

**Implementing Regulations
Of the Law on Energy Conservation of PRC
In Zhejiang Province**

*(Adopted by the 9th session of the Standing Committee of the 9th People's Congress of
Zhejiang Province on December 15, 1998)*

Chapter I General Provisions

Article 1. This Regulation is enacted in accordance with the Energy Conservation Law of the People's Republic of China, other relevant laws and regulations and provincial characteristics, in a view to the promotion of energy conservation in the whole society, improvement of energy efficiency, economic growth and environment protection.

Article 2. This Regulation shall apply to all organizations and individuals involved in energy development, utilization and related activities.

Article 3. Energy conservation represents a long-term strategic guideline of provincial economic growth.

Energy conservation endeavours shall be conducted by pursuing the principle of market orientation, management according to law, various sources of energy complementing each other, technical innovation, reducing consumption while enhancing efficiency and sustainable development.

Article 4. Government of and above the county level shall strengthen its guidance to energy conservation efforts, in accordance with the goals of local economic and social development, by formulating plans of energy conservation and investment in energy conservation, rationalizing industrial structure, enterprise structure, product mix, energy consumption structure, facilitating technical innovation, and securing rational energy consumption, in a synchronized manner with economic growth and environment protection.

Government shall encourage the development and utilization of new and renewable energies, advocating the use of clean energy.

Provincial government shall formulate preferential policies to facilitate energy conservation in the whole society.

Article 5. Economic (planning and economic) administrative departments (herein after “administrative departments of energy conservation”) of governments at and above county level shall be responsible for the supervision and management of energy conservation within their respective administrative divisions.

Government departments above county level in charge of planning, science and technology, finance, construction, environment protection, agriculture, technical supervision and statistics shall, within their respective terms of reference, coordinate with administrative departments for energy conservation in conducting supervision and management over energy conservation.

Sectoral administrative bodies shall enhance the management over energy conservation in the respective sectors.

Article 6. Government at all levels shall adopt effective measures with a view to strengthening the publicity and education of energy conservation, popularizing the knowledge and enhancing the public awareness of energy conservation.

The press shall monitor energy conservation activities by publicizing relevant laws and regulations, and criticizing the waste of energy.

Chapter II Management of Energy Conservation

Article 7. Provincial government shall allocate an appropriate amount of resource for energy conservation from fiscal budget into capital construction and technical innovation under unified management. This allocation shall be exclusively channeled to supporting rational utilization of energy, and the development of new and renewable energies.

Municipal and county governments shall allocate energy conservation fund which shall be exclusively channeled to supporting the rational utilization of energy, and the development of new and renewable energies.

The specific management regulations of energy conservation fund shall be developed by provincial administrative department of energy conservation in coordination with provincial financial department.

Article 8. Feasibility studies on fixed asset investment projects shall include the proof of rationalization of energy consumption, among others.

The proof of rationalization of energy consumption of fixed asset investment projects with an overall annual energy consumption over 3,000 tons of standard coal shall be reviewed by the energy conservation administrative departments above county level. These energy conservation administrative departments shall likewise supervise the design, construction, and acceptance check of these projects.

Projects without proof of rational energy consumption or projects incommensurate with the standards of rational energy consumption and design codes of energy efficiency shall not be approved. Completed project incommensurate with the standards of rational energy consumption and design codes of energy efficiency shall not be accepted.

Article 9. Administrative departments of energy conservation shall enhance the monitoring and supervision over industrial projects which are backward in technology, high in energy consumption and waste of energy, and shall urge these projects to reduce energy consumption by adopting technical measures.

The state shall prohibit the construction or expansion of industrial projects which are backward in technology, high in energy consumption and waste of energy.

Article 10. Energy-consuming institutions shall strictly observe the energy consumption limitation of per unit product, which is set forth in accordance with the law. The energy consumption limitation of per unit product shall be developed and promulgated by provincial

administrative department for energy conservation in coordination with other relevant departments.

Municipal and county administrative departments of energy conservation shall collaborate with relevant sectoral administrative bodies in conducting routine assessment on the observance of energy consumption limitation of per unit product by institutions and submit results of assessment to the provincial administrative department of energy conservation.

The provincial administrative department of energy conservation shall conduct direct assessment on the observance of energy consumption limitation of per unit product by key energy-consuming institutions in conjunction with relevant sectoral administrative bodies when necessary.

Article 11. Administrative departments of energy conservation above county level may entrust energy utilization monitoring institutions with the power of monitoring over the energy utilization situation of energy-consuming institutions. Entrusted energy utilization monitoring institutions shall submit monitoring reports to the administrative departments of energy conservation in a prompt manner.

Entrusted energy utilization monitoring institutions must have corresponding qualifications and conditions, and shall refrain from charging any fee upon monitored institutions. Monitored institutions shall not refuse to be monitored.

The resource needed by entrusted energy utilization monitoring institutions for accomplishing the goals of monitoring shall be funded by the entrusting administrative department of energy conservation in accordance with the relevant state and provincial regulations.

Article 12. Provincial administrative department of technical supervision may, in light of specific local conditions, have provisions of local regulations on energy conservation developed in such a manner that is more stringent than national or sectoral provisions; Where there is no corresponding national or sectoral provisions, provincial administrative department of technical supervision may have provisions of local regulations on energy conservation developed.

Local regulations on energy conservation shall be economical, rational and advanced in technology.

Article 13. Such key energy-consuming sectors as power, building materials, metallurgy, petro-chemical, machinery, textile and transportation shall adopt effective measures in a view to reducing respective sectoral energy consumption of per unit product, and shall submit routine analytical reports on energy utilization to administrative departments of technical supervision at corresponding levels.

Relevant industrial association and social institutions shall provide energy-consuming institutions with information and consulting services on energy conservation, and submit proposals and suggestions on energy conservation to administrative departments.

Article 14. Administrative departments of statistics above the county level shall enhance the effort of statistical reporting on energy consumption and utilization, urging energy-consuming institutions concerned to submit statistical reports on energy consumption, conducting analysis and research on collected data, and releasing routine bulletin on energy consumption of per unit of major energy-consuming product.

Statistical and energy conservation administrative departments and sectoral administrative bodies shall work in coordination in establishing scientific energy conservation management systems so as to share energy information as widely as possible.

Article 15. Enterprises are encouraged to submit applications to statutory certification bodies, on the basis of self-willingness, for product certification of energy efficiency.

Preferential policies shall be accorded to certified energy efficient products in accordance with state and provincial stipulations.

Chapter III Rational Energy Consumption

Article 16. Energy-consuming institutions shall establish responsibility system of energy conservation, develop energy conservation plans,

strengthen metrological and statistical management and implementing measures of energy conservation.

Energy-consuming institutions shall allocate appropriate funding as incentives to domestic energy conservation.

Article 17. Institutions of which overall annual energy consumption exceeds 5,000 tons of standard coal are key energy-consuming institutions.

Key energy-consuming institutions shall submit energy utilization reports to energy conservation administrative departments and send duplicates to other departments concerned.

Key energy-consuming institutions shall, in accordance with Article 29 of the Law of Energy Conservation of the People's Republic of China, establish the post of energy management and recruit professional energy management personnel. The professional energy management personnel shall be trained and examined by energy conservation administrative departments.

Article 18. Key energy-consuming institutions shall allocate appropriate funding for technical innovation, scientific research and training of energy conservation.

Article 19. Energy conservation administrative departments at municipal and county level may, in light to specific local conditions, apply provisions for key energy-consuming institutions to those institutions of which overall annual energy consumption ranges between 3,000-5,000 tons of standard coal.

Article 20. Hotel, retail and other service sectors shall, with the prerequisite of ensuring the functions of services, choose energy efficient products, equipment, service items and methods, and strengthen the management of the use and maintenance of energy-consuming equipment.

Institutions and schools shall actively apply energy efficient products in a view to reducing energy consumption.

Chapter IV Technical Innovation

Article 21. Provincial energy conservation administrative department shall join other departments concerned in identifying and routinely announcing the priorities and orientation of the development, promotion and application of advanced energy efficient technologies in the province, and shall organize the implementation of energy efficiency demonstration projects, propose promotional projects of energy efficiency, and routinely release provincial lists of energy efficient products in the same manner.

Article 22. Research institutions, universities, enterprises and individuals are encouraged and supported to conduct R&D of new and renewable energies, new technologies, new processes, new equipment, new materials, and to carry out domestic and international exchanges of energy efficient information and technology, in a view to nurturing and improving upon the market of energy efficient technology.

Article 23. Government above county level shall arrange energy conservation funding in the budget of scientific research for the research and development of advanced energy efficient technology.

Article 24. Governments above county level shall support and encourage comprehensive utilization of energy to which preferential policies shall be accorded as per relevant state and provincial stipulations.

Certified enterprises which are involved in the development of new energy technology, energy efficient technology and products shall enjoy preferential policies in accordance with relevant state and provincial stipulations.

Article 25. Design documents developed by design institutes for construction projects shall comply with relevant design codes of energy conservation for the end of utmost energy efficiency.

Design institutes shall not incorporate in design documents any energy-consuming products or equipment which are already sifted out by the state.

Administrative departments of construction above county level shall adopt measures to encourage the introduction of new technology, new processes, new equipment and new materials.

Article 26. Administrative departments of construction above county level shall, in construction planning, accelerate endeavours of energy efficiency in buildings by promoting energy efficient buildings and organizing the development of demonstration district of energy efficient buildings.

Article 27. Agricultural administrative departments above county level and other departments concerned as well as township people's government shall enhance rural energy construction and comprehensive utilization of energy, develop and promote such new and renewables as biogas, solar energy, hydro-power and wind power, expedite the transformation of rural power grids, actively develop and utilize efficient fuels technology and other matured rural energy efficient technologies, taking into consideration the local characteristics.

Conditions shall be created in coastal and island area for the development of tide energy and other marine energy.

Article 28. Government above county level shall develop urban plan of heating power, promoting integrated production of heating and power, centralize heating and cooling supply, in a view to enhancing the efficiency of thermal power installations.

Heating supply shall be centralized in cities and towns where conditions are available. Where heating supply is already centralized, heating boilers for production shall not be installed without the approval by the administrative department of energy conservation; Those boilers installed without approval shall be dismantled within the definite time limitation stipulated by the administrative department of energy conservation.

Central heating suppliers shall supply heating in a safe and stable manner in accordance with the provisions of law, regulations and contracts.

Article 29. The increased capacity of thermal power projects which apply thorough-utilization technology of thermal energy① in conformity

with relevant state indexes shall be free from charges for gridding and peak adjustment, and the electricity generated thereof shall be purchased by grid operators in preference as per relevant state and provincial stipulations.

Grid operators shall purchase in preference, as per relevant state and provincial stipulations, the electricity generated from renewables or trash, surplus heat or pressure, diffused flammable gas, etc., which is compatible with grid requirements.

Chapter V Legal Liabilities

Article 30. Violation of Article 9 and Article 10 of the Regulations by constructing or expanding state prohibited industrial projects, or by exceeding the limitation of per unit product energy consumption, shall be warned and penalized, as per Article 24, Article 42 and Article 43 of the Law of Energy Conservation of the People's Republic of China, by administrative departments of energy conservation.

Article 31. Energy-consuming institutions which refuse to be monitored by monitoring institutions of energy utilization and the latter which do not act as per relevant stipulations, in violation of Article 11 of the Regulations, shall be warned and ordered by administrative departments of energy conservation above county level to reverse their respective fault.

Article 32. Energy-consuming institutions which submit false statistical report on energy utilization or refuses to submit statistical report on energy utilization, in violation of Article 14 of the Regulations, shall be punished by statistics administrative departments above county level in accordance with relevant laws and stipulations.

Key energy-consuming institutions which submit false statistical report on energy utilization or refuse to submit statistical report on energy utilization, in violation of Article 17 of the Regulations, shall be warned and ordered by administrative departments of energy conservation above county level to reverse the fault, and shall be subject to a fine less than RMB 10,000.

- Article 33.** Design institute which incorporates energy-consuming products and equipment sifted out by the state in design documents, in violation of Article 25 of the Regulations, shall be ordered by administrative departments of energy conservation above county level to reverse the fault, and shall be penalized in accordance with relevant laws and stipulations.
- Article 34.** Administrative departments of energy conservation above county level shall issue an order and warning to cease the construction or operation of heating supplying boilers installed in violation of Article 28 of this Regulation, and shall dismantle the boilers which are not dismantled beyond the definite time limitation in violation of the same Article.
- Article 35.** The rights to conducting administrative penalty provided to administrative departments of energy conservation by the Regulations may be entrusted to energy utilization monitoring institutions in compliance with the Law of Administrative Penalty of the People's Republic of China.
- Article 36.** Those who refuse or impede the enforcement of the Regulations in accordance with relevant law shall be warned and ordered by administrative departments of energy conservation above county level to reverse their fault. Those act in violation of the security regulations shall be subject to acts of public security departments.
- Article 37.** Staff of administrative departments of energy conservation shall practise their responsibilities for supervision and management over energy conservation with loyalty and impartiality. Anyone who abuses his/her power shall be subject to administrative penalties by departments concerned as per the terms of reference thereof. Those who commit a crime shall be referred to criminal law.

Chapter VI Supplementary Provision

- Article 38.** The Regulations shall be effective as of March 1st, 1999. The Temporary Regulations of Energy Conservation Management of

Zhejiang Province promulgated by Zhejiang provincial government on August 27, 1986 shall expire concurrently.

NOTE:

① **“thorough-utilization technology of thermal energy”** :

This is a very Chinese expression in the original Chinese text. I have consulted some energy experts and found that it means, “efficiently utilize thermal energy in consecutive steps with the lowering of temperatures.” Experts believe there is no English term equivalent to this expression.

--Timothy