (1), and the words "Item 4" therein shall be replaced by "Item 5";

(b) there shall be added an Item 2:

"(2) Producers of energy from high-efficiency cogeneration may provide ancillary services to the distribution networks operators in the cases referred to in Paragraph (1), where this is technically and economically feasible with the mode of operation of the generation source."

16. Article 135 shall be amended to read as follows:

"Article 135. (1) The building supply systems of customers shall be connected to the heat transmission network by means of a connecting heating main and a subscriber sub-station.

(2) Where a new building is connected, a competitively priced individual heat meter shall be installed in each separate property in the building.

(3) Where an existing building is connected after major renovation and remodelling of the building heat-supply systems from vertical to horizontal distribution, a competitively priced individual heat meter shall be installed in each separate property in the building."

17. In Article 140, there shall be added a new Item 6:

"(6) Where existing heat cost allocators are replaced, competitively priced individual heat meters shall be installed, in so far as it is technically possible or cost-efficient in relation to the potential energy savings."

18. Article 143 shall be amended to read as follows:

"Article 143. (1) Heat customers in a condominium-project building shall choose a method for determination of the quantity of heat off-take of a building supply system where a heat cost allocation system by means of individual heat cost allocators has been implemented according to the ordinance referred to in Article 125 (3) herein.

(2) Where heat customers in a condominium-project building do not choose a method for determination of the quantity of heat, the quantity of heat off-take of a building supply system where a heat cost allocation system by means of individual heat cost allocators has been implemented shall be determined by the person referred to in Article 139b (1) herein according to the methodology under the ordinance referred to in Article 125 (3) herein.

(3) The choice under Paragraph (1) shall be made by resolution of the general meeting of owners or of the association of owners according to the procedure established by the Condominium Ownership Management Act.

(4) The heat for heating the common parts of a condominium-project building with installed heating units, upon application of a heat cost allocation system by means of individual heat cost allocators shall be determined on the basis of:

1. the capacity of the heating units, or

2. the readings of the individual heat cost allocators installed on the said heating units.

(5) In the cases referred to in Paragraphs (1), (2) and (4), the heat shall be allocated among all customers in proportion to the design heated volume of the individual properties."

19. In Article 144 (3), the words "Article 143 (1) and Item 1 of Article 143 (2)" shall be replaced by "Article 143 (1), (2) and Item 1 of Article 143 (4)."

20. In Article 155:

(a) In Paragraph (1), Item 1 shall be amended to read as follows:

"1. in eleven equal monthly instalments and one closure account instalment;"

(b) there shall be inserted a new Paragraph (2):

"(2) The heat transmission company or the heat supplier shall bill the quantity of heat used on the basis of the actual consumption at least once a year.";

(c) the existing Paragraph (2) shall be renumbered to become Paragraph (3).

21. In Article 162, there shall be added an Paragraph (5):

"(5) The European Commission shall be notified of each refusal to recognize a certificate of origin."

22. In Article 162a:

(a) in Paragraph (1) at the end, there shall be added "on less burdensome procedures according to the ordinance referred to in Article 116 (7) herein";

(b) there shall be added a new Paragraph (4):

"(4) The electricity transmission network operator and the electricity distribution networks operators, complying with the criteria for security of operation established by the rules referred to in Items 4 and 5 of Article 83 (1) of this Act and Items 1, 2 and 4 of Article 18 (1) of the Energy from Renewable Sources Act, shall be bound to:

1. provide guaranteed access to the relevant network of electricity from high-efficiency cogeneration;
2. guarantee the transmission and distribution of electricity from high-efficiency cogeneration;
3. provide priority dispatch of electricity from high-efficiency cogeneration."

23. Article 163 shall be amended to read as follows:

"Article 163. The criteria which the comprehensive assessment, the cost-benefit analysis and the analysis of the national potential for high-efficiency cogeneration, referred to in Item 11 of Article 4 (2) herein must meet, shall be established by an ordinance issued by the Minister of Energy."

24. In Chapter Eleven, Section II, there shall be inserted an Article 163a:

"Article 163a. (1) Upon the development of investment projects, a cost-benefit analysis shall be carried out in accordance with the ordinance referred to in Article 163 herein for installations with a total thermal input exceeding 20 MW in the cases of:

1. a new thermal electricity generation installation with a total thermal input exceeding 20 MW is planned, in order to assess the cost and benefits of providing for the operation of the installation as a high-efficiency cogeneration installation;
2. substantial refurbishment of an existing thermal electricity generation installation with a total thermal input exceeding 20 MW, in order to assess the cost and benefits of converting it to high-efficiency cogeneration;
3. substantial refurbishment of an industrial installation with a total thermal input exceeding 20 MW generating waste heat at a useful temperature level, in order to assess the cost and benefits of utilising the waste heat to satisfy economically justified demand, including through cogeneration, and of the connection of that installation to a district heating and cooling network;
4. planning of a new district heating and cooling network; in an existing district heating or cooling network a new energy production installation with a total thermal input exceeding 20 MW is planned or an existing such installation is to be substantially refurbished, in order to utilise the waste heat from nearby industrial installations.

(2) The companies responsible for the operation of district heating and cooling networks, at the request of the persons

carrying out a cost-benefit analysis under Paragraph (1), shall render assistance and provide the requisite information in the cases referred to in Items 3 and 4 of Paragraph (1).

(3) The fitting of equipment to capture carbon dioxide produced by a combustion installation with a view to its being geologically stored shall not be considered as refurbishment in the cases under Items 2, 3 and 4 of Paragraph (1)."

25. In Article 207b (1), the words "Article 38d" shall be replaced by "Articles 38d (1), 38e".

26. In § 1 of the Supplementary Provisions:

(a) there shall be inserted an Item 24c:

"24c. "Efficient district heating and cooling" shall be a district heating or cooling systems using at least 50 per cent renewable energy, 50 per cent waste heat, 75 per cent cogenerated heat or 50 per cent of a combination of such energy and heat.";

(b) there shall be added a new Item 25:

"25. "Substantial refurbishment" shall be a refurbishment whose cost exceeds 50 per cent of the investment cost for a new comparable unit.";

(c) in Item 41b (a), the words "from a provider providing services of general interest" shall be deleted.

§ 24. The assessment referred to in Item 11 (a) of Article 4 (2) of the Energy Act shall be prepared and notified to the European Commission not later than the 31st day of December 2015. At the request of the European Commission, the assessment shall be updated every five years.

§ 25. In buildings with a central heating/cooling source or supplied from a district heating network or from a central source serving multiple buildings, individual consumption meters shall also be installed by the 31st day of December 2016 to measure the consumption of heat or cooling or hot water for each unit where technically feasible and cost-efficient, unless such meters have been installed by the date of entry into force of this Act.

§ 26. (1) The statutory instruments of secondary legislation for the application of the Energy Act shall be adopted or, respectively, issued and brought into conformity with this Act within six months from the entry into force of this Act.

(2) Pending the adoption or, respectively, the issuing of the statutory instruments of secondary legislation referred to in Paragraph (1), the statutory instruments of secondary legislation in force shall apply, to the extent to which they do not come into conflict with the Energy Act.

§ 27. In the Public Procurement Act (promulgated in the State Gazette No. 28 of 2004; amended in No. 53 of 2004, Nos. 31, 34 and 105 of 2005, Nos. 18, 33, 37 and 79 of 2006, No. 59 of 2007, Nos. 94, 98 and 102 of 2008, Nos. 24 and 82 of 2009, Nos. 52, 54, 97, 98 and 99 of 2010, Nos. 19, 43, 73 and 93 of 2011, Nos. 33, 38 and 82 of 2012, No. 15 of 2013, Nos. 35 and 40 of 2014, Nos. 8, 12, 14 and 17 of 2015), in Article 5 (4), after the word "Union", there shall be inserted "as well as for the service under ESCO contracts within the meaning given by the Energy Efficiency Act".

§ 28. In the Corporate Income Tax Act (promulgated in the State Gazette No. 105 of 2006; amended in Nos. 52, 108 and 110 of 2007, Nos. 69 and 106 of 2008, Nos. 32, 35 and 95 of 2009, No. 94 of 2010, Nos. 19, 31, 35, 51, 77 and 99 of 2011, Nos. 40 and 94 of 201, Nos. 15, 16, 23, 68, 91, 100 and 109 of 2013, Nos. 1, 105 and 107 of 2014 and Nos. 12 and 22 of 2015), in Article 55 (6), the words "the Energy Efficiency Act" shall be replaced by "the Energy Efficiency Act as repealed (promulgated in the State Gazette No. 98 of 2008; amended in Nos. 6, 19, 42 and 82 of 2009, Nos. 15, 52 and 97 of 2010, No. 35 of 2011, No. 38 of 2012, Nos. 15, 24, 59 and 66 of 2013, Nos. 22, 33 and 98 of 2014 and No. 14 of 2015.)".

§ 29. In the Local Taxes and Fees Act (promulgated in the State Gazette No. 117 of 1997; amended in Nos. 71, 83, 105 and 153 of 1998, No. 103 of 1999, Nos. 34 and 102 of 2000, No. 109 of 2001, Nos. 28, 45, 56 and 119 of 2002, Nos. 84 and 112 of 2003, Nos. 6, 18, 36, 70 and 106 of 2004, Nos. 87, 94, 100, 103 and 105 of 2005, Nos. 30, 36 and 105 of 2006, Nos. 55 and 110 of 2007, Nos. 70 and 105 of 2008, Nos. 12, 19, 41 and 95 of 2009, No. 98 of 2010, Nos. 19, 28, 31, 35 and 39 of 2011; Constitutional Court Judgment No. 5 of 2012 - No. 30 of 2012; amended in Nos. 53, 54 and 102 of

2012, Nos. 24, 30, 61 and 101 of 2013, No. 105 of 2014 and No. 14 of 2015), in Items 18 and 19 of Article 24 (1), the words "Article 25" shall be replaced by "Article 48".

§ 30. The Spatial Development Act (promulgated in the State Gazette No. 1 of 2001; amended in Nos. 41 and 111 of 2001, No. 43 of 2002, Nos. 20, 65 and 107 of 2003, Nos. 36 and 65 of 2004, Nos. 28, 76, 77, 88, 94, 95, 103 and 105 of 2005, Nos. 29, 30, 34, 37, 65, 76, 79, 80, 82, 106 and 108 of 2006, Nos. 41, 53 and 61 of 2007, Nos. 33, 43, 54, 69, 98 and 102 of 2008, Nos. 6, 17, 19, 80, 92 and 93 of 2009, Nos. 15, 41, 50, 54 and 87 of 2010, Nos. 19, 35, 54 and 80 of 2011, Nos. 29, 32, 38, 45, 47, 53, 77, 82 and 99 of 2012, Nos. 15, 24, 27, 28, 66 and 109 of 2013, Nos. 49, 53, 98 and 105 of 2014) shall be amendeded as follows:

1. In Article 142 (11), the words "Article 23a" shall be replaced by "Article 44".
2. In Item 7 of Article 167 (2), the words "Article 23" shall be replaced by "Article 43".

§ 31. The implementation of this Act is entrusted to the Minister of Energy, the Minister of Regional Development and Public Works, the Minister of Economy and to the Minister of Transport, Information Technology and Communications.

§ 32. This Act shall enter into force as from the day of promulgation thereof in the State Gazette.

This Act was passed by the 43rd National Assembly on the 30th day of April 2015 and the Official Seal of the National Assembly has been affixed thereto.