

Investment Costs of Technologies Using Fossil and Renewable Energy Resources

1. Average investment costs of technologies using fossil energy resources (reference):

1.1. Heat production

1.tabula

No.	Technology	Investment costs of the reference technology, Ls/kW _{th} *	Range of installed capacity of one unit of the equipment, MW _{th}
1.1.1.	Gas-fired boiler	82	from 0.025 to 0.05 (not including)
1.1.2.	Gas-fired boiler	78	from 0.05 to 0.25 (not including)
1.1.3.	Gas-fired boiler	60	from 0.25 to 0.5 (not including)
1.1.4.	Gas-fired boiler	57	from 0.5 to 1.0 (not including)
1.1.5.	Gas-fired boiler	42	from 1.0 to 3.0 (not including)

Note. * based upon information of international sources and Latvian experience. Costs shall not include Value Added Tax (VAT)

1.2. electricity generation

Table 2

No.	Combined cycle gas turbine	Investment costs of the reference technology, Ls/kW _{el} **	Range of installed capacity of one unit of the equipment, MW _{el}
1.2.1.	Technology	500	The reference applies to solar, wind and hydro power stations.
1.2.2.	Gas engine, natural gas	1350	Up to 0.25
1.2.3.	Gas engine, natural gas	1100	from 0.25 to 0.5

Note. ** based upon information of international sources and Latvian experience. The reference applies to solar, wind and hydro power stations. Costs shall not include Value Added Tax (VAT)

2. Maximum permitted investment costs of technologies using renewable energy resources:

2.1. thermal energy production technologies

Table 3

No.	Technology	Investments, Ls/kW _{th} ***	Efficiency rate	Capacity range of one unit of installed equipment, MW _{th}
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2.1.1.	Wood chips or straw biomass-fired boiler	300	≥ 0.80	from 0.05 to 0.25 (not including)
2.1.2.	Biomass chips fired boiler	316	≥ 0.80	from 0.05 to 0.25 (not including)
2.1.3.	Wood chips or straw biomass-fired boiler	280	≥ 0.80	from 0.25 to 0.5 (not including)
2.1.4.	Biomass chips fired boiler	300	≥ 0.80	from 0.25 to 0.5 (not including)
2.1.5.	Wood chips or straw biomass-fired boiler	245	≥ 0.80	from 0.5 to 1.0 (not including)
2.1.6.	Biomass chips fired boiler	255	≥ 0.82	from 0.5 to 1.0 (not including)
2.1.7.	Wood chips or straw biomass-fired boiler	210	≥ 0.82	≥ 1.0
2.1.8.	Biomass chips fired boiler	215	≥ 0.82	≥ 1.0
2.1.9.	Solar collectors	1265		≥ 0.025
2.1.10.	Heat pumps	880	In compliance to Table 2 of Annex 1 to these Regulations	≥ 0.05

Note. *** Costs shall not include Value Added Tax (VAT)

2.2. electricity generation technologies

Table 4

No.	Technology	Investments, Ls/kW _{el} ***	Range of capacity of one unit of installed equipment, Mw _{el}
2.2.1.	Wind power plants	1200	from 0.05 to 0.5 (not including)
2.2.2.	Wind power plants	950	≥ 0.5
2.2.3.	Solar power plant	2800	≥ 0.01
2.2.4.	HPS (free flow)	2730	≥ 0.05
2.2.5.	HPS (with a reservoir and fish way)	2300	≥ 0.05
2.2.6.	Biogas cogeneration, agricultural by-products and green mass	3000	from 0.05 to 0.25 (not including)
2.2.7.	Biogas cogeneration, agricultural by-products and green mass	2500	from 0.25 to 0.5 (not including)
2.2.8.	Biogas cogeneration , waste dump gas	1600	from 0.05 to 0.25 (not including)
2.2.9.	Biogas cogeneration , waste dump gas	1400	from 0.25 to 0.5 (not including)
2.2.10.	Biomass cogeneration	3200	from 0.25 to 0.5 (not including)
2.2.11.	Biomass cogeneration	3000	from 0.5 to 1.0 (not including)

Note. *** Costs shall not include Value Added Tax (VAT)

3. Project costs, which exceed the maximum permitted investment costs of technologies using renewable energy resources, which are stated in Tables 3 and 4 of this Annex, shall be indicated as ineligible costs and they shall be covered by the Project Applicant from its own financial resources.

4. In compliance to Paragraph 21 of these Regulations, as well as Paragraph 26 the eligible costs of the project (I) shall be calculated based upon the following formulae :

$$I = (I_{RES} - I_{fos}) \times P, \text{ where}$$

I_{RES} – investments of renewable energy resources planned within the project (Ls/kW_{th} or Ls/kW_{el}), which do not exceed the maximum permitted investment costs, in compliance to the capacity range (Tables 3 and 4);

I_{fos} – investments of fossil energy resources (Ls/kW_{th} or Ls/kW_{el}) in compliance to the capacity range (Tables 1 and 2);

P – planned installed capacity of the technological equipment (kW).

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