



THE LEGISLATIVE FRAMEWORK FOR SUSTAINABILITY IN LATVIA: SEA PORTS IN CONTEXT OF ENERGY POLICY

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The legislative framework for sustainability in Latvia: sea ports in context of energy policy

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Current framework from energy policy perspective



DIRECTIVE 2014/94/EU on the deployment of alternative fuels infrastructure

How does it addresses maritime transport?

Shore-side electricity supply for inland waterway vessels and seagoing ships in maritime and inland ports must be assessed in national policy frameworks. Such shore-side electricity supply shall be installed as a priority in ports of the TEN-T Core Network, and in other ports, by 31 December 2025, unless there is no demand and the costs are disproportionate to the benefits, including environmental benefits.

Appropriate number of refueling points for LNG must be in place at maritime ports, to enable LNG inland waterway vessels or seagoing ships to circulate throughout the TEN-T Core Network by 31 December 2025. Member States shall cooperate with neighboring Member States where necessary to ensure adequate coverage of the TEN-T Core Network.

Future option: hydrogen? New infrastructure networks need to be built up, such as for electricity, natural gas (liquefied natural gas (LNG) and compressed natural gas (CNG)) and, where appropriate, hydrogen.



Framework in Latvia

The plan for development of alternative fuels 2017-2020

Tasks in relation with maritime sector:

1. Study on demand and economic assesment for installation of LNG refuelling facilities in TEN-T network seaports: **31.12.2018.**
2. Study on demand and economic and environmental assesment for installation of on-shore electricty supply connections for maritime transport: **31.12.2020**



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Current situation and progress



Cabinet rules on requirements for CNG, hydrogen and electrical refuelling facilities and coastal electrical recharging facilities – approved on February 2018. Covers technical standards and requirements for infrastructure.



Development of LNG small scale facilities in Latvian ports – already well under way, and thus partially the task of the study already covered.



Initial assesment regarding coastal electricity facilities started, regarding possible reduction of excise tax on electricity.



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Perspectives of indicated solutions

LNG

- LNG: development of LNG facilities on purely commercial basis in ports of Tallinn, Klaipeda and Riga indicates at **increasingly good competitiveness of LNG** as a viable alternative to the diesel fuel;
- Seasonal price fluctuations **in line with global energy markets**;
- A **significant addition to overall supply security of natural gas** to consumers of Latvia.
- Wholesale price in Baltic region (Q4 2017): **20.64 EUR/MWh.**

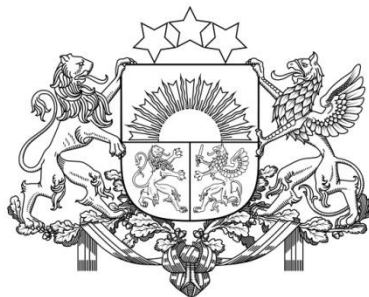


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Perspectives of indicated solutions

Coastal Electricity

- Competitiveness will **significantly** increase in next few years in relation with reduction of mandatory procurement fee;
- Significant increase of electricity consumption from network **generally favorable to overall network costs**;
- Unavoidable **seasonal and short term fluctuations of wholesale electricity price**, especially in mid-term perspective (due to increase of RES proportion in market and integration process with EU);
- Overall **sustainability with existing DSO tariffs** and investments in infrastructure still should be analyzed in cooperation with sea ports and DSO, and in line with other political tasks, imposed on the DSO.
- Wholesale average price in NPS, LV trading area (Q4 2017): **33.61 EUR/MWh**.



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Thank You!

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