

# **LAW FOR THE ENERGY EFFICIENCY**

*amend. SG. 74/8 Sep 2006*

## **Chapter one. GENERAL PROVISIONS**

Art. 1. This law settles the public relations with regard of the implementation of the state policy for raising the energy efficiency and providing energy effective services.

Art. 2. The objective of the law is to encourage the energy efficiency through a system of measures and activities on national, branch, regional and municipal level as a basic factor or increasing the compatibility of the economy, the reliability of the electric power supply and the protection of the environment.

## **Chapter two. STATE MANAGEMENT**

### **Section I. Bodies of Management**

Art. 3. (1) (amend. - SG 74/06, in force from 08.09.2006) The state policy regarding the raising of the energy efficiency shall be implemented by the Minister of Economy and Energy and it shall be an integral part of the energy policy of the country.

(2) The measures and the activities for raising the energy efficiency shall be implemented by the Executive Director of the Agency for Energy Efficiency, called hereinafter "the Agency", jointly with the central and territorial bodies of the executive authority and the other state bodies.

Art. 4. (1) (amend. - SG 74/06, in force from 08.09.2006) The Minister of Economy and Energy shall:

1. put forward for adoption by the Council of Ministers, at a proposal of the Executive Director of the Agency, the national long-term and short-term programmes for energy efficiency and shall control their fulfilment;
2. issue by-laws regarding the energy efficiency, stipulated by this law;
3. carry out interaction with the other state bodies regarding the implementation of the state policy for raising the energy efficiency;
4. organise the preparation of measures for approximation of the Bulgarian with the European legislation in the sphere of the energy efficiency;
5. carry out the international cooperation of the Republic of Bulgaria in the sphere of energy efficiency;
6. implement other legal capacities in the sphere of energy efficiency assigned to him by other normative acts.

(2) (amend. - SG 74/06, in force from 08.09.2006) The Minister of Economy and Energy may assign the fulfilment of the programmes and measures under art. 4, para 2, item 9 of the Law for the energy sector, including the creation, maintenance of informational system and popularisation of the measures for using restorable energy sources, to the Executive Director of the Agency.

Art. 5. (1) (amend. - SG 74/06, in force from 08.09.2006) The Executive Director of the Agency shall be appointed by the Minister of Economy and Energy in coordination with the Prime Minister.

(2) The Executive Director shall:

1. run, manage and represent the Agency;
2. (amend. - SG 74/06, in force from 08.09.2006) work out and present for approval by the Minister of Economy and Energy, supervise and coordinate the national long-term and short-term programmes under art. 10, as well as the expedient programmes under art. 11;
3. (amend. - SG 74/06, in force from 08.09.2006) present annually to the Minister of Economy and Energy a report for the fulfilment of the national long-term programmes and a report for the fulfilment of the short-term programme;
4. organise the fulfilment of projects and measures related to the national long-term and short-term programmes of energy efficiency;
5. approve the fulfilment of projects for development of the energy efficiency;
6. exercise control in the cases stipulated by the law;
7. organise and participate in the working of draft by-laws in the sphere of energy efficiency;
8. propose the working and refinement of standards in the sphere of energy efficiency for the purpose of their approximation with the European norms and stimulation of the raising of the energy efficiency by the energy consumers;
9. interact with the central and territorial bodies of the executive authority and the other state bodies, with associations of employers, with branch organisations, associations of consumers and with non-profit corporate bodies in implementing the policy of energy efficiency;
10. organise the creation and maintenance of national informational system for the state of the energy efficiency;
11. work out instructions for the creation and maintenance of informational systems for the state of the energy efficiency in the central and territorial bodies of the executive authority;
12. organise the creation and updating of the public registers under art. 16 and art. 18, as well as the issuance of certificates to the persons meeting the requirements of art. 16, para 4 and art. 18, para 1;
13. organise expert assistance to the central and territorial bodies of the executive authority and the other state bodies in fulfilment of their functions under this law;
14. organise popularisation of the measures for energy efficiency;
15. organise the creation and maintenance of a list of the sites to be brought in compliance with the requirements for energy efficiency;
16. further the development of the education on energy efficiency;
17. implement other legal capacities assigned to him by other normative acts.

Art. 6. (1) In fulfilment of his functions the Executive Director shall be assisted by the Agency.

(2) (amend. - SG 74/06, in force from 08.09.2006) The Agency is a corporate body at budget support – secondary administrator of budget credits, with a seat in Sofia, having the status of an Executive Agency at the Minister of Economy and Energy.

(3) The activity, the structure, the organisation of the work and the number of employees of the Agency shall be determined by structural regulation adopted by the Council of Ministers.

(4) The Agency shall be an administrator of the revenue from:

1. subsidies from the republican budget;
2. own activity;
3. donations, aid and other drawn in funds from local and foreign individuals and corporate bodies;
4. international programmes and agreements;

5. other revenue determined by a normative act.

Art. 7. The ministers shall develop and implement programmes for energy efficiency in the respective branch.

Art. 8. The regional governors shall organise the development and the fulfilment of regional programmes for energy efficiency and shall carry out interaction with the bodies of the local independent government and local administration.

Art. 9. (1) The municipal councils shall adopt programmes for energy efficiency under art. 10, para 4 and 5, as well as for:

1. rehabilitation of buildings, administrative and economic buildings on the territory of the municipality for the purpose of implementing measures for energy efficiency;

2. introduction of energy saving outfits for external lighting of settlements and in public buildings;

3. other measures for raising the energy efficiency.

(2) The mayors shall organise and fulfil the measures stipulated by the municipal programmes for energy efficiency, providing expedient resources in their budgets for their realisation.

## **Section II. Energy Efficiency Programmes**

Art. 10. (1) The state policy for raising the energy efficiency shall be implemented on the grounds of national long-term and short-term programmes adopted by the Council of Ministers.

(2) The programmes shall contain the objectives, the measures for energy efficiency, the activities of the executive authority, the sources of financing, the terms of fulfilment, the indicators of achievement of the results, as well as other necessary data.

(3) The national long-term programmes shall represent a general concept for the development of the energy efficiency, setting the long-term objectives and resources for their achievement, and they shall be worked out by the Agency.

(4) The national short-term programmes shall be worked out by the Agency on the grounds of the national long-term programme and the programmes worked out on branch, regional and municipal level.

(5) The branch, regional and municipal programmes shall be worked out and implemented by the central and territorial bodies of the executive authority and shall be submitted to the Agency.

(6) (amend. - SG 74/06, in force from 08.09.2006) The national long-term and short-term programmes shall be put forward for adoption by the Council of Ministers by the Minister of Economy and Energy at the proposal of the Executive Director of the Agency within one year from the enactment of the law.

(7) The programmes under para 5 shall be submitted to the Agency up to 6 months from the enactment of the law.

(8) The Agency shall announce publicly the state policy for energy efficiency in a bulletin published by it, as well as in other appropriate way.

(9) The bulletin shall be published annually and shall also be published on the Internet site of the Agency.

Art. 11. (1) The central bodies of the executive authority, the regional governors and the other state bodies shall draw up every year expedient annual programmes for implementing measures for energy efficiency, and shall submit them for generalisation by the Executive Director of the Agency.

(2) The resources for fulfilment of the programmes under para 1 shall be provided by the republican budget.

### **Chapter three.**

## **ENERGY EFFICIENCY MEASURES**

### **Section I.**

#### **Management of the Energy Efficiency**

Art. 12. The energy consumers subject to investigation by the order of art. 17 shall be obliged to carry out management of the energy efficiency by:

1. working out periodically, at least once a year, analyses of the general and specific consumption of fuel and energy;
2. working out programmes for optimisation of the efficiency of the energy consumption;
3. implement all measures for energy saving stipulated by the programmes under item 2.

### **Section II.**

#### **Assessment, Certification, Investigation, Energy Efficiency Services**

Art. 13. The energy efficiency activity shall be carried out through energy efficiency services.

Art. 14. For establishing the energy spending and the compliance with the requirements for energy efficiency of investment projects for construction, reconstruction and modernisation of sites, as well as of commissioned sites, assessments and investigations for energy efficiency shall be carried out.

Art. 15. (1) Every project for construction, reconstruction and modernisation of sites shall be subject to assessment for energy efficiency as a part of the assessment for compliance with the substantial requirements for the constructions, made under the terms and by the order of the Law for the spatial planning.

(2) (amend. - SG 74/06, in force from 08.09.2006) The assessment of the projects under para 1 shall be made in compliance with the requirements for the technical rules and norms for annual energy consumption of the various kinds of sites, determined by an ordinance for the energy characteristics of the sites issued by the Minister of Economy and Energy and the Minister of Regional Development and Public Works.

Art. 16. (1) (amend. - SG 74/06, in force from 08.09.2006) Every building may be certified by the order of an ordinance for certification of the buildings issued by the Minister of Economy and Energy and the Minister of Regional Development and Public Works.

(2) Every commissioned site, state or municipal property, with total effective area over 1000 sq m shall be subject to certification. The certificate shall be issued for a period of up to 10 years and shall be put in a visible place.

(3) The requirements under art. 15, para 2 may not apply for the following categories of buildings:

1. cultural monuments which are not used for economic purpose;
2. places of worship of legally registered religions in the country;
3. temporary buildings with planned term of using of up to two years;
4. farm buildings of the agricultural producers used for agricultural activity;

5. housing buildings used up to 4 months annually;  
6. single buildings with a total of effective area up to 50 sq m.  
(4) The certification under para 1 shall be carried out by individuals or corporate bodies who:

1. are registered under the Commercial Law;  
2. are accredited by the national body of accreditation;  
3. have available the necessary technical means;  
4. have available the necessary personnel - individuals having:  
a) graduated higher technical education and not less than three years of practice on the speciality or graduated high technical education and not less than 6 years of practice on the speciality;  
b) graduated course of training for certification of buildings;  
5. have not participated, including the hired personnel, in the designing, construction and using of the buildings subject to certification.

(5) The Agency shall enter in a public register the persons under para 4 at their written request, as the circumstances under item 1, 2 and 4 shall be certified by the respective document, and the circumstances under item 3 and 5 – by declaration.

(6) The Agency shall issue certificates to the persons entered in the register against payment of a fee determined by a tariff adopted by the Council of Ministers.

(7) The Agency shall refuse to enter in the register the persons who do not meet some of the requirements under para 4.

(8) The certificate for entry in the register or the motivated written refusal shall be issued by the Executive Director of the Agency within 14 days from the date of filing the application.

(9) The certificate under para 8 shall be valid for three years.

(10) The refusals to include in the register shall be individual administrative acts.

(11) The refusal, as well as the implicit denial under para 7 shall be subject to appeal before the Supreme Administrative Court within 14 days from their notification or from expiration of the term under para 8.

(12) The Agency shall write of the register the persons having obtained certificates with a right to carry out certification of buildings upon:

1. dropping of some of the requirements under para 4;  
2. filing of untrue declaration under para 4, item 3 and 5 and/or  
3. violation of the obligations under this law.

(13) (amend. - SG 74/06, in force from 08.09.2006) The circumstances subject to entry under para 1 – 12, the order of entry in the register and of obtaining information shall be determined by an ordinance of the Minister of Economy and Energy.

Art. 17. (1) Subject to investigation for energy efficiency shall be every energy consumer whose annual energy consumption exceeds the limits determined by the ordinance under para 2.

(2) (amend. - SG 74/06, in force from 08.09.2006) The investigation for energy efficiency shall be carried out under the terms and by the order set by an ordinance for investigation for energy efficiency of the Minister of Economy and Energy and the Minister of Regional Development and Public Works.

(3) The investigation for energy efficiency shall aim at identifying specific possibilities of reducing the energy consumption.

(4) The investigation of energy efficiency shall establish:

1. the energy consumption;  
2. the level of the technologies and the management of the energy economy;  
3. the saving of heating power and heat preservation of the site;  
4. the compliance with the standards for energy efficiency and the requirements of the ordinances under para 2 and art. 15, para 2.

(5) The investigation for energy efficiency shall contain the data under para 4 along with recommendations for improvement of the energy efficiency.

Art. 18. (1) The investigations under art. 17 shall be carried out by individuals or corporate bodies who:

1. (suppl. - SG 74/06, in force from 08.09.2006) are registered under the Commercial Law or established by an act of the Council of Ministers for performing energy investigations;

2. are accredited by the national body of accreditation;

3. have available the necessary technical means;

4. have available the necessary personnel - individuals having:

a) graduated higher technical education and not less than three years of practice on the speciality or graduated high technical education and not less than 6 years of practice on the speciality;

b) graduated course of training for certification of buildings;

5. have not participated, including the hired personnel, in the designing, construction and using of the buildings subject to investigation for energy efficiency.

(2) The Agency shall enter in a public register the persons under para 1 at their written request, as the circumstances under item 1, 2 and 4 shall be certified by the respective document, and the circumstances under item 3 and 5 – by declaration.

(3) The Agency shall issue certificates to the persons entered in the register against payment of a fee determined by a tariff adopted by the Council of Ministers.

(4) The Agency shall refuse to enter in the register the persons who do not meet some of the requirements under para 1.

(5) The certificate for entry in the register or the motivated written refusal shall be issued by the Executive Director of the Agency within 14 days from the date of filing the application.

(6) The certificate under para 5 shall be valid for three years.

(7) The refusals to include in the register shall be individual administrative acts.

(8) The refusal, as well as the implicit denial under para 4 shall be subject to appeal before the Supreme Administrative Court within 14 days from their notification or from expiration of the term under para 5.

(9) The Agency shall write of the register the persons having obtained certificates with a right to carry out investigation for energy efficiency upon:

1. dropping of some of the requirements under para 1;

2. filing of untrue declaration under para 1, item 3 and 5 and/or

3. violation of the obligations under this law.

(10) The circumstances subject to entry under para 1 – 9, the order of entry in the register and of obtaining information shall be determined by the ordinance under art. 16, para 13.

Art. 19. Where an investigation for energy efficiency establishes violation of indices determined by by-laws under this law the person carrying out the investigation shall notify the Agency and shall submit the documentation establishing the results from the investigation.

Art. 20. The energy efficiency services related to studying, designing, construction, installation, modernisation, maintenance and/or management and monitoring shall be carried out by individuals or corporate bodies registered under the Commercial Law, and they shall be carried out on the grounds of written contracts concluded with an energy consumer.

Art. 21. (1) The individuals and the corporate bodies under art. 20 providing energy efficiency services may also conclude contracts whereby the investments will be refunded by the realised energy savings. The contracts shall contain:

1. the basic energy consumption;

2. the guaranteed savings and the order of their establishing;

3. the way of financing;

4. the way of payment of the remuneration.

(2) The individuals and the corporate bodies under art. 20 providing energy efficiency services under the terms of para 1 shall provide the service in full or partially by own resources or shall undertake to provide their financing by a third party.

(3) The remuneration of the individuals and of the corporate bodies under art. 20, providing energy efficiency services under the terms of para 1, shall be for the account of the realised savings.

(4) The individuals and the corporate bodies under art. 20, providing energy efficiency services under the terms of para 1, shall bear the financial, technical and commercial risk for the fulfilment of the projects for energy efficiency.

## **Chapter four.**

### **ORGANISATION OF THE ACTIVITIES FOR RAISING THE ENERGY EFFICIENCY**

#### **Section I.**

#### **Fund "Energy efficiency"**

Art. 22. (1) Fund "Energy efficiency" shall be established for financing the activities for raising the energy efficiency, with exception of those under art. 11.

(2) Fund "Energy efficiency", called hereinafter "the Fund" is a corporate body with a seat in Sofia.

Art. 23. (1) The Fund shall administer financial resources submitted for investment projects for development of the energy efficiency according to the priorities underlying in the national long-term and short-term programmes for energy efficiency adopted by the Council of Ministers.

(2) The Fund shall carry out its activity according to this law, the agreements with the donors and the current legislation, and it is not a part of the consolidated state budget.

Art. 24. In fulfilment of its objectives the Fund shall base its activity on the following principles:

1. transparency in administering the resources;
2. equality of all applicants for financing by the Fund;
3. partnership and cooperation with individuals and corporate bodies, entrepreneurs in the meaning of the Commercial Law, for joint financing of energy efficiency projects.

Art. 25. (1) The revenue of the Fund shall be raised from:

1. donations by international financial institutions, international funds, Bulgarian and foreign individuals or corporate bodies;
2. financial revenue consisting of interest on current accounts or bank deposits of the Fund;
3. loans or other financial instruments of credit nature granted by international organisations and banks, as well as by individuals and/or corporate bodies registered as entrepreneurs, received explicitly for the achievement of the objectives of the Fund;
4. other revenue corresponding to the nature and activity of the Fund.

(2) The initially raised resources of the Fund shall be kept in a commercial bank – depository, having a licence for activity on the territory of the country, appointed through a competition.

Art. 26. The resources of the Fund shall be spent for:

1. onerous financing of projects for development of the energy efficiency in Bulgaria;
2. guarantee activity on credits granted by financial credit institutions under projects for energy efficiency;
3. support of the Fund according to the annual budget for the revenue and expenditure approved by the management board.

Art. 27. (1) The Fund shall be managed by a management board consisting of 7 members as follows:

1. (amend. - SG 74/06, in force from 08.09.2006) a representative of the Ministry of Economy and Energy resources appointed by the Minister of Economy and Energy;

2. a representative of the Ministry of Environment and Waters appointed by the Minister of Environment and Waters;

3. the Executive Director of the Agency;

4. four representatives of individuals and/or corporate bodies – entrepreneurs in the meaning of the Commercial Law, or of non-profit corporate bodies in the meaning of the Law for the non-profit corporate bodies, having the necessary professional experience.

(2) The mandate of the members of the management board shall be two years.

(3) The chairman of the management board shall be elected among the members of the management board for a period of one year.

(4) Every member of the management board, elected as its chairman, shall conclude his started mandate of two years after his release from the position of chairman.

(5) The representatives under para 1, item 4 shall be elected by the assembly of the individuals and/or of the corporate bodies – entrepreneurs in the meaning of the Commercial Law, or of the non-profit corporate bodies in the meaning of the Law for the non-profit corporate bodies.

(6) The assembly of the individuals and/or of the corporate bodies – entrepreneurs in the meaning of the Commercial Law, or of the non-profit corporate bodies in the meaning of the Law for the non-profit corporate bodies shall be convened every two years.

(7) The assembly under para 5 may attend and propose for election members of the management board associations of municipalities, commercial and economic chambers, associations of commercial banks, as well as other interested persons.

(8) Member of the management board may not be an individual, as well as a representative of a corporate body who:

1. has been sentenced for deliberate crime of general nature;

2. is a spouse or relative on the direct or collateral line up to fourth degree and by marriage – up to third degree including of other member of the management board of the Fund;

3. works in the administration under official or employment legal terms with exception of the persons under para 1, item 1 – 3.

Art. 28. (1) The management board shall manage the overall activity of the Fund.

(2) The management board shall:

1. adopt regulations for the organisation of the work and activity of the Fund;

2. approve the policy of financing and guaranteeing of the Fund;

3. adopt a strategy of the activity of the Fund;

4. adopt the criteria for assessment and selection of projects for energy efficiency applying for financing by the Fund;

5. approve the financing of energy efficiency projects;

6. approve the contracts related to the guarantee activity of the Fund;

7. approve the revenue and expenditure budget and the annual report for the activity of the Fund worked out by the Executive Director;

8. elect and release the Executive Director;

9. appoint an independent financial audit and accept the annual financial report;

10. approve the list of personnel of the Fund and determine the remuneration of its employees;

11. adopt other measures as deemed necessary for achievement of the objectives of the Fund.

Art. 29. (1) The Fund shall be represented by an executive director elected by the management board through a competition.

(2) The relations with the executive director shall be settled by a contract.

(3) The contract with the executive director shall be concluded for a period of 5 years.

(4) The executive director of the Fund shall:

1. represent the Fund;
2. work out a draft strategy of the activity of the Fund;
3. prepare the necessary documentation for financing and guaranteeing the projects in compliance with the law and the concluded agreements with the donors;
4. prepare the draft budget for revenue and expenditure and provide the fulfilment of the budget approved by the management board;
5. work out reports and other materials for consideration and approval by the management board in compliance with the internal rules of the Fund;
6. prepare the sittings of the management board;
7. sign the contracts for financing and guaranteeing projects concluded with the Fund and approved by the management board;
8. inform periodically the management board for the level of fulfilment of the financed projects;
9. appoint and release the personnel in compliance with the current legislation;
10. be responsible for the protection of the property of the Fund;
11. carry out other activities assigned to him by a decision of the management board.

Art. 30. (1) The contract with the executive director shall be terminated ahead of term upon:

1. filed resignation;
2. enforcement of a sentence for a deliberate crime;
3. gross violation of this law or of the normative acts for its implementation;
4. systematic non-fulfilment of the undertaken obligations;
5. substantial violation of the obligations established by the contract;
6. harming the interests of the Fund;
7. objective inability to fulfil his obligations for a period longer than 6 months;
8. death.

(2) The establishment of the circumstances under para 1 and the termination of the mandate shall be carried out by a decision of the management board.

## **Section II. Encouragement**

Art. 31. The consumers of electric power, heating power and natural gas in condominiums, having founded corporate bodies – associations by the order of art. 152 of the Law for the energy sector, may apply for financing of projects for raising the energy efficiency by Fund "Energy efficiency".

## **Chapter five. CONTROL OVER THE ENERGY EFFICIENCY**

Art. 32. The Executive Director of the Agency shall exercise control over the activity of the energy consumers in protection of the public interest for raising the energy efficiency in the cases when the implementation of measures for energy efficiency according to this law or other normative acts is obligatory.

Art. 33. In fulfilment of his control functions the Executive Director of the Agency shall:

1. carry out inspections through authorised officials;

2. impose administrative sanctions stipulated by this law;
3. draw in experts and appoint expertise of the investigations under art. 17.

Art. 34. (1) The officials carrying out inspections and issuing acts for establishing administrative offences shall be appointed by an order of the Executive Director.

(2) The officials under para 1 shall be legitimised by the order under para 1 and by an official card certifying their position.

Art. 35. (1) The officials under art. 34, called hereinafter "the control bodies" shall have the right:

1. to free access to the inspected sites;
2. to require from the inspected persons documents necessary for the control;
3. to carry out expertise and control investigation;
4. under regime of admission, determined by the bodies of the Ministry of Defence and the Ministry of Interior, to carry out inspection of their energy sites.

(2) The inspected person shall be obliged to provide all conditions for the normal process of the inspection and render assistance to the control bodies by:

1. providing a place for carrying out the inspection;
2. appoint his representative for contacts and assistance to the inspecting officials;
3. provide access to the official premises;
4. submit all documents necessary for the implementation of the control.

(3) The control bodies shall be obliged not to make public the official and the trade secret having become known to them during or on occasion of the control activity.

Art. 36. (1) The control bodies shall prepare records of findings for the results from the inspections, attached to which shall be the gathered data, documents and explanations.

(2) The records shall be presented to the inspected person who will have the right to produce explanations and objections within 14 days from the presentation.

Art. 37. (1) On the grounds of the results from the inspection the control bodies may:

1. give prescriptions to the inspected persons for removal of the established offences and set a period for bringing in compliance with the indices for energy efficiency established by the by-laws under this law;
2. issue acts for establishing administrative offences.

(2) The prescriptions of the control bodies, given in fulfilment of their legal capacities under this law, shall be obligatory.

(3) The persons to whom obligatory prescription have been given shall notify within the set period the control bodies about their fulfilment.

Art. 38. All state bodies, corporate bodies and individuals shall be obliged to render assistance to the control bodies in carrying out their functions.

## **Chapter six.**

### **ADMINISTRATIVE PENAL PROVISIONS**

Art. 39. A person who violates the provision of art. 35, para 2 shall be punished by a fine of 200 to 500 levs or by a material sanction of 500 to 1000 levs.

Art. 40. An official who violates the provision of art. 35, para 3 shall be punished by a fine of 500 levs.

Art. 41. Who does not fulfil an obligatory prescription under art. 37, para 1, item 1 shall be punished by 500 to 1000 levs or by a material sanction of 1000 to 3000 levs.

Art. 42. Imposed to a corporate body or sole entrepreneur in the cases where he refuses to a control body, carrying out inspection under this law, control investigation, shall be a material sanction of 200 to 2000 levs.

Art. 43. A person carrying out investigation, who does not notify the Agency and does not produce the necessary documentation under art. 19, shall be punished by a fine of 100 to 500 levs or by a material sanction of 500 to 1000 levs.

Art. 44. A person carrying out certification of buildings or investigation for energy efficiency, who admits violation in fulfilment of his obligations, shall be punished by a fine of 200 to 1000 levs or by a material sanction of 500 to 5000 levs.

Art. 45. A person carrying out certification of buildings or investigation for energy efficiency in violation of the provision of art. 16, para 4, item 5 or art. 18, para 1, item 5 shall be punished by a fine of 200 to 1000 levs or by a material sanction of 500 to 5000 levs.

Art. 46. The acts establishing administrative offences under this law shall be issued by officials appointed by the Executive Director of the Agency.

Art. 47. The penal provisions shall be issued by the Executive Director of the Agency.

Art. 48. The establishment of offences, the issuance, the appeal and the fulfilment of the penal provisions shall be carried out by the order of the Law for the administrative offences and sanctions.

### **Additional provisions**

§ 1. In the meaning of this law:

1. "Basic electric power consumption" is the energy consumption and the respective expenses for energy, used as a basis of comparison in determining the future saving.

2. "Basic values" are the values serving for determining the basic energy consumption.

3. "Energy efficiency" is every measure, the result from which application leads to a reduction of the consumption of primary energy carrier or energy in retaining the degree of comfort in the household and reduction of the energy consumption per unit of production in industry in protecting the environment.

4. "Energy prime cost" is the energy consumption expressed in monetary units.

5. "Energy characteristics of a building" is an index of the quantity of consumed or designated for consumption energy, used for meeting different needs of energy of the building according to its category, taking into account heat power supply, ventilation, air conditioning and lighting.

6. "Energy consumer" is every individual or corporate body – consumer of energy carrier for transformation of energy or for end using.

7. "Energy efficiency measure (activity)" is an organisational, structural, technical and/or technological institutional or normative change for raising the energy efficiency.

8. "Energy efficiency services" are the activities of investigation, consulting, studying, designing, constructing, installation, modernisation, maintenance, management and monitoring of machines, facilities and buildings leading to reduction of the energy consumption in retaining or increasing the energy comfort.

9. "Expertise" is an assessment of the results from the energy investigations.

10. "Energy comfort" is a degree of satisfying the household energy needs of the end user.

11. "Indicators of achieving results" are the indices pointing at concrete data related to the achieved results.

12. "Short-term programmes" are programmes covering a period of up to three years.

13. "Long-term programmes" are programmes covering a period of up to 10 years.
14. "Modernisation of sites" are the activities of basic and current repair, as well as a change of the purpose of the site.
15. "Assessment of energy efficiency" is an expert analysis based on scientific and experimental methods for determining the indices for consumption of energy carriers.
16. "Investigation for energy efficiency" is a process based on a systematic method for determining and valuation of the energy flows and consumption in industrial or other system of energy consumer, determining the range of the technical-economic parameters of the energy efficiency measure.
17. "Total effective area of the buildings" is the unfolded area used according to its purpose.
18. "Site" is every individual building or facility consuming energy.
19. "Indices for energy consumption" are measures or calculated quantitative and power values characterising a stage or a cycle of an energy transformation or using of energy carrier (quantity of energy or energy carrier, specific consumption, energy consumption, power of an energy flow and others).
20. "Raising of the energy efficiency" is an activity leading to a reduction of the energy consumption without a change in the production capacity (or service), change of the quality or other characteristics.
21. "Certificate of energy characteristics of a building" is an officially recognised document including the energy characteristics of a building, calculated according to the methodology under the ordinance for certification of buildings.
22. "Management of the energy efficiency" is an activity of observing a change in the consumption, comparison of the achieved consumption with the prognosticated, working out of analyses for the consumption and development of energy saving measures on their basis.

### **Transitional and concluding provisions**

§ 2. In the Law for the energy sector and energy efficiency (prom., SG 64/99; amend., SG 1/00, SG 108/01, SG 63/02, SG 9 and 107/03) Chapter Thirteen is revoked.

§ 3. (1) The Agency for Energy Efficiency is an universal legal successor of the Agency for Energy Efficiency stipulated by the revoked Law for the energy sector and energy efficiency.

(2) The contract with the Executive Director of the Agency for Energy Efficiency shall be concluded within one month from the enactment of the law.



§ 4. (1) (amend. - SG 74/06, in force from 08.09.2006) The representative of the Ministry of Economy and Energy under art. 27, para 1, item 1 shall be Chairman of the management board of the Fund for a period of two years from the enactment of the law.

(2) The Chairman of the management board of the Fund shall announce in the State Gazette and in two central daily newspapers an initial term and a deadline for initial raising of the resources for the Fund in a raising account in a commercial bank within two months from the enactment of the law.

(3) The state budget shall grant to the Fund one-time resources amounting to 3 million levs within the terms under para 2.

(4) Within 14 days from expiration of the term under para 2 the Chairman of the management board shall convene the first assembly of the persons under art. 27, para 5 and 7 for election of the members of the management board under art. 27, para 1, item 4.

(5) The Chairman of the management board shall issue certificates to the persons participating in the raising of resources of the Fund. The certificates shall indicate the number of votes by which these persons may participate in taking the decisions of the meeting under para 7, whereas one vote shall be assigned to every 1000 levs.

(6) Within the term under para 4 the Chairman of the management board shall publish in the State Gazette and in two central daily newspapers an invitation for convening the first assembly of the persons under art. 27, para 5 and para 7.

(7) At the first meeting decisions of the attending persons under para 4 shall:

1. adopt rules for the work of the assembly;
2. elect members of the management board under art. 27, para 1, item 4.

(8) The decisions under para 7 shall be taken by a majority of 2/3 of the votes of the persons attending the assembly.

(9) The regulations for the organisation of the work and the activity of the Fund shall be adopted within three months from the election of its management board.

§ 5. In the Law for the local taxes and fees (prom., SG 117/97; amend. and suppl., SG 71, 83, 105 and 153/98, SG 103/99, SG 34 and 102/00, SG 109/01, SG 28, 45, 56 and 119/02, SG 84 and 112/03, SG 6/04) in art. 24, para 1 item 18 and 19 are created:

"18. the buildings having obtained certificate of category A, issued by the order of the Law for the energy efficiency and the ordinance for certifying the buildings – for a period of 10 years considered from the year following the year of issuance of the certificate;

19. the buildings having obtained certificate of category B, issued by the order of the Law for the energy efficiency and the ordinance for certifying the buildings – for a period of 5 years considered from the year following the year of issuance of the certificate."

§ 6. In the Law for the corporate income taxation (prom., SG 115/97; corr., SG 19/98; amend., SG 21 and 153/98, SG 12, 50, 51, 64, 81, 103, 110 and 111/99, SG 105 and 108/00, SG 34 and 100/01, SG 45, 61, 62 and 119/02, SG 42 and 109/03) in art. 23, para 3, item 1 letter "l" is created:

"m) Fund "Energy efficiency".

§ 7. The following amendments are introduced to the Law for the energy sector (SG 107/03):

1. In art. 83, para 1, item 5 the word "Amendment" is replaced by "fulfillment".
2. In art. 97, para 1, item 5 the word "connection" is replaced by "distribution".
3. In art. 148, para 2 the words "item 2 and 3" are replaced by "item 3 and 4".
4. In § 4, para 6 of the transitional and concluding provisions the words "art. 61" are replaced by "art. 63".

§ 8. The by-laws for the implementation of this law shall be adopted within 6 months from its enactment.

§ 9. (amend. - SG 74/06, in force from 08.09.2006) The fulfilment of the law is assigned to the Minister of Economy and Energy.

§ 10. The law shall enter into force on the day of its promulgation in the State Gazette, with exception of art. 16 which shall apply after the adoption of the ordinance for certification of buildings, art. 17 which shall apply after the adoption of the ordinance for investigation of energy efficiency and § 5 of the transitional and concluding provisions which shall enter into force on January 1, 2005.

The law was passed by the 39th National Assembly on February 19, 2004 and was affixed with the official seal of the National Assembly.

**Transitional and concluding provisions  
TO THE LAW ON AMENDMENT AND SUPPLEMENTATION OF THE LAW OF THE  
ENERGY SECTOR**

(PROM. – SG 74/06, IN FORCE FROM 08.09.2006)

§ 139. In the Law for the Energy Efficiency (SG 18/04) shall be made the following amendments and supplementations:

1. Everywhere in the Law the words "the Minister of Energy and Energy Resources", "Minister of Energy and Energy Resources" and "the Ministry of Energy and Energy Resources" shall be replaced respectively by "the Minister of Economy and Energy", "Minister of Economy and Energy" and "the Ministry of Economy and Energy".