

REGULATION

on the National Energy Authority in Iceland.

Article 1.

The National Energy Authority is a specific State institution under the auspices of the Minister of Industry, Energy and Tourism.

Article 2.

The main roles of the National Energy Authority are:

1. to advise the Government on energy issues and other resource issues that the Authority is responsible for according to legislation and to give the authorities consultations and reviews of these matters.
2. to carry out research on energy in Iceland, the energy resources, on-land and off-shore, and on other mineral and water resources in order to facilitate their quantification and to give consulting services to the authorities on sensible and economical development of the resources.
3. to gather data on energy resources and other mineral and water resources, their utilisation and the energy utilisation of Iceland, to preserve the data and to disseminate the information to the authorities and the public.
4. to prepare long-term plans on the energy and resources utilisation of Iceland and the development of energy resources and other mineral and water resources, on-land and off-shore.
5. to facilitate the cooperation of parties that conduct energy and resources research and the coordination the research projects.
6. to undertake other administrative tasks which the Authority is assigned to by the Act on the National Energy Authority, the Energy Act, the Electricity Act, the Act on Equalisation and Reduction of Residential Heating Costs, the Act on Subsidised Residential Heating Costs, the Act on Equalising the Cost of Electricity Distribution, the Act on the Survey and Utilisation of Ground Resources, the Act on the Ownership of the Icelandic State of Resources on the Seabed and the Act on Prospecting, Exploration and Production of Hydrocarbons.
7. to administer the National Energy Fund, and
8. to undertake other administrative tasks which the Authority is assigned to by legislation, administrative instructions or the Minister's decisions.

The National Energy Authority is authorised to conclude agreements with companies or institutions on implementation of defined tasks, cf. items 2 and 3 of paragraph 1. Any agreements exceeding two years duration shall be submitted to the Minister for approval. The Authority may also cooperate with service companies or institutions regarding services, such as operation of housing, telephone service and accounting-, personnel- and IT service, etc.

Article 3.

The Minister appoints the Director General of the National Energy Authority for a term of five years at a time. The Director General manages the work and daily operation of the Authority. The Director General represents the Authority and is responsible for the administrative functions of the Authority. The Director General hires other personnel of the Authority.

The Director General shall allocate operational budgets in accordance with paragraph 2 of Article 4 and the contract on result-oriented management, and oversee that the activity of the Authority is according to legislation and within the yearly budget allocation from the National Treasury, as well as to ensure sufficient supervision of the accounts and handling of funds of the Authority.

Further provisions on occupation and obligation of the Director General shall be stated in the director's letter of appointment

Article 4.

The Director General is authorised to divide the operation of the National Energy Authority into various divisions. The United Nations University Geothermal Training Programme shall be a specific

business unit with separate cost accounting and shall also disburse its share in the administrative and common services costs in accordance with statutes on cost division.

Appropriations to the National Energy Authority according to the fiscal budget shall cover the cost of the National Energy Authority to uphold its role in accordance with Article 2, as well as conducting research on energy and resources in accordance with the fiscal budget. Reimbursements by developers of out-of-pocket cost for research and planning by the State, shall also be used to carry out research, cf. item 2 of paragraph 1 of Article 2.

The Director General is responsible for preparing job descriptions for other personnel of the National Energy Authority, in consultation with them. Job descriptions shall be confirmed by the Director General.

Article 5.

The main tasks of the National Energy Authority regarding natural resources related issues are:

1. to initiate research of natural resources and the utilisation of those resources,
2. to preserve State owned data on natural resources, as well as data that is filed under obligation from others,
3. to conduct administrative tasks concerning the granting of licenses for prospecting-, utilisation- and power plant, and
4. to disseminate information on natural resources related issues.

Article 6.

The main tasks of the National Energy Authority regarding energy related issues are:

1. to initiate research on new possibilities in production, transmission and utilisation of energy as well as possible impact of those factors on the environment and the community,
2. to gather data on energy production, import of fossil fuels, energy consumption and the pricing of energy,
3. to carry out statistical- and economically processing of data,
4. to prepare energy forecasts,
5. to monitor the concession-based activities of companies in the electricity sector,
6. to administer subsidises for residential heating costs,
7. to administer the Energy Council and to supervise the National Energy Fund,
8. to promote efficient energy-use as well as the utilisation of alternative energy, and
9. to disseminate information on energy related issues.

Article 7.

The United Nations University Geothermal Training Programme shall be operated in accordance with an agreement with the United Nations University, as budget is allocated to, or funds acquired by, the programme. The main activities of the Geothermal Training Programme are to provide university graduates, mainly from developing countries, six months specialised courses and workplace training in geothermal development, on behalf of the United Nations University. The Geothermal Training Programme also facilitates workshops and/or short courses, both domestically and abroad, as well as participating in international cooperation in this field. The director of the Geothermal Training Programme appoints a Studies Board to the Geothermal Training Programme. The Geothermal Training Programme is authorised to supervise and give grants to graduate studies, for master's (MSc) or doctorate (Ph.D.) degrees, in geothermal development in relevant universities.

Article 8.

The main tasks involved in the daily operations of the National Energy Authority are:

1. to manage financial matters, payment of dues and collection of the revenues of the National Energy Authority, as well as accounting and general office services,
2. to manage personnel matters and payment of wages,
3. to manage IT service, telephone service, library and the archives of the National Energy Authorities, and
4. to manage operation of housing and canteen.

The National Energy Authority is authorised to enter into cooperation with institutions or companies on the implementation of defined tasks, cf. paragraph 1, with the condition that normal cost sharing shall apply or according to an agreement with a contractor following rules which apply to such transactions.

Article 9.

The National Energy Authority shall prepare a strategic plan for the next four years concerning the tasks set out for the Authority according to items 2 and 3 of paragraph 1 in Article 2, and the plan shall be submitted to the Minister of Industry, Energy and Tourism for confirmation. The plan shall be reviewed every year.

Article 10.

The National Energy Authority takes care of the daily administration of the National Energy Fund. The National Energy Council shall be operated at the National Energy Authority, cf. Article 6 of the Act on the National Energy Authority, No 87/2003, that presents proposals and recommendations to the Minister of Industry, Energy and Tourism regarding loans and disbursements made by the National Energy Fund. Further rules on the organisation and activities of the National Energy Fund and the National Energy Council are laid down in Regulation on the National Energy Fund, No. 514/2003.

The National Energy Fund, under the supervision of the National Energy Authority, shall take care of the daily administration of the Hydrocarbon Research Fund. Further rules on the organisation and activities of the Hydrocarbon Research Fund are laid down in the Act on Prospecting, Exploration and Production of Hydrocarbons, No. 13/2001, and Regulation on the Hydrocarbon Research Fund, No. 39/2009.

Article 11.

The Director General of the National Energy Authority shall prepare an organisational chart for the National Energy Authority, which is confirmed by the Minister, in which further rules on the internal organisation of the national Energy Authority are set out in accordance with the provisions of this Regulation.

Article 12.

This Regulation is issued in accordance with Article 9 of the Act on the National Energy Authority, No. 87/2003, and shall enter into force immediately. Furthermore, the previous Regulation on the National Energy Authority, No. 308 of 22 March 2004, is cancelled.

Ministry of Industry, Energy and Tourism, 31st of March, 2009

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