

APPROVED  
by decision No JALP-1.3./29-2020  
of the Executive Board of the  
Joint Stock company LatRailNet  
in a meeting held on 23 March 2020  
min. No JALP-1.2./29-2020

## REGULATIONS

Riga

23 March 2020

No.JALP-7.6./02-2020

### Amendments to the JSC LatRailNet regulations Nr.JALP-7.6/01-2017 of 30 June 2017 “The Charging Scheme”

1. Make amendments to the JSC LatRailNet regulations Nr.JALP-7.6/01-2017 “The Charging Scheme” of 30 June 2017 (hereinafter referred to as the Scheme) as follows:

1.1.Express Paragraph 42 of the Scheme as follows:

"42. A charging body may levy a network loading optimization discount  $A_{opt\ nosl\ param\ gr\ s}$  for a particular charging parameter in the relevant service group within a specific market segment for a specific part of the railway infrastructure where, after approving the capacity allocation plan, it is determined that the demand for the railway infrastructure capacity does not reach the optimal load and where, based on efficient, transparent and non-discriminatory principles, it can be established that the discount can stimulate the usage of the railway infrastructure capacity. Network loading optimization discount  $A_{opt\ nosl\ param\ gr\ s}$  is calculated according to the following formula:

$$A_{opt\ nosl\ param\ gr\ s} = \frac{(DR_{param\ gr\ s} \times M_{param\ gr\ s}) - KTI_{opt\ nosl\ param\ gr\ s}}{DR_{param\ gr\ s} + \Delta DR_{opt\ nosl\ param\ gr\ s}}, \text{ where}$$

|                                 |   |
|---------------------------------|---|
| $A_{opt\ nosl\ param\ gr\ s}$   | – a network loading optimization discount for a particular charging parameter within a specific market segment of the relevant service group in a specific part of the railway infrastructure;  |
| $M_{param\ gr\ s}$              | – the value of the charge for a specific charging parameter within a specific market segment of the relevant service group, determined by the charging body, in a specific part of the railway infrastructure where it can be established that the discount can stimulate the usage of the railway infrastructure capacity; |
| $KTI_{opt\ nosl\ param\ gr\ s}$ | – the network-wide direct costs within a specific market segment of the relevant service group that are relevant to the forecasted increase of the performance indicator $\Delta DR_{opt\ nosl\ param\ gr\ s}$ expected as a result of levying the network loading optimization discount;                                   |
| $DR_{opt\ nosl\ param\ gr\ s}$  | – the forecasted value of the relevant performance indicator of a specific market segment of the relevant service group in a specific part of the railway infrastructure, without providing the network optimization discount;  |

$\Delta DR_{opt\ nosl\ param\ gr\ s}$  – the forecasted increase of the performance indicator within a specific market segment of the relevant service group in a specific part of the railway infrastructure expected as a result of levying the network loading optimization discount.”;

1.2. Express Paragraph 6 of Annex 6 to the Scheme as follows:

“6. The amount of charge  $M_{mez\ uztur\ 1520\ s}$  is divided between the railway undertaking performing transportation in border regions (Daugavpils - Indra - national border, Rēzekne – Zilupe – national border, national border – Karsava – Rēzekne, Daugavpils - Kurcums - national border, national border - Eglaine - Daugavpils) or through border stations (Meitene, Lugaži and Reņģe) and the next railway undertaking, if any, that continues the movement of the train set from stations Jelgava, Šķīrotava, Rēzekne and Daugavpils, observing the proportion which is determined by the charging body as a ratio between the total number of train km in these border regions in the reference period and the total number of train km in the other parts of the railway infrastructure network within international 1520 traffic in the reference period and is published on the website of the charging body on the internet.

If in border regions (Daugavpils - Indra - national border, Rēzekne – Zilupe – national border, national border – Karsava – Rēzekne, Daugavpils - Kurcums - national border, national border - Eglaine - Daugavpils) the transportation on the behalf of railway undertakings registered in Latvia is performed by railway undertakings from the third countries without the contract signed with the infrastructure manager on the use of the railway infrastructure, then the amount of charge  $M_{mez\ uztur\ 1520\ s}$  in these regions is applied to the next railway undertaking that continues the movement of the train set from stations Rēzekne or Daugavpils, but, if more than one railway undertakings are involved in transportation, then the amount of charge  $M_{mez\ uztur\ 1520\ s}$  is divided between the railway undertakings on behalf of which the transportation were performed, that is, the first undertaking that continues the movement from stations Rēzekne and Daugavpils issues invoices to the other railway undertakings corresponding to the proportion of the number of the railway undertaking's wagons in a specific train and the corresponding settlements are mutually made.”;

1.3. Express Paragraph 13 of Annex 6 to the Scheme as follows:

"13. If according to Paragraph 8 of this Annex, within international 1520 traffic market segments are separated, based on the through rate offer criterion or on the volume elasticity for valuation of value  $J_s$  declared by applicants, where the transportation is performed using pre-assigned train paths, the charging body may determine railway infrastructure capacity assurance charges  $M_{rezer\ 1520\ s}$  in these segments. In each of these market segments, railway infrastructure capacity assurance charges  $M_{rezer\ 1520\ s}$  are set as the combination of all parameter charges  $M_{param\ 1520\ s}$  which is expressed as an average charge of performance indicator unit of one train km in the relevant market segment in accordance with the following formula:

$$M_{rezer\ 1520\ s} = M_{ceļ\ uztur\ 1520\ s} + (M_{mez\ uztur\ 1520\ s} \times DR_{mez\ uztur\ 1520\ s}) / DR_{ceļ\ uztur\ 1520\ s}, \text{ where}$$

$M_{rezer\ 1520\ s}$  – the amount of the railway infrastructure capacity assurance charge within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths (euro per train km, without value added tax);

$M_{ceļ\ uztur\ 1520\ s}$  – the amount of the charge in relation to the charging parameter of the maintenance, train operating and renewal of the railway infrastructure within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths (euro per train km, without value added tax);

$M_{mez\ uztur\ 1520\ s}$  – the amount of the charge in relation to the charging parameter of the maintenance and train operating of the railway infrastructure providing access

to the railway infrastructure connecting service facilities within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths (*euro* per train, without value added tax);

**DR** <sub>mez uztur 1520 s</sub>

– the forecasted performance indicator corresponding to performance indicator **DR** <sub>ceļ uztur 1520 s</sub> in relation to the number of freight trains actually moved through the places crossing the national border<sup>1</sup>, as well as border stations (Meitene, Lugaži and Reņģe) and trains actually accepted in the final processing station in terrestrial transit traffic in the programming period within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths, which is taken into account when determining the relevant amount of markup **MP** <sub>mez uztur 1520 s</sub> in force;

**DR** <sub>ceļ uztur 1520 s</sub>

– the forecasted performance indicator in relation to the number of train km in the programming period within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths, which is taken into account when determining the relevant amount of markup **MU** <sub>ceļ uztur 1520 s</sub> in force.

The charging body determines and publishes on its website in the internet the amount of charge **M** <sub>rezer 1520 s</sub> for those market segments where the transportation in the programming period is performed using pre-assigned train paths.”;

#### 1.4. Supplement Annex 6 to the Scheme with Paragraph 14 as follows:

"14. Railway infrastructure capacity assurance charge referred to in Paragraph 13 of Annex 6 to the Scheme within international 1520 traffic is applied to applicants and railway undertakings according to the following settlement procedure:

14.1. The invoicing reference period is the current calendar month;

14.2. Applicants request pre-assigned train paths within international 1520 traffic at least 15 days before the first day of the current calendar month, and the infrastructure manager applies the initial payment for the number of the requested pre-assigned train paths for the current calendar month in the amount of 10% of the railway infrastructure capacity assurance payment **M** <sub>rezer 1520 s</sub> for a specific market segment, according to the following formula:

$$\mathbf{NKM}_{\text{rezer 1520 s}} = 0,1 \times \mathbf{M}_{\text{rezer 1520 s}} \times \mathbf{DR}_{\text{ceļ uztur 1520 s}} + \mathbf{N}, \text{ where}$$

**NKM** <sub>rezer 1520 s</sub>

– the initial railway infrastructure capacity assurance payment within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths made by the applicant (*euro*);

**M** <sub>rezer 1520 s</sub>

– the amount of railway infrastructure capacity assurance charge within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths set by the body (*euro* per train km, without value added tax);

**DR** <sub>ceļ uztur 1520 s</sub>

– the amount of the performance indicator in relation to the number of train km within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths in the following calendar month submitted by the applicant;

**N**

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

<sup>1</sup> according to Paragraph 3.2.7. of the railway infrastructure network statement of 2019/2020, the places crossing the national border are Rezekne freight station on the national border with the Russian Federation and Daugavpils freight station on the national border with the Republic of Belarus (regarding only the commodities transported in a freight train)

14.3. The final payment for the actual usage of pre-assigned train paths is applied to the actual railway undertaking in the amount of 90% of the railway infrastructure capacity assurance payment  $M_{\text{rezer 1520 s}}$  for a specific market segment adding a surcharge based on the direct costs for the exceeding amount of the train km according to the following formula:

$$KM_{\text{rezer 1520 s}} = 0,9 \times M_{\text{rezer 1520 s}} \times DR_{\text{ceļ uztur 1520 s}} + TI_{\text{rezer 1520 s}} \times \Delta DR_{\text{ceļ uztur 1520 s}} + N, \text{ where}$$

- KM<sub>rezer 1520 s</sub>** – the final railway infrastructure capacity assurance payment within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths made by the applicant (*euro*);
- M<sub>rezer 1520 s</sub>** – the amount of railway infrastructure capacity assurance charge within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths set by the charging body (*euro* per train km, without value added tax);
- DR<sub>fakt ceļ uztur 1520 s</sub>** – the actual amount of the applicant's performance indicator in relation to the number of train km within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths;
- $\Delta DR_{\text{ceļ uztur 1520 s}}$**  – the amount of the applicant's performance indicator in relation to the exceeding amount of train km within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths;
- TI<sub>rezer 1520 s</sub>** – the average direct unit costs of all charging parameters set by the charging body for the performance indicator unit of 1 train km within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths (*euro* per train km, without value added tax);
- N** – fees and taxes to be paid by the applicant in accordance with the legislation in force in the Republic of Latvia (*euro*);

14.4. The infrastructure manager sends the invoice and invoicing information regarding the payment referred to in Subparagraph 14.2 of Annex 6 to the Scheme not later than 5 days before the first day of the following calendar month that the aforesaid invoice refers to;

14.5. The infrastructure manager sends the invoice and invoicing information regarding the payment referred to in Subparagraph 14.3 of Annex 6 to the Scheme together with the invoice and invoicing information for freight transportation two times a week.”;

1.5. Supplement Annex 6 to the Scheme with Paragraph 15 as follows:

“15. If a train path assigned to an applicant in the market segments provided by Paragraph 13 of this Annex where the transportation is performed using pre-assigned train paths is canceled due to the provisions of Subparagraph 20.2 of the Capacity Allocation Scheme, and the relevant applicant has not agreed to move the train path to a different time or route offered by the infrastructure manager, then the infrastructure manager compensates the collected initial railway infrastructure capacity assurance

payment referred to in Subparagraph 14.2 of Annex 6 to the Scheme to the applicant by reducing the subsequent applicant's capacity assurance payment, applying compensation **AM**<sub>rezer 1520 s</sub> according to the following formula:

$$\mathbf{AM}_{\text{rezer 1520 s}} = 0,1 \times \mathbf{M}_{\text{rezer 1520 s}} \times \mathbf{DR}_{\text{ceļ uztur 1520 s}} + \mathbf{N}, \text{ where}$$

- AM**<sub>rezer 1520 s</sub> – the total compensation of railway infrastructure capacity assurance payment applied to the applicant for cancelled train paths within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths (*euro*);
- M**<sub>rezer 1520 s</sub> – the amount of railway infrastructure capacity assurance charge within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths set by the charging body (*euro* per train km, without value added tax);
- DR**<sub>ceļ uztur 1520 s</sub> – the amount of the applicant's performance indicator in relation to the number of train km within international 1520 traffic in a specific market segment where the transportation is performed using pre-assigned train paths in the previous calendar month corresponding to the number and length of actually cancelled train paths;
- N** – fees and taxes to be paid to the infrastructure manager in accordance with the legislation in force in the Republic of Latvia (*euro*).".

2. The charging body publishes these amendments on its website on the internet and submits information about it to the public-use railway infrastructure manager for inclusion in the railway infrastructure network statement.

3. These amendments enter into force upon their publication.

4. According to the twelfth part of Article 11 of the Railway Law, a complaint regarding these amendments can be submitted in State Railway Administration not later than one month after the day of the publication.

JSC LatRailNet  
the Director of the Department  
of Charging Affairs

M.Andiņš

THIS DOCUMENT IS SIGNED WITH A SECURE ELECTRONIC SIGNATURE