APPROVED
by the Executive Board of the
Joint Stock Company LatRailNet
in a meeting held on the 30 June 2017,
min. no. JALP-1.2/32-2017
in Riga

REGULATIONS

30 June 2017 No.JALP-7.6/02-2017

THE COLLECTION SCHEME

Issued under Article 11.1, (10),
Article 12 (2), Article 13.1 (3)
and Article 13.2 of the Railway Law

I. General provisions

1. These regulations (hereinafter - the Scheme) lay down the procedure how the public-use railway infrastructure (hereinafter - railway infrastructure) manager collects charges for the minimum access package and for the access to the railway infrastructure connecting service facilities mentioned in Article 12.1 (1) of the Railway Law (hereinafter - infrastructure charges) and other charges provided by Article 12 of the Railway Law, as well as the procedure for the settlement of the payments for performing the essential functions of the public-use railway infrastructure manager provided by Article 13.1 (3) of the Railway Law.

(Amended by regulations of 29.04.2019.)

2. The following terms are used in the Scheme:

2.1. **performers of individual technological processes** – commercial companies that operate upon an assignment by a railway undertaking, the infrastructure manager, an operator of service facility, a consignor or consignee and that are granted the rights to access the railway infrastructure in accordance with Article 5.[1] of the Railway Law;

2.2. **infrastructure manager** – the railway infrastructure manager – SJSC Latvian Railway;

2.3. **charging body** – the performer of the essential functions of the infrastructure manager declared in the railway infrastructure network statement, that in accordance with the Railway Law is responsible for the infrastructure charging;

2.4. **application assurance payment** – a payment for the allocated part of the railway infrastructure capacity, that is collected by the charging body from an applicant for performing the essential functions and that is not refunded to the applicant if the requested railway infrastructure capacity is not used;

(Amended by regulations of 29.04.2019.)

2.4.[1] **ad-hoc application payment** – a payment for the allocated part of the railway infrastructure capacity that is collected by the charging body from an applicant for performing the essential functions if an applicant requests capacity allocation outside the capacity allocation plan;

(Amended by regulations of 29.04.2019.)

2.5. and other terms used in the Charging Scheme.

3. The Scheme is applied to the infrastructure manager, charging body, all the railway undertakings, applicants and performers of individual technological processes.

II. Determination of the total payment for the use of the railway infrastructure

4. Infrastructure charges are collected in accordance with the charge amount of charging parameters $_{param}$ determined in the Charging Scheme, observing the designation method included in Annex 7 to the Charging Scheme.

(Amended by regulations of 29.04.2019.)

5. The payment for the minimum access package for the provision of passenger traffic including railway infrastructure that provides acceptance, handling and dispatching of trains within a specific market segment is applied by the infrastructure manager in accordance with the following formula:

$$KM_{pas\ s} = M_{ceļ\ uztur\ pas\ s} \times DR_{ceļ\ uztur\ pas\ s} + M_{atj\ pas\ s} \times DR_{atj\ pas\ s} + M_{elektr\ pas\ s} \times DR_{elektr\ pas\ s} + N,$$

where

$KM_{pas\ s}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for passenger traffic within a specific market segment (*euro*);

$M_{ceļ\ uztur\ pas\ s}$ – the amount of the charge set by the charging body in relation to the charging parameter of railway infrastructure maintenance and train operating for providing the minimum access package including railway infrastructure that provides acceptance, handling and dispatching of trains within a specific market segment of passenger traffic (*euro* per one train km, without value added tax);

$DR_{ceļ\ uztur\ pas\ s}$ – the number of train km actually travelled during the respective invoicing period by the railway undertaking's passenger trains within a specific market segment;

$M_{atj\ pas\ s}$ – the amount of the charge set by the charging body in relation to the charging parameter of railway infrastructure renewal for providing the minimum access package including railway infrastructure that provides acceptance, handling and dispatching of trains within a specific market segment of passenger traffic (*euro* per one gross tonne km, without value added tax);

$DR_{atj\ pas\ s}$ – the number of gross tonne km actually travelled during the respective invoicing period by the railway undertaking's passenger trains within a specific market segment;

$M_{elektr\ pas\ s}$ – the amount of the charge set by the charging body in relation to the charging parameter of operating, maintenance and renewal of traction electrical supply equipment within a specific market segment of passenger traffic where electric traction is used (*euro* per one train km, without value added tax);

$DR_{elektr\ pas\ s}$ – the number of train km actually travelled during the respective invoicing period by the railway undertaking's passenger trains that use electric traction within a specific market segment;

N – fees and taxes to be paid by the railway undertaking in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

6. The payment for the minimum access package for the provision of freight traffic including railway infrastructure that provides acceptance, handling and dispatching of trains and the access to the railway infrastructure connecting service facilities (where freight train sets are assembled or

disassembled and where rolling stock is transferred for loading, unloading or to the related sidings) within a specific market segment is applied by the infrastructure manager in accordance with the following formula:

$$\mathbf{KM}_{\text{krav s}} = \mathbf{M}_{\text{ceļ uztur krav s}} \times \mathbf{DR}_{\text{ceļ uztur krav s}} + \mathbf{M}_{\text{mez uztur krav s}} \times \mathbf{DR}_{\text{mez uztur krav s}} + \mathbf{M}_{\text{atj krav s}} \times \mathbf{DR}_{\text{atj krav s}} + \mathbf{N}, \text{ where}$$

$KM_{krav\ s}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for freight traffic within a specific market segment (*euro*);

$M_{ceļ\ uztur\ krav\ s}$ – the amount of the charge set by the charging body in relation to the charging parameter of railway infrastructure maintenance and train operating for providing the minimum access package including the entire railway infrastructure that provides acceptance, handling and dispatching of trains within a specific market segment of freight traffic (*euro* per one train km, without value added tax);

$DR_{ceļ\ uztur\ krav\ s}$ –the number of train km actually travelled during the respective invoicing period by the railway undertaking's freight trains within a specific market segment;

$M_{mez\ uztur\ krav\ s}$ – the amount of the charge set by the charging body in relation to the charging parameter of railway infrastructure maintenance and train operating for providing access to the railway infrastructure connecting service facilities where freight train sets are assembled or disassembled and where rolling stock is transferred for loading, unloading or to the related sidings within a specific market segment of freight traffic (*euro* per one wagon, without value added tax);

$DR_{mez\ uztur\ krav\ s}$ – the number of railway undertaking's wagons actually used in railway traffic within a specific market segment, that consists of the total number of freight wagons registered as parts of collecting and pick-up trains in domestic traffic of the Republic of Latvia and the number of wagons accepted at the last processing station in transit freight traffic from and to EU countries crossing the territory of the Republic of Latvia;

$M_{atj\ krav\ s}$ – the amount of the charge set by the charging body in relation to the charging parameter of railway infrastructure renewal for providing the minimum access package including railway infrastructure that provides acceptance, handling and dispatching of trains and the access to the railway infrastructure connecting service facilities where freight train sets are assembled or disassembled and where rolling stock is transferred for loading, unloading or to the related sidings within a specific market segment of freight traffic (*euro* per one gross tonne km, without value added tax);

$DR_{atj\ krav\ s}$ – the number of gross tonne km actually travelled during the respective invoicing period by the railway undertaking's freight trains within a specific market segment;

N – fees and taxes to be paid by the railway undertaking in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

7. During the periods for which the charging body has taken a decision concerning an additional charge which reflects congestion in a specific part of the railway infrastructure (hereinafter referred to as the scarcity charge) the respective charges of the parameters of the railway infrastructure maintenance, train control and renewal, as well as the maintenance and renewal related to the use of traction electrical supply equipment set by the charging body within a specific market segment of the relevant service group are replaced with a respective scarcity charge **$M_{pārslodz\ param\ gr\ s}$**:

$$M_{ceļ\ uztur\ krav\ s} \rightarrow M_{pārslodz\ ceļ\ uztur\ krav\ s};$$

$$M_{ceļ\ uztur\ pas\ s} \rightarrow M_{pārslodz\ ceļ\ uztur\ pas\ s};$$

$$M_{atj\ krav\ s} \rightarrow M_{pārslodz\ atj\ krav\ s};$$

$$M_{atj\ pas\ s} \rightarrow M_{pārslodz\ atj\ pas\ s};$$

$$M_{mez\ uztur\ krav\ s} \rightarrow M_{pārslodz\ mez\ uztur\ krav\ s};$$

$$M_{elektr\ pas\ s} \rightarrow M_{pārslodz\ elektr\ pas\ s}, \text{ where}$$

$M_{pārslodz\ ceļ\ uztur\ krav\ s}$ – the amount of the scarcity charge in a specific part of the railway infrastructure set by the charging body during the period of congestion in relation to the charging parameter of railway infrastructure maintenance and train operating within a specific market segment of freight traffic (*euro* per one train km, without value added tax);

$M_{pārslodz\ ceļ\ uztur\ pas\ s}$ – the amount of the scarcity charge in a specific part of the railway infrastructure set by the charging body during the period of congestion in relation to the charging parameter of railway infrastructure maintenance and train operating within a specific market segment of passenger traffic (*euro* per one train km, without value added tax);

$M_{pārslodz\ atj\ krav\ s}$ – the amount of the scarcity charge in a specific part of the railway infrastructure set by the charging body during the period of congestion in relation to the charging parameter of railway infrastructure renewal within a specific market segment of freight traffic (*euro* per one gross tonne km, without value added tax);

$M_{pārslodz\ atj\ pas\ s}$ – the amount of the scarcity charge in a specific part of the railway infrastructure set by the charging body during the period of congestion in relation to the charging parameter of railway infrastructure renewal within a specific market segment of the passenger traffic (*euro* per one gross tonne km, without value added tax);

$M_{pārslodz\ mez\ uztur\ krav\ s}$ – the amount of the scarcity charge in a specific part of the railway infrastructure set by the charging body during the period of congestion in relation to the charging parameter of maintenance and train operating for access to railway infrastructure connecting service facilities where freight train sets are assembled or disassembled and where rolling stock is transferred for loading, unloading or to the related sidings within a specific market segment of freight traffic (*euro* per one wagon, without value added tax);

$M_{pārslodz\ elektr\ pas\ s}$ – the amount of the scarcity charge in a specific part of the railway infrastructure set by the charging body during the period of congestion in relation to the charging parameter of operating, maintenance and renewal of traction electrical supply equipment within a specific market segment of the passenger traffic for trains, that use electric traction (*euro* per one train km, without value added tax).

(Amended by regulations of 29.04.2019.)

8. During the periods for which the charging body has taken a decision on setting a higher charge concerning specific investment projects that are not foreseen in the contractual agreement, but increase the efficiency or cost-effectiveness of the applicants (hereinafter referred to as the project charge), the respective charges of the parameters of the railway infrastructure maintenance, train control and renewal as well as maintenance and renewal related to the use of traction electrical supply equipment, the railway infrastructure maintenance and train operating for the access to the railway infrastructure connecting service facilities and performing the essential functions of the

infrastructure manager set by the charging body within a specific market segment of the relevant service group are replaced with a respective project charge $\mathbf{M}_{\text{infpr param gr s}}$:

$\mathbf{M}_{\text{ceļ uztur krav s}} \rightarrow \mathbf{M}_{\text{infpr ceļ uztur krav s}}$;

$\mathbf{M}_{\text{ceļ uztur pas s}} \rightarrow \mathbf{M}_{\text{infpr ceļ uztur pas s}}$;

$\mathbf{M}_{\text{mez uztur krav s}} \rightarrow \mathbf{M}_{\text{infpr mez uztur krav s}}$;

$\mathbf{M}_{\text{atj krav s}} \rightarrow \mathbf{M}_{\text{infpr atj krav s}}$;

$\mathbf{M}_{\text{atj pas s}} \rightarrow \mathbf{M}_{\text{infpr atj pas s}}$;

$\mathbf{M}_{\text{elektr pas s}} \rightarrow \mathbf{M}_{\text{infpr elektr pas s}}$;

$\mathbf{M}_{\text{bfv krav s}} \rightarrow \mathbf{M}_{\text{infpr bfv krav s}}$;

$\mathbf{M}_{\text{bfv pas s}} \rightarrow \mathbf{M}_{\text{infpr bfv pas s}}$, where

$\mathbf{M}_{\text{infpr ceļ uzt krav s}}$ – the value of the project charge for the charging parameter of railway infrastructure maintenance and train operating in relation to the specific investment project in a specific part of the railway infrastructure set by the charging body within a specific market segment of freight traffic (*euro* per one train km, without value added tax);

$\mathbf{M}_{\text{infpr ceļ uzt pas s}}$ – the value of the project charge for the charging parameter of railway infrastructure maintenance and train operating in relation to the specific investment project in a specific part of the railway infrastructure set by the charging body within a specific market segment of passenger traffic (*euro* per one train km, without value added tax);

$\mathbf{M}_{\text{infpr mez uzt krav s}}$ – the value of the project charge for the charging parameter of railway infrastructure maintenance and train operating for the access to the railway infrastructure connecting service facilities in relation to the specific investment project in a specific part of the railway infrastructure set by the charging body within a specific market segment of freight traffic (*euro* per one wagon, without value added tax);

$\mathbf{M}_{\text{infpr atj krav gr s}}$ – the value of the project charge for the charging parameter of railway infrastructure renewal in relation to the specific investment project in a specific part of the railway infrastructure set by the charging body within a specific market segment of freight traffic (*euro* per one gross tonne km, without value added tax);

$\mathbf{M}_{\text{infpr atj pas s}}$ – the value of the project charge for the charging parameter of railway infrastructure renewal in relation to the specific investment project in a specific part of the railway infrastructure set by the charging body within a specific market segment of passenger traffic (*euro* per one gross tonne km, without value added tax);

$\mathbf{M}_{\text{infpr elektr pas s}}$ – the value of the project charge for the charging parameter of maintenance and renewal related to the use of traction electrical supply equipment in relation to the specific investment project in a specific part of the railway infrastructure set by the charging body within a specific market segment of passenger traffic where electric traction is used (*euro* per one train km, without value added tax);

$\mathbf{M}_{\text{infpr bfv krav s}}$ – the value of the project charge for the charging parameter of performing the essential functions of the infrastructure manager in relation to the specific investment project in a specific part of the railway infrastructure set by the charging body within a specific market segment of freight traffic (*euro* per one allocated train path, without value added tax);

M $_{infpr\ bfv\ pas\ s}$ – the value of the project charge for the charging parameter of performing the essential functions of the infrastructure manager in relation to the specific investment project in a specific part of the railway infrastructure set by the charging body within a specific market segment of passenger traffic (*euro* per one allocated train path, without value added tax).

9. If the charging body in accordance with the provisions of the Charging Scheme has applied a volume discount **A** $_{apj\ param\ gr\ s}$ or a network loading optimization discount **A** $_{opt\ nosl\ param\ gr\ s}$, the infrastructure manager applies the respective discount to the charge of the relevant charging parameter set by the charging body (volume discount – applies to the charges of all the charging parameters, network loading optimization discount – applies to the charges of all the charging parameters except the charge for the parameter of performing the essential functions of the infrastructure manager) by replacing the charges of the charging parameters within a specific market segment of the relevant service group with the charge **M** $_{aratlaidi\ param\ gr\ s}$, that is determined in accordance with the following formula:

$$\mathbf{M}_{aratlaidi\ param\ gr\ s} = \mathbf{M}_{param\ gr\ s} - \mathbf{A}_{apj\ param\ gr\ s};$$

$$\mathbf{M}_{aratlaidi\ param\ gr\ s} = \mathbf{M}_{param\ gr\ s} - \mathbf{A}_{opt\ nosl\ param\ gr\ s}, \text{ where}$$

M $_{aratlaidi\ param\ gr\ s}$ – the value of the charge in relation to the respective charging parameter within a specific market segment of the relevant service group, including discount (*euro* per one unit of the respective performance indicator, without value added tax);

M $_{param\ gr\ s}$ – the value of the charge set by the charging body in relation to the respective charging parameter within a specific market segment of the relevant service group (*euro* per one unit of the respective performance indicator of the specific charging parameter, without value added tax);

A $_{apj\ param\ gr\ s}$ – the value of the volume discount during the respective invoicing and discount application period set by the charging body within a specific market segment of the relevant service group (*euro*);

A $_{opt\ nosl\ param\ gr\ s}$ – the value of the network load optimization discount during the respective invoicing and discount application period set by the charging body within a specific market segment of the relevant service group (*euro*).

10. If the charging body in accordance with the provisions of the railway infrastructure network Performance Scheme has applied penalties for actions which disrupt the operation of the railway network, compensations to those who suffer losses from disruption and bonuses (charge reduction to the applicants with better-than-planned performance of the parameters mentioned in the railway infrastructure network Performance Scheme), the infrastructure manager collects the respective payments in accordance with the regulations and criteria laid down in the railway infrastructure network Performance Scheme.

11. The infrastructure charges are not collected for the services provided by the trains and rolling stock of the infrastructure manager which do not participate in the transportation of railway freight or passengers by railway, but are related to the prevention or elimination of the consequences of accidents, the maintenance of the railway infrastructure, the performance of all repair works if the regulations concerning the maintenance notices laid down in the Scheme for the allocation of the public-use railway infrastructure capacity are met.

12. The payment for the railway infrastructure capacity used for providing technological processes (construction, repair and technical maintenance of technical equipment of the railway infrastructure, modernization, repair of the railway rolling stock, preparation of trains and locomotives for movement, movement of locomotives, etc.) using the rolling stock and trains of railway undertakings or performers of individual technological processes, that do not participate in passenger or freight transportation on railway, is applied in accordance with the following formula:

$$\mathbf{KM}_{\mathbf{tehpr\ gr}} = (\mathbf{M}_{\mathbf{tehpr\ gr}} \times \mathbf{DR}_{\mathbf{tehpr\ gr}}) + \mathbf{N}, \text{ where}$$

KM $_{\text{tehpr gr}}$ – the payment to be made by the railway undertaking or a performer of individual technological processes for the railway infrastructure capacity, that is used for providing technological processes with the rolling stock and trains that do not participate in passenger or freight transportation on railway (*euro*);

M $_{\text{tehpr gr}}$ – the amount of the charge set by the charging body in relation to a specific service group for the use of the railway infrastructure capacity, that is used for providing technological processes with the rolling stock and trains of railway undertakings or performers of individual technological processes, that do not participate in passenger or freight transportation on railway (*euro* per one train km, without value added tax);

DR $_{\text{tehpr gr}}$ – the number of train km actually travelled during the respective invoicing period by the railway undertakings or performers or relevant technological processes trains within a specific service group;

N – fees and taxes to be paid by the railway undertaking in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

13. The application assurance payment for the allocated part of the railway infrastructure capacity, which is allocated in the capacity allocation plan, even if it is not used, is applied in accordance with the following formula:

$$\mathbf{NKM}_{\mathbf{rezer\ bfv\ pas}} = (\mathbf{M}_{\mathbf{rezer\ bfv\ pas}} \times \mathbf{DR}_{\mathbf{bfv\ pas}}) + \mathbf{N},$$

$$\mathbf{NKM}_{\mathbf{rezer\ bfv\ krav}} = (\mathbf{M}_{\mathbf{rezer\ bfv\ krav}} \times \mathbf{DR}_{\mathbf{bfv\ krav}}) + \mathbf{N}, \text{ where}$$

NKM $_{\text{rezer bfv gr}}$ – the application assurance payment to be made by the applicant for the allocated part of the railway infrastructure capacity in the capacity allocation plan (*euro*);

M $_{\text{rezer bfv gr}}$ – the amount of the charge set by the charging body in relation to a specific service group for the allocated part of the railway infrastructure capacity in the capacity allocation plan (*euro* per one allocated train path, without value added tax);

DR $_{\text{bfv krav}}$ – the number of train paths in every direction of freight traffic assigned in the capacity allocation plan within the programming period;

DR $_{\text{bfv pas}}$ – the number of train paths in every direction of passenger traffic assigned in the capacity allocation plan within the programming period;

N – fees and taxes to be paid by the applicant in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

13.[1] Ad-hoc application payment for allocated part of the railway infrastructure capacity is applied in accordance with the following formula:

$$\text{ĀKM}_{\text{rezer bfv pas}} = \text{M}_{\text{koord rezer bfv pas}} + (\text{M}_{\text{ārpus rezer bfv pas}} \times \text{DR}_{\text{ārpus bfv pas}}) + \text{N},$$

$$\text{ĀKM}_{\text{rezer bfv krav}} = \text{M}_{\text{koord rezer bfv krav}} + (\text{M}_{\text{ārpus rezer bfv krav}} \times \text{DR}_{\text{ārpus bfv krav}}) + \text{N}, \text{ where}$$

ĀKM $_{\text{rezer bfv gr}}$ – the ad-hoc application assurance payment to be made by the applicant for the allocated part of the railway infrastructure capacity *(euro);*

M $_{\text{koord rezer bfv gr}}$ – the amount of the charge set by the charging body in relation to a specific service group for coordination procedure (*euro* per application, without value added tax);

M $_{\text{ārpus rezer bfv gr}}$ – the amount of the charge set by the charging body in relation to a specific service group for processing ad-hoc application (*euro* per assigned train path, without value added tax);

DR $_{\text{ārpus bfv krav}}$ – the number of actually assigned train paths in the capacity allocation centers of Riga, Jelgava and Daugavpils regions in every direction of freight traffic according to ad-hoc applications;

DR $_{\text{ārpus bfv pas}}$ – the number of actually assigned train paths in every route direction of passenger traffic according to ad-hoc applications;

N – fees and taxes to be paid by the applicant in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

13.[2] If the capacity allocator during the process of assigning train paths according to the criteria laid down in the Capacity Application Scheme establishes that an applicant does not use train paths and, according to Paragraph 68 of the Cabinet of Ministers Regulations No.472 of July 15, 2016 on public-use railway infrastructure capacity allocation in order to improve the utilization of unused railway infrastructure capacity, has assigned train paths to other applicants, or if the capacity allocated to an applicant has been cancelled and assigned to another applicant in accordance with the ad-hoc coordination procedure, then the charging body recalculates the applicant's application assurance payment for the allocated part of the railway infrastructure according to the provisions of Paragraph 30.[2] of this Scheme.

(Amended by regulations of 29.04.2019.)

14. In case if the number of actually allocated train paths for the applicant's trains of a specific service group in every direction of the traffic or route during the railway infrastructure capacity allocation period exceeds the planned number of train paths, the charging body calculates the payment for the actually allocated part of the railway infrastructure capacity after the end of the railway infrastructure capacity allocation period and determines the final payment to be made by the applicant in accordance with the following formula:

$$\text{KM}_{\text{rezer bfv gr}} = (\text{TI}_{\text{bfv gr}} \times (\text{DR}_{\text{fakt bfv gr}} - \text{DR}_{\text{bfv gr}})) + \text{N}, \text{ where}$$

KM $_{\text{rezer gr}}$ – the final payment to be made by the applicant for the part of the allocated railway infrastructure capacity (*euro*);

TI $_{\text{bfv gr}}$ – direct unit costs of performing the essential functions of the infrastructure manager in relation to a specific service group during the programming period (*euro* per one allocated train path, without value added tax);

DR $_{\text{fakt bfv gr}}$ – the number of train paths actually allocated for the applicant's trains of a specific service group during the railway infrastructure capacity allocation period by Riga, Daugavpils and Jelgava regional capacity allocation centers in every direction of the traffic or route;

N – fees and taxes to be paid by the applicant in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

15. The assurance payment for the allocated part of the railway infrastructure capacity in market segments referred to in Paragraph 48 of the Charging Scheme is applied in accordance with the following formula (applying index $_{\text{integr pied}}$ or other– $_{\text{s}}$ corresponding to the relevant market segment):

$$\mathbf{NKM}_{\text{rezer gr s}} = \sum (\mathbf{M}_{\text{rezer param gr s}} \times \mathbf{DR}_{\text{param gr s}}) + \mathbf{N}, \text{ where}$$

NKM $_{\text{rezer gr s}}$ – the total capacity assurance payment (in relation to all the charging parameters, excluding $_{\text{bfv}}$) to be made by the applicant within a through rate offer market segment in a specific market segment referred to in Paragraph 48 of the Charging Scheme of the relevant service group (*euro*);

M $_{\text{rezer param gr s}}$ – the amount of the railway infrastructure capacity assurance charge set by the charging body in relation to each of the charging parameters, excluding $_{\text{bfv}}$ in a specific market segment referred to in Paragraph 48 of the Charging Scheme of the relevant service group (*euro* per one unit of the respective performance indicator, without value added tax);

DR $_{\text{param gr s}}$ – the planned amount of performance indicators of the applicant's trains agreed between the applicant and the infrastructure manager in relation to the respective charging parameters in the programming period in a specific market segment referred to in Paragraph 48 of the Charging Scheme of the relevant service group (train km, gross tonne km, number of wagons, number of train paths);

N – fees and taxes to be paid by the applicant in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

16. In case if the actual performance indicators of applicant's trains of a specific service group in a market segment referred to in Paragraph 48 of the Charging Scheme ($_{\text{integr pied}}$ or different $_{\text{– s}}$) during the railway infrastructure capacity allocation period exceed the planned performance indicators, the infrastructure manager calculates the payment to be made by the applicant for the actually used part of the railway infrastructure capacity after the end of the railway infrastructure capacity allocation period in accordance with the following formula:

$$\mathbf{KM}_{\text{rezer gr s}} = \sum (\mathbf{TI}_{\text{param rezer gr s}} \times (\mathbf{DR}_{\text{fakt param gr s}} - \mathbf{DR}_{\text{param gr s}})) + \mathbf{N}, \text{ where}$$

KM $_{\text{rezer gr s}}$ – the payment to be made by the applicant for the actually used part of the railway infrastructure capacity (in relation to all the charging parameters, excluding $_{\text{bfv}}$) in a specific market segment referred to in Paragraph 48 of the Charging Scheme of the relevant service group (*euro*);

TI $_{\text{param rezer gr s}}$ – the average direct unit costs set by the charging body in relation to the charge amount of each cost parameter of the respective service group in a specific market segment referred to in Paragraph 48 of the Charging Scheme (*euro* per one respective performance indicator unit, without value added tax);

DR $_{\text{fakt param gr s}}$ – the actual amount of the performance indicators of the applicant's trains of a specific service group in a market segment referred to in Paragraph 48 of the Charging Scheme in relation to the respective charging parameter (train km, gross tonne km, number of wagons);

DR $_{\text{param gr s}}$ – the planned amount of the performance indicators of the applicant's trains of a respective service group in the programming period agreed between the applicant and the infrastructure manager in relation to a respective charging parameter in a specific market segment referred to in Paragraph 48 of the Charging Scheme (train km, gross tonne km, number of wagons);

N – fees and taxes to be paid by the applicant in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

III. Contents of the invoice issued by the infrastructure manager, billing and payment

17. Payments for the infrastructure charges are made in accordance with the issued payment document (hereinafter - the invoice):

17.1. by railway undertakings for payments provided in Paragraphs 5 – 10 and Paragraph 12 of the Scheme;

17.2. by railway undertakings applicants for payments provided in Paragraphs 15 – 16 of the Scheme;

17.3. by performers of individual technological processes for payments provided in Paragraph 12 of the Scheme.

(Amended by regulations of 29.04.2019.)

17.^{1} If, according to Article 27(2) of the Railway Law, an applicant and the infrastructure manager have signed a relevant contract, an applicant may make the payments referred to in Subparagraph 17.1 to the infrastructure manager. In this case the infrastructure manager indicates an applicant as the payer. The infrastructure manager sends detailed information referred to in Paragraph 19 of the Scheme about the payments referred to in Subparagraph 17.1 to the applicant only with the written consent of the chosen railway undertaking.

(Amended by regulations of 29.04.2019.)

17.^{2} Railway undertakings and applicants may make an advance payment for infrastructure charges, previously informing the railway infrastructure manager in writing about the conditions for using the advance payment according to the provisions of Subparagraphs 17.^{2}1. – 17.^{2}4. of the Scheme. An advance payment is made in accordance with an advance invoice issued by the infrastructure manager and sent by fax or email to the official fax number or email address indicated by the railway undertaking. According to the information submitted by a railway undertaking, an advance invoice includes:

17.^{2}1. the beginning date of the invoicing period for which the advance payment must be made by the railway undertaking;

17.^{2}2. the service group and the market segment where the railway undertaking will perform transportation during the advance invoicing period and the advance payments are calculated;

17.^{2}3. the amount of forecasted performance indicators in relation to all parameters and market segments of each service group for which the advance payments are applied;

17.[2]4. the amount of the advance payment for the relevant service group and market segment where the railway undertaking will perform transportation during the invoicing period;

17.[2]5. fees and taxes to be paid by the applicant in accordance with the legislation in force in the Republic of Latvia (*euro*).

(Amended by regulations of 29.04.2019.)

18. The invoice is sent to the railway undertakings, applicants and performers of individual technological processes using official electronic means of communication.

(Amended by regulations of 29.04.2019.)

19. With the invoice the infrastructure manager sends relevant detailed invoicing information (hereinafter invoicing information) which includes:

19.1. the invoicing period for which the infrastructure charge payment must be made;

19.2. detailed information regarding the applied amount of the performance indicators and the amount of the charges mentioned in Chapter II of the Scheme during the invoicing period (including information about the respective rolling stock);

19.3. the advance payment subtracted from the payment for each specific market segment of the relevant service group;

19.4. the total payment for each specific market segment of the relevant service group;

19.5. other detailed information if the infrastructure manager has a relevant agreement with a railway undertaking or performer of individual technological processes.

(Amended by regulations of 29.04.2019.)

19.[1] The infrastructure manager sends the invoice for the payment referred to in Paragraph 15 of the Scheme, in accordance with the decision on the railway infrastructure capacity allocation, one calendar month before the annual working timetable, which the decision on the railway infrastructure capacity allocation is related to, enters into force; but for the payment referred to in Paragraph 16 of the Scheme - within 15 calendar days after the end of the railway infrastructure capacity allocation period.

(Amended by regulations of 29.04.2019.)

20. The infrastructure manager sends the invoice to a railway undertaking performing freight transportation twice a week:

20.1. on Monday of each calendar week, but if it is a holiday or a public holiday, then on the following working day, regarding the minimum access package for the provision of freight traffic including the entire infrastructure that provides acceptance, handling and dispatching of trains and the access to the railway infrastructure connecting service facilities (where freight train sets are assembled or disassembled and where rolling stock is transferred for loading, unloading or to the related sidings) during the time period from Monday to Wednesday of the previous week (including);

20.2. on Wednesday of each calendar week, but if it is a holiday or a public holiday, then on the following working day, regarding the minimum access package for the provision of freight traffic including the entire infrastructure that provides acceptance, handling and dispatching of trains and the access to the railway infrastructure connecting service facilities (where freight train sets are assembled or disassembled and where rolling stock is transferred for loading, unloading or to the related sidings) during the time period from Thursday to Sunday of the previous week (including).

21. The infrastructure manager sends the invoice to a railway undertaking performing passenger transportation three times a month:

21.1. until the 10th day of each month, but if it is a holiday or a public holiday, then on the following working day, regarding the minimum access package for the provision of passenger traffic including the entire infrastructure that provides acceptance, handling and dispatching of trains during the time period from the 20th day of the previous month to the last date (including) of the previous month;

21.2. until the 15th day of each month, but if it is a holiday or a public holiday, then on the following working day, regarding the minimum access package for the provision of passenger traffic including the entire infrastructure that provides acceptance, handling and dispatching of trains during the time period from the 1st day of the relevant month to the 10th day (including) of the relevant month;

21.3. until the 25th day of each month, but if it is a holiday or a public holiday, then on the following working day, regarding the minimum access package for the provision of passenger traffic including the entire infrastructure that provides acceptance, handling and dispatching of trains during the time period from the 11th day of the relevant month to the 20th day (including) of the relevant month.

22. The infrastructure manager sends the invoice accompanied by the invoicing information to performers of individual technological processes one time a month, but not later than the 10th day of the next month.

23. Railway undertakings, applicants and performers of individual technological processes pay the invoice issued by the infrastructure manager within five working days after receiving the invoice, transferring the money to the financial institution account of the infrastructure manager indicated in the invoice.

(Amended by regulations of 29.04.2019.)

24. The day when a railway undertaking, an applicant or a performer of individual technological processes receives the invoice issued by the infrastructure manager and sent by using official electronic means of communication is deemed the day of receiving the invoice.

(Amended by regulations of 29.04.2019.)

25. The infrastructure manager may additionally send the signed invoice to railway undertakings, applicants and performers of relevant technological processes to their indicated postal address if such agreement is included in the relevant contract for using the railway infrastructure.

(Amended by regulations of 29.04.2019.)

26. The date on which the payment of a railway undertaking, an applicant or a performer of individual technological processes is received at the financial institution according to the invoice issued by the infrastructure manager is deemed the date of paying the invoice.

(Amended by regulations of 29.04.2019.)

27. A railway undertaking, an applicant or a performer of individual technological processes pays a fine to the infrastructure manager for failure to comply with the payment deadline indicated in the invoice in the amount of 0,1% a day for the time period from the day determined for making the relevant payment (including the day) until the day (not including the day) when such payment for the services mentioned in Paragraphs 6.1. and 6.2. of the Charging Scheme is made, but not more

than 10% of the payment amount indicated in the respective invoice. The payment of the fine does not exempt the railway undertaking, the applicant or the performer of relevant technological processes from paying the principal sum of the debt. The infrastructure manager and the railway undertaking or the applicant may agree, within the framework of a reciprocal contract laying down the settlement of the payments for using the railway infrastructure, on the application of supplementary conditions related to reciprocal settlement of the payments for using the railway infrastructure, including other methods of liability enforcement, which is not a fine. The railway undertaking performing passenger transportation within the framework of public service contract, in the case referred to in Article 12.3 (2) of the Railway Law, may in this way agree with the infrastructure manager that the fine is not applied. The provisions of the reciprocal contract laying down the settlement of payments between the infrastructure manager and railway undertaking cannot be in breach contravene with the procedures of the Scheme.

(Amended by regulations of 29.04.2019.)

28. From the payment sum received from a railway undertaking, an applicant or a performer of individual technological processes the infrastructure manager, firstly, transfers the calculated fine, secondly – the principal sum of the debt and thirdly – the sum of the current payment, but the remaining amount of the payment, if any, is either reimbursed to the railway undertaking or the performer of relevant technological processes or transferred into the subsequent payments.

(Amended by regulations of 29.04.2019.)

IV. Contents of the invoice issued by the charging body, billing and payment

29. The payments mentioned in Paragraphs 13., 13.^{1}, 13.^{2} and 14 of the Scheme are made by applicants in accordance with the invoice issued by the charging body (hereinafter – the invoice of the charging body).

(Amended by regulations of 29.04.2019.)

30. The invoices regarding the payments mentioned in Paragraph 13 of the Scheme are sent by the charging body with the decision on the railway infrastructure capacity allocation one calendar month before the annual working timetable which the decision of the railway infrastructure capacity is related to enters into force.

(Amended by regulations of 29.04.2019.)

30.^{1} The charging body sends the invoice for the payment referred to in Paragraph 13.^{1}of the Scheme together with the decision on ad-hoc railway infrastructure capacity allocation.

(Amended by regulations of 29.04.2019.)

30.^{2} The charging body once a month but not later than the 15th day of the following calendar month sends to applicants a detailed report indicating:

30.^{2}1. the invoicing period for which payments must be made;

30.^{2}2. detailed information regarding the applied values of the performance indicators and the charges mentioned in Chapter II of the Scheme during the invoicing period, as well as the number of unused and additionally assigned train paths;

(Amended by regulations of 17.06.2019.)

30.^{2}3. the total payment for the relevant service group.

The infrastructure manager sends the invoice and the credit invoice for the recalculated payment referred to in Paragraph 13 of the Scheme quarterly but not later than the 15th day of the first month of the following quarter.

(Amended by regulations of 29.04.2019.)

30.[3] The charging body sends the summary of the information referred to in Paragraph 30.[2] of the Scheme and recalculations made, as well as the invoice for the payment referred to in Paragraph 14 of the Scheme within 30 days after the end of the railway infrastructure capacity allocation period.

(Amended by regulations of 29.04.2019.)

The charging body quarterly makes the recalculation of application assurance payment for the allocated part of the railway infrastructure proportionate to the number of unused train paths during the specific period transferring the money to the applicant's financial institution account indicated in the invoice within 15 working days.

The day on which the applicant has received the invoice issued by the charging body and sent by using official electronic means of communication is deemed the day of receiving the invoice.

The charging body may additionally send the signed invoice to the applicant to its indicated postal address if such agreement is included in the relevant contract on performing the essential functions, and the agreement about the day deemed as the day of receiving the invoice is reached.

(Amended by regulations of 17.06.2019.)

31. Applicants pay the invoice of the charging body within 15 working days after receiving the invoice, transferring the money to the financial institution account of the charging body indicated in the invoice.

32. The date on which the payment of an applicant is received at the financial institution according to the invoice issued by the charging body is deemed the date of paying the invoice.

33. An applicant pays an interest on late payments to the charging body for failure to comply with the payment deadline indicated in the invoice issued by the charging body in the amount of 0,1% a day for the time period from the day determined for making the relevant payment (including the day) until the day (not including the day) when such payment is made, but not more than 10% of the payment amount indicated in the respective invoice of the charging body. The payment of the fine does not exempt the applicant from paying the principal sum of the debt. The charging body and an applicant may, by entering into contract governing mutual settlements for the use of the railway infrastructure, agree on additional conditions which are related to mutual settlements for the use of the railway infrastructure, including the application of other means of enhanced liability, other than statutory interest on late payments. Railway undertaking providing passenger services based on public transport service contract in case mentioned in the second part of Paragraph 12.[3] of the Railway Law may agree with the charging body to non-application of interest on late payments. The provisions of the contract in force between the charging body and the applicant regarding mutual settlements may not be in contradiction with the procedures mentioned in this Scheme.

(Amended by regulations of 19.01.2018.)

V. Dispute settlement procedure

34. If a railway undertaking, an applicant or a performer of individual technological processes does not agree with the invoice issued by the infrastructure manager or the invoicing information, the railway undertaking or the performer of individual technological processes is entitled to send a request with justified objections regarding the relevant invoice or invoicing information to the infrastructure manager within five working days by using official electronic means of communication.

(Amended by regulations of 29.04.2019.)

35. The railway undertaking, the applicant or the performer of relevant technological processes sends the original of the request mentioned in Paragraph 34 of the Scheme by mail on the same day, when the request is sent by using official electronic means of communication.

(Amended by regulations of 29.04.2019.)

36. The objections of the railway undertaking, the applicant or the performer of individual technological processes submitted in written form are reviewed by the infrastructure manager within five working days after the date of receiving the respective request and the identified discrepancies should be eliminated within two working days or a justification of the invoice or invoicing information should be provided to the railway undertaking or the performer of individual technological processes in a written form.

(Amended by regulations of 29.04.2019.)

37. The day when the infrastructure manager receives objections sent by a railway undertaking, an applicant or a performer of individual technological processes by using official electronic means of communication is deemed the day of receiving the respective request.

(Amended by regulations of 29.04.2019.)

38. In the case laid down in Paragraph 34 of the Scheme the railway undertaking, the applicant or the performer of individual technological processes is not exempted from paying the invoice in the time and the amount laid down in Chapter III of the Scheme.

(Amended by regulations of 29.04.2019.)

39. If a railway undertaking or a performer of individual technological processes does not agree with the detailed justification of the invoice or invoicing information, it is entitled to submit a complaint to the State Railway Administration in accordance with the Railway Law. An applicant submits a complaint to the State Railway Administration in coordination with the chosen railway undertaking.

(Amended by regulations of 29.04.2019.)

40. Regarding mutual settlements the charging body and an applicant follow the dispute settlement procedure laid down in Chapter V of the Scheme.

VI. Closing provisions

41. The infrastructure manager no later than one calendar month before the decision regarding infrastructure charges enters into force submits to the charging body the procedure for recording the performance indicators of the charging parameters for the trains and rolling stock to which the infrastructure charges are applied within the specific market segments of the relevant service groups determined in the Charging Scheme.

42. The charging body publishes the Scheme on its website on the internet and submits the Scheme to the infrastructure manager for inclusion in the railway infrastructure network statement.

43. The Scheme enters into force upon its publication.

44. The Scheme is related to the collection of the infrastructure charges which are calculated in accordance with the Charging Scheme, prior to that time the procedures laid down in Annex of this Scheme are applied.

45. The owner of the railway infrastructure, the infrastructure manager, an applicant or a railway undertaking may submit complaints regarding the Scheme to the State Railway Administration not later than one month after its publication.

JSC LatRailNet
Director of Legal and
Administrative Affairs J.Šulcs

Annex

The settlement procedure for collecting the infrastructure charges in the period before the infrastructure charges set in accordance with the Charging Scheme enter into force

(Amended by regulations of 14.12.2017.)

1. The infrastructure manager collects the infrastructure charges from the railway undertakings or performers of relevant technological processes for the number of train km actually travelled, that is determined by the distance between the center-lines of stations. In cases where an applicant and the infrastructure manager have signed a relevant agreement according to Paragraph 27 of the Railway Law, the payments for the use of the railway infrastructure to the infrastructure manager can be made by the applicant as well.

(Amended by regulations of 26.02.2018.)

2. The infrastructure manager calculates the payment for the use of the public-use railway infrastructure for a particular train category of the railway undertaking according to the following formula:

2.1. for freight trains:

$$\mathbf{M_{k} = (M_{i\,k} - AV_{i\,k}) \times Vk_{i\,k} + N}, \text{ where}$$

M $_{k}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for freight trains;

M $_{i\ k}$ – the value of the charge set by the charging body for the use of the railway infrastructure for freight trains (*euro* per one train km, excluding value added tax);

AV $_{i\,k}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for freight trains (*euro* per one train km, excluding value added tax) for the relevant settlement period;

Vk $_{i\,k}$ – train km actually travelled by freight trains of the railway undertaking in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia;

2.2. for passenger electric trains:

$$\mathbf{M_{pe} = (M_{i\,pe} - AV_{i\,pe}) \times Vk_{i\,pe} + N}, \text{ where}$$

M $_{pe}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for passenger electric trains;

M $_{i\ pe}$ – the value of the charge set by the charging body for the use of the railway infrastructure for passenger electric trains (*euro* per one train km, excluding value added tax);

AV $_{i\,pe}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for passenger electric trains (*euro* per one train km, excluding value added tax) for the relevant settlement period;

Vk $_{i\ pe}$ – train km actually travelled by passenger electric trains of the railway undertaking in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

2.3. for passenger diesel-powered trains:

$$\mathbf{M_{pd} = (M_{i\,pd} - AV_{i\,pd}) \times Vk_{i\,pd} + N}, \text{ where}$$

M $_{pd}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for passenger diesel-powered trains;

M $_{i\ pd}$ – the value of the charge set by the charging body for the use of the railway infrastructure for passenger diesel-powered trains (*euro* per one train km, excluding value added tax);

AV $_{i\ pd}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for passenger diesel-powered trains (*euro* per one train km, excluding value added tax) for the relevant settlement period;

Vk $_{i\ pd}$ – train km actually travelled by passenger diesel-powered trains of the railway undertaking in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

2.4. for passenger trains with locomotive (diesel locomotive and steam locomotive traction):

$$\mathbf{M_{pvl} = (M_{i\,pvl} - AV_{i\,pvl}) \times Vk_{i\,pvl} + N}, \text{ where}$$

M $_{pvl}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for passenger trains with locomotive (diesel locomotive and steam locomotive traction);

M $_{i\ pvl}$ – the value of the charge set by the charging body for the use of the railway infrastructure for passenger trains with locomotive (diesel locomotive and steam locomotive traction) (*euro* per one train km, excluding value added tax);

AV $_{i\ pvl}$ –the value of advance payment made by the railway undertaking for the use of the railway infrastructure for passenger trains with locomotive (diesel locomotive and steam locomotive traction) (*euro* per one train km, excluding value added tax) for the relevant settlement period;

Vk $_{i\ pvl}$ – train km actually travelled by passenger trains with locomotive of the railway undertaking in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

2.5. for narrow-gauge trains:

$$\mathbf{M_{š} = (M_{i\,š} - AV_{i\,š}) \times Vk_{i\,š} + N}, \text{ where}$$

M $_{š}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for narrow-gauge trains;

$M_{i\,š}$ – the value of the charge set by the charging body for the use of the railway infrastructure for narrow-gauge trains (*euro* per one train km, excluding value added tax);

$AV_{i\,š}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for narrow-gauge trains (*euro* per one train km, excluding value added tax) for the relevant settlement period;

$Vk_{i\,š}$ – train km actually travelled by narrow-gauge trains of the railway undertaking in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

(Amended by regulations of 14.12.2017.)

3. The infrastructure manager calculates the payment for the use of the public-use railway infrastructure, if the charging body has determined a higher charge for the use of the railway infrastructure in specific parts during a period of time when such railway infrastructure is congested for a particular train category of the railway undertaking according to the following formula:

3.1. for freight trains:

$$M_{kp} = (M_{i\,kp} - AV_{i\,k}) \times Vk_{i\,kp} + N, \text{ where}$$

M_{kp} – the payment to be made by the railway undertaking for the use of the railway infrastructure for freight trains;

$M_{i\,kp}$ – the value of the higher charge set by the charging body for the use of the railway infrastructure for freight trains (*euro* per one train km, excluding value added tax);

$AV_{i\,k}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for freight trains (*euro* per one train km, excluding value added tax) for the relevant settlement period;

$Vk_{i\,kp}$ – train km actually travelled by freight trains of the railway undertaking in the specific part of the railway infrastructure in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

3.2. for passenger electric trains:

$$M_{pep} = (M_{i\,pep} - AV_{i\,pe}) \times Vk_{i\,pep} + N, \text{ where}$$

M_{pep} – the payment to be made by the railway undertaking for the use of the railway infrastructure for passenger electric trains;

$M_{i\,pep}$ – the value of the higher charge set by the charging body for the use of the railway infrastructure for passenger electric trains (*euro* per one train km, excluding value added tax);

$AV_{i\,pe}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for passenger electric trains (*euro* per one train km, excluding value added tax) for the relevant settlement period;

Vk $_{i\ pep}$ – train km actually travelled by passenger electric trains of the railway undertaking in the specific part of the railway infrastructure in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

3.3. for passenger diesel-powered trains:

$$\mathbf{M_{pdp} = (M_{i\ pdp} - AV_{i\ pd}) \times Vk_{i\ pdp} + N}, \text{ where}$$

M $_{pdp}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for passenger diesel-powered trains;

M $_{i\ pdp}$ – the value of the higher charge set by the charging body for the use of the railway infrastructure for passenger diesel-powered trains (*euro* per one train km, excluding value added tax);

AV $_{i\ pd}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for passenger diesel-powered trains (*euro* per one train km, excluding value added tax) for the relevant settlement period;

Vk $_{i\ pdp}$ – train km actually travelled by passenger diesel-powered trains of the railway undertaking in the specific part of the railway infrastructure in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

3.4. for passenger trains with locomotive (diesel locomotive and steam locomotive traction):

$$\mathbf{M_{pvlp} = (M_{i\ pvlp} - AV_{i\ pvl}) \times Vk_{i\ pvlp} + N}, \text{ where}$$

M $_{pvlp}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for passenger trains with locomotive (diesel locomotive and steam locomotive traction);

M $_{i\ pvlp}$ – the value of the higher charge set by the charging body for the use of the railway infrastructure for passenger trains with locomotive (diesel locomotive and steam locomotive traction) (*euro* per one train km, excluding value added tax);

AV $_{i\ pvl}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for passenger trains with locomotive (diesel locomotive and steam locomotive traction) (*euro* per one train km, excluding value added tax) for the relevant settlement period;

Vk $_{i\ pvlp}$ – train km actually travelled by passenger trains with locomotive of the railway undertaking in the specific part of the railway infrastructure in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

3.5. for narrow-gauge trains:

$$\mathbf{M_{šp} = (M_{i\ šp} - AV_{i\ š}) \times Vk_{i\ šp} + N}, \text{ where}$$

M $_{šp}$ – the payment to be made by the railway undertaking for the use of the railway infrastructure for narrow-gauge trains;

M $_{i\ šp}$ – the value of the higher charge set by the charging body for the use of the railway infrastructure for narrow-gauge trains (*euro* per one train km, excluding value added tax);

AV $_{i\ š}$ – the value of advance payment made by the railway undertaking for the use of the railway infrastructure for narrow-gauge trains (*euro* per one train km, excluding value added tax) for the relevant settlement period;

Vk $_{i\ šp}$ – train km actually travelled by narrow-gauge trains of the railway undertaking in the specific part of the railway infrastructure in the relevant settlement period;

N – fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

(Amended by regulations of 14.12.2017.)

4. The infrastructure manager calculates the payment for the use of the railway infrastructure for a particular train category of the railway undertaking or the performer of individual technological processes, if the charging body has applied economically justified discounts to the infrastructure charges, according to the following formula:

4.1. for freight trains

$$M_{ka} = M_{i\,k} \times Vk_{i\,ka} \times (100\% - A_{ka}) + N$$, where

M $_{ka}$ – the payment to be made by the railway undertaking or the performer of individual technological processes for the use of the railway infrastructure for freight trains;

M $_{i\ k}$ – the value of the charge set by the charging body for the use of the railway infrastructure for freight trains (*euro* per one train km, excluding value added tax);

Vk $_{i\ ka}$ – train km actually travelled by the freight trains of the railway undertaking or the performer of individual technological processes during the period when the discount is applied within the relevant settlement period;

A $_{ka}$ – the value of the discount set by the charging body for freight trains;

N – fees and taxes which are paid by the railway undertaking or the performer of individual technological processes in accordance with laws and regulations in force in the Republic of Latvia.

4.2. for passenger electric trains:

$$M_{pea} = M_{i\,pe} \times Vk_{i\,pea} \times (100\% - A_{pea}) + N$$, where

M $_{pea}$ – the payment to be made by the railway undertaking or the performer of individual technological processes for the use of the railway infrastructure for passenger electric trains;

M $_{i\ pe}$ – the value of the charge set by the charging body for the use of the railway infrastructure for passenger electric trains (*euro* per one train km, excluding value added tax);

$Vk_{i\ pea}$ – train km actually travelled by the passenger electric trains of the railway undertaking or the performer of individual technological processes during the period when the discount is applied within the relevant settlement period;

A_{pea} – the value of the discount set by the charging body for passenger electric trains;

N – fees and taxes which are paid by the railway undertaking or the performer of individual technological processes in accordance with laws and regulations in force in the Republic of Latvia.

4.3. for passenger diesel-powered trains:

$$M_{pda} = M_{i\ pd} \times Vk_{i\ pda} \times (100\% - A_{pda}) + N$$, where

M_{pda} – the payment to be made by the railway undertaking or the performer of individual technological processes for the use of the railway infrastructure for passenger diesel-powered trains;

$M_{i\ pd}$ – the value of the charge set by the charging body for the use of the railway infrastructure for passenger diesel-powered trains (*euro* per one train km, excluding value added tax);

$Vk_{i\ pda}$ – train km actually travelled by the passenger diesel-powered trains of the railway undertaking or the performer of individual technological processes during the period when the discount is applied within the relevant settlement period;

A_{pda} – the value of the discount set by the charging body for passenger diesel-powered trains;

N – fees and taxes which are paid by the railway undertaking or the performer of individual technological processes in accordance with laws and regulations in force in the Republic of Latvia.

4.4. for passenger trains with a locomotive (diesel locomotive and steam locomotive traction):

$$M_{pvla} = M_{i\ pvl} \times Vk_{i\ pvla} \times (100\% - A_{pvla}) + N$$, where

M_{pvla} – the payment to be made by the railway undertaking or the performer of individual technological processes for the use of the railway infrastructure for passenger trains with a locomotive (diesel locomotive and steam locomotive traction);

$M_{i\ pvl}$ – the value of the charge set by the charging body for the use of the railway infrastructure for passenger trains with a locomotive (diesel locomotive and steam locomotive traction) (*euro* per one train km, excluding value added tax);

$Vk_{i\ pvla}$ – train km actually travelled by the passenger trains with a locomotive of the railway undertaking or the performer of individual technological processes during the period when the discount is applied within the relevant settlement period;

A_{pvla} – the value of the discount set by the charging body for passenger trains with a locomotive;

N – fees and taxes which are paid by the undertaking or the performer of individual technological processes in accordance with laws and regulations in force in the Republic of Latvia.

4.5. for narrow-gauge trains:

$$\mathbf{M_{ša} = M_{i\,š} \times Vk_{i\,ša} \times (100\% - A_{ša}) + N}$$, where

M ša – the payment to be made by the railway undertaking or the performer of individual technological processes for the use of the railway infrastructure for narrow-gauge trains;

M i š – the value of the charge set by the charging body for the use of the railway infrastructure for narrow-gauge trains (*euro* per one train km, excluding value added tax);

Vk i ša – train km actually travelled by the narrow-gauge trains of the railway undertaking or the performer of individual technological processes during the period when the discount is applied within the relevant settlement period;

A ša – the value of the discount set by the charging body for narrow-gauge trains;

N – fees and taxes which are paid by the undertaking or the performer of individual technological processes in accordance with laws and regulations in force in the Republic of Latvia.

5. Payments for the infrastructure charges are made by railway undertakings and performers of relevant technological processes in accordance with the invoice issued by the infrastructure manager.

5.[1] Railway undertakings have a right to make an advance payment for the use of the railway infrastructure after informing the infrastructure manager about the conditions of the utilization of the advance payment in accordance with the requirements laid down in paragraphs 6.[1]1., 6.[1]2., 6.[1]3. and 6.[1]4. The advance payment is made based on the invoice issued by the infrastructure manager.

(Amended by regulations of 14.12.2017.)

6. The infrastructure manager sends the invoice to railway undertakings or performers of individual technological processes by fax or email to the fax number or email address officially indicated by the railway undertaking or the performer of individual technological processes. Along with the invoice, the infrastructure manager sends to the railway undertaking or the performer of relevant technological processes a list of the mileage performed by the trains of the railway undertaking or the performer of individual technological processes during the settlement period (hereinafter referred to as the list), in which the infrastructure manager indicates:

6.1. the invoicing period, for which the railway undertaking or the performer of individual technological processes must make payments for the use of the railway infrastructure;

6.2. the rolling stock, using which the railway undertaking or the performer of individual technological processes performed transportation during the invoicing period;

6.3. the actual number of km travelled by each rolling stock;

6.4. the charge determined by the charging body for the relevant train category for the use of the railway infrastructure, with which the railway undertaking or the performer of individual technological processes performed transportation during the invoicing period (*euro* per one train-km, excluding value added tax);

6.5. the higher charge determined by the charging body for the use of the railway infrastructure (*euro* per one train km, excluding value added tax), if any;

6.6. the discount determined by the charging body for the use of the railway infrastructure (%), if any;

6.7. the total payment for the use of the railway infrastructure for the relevant train category.

6.[1] The infrastructure manager sends an invoice of advance payment to a railway undertaking by fax or email to the fax number or email address officially indicated by the railway undertaking. The invoice in accordance with the information provided by the railway undertaking indicates:

6.[1]1. the beginning of the settlement period for which advance payments for the use of the railway infrastructure must be made by the railway undertaking;

6.[1]2. the relevant train category to be used by the railway undertaking during the settlement period and for which advance payments are calculated;

6.[1]3. the forecasted number of km per each train category which advance payments are about to be applied to;

6.[1]4. the amount of the advance payment for the relevant train category to be used by the railway undertaking during the settlement period;

6. [1]5. fees and taxes which are paid by the railway undertaking in accordance with laws and regulations in force in the Republic of Latvia.

(Amended by regulations of 14.12.2017.)

7. The infrastructure manager is entitled to include more detailed information regarding transportation performed by the railway undertaking or the performer of the individual technological processes during the respective invoicing period.

8. The infrastructure manager sends the invoice to a railway undertaking performing transportation of freight twice a week:

8.1. on Monday of each calendar week, but if it is a holiday or a public holiday, then on the following working day, regarding the use of the railway infrastructure during the time period from Monday to Wednesday of the previous week;

8.2. on Wednesday of each calendar week, but if it is a holiday or a public holiday, then on the following working day, regarding the use of the railway infrastructure during the time period from Thursday to Sunday of the previous week.

9. The infrastructure manager sends the invoice to a railway undertaking performing transportation of passengers using passenger electric or diesel-powered trains three times a month:

9.1. until the 10th day of each month, but if it is a holiday or a public holiday, then on the following working day, regarding the use of the railway infrastructure during the time period from the 20th day of the previous month to the last date of the previous month;

9.2. until the 15th day of each month, but if it is a holiday or a public holiday, then on the following working day, regarding the use of the railway infrastructure during the time period from the 1st day of the relevant month to the 10th day of the relevant month;

9.3. until the 25th day of each month, but if it is a holiday or a public holiday, then on the following working day, regarding the use of the railway infrastructure during the time period from the 11th day of the relevant month to the 20th day of the relevant month.

10. The infrastructure manager once a month, but not later than the 10th day of the next calendar month sends the invoice to a railway undertaking performing transportation of passengers by narrow-gauge trains for the use of the railway infrastructure during the previous calendar month.

11. The infrastructure manager once a month, but not later than the 10th day of the next calendar month, sends the invoice together with the list of mileage of trains to a performer of individual technological processes (construction, repair and technical maintenance of the technical equipment of the railway infrastructure, modernisation of the railway rolling stock, preparation of repair trains and locomotives for performing transportation, movement of locomotives, etc.) for the use of the railway infrastructure in the previous calendar month.

12. Railway undertakings and performers of individual technological processes pay the invoice issued by the infrastructure manager within five working days after receiving the invoice, transferring the money to the financial institution account of the infrastructure manager indicated in the invoice.

13. The day when the railway undertaking or the performer of individual technological processes has received by fax or email the invoice issued by the infrastructure manager is deemed the day of receiving the invoice.

14. In addition, the infrastructure manager may send a signed invoice to the railway undertakings and performers of relevant technological processes to their indicated postal address if such agreement has been stipulated in the respective contract on the use of railway infrastructure.

(Amended by regulations of 13.06.2018.)

15. The date on which payment of a railway undertaking or a performer of individual technological processes is received at the financial institution according to the invoice issued by the infrastructure manager is deemed the date of paying the invoice.

16. A railway undertaking or a performer of individual technological processes pays a fine to the infrastructure manager for failure to comply with the payment deadline indicated in the invoice in the amount of 0,1% a day for the time period from the day determined for making the relevant payment (including the day) until the day (not including the day), but not more than 10% of the payment amount indicated in the respective invoice. The payment of the fine does not exempt the railway undertaking or the performer of relevant technological processes from paying the principal sum of the debt.

17. From the payment sum received from a railway undertaking or a performer of individual technological processes the infrastructure manager, firstly, transfers the calculated fine, secondly – the principal sum of the debt and thirdly – the sum of the current payment, but the remaining amount of the payment, if any, is either reimbursed to the railway undertaking or the performer of relevant technological processes or transferred into the subsequent payments.

18. If a railway undertaking or a performer of individual technological processes does not agree with the invoice issued by the infrastructure manager or the list, the railway undertaking or the performer of individual technological processes is entitled to send a request with justified objections

regarding the relevant invoice or the list to the infrastructure manager within five working days using fax or email.

19. The railway undertaking or the performer of individual technological processes sends the original of the request mentioned in Article 18 of the Annex of this Scheme by mail on the same day when the request is sent by fax or email.

20. The objections of the railway undertaking or the performer of individual technological processes submitted in written form are reviewed by the infrastructure manager within five working days after the date of receiving the respective request and the identified discrepancies should be eliminated within two working days or a justification of the invoice or invoicing information should be provided to the railway undertaking or the performer of individual technological processes in a written form.

21. The day when the infrastructure manager has received the objections sent by the railway undertaking or the performer of individual technological processes by fax or email is deemed the day of receiving the respective request.

22. In the case laid down in Article 18 of the Annex of this Scheme the railway undertaking or the performer of relevant technological processes is not exempted from paying the invoice within the time period and the amount laid down in Article 12 of the Annex of this Scheme.

23. If the railway undertaking or the performer of individual technological processes does not agree with the detailed justification of the invoice laid down in Paragraph 20 of the Annex of this Scheme or the invoice does not comply with the procedures stipulated in the Annex of this Scheme, the railway undertaking or the performer of individual technological processes is entitled to submit a complaint to the State Railway Administration, that examines the complaint in accordance with the procedures and within the time period laid down in laws and regulations.

24. The infrastructure manager and railway undertaking or a performer of relevant technological processes may, by entering into contract governing mutual settlements for the use of the railway infrastructure, agree on additional conditions which are related to mutual settlements for the use of the railway infrastructure, including the application of other means of enhanced liability, other than statutory interest on late payments. In exceptional cases, where reasonable justification for not fulfilling its liabilities exists and the provision of public passenger transport services is under risk, a railway undertaking may agree with the infrastructure manager to non-application of interest on late payments. The provisions of the contract in force between the infrastructure manager and railway undertaking or the performer of relevant technological processes regarding mutual settlements may not be in contradiction with the procedures mentioned in the Annex of this Scheme.

(Amended by regulations of 19.01.2018.)