

## UNOFFICIAL TRANSLATION

On the basis of Article 12, paragraph 4 of the Law on energy efficiency ("Official Gazette of Montenegro", No. 29/10), the Ministry of Economy adopted

### **INSTRUCTIONS ON DEFINITION OF METHODOLOGY FOR CALCULATING INDICATIVE ENERGY SAVINGS TARGET**

#### **Article 1**

These instructions shall regulate the methodology for calculating indicative energy savings target.

#### **Article 2**

These instructions shall be implemented for determining the overall indicative energy savings target (hereinafter: indicative target), which should be achieved until 2018.

These instructions shall be also implemented for determining indicative targets for three-year energy efficiency action plans.

#### **Article 3**

Final energy consumption is the amount of energy distributed or sold to final customers, during which definition other factors which have an effect on energy consumption (climate, location, structural and production changes etc.) are not taken into consideration.

Annual final energy consumption represents consumption of energy subjects in Montenegro, other than final consumption of:

1. energy in Aluminium Plant Podgorica (KAP);
2. aviation fuels;
3. maritime transport fuels.

#### **Article 4**

The methodology referred to in Article 1 of these instructions includes average annual final energy consumption calculated for a period of five years, for which official data exist, and before implementation of the Energy Efficiency Action Plan for the period from 2010 to 2012. The average annual final energy consumption is calculated according to the following formula:

$$Q_{av} = \frac{Q_1 + Q_2 + Q_3 + Q_4 + Q_5}{5}$$

where:

$Q_{av}$  – average final energy consumption for a five-year period,

$Q_i$  – annual final energy consumption in year  $i$ , and  $i \in \{1,2,3,4,5\}$ .

Average final consumption of primary energy shall be calculated according to the following formula:

$$Q'_{av} = k_{el} \cdot Q_{av.el.} + k_{ost.} \cdot Q_{av.oth.}$$

where:

$Q'_{av}$  – annual final consumption of primary energy,

$Q_{av.el.}$  – annual final consumption of electricity,

$Q_{av.oth.}$  – annual final consumption of other energy sources,

$k_{el.}$  – conversion factor for converting final electricity into equivalent primary energy, this conversion factor is 2.5,

$k_{ost.}$  – conversion factor for converting final energy obtained from other energy sources into equivalent primary energy, this conversion factor is 1.

#### **Article 5**

Indicative target shall be calculated as a percentage value of average final consumption of primary energy referred to in Article 4, paragraph 2 of these instructions.

Indicative target defined on the basis of methodology referred to in Article 1 of these instructions shall be provided in a fixed amount and it shall not depend from the growth of gross domestic product and energy consumption.

Indicative target represents a sum of annual energy savings during nine-year period from 2010 to 2018.

#### **Article 6**

For the purpose of methodology referred to in Article 1 of these instructions data on energy consumption for five-year period (from 2002 to 2006) shall be taken into account. The data are provided in the Table 1 which is printed with these instructions and it is its integral part.

#### **Article 7**

These instructions shall enter into force on the day of its publication in the "Official Gazette of Montenegro".

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Podgorica, March 28<sup>th</sup> 2011

Minister  
**Vladimir Kavarić PhD**

**Table 1**

	(units ktoe)	2002	2003	2004	2005	2006	Average final energy consumption
<b>1</b>	<b>Annual final consumption of energy</b>	679.2	712.2	733.9	721.3	754.8	720.3
1.1	Electricity	315.4	321.6	325.3	321.5	326.8	322.1
1.2	Other	363.8	390.6	408.6	399.8	428.0	398.2
<b>2</b>	<b>Annual final consumption of energy exempt from methodology</b>	296.4	309.4	297.7	300.6	317.5	304.3
2.1	Electricity	159.5	163.7	163.2	163.1	165.7	163.0
2.2	Other	136.9	145.7	134.5	137.5	151.8	141.3
<b>3</b>	<b>Annual final consumption of energy in the scope of methodology</b>	382.8	402.8	436.2	420.7	437.3	<b>416.0</b>
3.1	Electricity	155.9	157.9	162.1	158.4	161.1	159.1
3.2	Other	226.9	244.9	274.1	262.3	276.2	256.9
		<b>Average final consumption of energy (2002-2006)</b>					
	(units ktoe)	<b>Electricity</b>		<b>Other energy sources</b>		<b>Total consumption</b>	
<b>4</b>	<b>Average final consumption of energy in the scope of methodology</b>	159.1		256.9		416.0	
<b>5</b>	<b>Conversion factor for transformation into equivalent primary energy</b>	2.5		1.0			
<b>6</b>	<b>Final consumption of primary energy</b>	397.7		256.9		<b>654.6</b>	