

**REGULATION
ON THE GENERAL CONDITIONS OF THE ELECTRICITY SUPPLY SERVICE FOR
THE END USE CUSTOMERS**

FIRST PART

GENERAL PROVISIONS

Article 1

Scope

These rules aim to ensure a fair and effective process for the supply service of electricity customers, through setting general conditions, in electricity supply service offered by the Licensees in the supply activity.

Article 2

Legal basis

These rules are drafted supported on article 79 and article 94 point 1 of Law No.43/2015 “On Power Sector”; Law No. 9902, of date 17.04.2008, “On customer protection” and Law No.9887, of date 10.03.2008, “On protecting the personal data”.

SECOND PART

TERMS AND CONDITIONS

Article 3

Definitions

The terms used in these rules have the following meaning:

“**Applicant**” shall mean any person, different from the complainant that wants to start an action that requires to be institutionalized by the application.

“**Complainer**” shall mean a person that deposits a complain at ERE, for any action/inaction of a person, that is in ERE jurisdiction, for the activity that he performs as provided in Law no.43/2015, “On power sector”

“**ERE**” shall mean Energy Regulator Authority, the regulator institution for power and natural gas sector in Albania.

“**Force Majeure**” is an natural or social act or event such as earthquakes, lightning, cyclones, floods, volcanic eruptions, fires or wars, armed conflict, insurrection, terrorist or military action, which prevent a licensee from performing his obligations under the license or other acts or events that are beyond the reasonable control and not arising out of the fault of the licensee, and where the licensee

has been unable to overcome such act or event by the exercise of due diligence and reasonable efforts, skill and care.

“Supply” means the sale, including resale, of electricity to customers;

“Supplier” means an electricity company licensed to perform the activity of supply;

“Complainee” shall mean a person, against whom is submitted a complaint or has initiated an investigation by ERE.

“Licensee” means a person that holds a license for electricity activities in conformity with the provisions of Law no.43/2015 “On Power Sector”.

“Request” shall mean a written request submitted at ERE, by one person for an issue, that is object of regulation by ERE.

“Customer” shall mean an electricity wholesale or end-use customer.

“End-use customer” shall mean a customer that purchases electricity only for his own use

“Metering Code” is a set of mandatory minimum standards for the measurement and recording of electricity.

“Compensation” shall mean the monetary or electricity value, which is returned to the customer in a compensation form, as consequence of failure to comply with the contract conditions.

“Supply contract” means a contract for the supply of electricity, but does not include electricity derivatives;

“Intelligent metering” is an electronic device that registers on real time the electricity consumption data and communicates this information at least every day to the system operator for the monitoring and invoicing purposes.

“Distribution System Operator or DSO” means a legal person, responsible for secure, reliable and efficient operating of the distribution grid, ensuring the maintenance and the development of the distribution system, dispersed at a given area, and if applicable, its connection to other systems in order to provide long-term capabilities to meet the reasonable demands on the distribution of electricity, respecting the environment and electricity efficiency.

“Transmission System Operator or TSO” means the juridical person responsible for operation, maintenance and development of the transmission system, including its interconnections with other cross-border systems, for ensuring the long term ability of the system to meet reasonable demands for the transmission of electricity;

"Network Operator" is the transmission system operator and / or distribution system operator

"Interested party" shall mean a person that participates in a specific procedure before ERE.

"Person" means a natural or legal person, the Government or any state body, any local authority or other legal entities acknowledged within and outside the country, except ERE.

"System users" means any natural or legal persons supplying, or being supplied with electricity through a transmission or distribution system;

"Connection point" shall mean the natural connection point of the Customer with the Electricity Distribution network.

"Market Rules" are detailed rules, which define the operation and management of the market, the participants registration, balancing responsibility of electricity market participants, the rules for balancing the electricity system, rules for calculating the imbalances of the balance responsible parties, rules for the financial settlement of balance responsible parties in case of imbalances and other issues related with the market operation.

"Distribution System" means the system of lines, supporting structures, transforming and switching devices, used for electricity distribution system and for the delivery to its customers, excluding the supply.

"Transmission system" means the system used for transporting electricity on the high-voltage and very high-voltage interconnected in parallel with the other countries' systems which includes lines, supporting structures, power transforming and switching equipment for the delivery of electricity to the customers or to the distribution grid, excluding the supply;

"Imbalance" shall mean the difference between the electricity flow defined on a bilateral agreement and the actual measured electricity flow for a defined hour.

"Balancing Service" shall mean the provision of the contracted reserve capacity and/or balancing electricity, used by the Transmission System Operator to perform the balancing.

"Tariff and prices" are the payments that shall be carried out by the Customers for electricity services, ensured from the companies licensed by ERE and perform regulated activity in power sector. Electricity tariff and prices may be reviewed by ERE with the proposal of the licensee or with ERE initiative, according to the principles provided on Law no. 43/2015 "On Power Sector".

“Agreement suspension and termination fee” shall mean the fee paid by the Customer to the Supplier, in case of electricity supply suspension or termination at the connection point with the distribution grid, according to the electricity supply agreement. This fee is not applicable, in the case when the Customer suspends the electricity supply agreement to switch the Supplier.

“Terms and conditions” shall mean provisions approved by ERE to the licensee, providing one or some services on power sector, to which shall be provided Customer service/services.

Article 4

Preliminary conditions of signing electricity supply contract

- 4.1 Any natural or legal person that has a connection point approved in the Distribution or Transmission System Network has the right to submit a request for signing an electricity supply agreement. The request for the connection of the electricity supply agreement, shall be submitted in the written form at the Supplier offices.
- 4.2 The supplier shall ensure in a easily accessible way and free of charge for the interested parties, the necessary information in the written form about the procedures of connecting an electricity supply contract, the information which shall be detailed, transparent and shall be clearly reflected by different means of information at any Supplier’s representation, including the publications of this information even in the form of brochures or electronically on the Supplier’s and ERE website.
- 4.3 This information shall be in the Albanian language, in a clear and in a form accessible for all the interested persons.
- 4.4 The information shall minimally contain:
1. Necessary documentation that shall be filled by the applicant in the moment of submitting the request for signing the electricity supply contract such as: identity and location certificate, as well as any technical documentation that serve for signing this contract;
 2. Deadline for handling the applicant request for signing electricity supply contract;
 3. Rights and obligations of the End use Customer;
 4. Rights and obligations of the Supplier;
 5. Location of the Supplier premises, where it is provided the customer care service;

6. Procedure for submitting a complaint and the deadlines for its handling;
7. Obligation of the Supplier to preserve the customer's personal data.

Article 5

Signing the contract

- 5.1 Applicant requesting to sign electricity supply contract shall be informed on its application, within fifteen (15) calendar days from submitting a written request at any Supplier's office.
- 5.2 If the request of the applicant is not accompanied with the entire documentation, the Supplier within seven (7) days, shall inform the applicant for the missing documentation.
- 5.3 Applicant shall submit the missing documentation within seven (7) calendar days from the notification moment. The request shall be refused if such documentation is not complete. The supplier shall inform the applicant in each case for the approval or refusal of his request.

Article 6

Suspension and termination of the contract

- 6.1 The supply contract is signed for a period defined by the parties and may be terminated, only in cases provided as follows:
 - 6.1.1 On the Supplier's initiative in case of violating by the Customer the essential obligations of the contract. Shall be considered essential breaches of the contract's conditions by the Customer cases as follows:
 - a- If the Customer does not pay the electricity obligations including the overdue interest within 1 (one) month after the electricity interruption, because of the failure to pay electricity.
 - b - If the Supplier verifies that the Customer is supplied with electricity in an illegal way.
 - c- If the Customer, repeatedly does not enable access to the Supplier for more than 3 (three) months to read and verify the meters and installations, when the meter or the metering system is within the boundaries of his property.
 - 6.1.2 On Customer's request, after executing all the monetary obligations and based on the conditions defined in the supply contract, signed between the parties.
 - 6.1.2.1 The customer may require to suspend the contract for a defined period according to his request. The customer shall inform in a written form the Supplier fifteen (15) calendar days before the date he requires the suspension and shall liquidate all the obligations to the Supplier, not later than thirty (30) days from the request to suspend the contract. The Supplier shall disconnect the electricity supply according to the procedures and terms

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defined for this purpose.

6.1.2.2 The customer is responsible for executing the obligations regarding electricity consumption until the contract suspension. In any case the customer is not responsible for any obligation to the supplier after the deadline of 30 calendar days form the contract suspension request, provided on article provided in article 6.1.2.1.

- 6.2 After the suspension of the electricity supply contract, the Customer on each case has the right to reactivate it, by submitting a written request at any Suplier representative for the reactivation of the electricity supply contract.
- 6.3 After submitting the written notification by the Customer, the Supplier shall make possible the reactivation of the supply contract within 48 hours and notify the Grid Operator to perform the electricity reconnection.
- 6.4 According the the same definitions of point 6.1.2.1, the Customer may request to interrupt the Electricity Supply Contract. In this case he shall inform the supplier 15 calendar days in advance and shall liquidate all the obligations to the Supplier, not later than 30 days from the interruption of the contract. The customer shall have the conformation for the collectrion of the contract interruption tariff (the respective collection mandate). In case of electricity supply contract interruption, to switch the supplier, the contract interruption tariff shall not be applicable by the Supplier.
- 6.5 With the interruption of the electricity supply contract, the Supplier shall require from the Grid Operator to immediately interrupt the electricity supply in the connection point. With the interruption of the supply, the Supplier shall read and calculate the last invoice and shall seal the connection point, in conformity with the legislation in force.
- 6.6 The customer is responsible for executing the obligations regarding electricity consumption until the contract suspension. In any case the customer is not responsible for any obligation to the Supplier after the deadline provided in article 6.4.
- 6.7 Supplier shall not perform the interruption service if he has not informed the customer in advance for the possible interruption service. In any case the Supplier shall offer to the customer the opportunity for different ways to liquidate the obligations.
- 6.8 In case of electricity interruption or the contract suspension, the Supplier shall issue the final invoice not later than twenty (20) days from interrupting the service.

THIRD PART
RIGHTS AND OBLIGATIONS OF THE PARTIES

Article 7

Supplier's Obligations

- 7.1 The Supplier is obliged to supply the customers with electricity according to the contract signed in a secure, reliable and efficient way.
- 7.2 The Supplier, has the obligation to inform his customers for:
- a) their right to select and switch the supplier for free, after having executed all the previous electricity obligations;
 - b) current electricity consumption and costs, to ensure electricity consumption management by the customers;
 - c) different ways of payment, which shall not be discriminatory to the customers. The prepayment systems if applied, shall be right and reflect the expected consumption;
 - ç) ability to use simple procedures for following their complaints;
 - d) changing the terms of the contract at least 15 days before their implementation, including information regarding the customer's right to unilaterally choose the supply contract, after giving the notification;
 - e) its consumption data, enabling each customer the access to the metering data, based on a clear and free of charge agreement;
 - f) data for any energy resource ensured by the supplier during the previous year;
 - g) constituent elements of the price and the respective costs;
 - h) data on the environmental impact of carbon dioxide and radioactive waste emitted during electricity production, ensured by the supplier in the previous year
- 7.3 The supplier shall provide to the customer sufficient information, where are clearly described the provided services, respective bids, the circumstances of supply service disconnection, as well as other payments regarding the supply or interruption service. All the customers have the right to benefit same terms of supply by the Supplier choosed by them.

Article 8

Supplier's rights

- 8.1 The supplier has the right to require the interruption of the electricity supply from the Grid Operator, after having informed in the written form the customer, according to the definitions of point 6.7, in cases when the customer fails to comply with the contractual obligations.
- 8.2 In any case, the Supplier shall make the electricity reconnection, when the customer has fulfilled the obligations, which caused the interruption of electricity supply.

Article 9

Rights of the End use customer

8.1 All customers have the right to choose their domestic or foreign electricity Supplier, with unregulated prices according to a supply agreement in conformity with the market rules and the general supply conditions, approved by ERE.

8.2 End-use customer has the right:

- a) be supplied with electricity in conformity with the conditions set in the contract;
- b) submit a complaint at ERE, if not supplied according to the conditions set in the contract;
- c) benefit from the supplier a non-discriminatory treatment;
- ç) receive all the necessary information from the supplier according article 7 of this regulation;
- d) receive full information for the prices, tariffs standard terms and conditions, regarding the access of using electricity services;
- dh) to use different payment mechanisms and be protected from the unfair invoicing methods;
- e) switch the supplier without any additional cost, in conformity with the “Rules on Switching the Supplier”, approved by ERE;
- ë) benefit from the transparent and simple procedures for the complaint handling, which when possible, provide a reimbursement and/or compensation system.
- f) be informed for his right regarding universal service of electricity supply;
- g) be informed for his consumption and respective electricity costs, depending on the metering devices, with which the customer is supplied. This service is offered without additional costs for the customer.
- gj) get information about the consumption and the final financial state, after any change of electricity supplier, not later than twenty (20) days from its change.

8.3 In any case the conditions defined in the contract connected with the Supplier do not limit the Customer’s right to change the supplier because of a long-term contract. Particularly, in the electricity price change conditions the customer has the right to terminate the contract, without additional cost. The switch of the supplier shall be on the request of the end use customer and without any additional cost for him. The current supplier is obliged to supply the end use customer, until the moment of terminating the supplier switching procedure.

8.4. The non-household customers, connected in the medium and high voltage grid, have the right to contract some suppliers on the same time.

Article 10

Obligations of the End use Customer

The end use customer has the obligation to:

1. Pay for the electricity, in conformity with the contract conditions;
2. enable to the Distribution or Transmission System Operator the installation, maintenance and reading of the equipments for electricity consumption metering;
3. respect the conditions of the electricity supply contract
4. The end-use customers are responsible to the supplier for the caused imbalances, according to the definitions made regarding the electricity balancing in the Electricity Market Model, approved with Council and the Balancing Rules approved by ERE.
5. ERE decides the exclude from the balancing responsibility, for different categories of end use customers, which are supplied on the basis of the universal service of supply, as public service obligation.

FOURTH PART

ELECTRICITY SUPPLY CONDITIONS

Article 11

Electricity Price

- 10.1 Based on the legislation in force which regulates the power sector, the electricity price for the customers which are not supplied with universal service is defined in an agreement by the customer and the supplier chosen by him. The price, its components, hourly tariff structure, or according the consumption level, is made known to the Customer on his electricity consumption invoice.
- 10.2 Electricity price changes are made with a common agreement. The supplier in each case informs the customer for the price change not later than fifteen (15) calendar days before the application of the new price.
- 10.3 The notification shall specifically refer to the price change and not other information regarding the supply service.

Article 12

Meter reading and Electricity Invoicing

- 11.1 The supplier shall perform periodical reading of the Customer's electricity meter for a period of time as agreed in the contract signed by the parties and shall send to the Customer's address, the standard electricity invoice, within ten (10) calendar days from the reading date.

11.1.1 Any electricity invoice shall minimally contain:

- Technical data on the connection point;
- Identification data for the Customer;
- Reading date;
- Invoiced period;
- Meter reading and the respective consumption for the invoiced period;

- Price per unit according to the tariff structure and its components;

- Monetary amount corresponding to the invoicing period;
- Taxes amount corresponding to the legislation in force;
- Deadline for invoice payment;
- Overdue interest applied for each day of delay;
- Possible penalties for overdue payment;
- Detailed value of the Customer's debit;
- Detailed value of the Customer's credit situation in case of prepayment schemes operation;
- Necessary information for the Customer's Care (including company's website, phone numbers, e-mail for the complaints, for breakdowns as well as for ERE).

11.2 The supplier shall ensure for free the online access for the electricity invoice for any Customer guaranteeing confidentiality of the Customer's data and for invoicing.

11.3 Electricity added to the grid or invoiced for end-use customers is measured by the metering devices in conformity with the provisions of the Grid and Metering Codes as well as the legislation in force for metrology. The customers have the right to install additional units with their own request and expenses.

Article 13

Electricity invoice when the metering device is out of order

1. Electricity invoice for the days that the Customer's metering device is removed due to the periodic control on Customer's or Supplier's request, or in case of metering device malfunctioning, shall be according to the replaced reference values, based on the methodology approved by ERE. Implementation period for the referring values shall not last more than three (3) months.

2. If the Supplier does not respect the deadline defined in point 1 for installing the regular

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meter, then it is Supplier's responsibility and the invoice for the days without meter after this deadline, shall be zero.

Article 14

Payment and its deadline

1. The customer shall pay the obligation defined in the periodic invoice of electricity consumption (executive title) as well as in the case of respective overdue interests, not later than the last calendar day of the deadline defined in the contract between the parties.
2. The customer may choose the way to pay the electricity invoice by one of the possibilities provided by the Supplier (direct payment at the Supplier's Office, at the banks, post offices, or by direct payment from the bank accounts).
3. All payments under these conditions shall contain the data such as the number of the bank transfer, account number, and all the other data defined in the electricity invoice, in particular the contract number, the invoice number and the customer's name.
4. According to the Customer's Agreement the invoices may be sent to the:
 - Customer on the address defined in the contract connected between the parties;
 - On the address of a third person who is defined as a payer from the Customer with his consent.
 - Any other communication form agreed between the customer and the supplier
5. In all cases, the Customer is responsible for full payment of the invoices send according to point 4 of this article. If the Customer changes his home address without informing, he is responsible for the failure to pay the electricity invoices.
6. The parties agree that if there are unidentified payments made by the Customer or other over-payments of the invoice/invoices, the Supplier has the right to balance the actual obligations or those retained by the Customer, and the respective amount, shall be considered as pre-payment of the Customer's next month obligations.

Article 15

Overdue interest for late payments

After the deadline for the payment defined in the contract between the parties, unless otherwise stated in the contract, the Customer is obliged to pay an overdue interest which shall not be higher than the value of the invoice itself.

Article 16
Non payment consequences

In case of failure to pay the invoice by the Customer within the deadline defined in the contract, the Supplier has the right to perform the electricity supply interruption for the Customer after having informed him in the written form 48 hours in advance on the address defined in the contract and according to article 14 point 4.

Article 17
Complaint on invoicing and electricity supply conditions

1. The end-use Customer has the right to submit a complaint to the Supplier for any action or inaction of the Supplier related to the rights and obligations defined in this Contract, in a written form, orally, by phone (Call Center) or by e-mail.
- 2 The supplier shall handle any complaint in conformity with the complaint handling Regulation, approved by ERE. This Regulation shall be public in electricity payment offices, or in Customer's Care Offices as well as on the Supplier's or ERE website.
- 3 If the Supplier does not reply to the Customer's complaint within the deadline defined in the above mentioned Regulation, or if the Customer does not agree with the response given by the Supplier, then he has the right to submit a complaint at ERE, according to the procedures defined in ERE "Regulation on handling the complaints submitted by the customers and settling the disputes between the licensee, on power and natural gas sector" .
4. The Customer may object at any time the invoice issued by the Supplier, if he doubts in the invoicing accuracy or other errors observed in the invoice or inaccuracy in the metering system.
5. If after the Supplier's verifications, results that the customer is invoiced in the contrary with the legislation in force and the contract conditions, then the Supplier:
 - i. cancels the respective invoice and issues the corrected one;
 - ii if the payment is executed, makes the respective compensation in the next Customer's invoice, reflecting the compensation details on the next electricity invoice;
6. In case of failure to compensate within the deadline defined above, the Supplier shall compensate the Customer, according to the definitions of the contract signed by the parties, for each day of delay, on the difference value to be corrected, which is deductible from the next invoice.

7. The mechanism of calculating the compensation by the supplier for the customer shall be specified according to the definitions in the contract agreed between the parties.

Article 18

Installation and ownership

1. Supplier, with his own expenses, installs to the Customer in conformity with the requirements of the legislation, the electricity metering system and connects it with the distribution grid after signing this contract.
2. The meter and or the metering system shall be in conformity with the legislation requirements for metrology and after the installation shall be co-sealed from the system operator and by General Directorate of Metrology, or from the legal person authorized from it.
3. The accuracy level of the electricity meters is defined on the Metering Code, approved by ERE.
4. In the electricity metering activity may be implemented intelligent metering systems of the end-use customers.
5. The customers have the right to install additional metering units on their request and expenses.
6. The Customer is responsible for the quality, technical conditions and the technical safety related to the electrical installations process within his object or residence.
7. The Customer is responsible to protect the electricity metering system installed by the Supplier within the Customer's ownership limits.

Article 19

Control of the metering system

1. The metering devices are controlled before they are set into operation, by the sample method, based on random selection and in a periodical way.
2. Meter verification may be realized on the request of the system operator. The verification may be realized on site, where the meter is installed, near General Directory of Metrology (DPM) laboratory or the authorized legal person. The frequency of verifying the customer's installed meters is defined in the Metering Code. In any case the system operator representative shall be present.

3. Control of the metering system shall be in the presence of the end-use Customer according to the legislation in force that regulates the power sector.
4. When the customer suspects on the accuracy of the metering device he submits a written request at the grid operator and in any other institution responsible for the verification of the metering device. The procedure for submitting a request, its review and the deadlines for informing the applicant are approved with ERE decision. When the meter verification is made on customer's request and during the meter verification are not observed inaccuracies, the verification expenses are paid by the customer that has submitted the complaint.
5. In case of interventions in the metering system from the Customer, to manipulate or failure to register the accurate consumed electricity, to him will be proceeded according to the legal provisions in force.
6. When after the verification are observed inaccuracies to the meter and there are no evidences for intentional damages, made by the customer, there are made the respective calculations of the more/less invoiced electricity quantity, as result of the meter inaccuracy and the reimbursement way, according to the rules and procedures provided in the Metering Code.
7. When after the verification there are observed inaccuracies to the meter and there are no evidences for intentional damages, made by the customer, by the Grid Operator are taken the measures to replace the metering system, in conformity with the legislation in force.

Article 20

Electricity supply and characteristics

- 20.1 The supplier shall ensure uninterrupted and qualitative electricity supply. Supplier may interrupt the electricity supply in the following cases:
- a. Due to force majeure interruptions caused by extraordinary natural events and other definitions according to the law.
 - b. Interruptions due to the orders of Transmission System Operator;
 - c. To guarantee people's life, health and property;
 - d. Planned interruptions to carry out maintenance works, programmed overhauls of Distribution System lines and devices, by informing in advance according to the deadlines defined in the "Regulation on the standard criteria of the supply quality of service and security performance of the electricity distribution grid"
 - e. Unplanned (short or long) interruptions – due to the defects and damages of Distribution System lines and devices.

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- 20.2 The supplier is not responsible for the interruptions provided in letters “a”, “b”, “c”, of this article. For the interruptions provided in letters “d” and “e” point 20.1, the Supplier is obliged to respect the norms and procedures defined in the Regulation “On Standard Criteria of the Electricity Distribution Service Quality” and “On Standard Criteria of Supply Quality and Grid Security Performance in the Electricity Transmission System” , approved by ERE.
- 20.3 If there are not compiled the norms and procedures defined in the Regulations “On Standard Criteria of the Electricity Distribution Service Quality” and “On Standard Criteria of Supply Quality and Grid Security Performance in the Electricity Transmission System” approved by ERE, the Supplier is obliged for the Customer’s compensation, on his request, in conformity with the procedure and the compensation amount defined in the above mentioned Regulation.
- 20.4 In any case the compensation benefit from the Customer, when there are fulfilled the conditions of article 19.3, does not exclude the right to legally require the caused effective damage.

FIFTH PART

FINAL PROVISIONS

Article 21

Settling the Disputes

The parties shall settle with understanding the disputes between them, otherwise they shall address at ERE, and then to the competent court to settle the dispute.

Article 22

Amendment of the regulation

This regulation is object of review, with ERE Board decision according to “ERE Practice and Procedure Regulation”.

Article 23

Entry into force

This Regulation enters immediately into force after its approval from ERE Board.