

GENERAL CONDITIONS OF THE CONTRACT OF ELECTRICAL ENERGY SUPPLY FOR HOUSEHOLD CUSTOMERS

I. PART I¹

Contract no. _____.

Undersigned today on _____, in _____ (zone of energy distribution)

Contractual parties:

Supplier _____, registered as legal person, as “joint-stock company”, with NRC decision no. __, dated __, with NIPT _____ and with license for RPS, approved by ERE’s Board of Commissioners Decision no __, dated __, with its official seat at _____, Tirana, Albania, represented by Mr./Ms. _____, in the capacity of Regional Director of _____-

And

Client _____, represented by _____ (Name, father’s name, Surname of Legal Representative of the Client) with its seat at: _____, identified via his/her ID: passport number/ ID number _____.

Energy delivery point.....

Consumer’s address (for the service of delivering the invoice)

Tel no. _____ **E-mail**

The parties agree that the Part II “Terms and Conditions”, is an integral part of this Contract.

SUPPLIER

CLIENT

¹ Approved by Decision no.108, dated 21.10.2011

II. PART II

TERMS AND CONDITIONS

Article 1

Legal basis

- 1.1 The electrical energy supply as defined in this contract is offered as a public service in the framework of distribution activities and retail public supply according to legislation in force regulating electrical energy sector.

Article 2

Object of the Contract

The object of this Contract is the ongoing electrical energy supply of RPS for household customers *and* client's obligation to pay electrical energy consumption, in accordance with terms and conditions of this Contract.

Electrical energy supply for tariff customers from RPS to the point required by the Client is offered according to the following technical parameters:

- Energy demand _____kW or/liminator _____ A,
- Voltage_____ V
- System _____ phases
- Frequency 50 Hz

Article 3

General provisions

- 3.1 General conditions stipulated in this Contract are valid for all the clients requiring the service of electrical energy supply.
- 3.2 The Client cannot provide or sell electrical energy to other clients from his/her grid. Possession, use, administration and control of distribution equipments installed in his/her private propriety or in his/her private propriety given for rent (used only to transmit or provide energy to the persons possessing, using, administering and controlling this equipments), shall not be considered as distribution activity.
- 3.3 The supplier is obliged to protect and not disclose Client's personal data. Client's personal data can be given to the Supplier in the following cases:
- Upon Client's will;
 - While respecting contractual obligations of Supplier in connection with fulfillment of distribution service of electrical energy invoices and/or collection of obligations.
 - While implementing the legislation in force.

Article 4

Undersigning the Contract

- 4.1 The Client requiring to enter into the Contract should submit a request in writing to the Supplier's offices.
- 4.2 Any subject which is not debtor to Supplier and has an approved connection point within the distribution grid, as stipulated in the Regulation of New Connections², has the right to request entering into a Contract of electrical energy supply.
- 4.3 After the Supplier has checked and verified the entire required documentation, the Supplier and the Client sign the Contract within a month from the date of receiving the Client's request.

² See www.ere.gov.al

- 4.4 If the Client's request does not include the entire required documentation the Supplier notifies the Client within 15 days for the missing documents. The Client should submit the missing documents within 15 calendar days from the notification date. The request shall be refused if such documentation is completed. The Supplier should notify the Client for each case for the approval or refusal of his/her request.
- 4.5 In regard with an object which was previously supplied with electrical energy, the Supplier shall enable the new Contract within 10 calendar days from the date of receiving the request and respective documentation from the subject.

Article 5

Suspension and termination of the Contract

- 5.1 The supply Contract is concluded for an indefinite period of time and may be only terminated in the following cases:
- 5.1.1 At Client's request, after the settlement of all the monetary obligations and based on stipulated conditions in Article 5.2 and onwards.
- 5.1.2 At Supplier's initiative, in case of breach of Contract obligations from the Client. Essential breaches of Contract terms and conditions from the Client shall be considered:
- a- If the Client does not pay the obligations of electrical energy, including even overdue interest, within one month after electrical energy disconnection.
 - b- If the Supplier proves that the Client is illegally supplied with electrical energy.
 - c- If the Client repeatedly does not enable access to the Supplier for more than three months regarding reading and verification of meters and installations, and meter or metering system is inside the borders of his/her propriety.
- 5.2 If the Client demands to terminate the Contract of electrical energy supply, he/she shall notify in writing the Supplier 30 calendar days in advance and shall

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liquidate all his/her liabilities towards the Supplier. The Client shall be informed about the collection of the tariff of contract termination (respective payment order for the collection). The Client is not responsible for the obligations towards the Supplier after the above mentioned deadline.

- 5.3 Referring to the same definitions, the Client may demand the suspension of the contract for a definite period of time at his/her request. The Supplier shall disconnect the electrical energy supply according to procedures and conditions defined for such purpose. The Client should submit a request for energy reconnection to any office of the Supplier.
- 5.4 After terminating the Contract of electrical energy supply, the Supplier shall immediately disconnect the energy supply to the connection point. After the disconnection, the supplier shall perform the reading, shall calculate the last invoice and shall seal the disconnection point, using a different seal from the connection seal in accordance with the legislation in force.
- 5.5 The Client is responsible for settling the obligations related to electrical energy consumption until the moment of contract termination.

Article 6

Electrical Energy Price

- 6.1 Based on legislation in power regulating the electrical energy sector, the electrical energy price is determined by Energy Regulatory Entity (ERE). The Client is informed about the price, its components, hourly tariff structure or the price based on consumption level, in the invoice of electrical energy consumption.
- 6.2 The changes of electrical energy price are made by ERE's decision. The contractual parties agree that any change of price made by ERE's decision shall be automatically applied to the Contract. The Supplier publishes the decision on price change by different means of media, at least 15 calendar days before its application.

Article 7

Reading the Meter and Invoicing the Electrical Energy

7.1 The Supplier shall perform the periodic reading of the electrical energy meter of the Client for a period of 30 calendar days and shall send to Client's address, as provided in the Contract, the standard invoice of electrical energy, within 10 days from the reading date.

7.2 Each electrical energy invoice should contain:

- Technical data on the connection point;
- Identifying data of the Client;
- Reading date;
- Invoiced period;
- Meter reading and respective consumption for the invoiced period;
- Price per unit according to tariff structure and its components;
- The monetary amount corresponding to invoicing period;
- Amount of taxes according to legislation in force;
- Deadline for invoice payment;
- Overdue interest applied for each day of delay;
- Possible penalties for overdue payment;
- Detailed value of Client's debit;
- Other information about Customer Care (including company's website, tel. numbers, e-mail to address the complaints, breakdowns and info about ERE)

7.3 Within 31.12. 2012, the Supplier is obliged to ensure access to the Client for the reading of the meter at any time.

7.4 The Supplier shall enable on-line access of the invoice of energy consumption for each client, ensuring confidentiality of Client's data and invoicing.

Article 8

Electrical Energy Invoicing when the metering device is out of order

- 8.1 The Invoicing of electrical energy for the period while the metering device is removed from the Client's object due to periodical control at Client's or Supplier's request or in case of the metering device is dysfunctional, shall be made based on the average daily consumption of the previous month, but no more than 30 days.
- 8.2 If the Supplier does not respect 30-day deadline for installing a new meter, then this is Supplier's responsibility and the invoicing for the days with no meter beyond this deadline shall be zero.

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Payment and its deadline

- 9.1 The Client shall pay the obligations indicated in the monthly invoice of electrical energy consumption (executive title) and, if the case, the respective overdue interests and energy reconnection payment, no later than the last calendar day of the previous month of the invoiced one.
- 9.2 The Client can choose the payment means for the monthly invoice of electrical energy via one of the possibilities offered by the Supplier (via direct payment to Supplier's offices, banks, post offices or via direct debit).
- 9.3 All the payment orders under the conditions of this Contract must include data such as number of bank transfer, account number and all other data listed in the electrical energy invoice, particularly contract number, invoice number and Client's name.
- 9.4 Based on the Agreement with the Client, the invoices can be sent to:
- Client's address as defined in the Contract;
 - A third person's address who is authorized as payer from the Client at his/her will;

- 9.5 In all the cases, the Client is responsible to fully pay all the invoices. If the Client changes address without notifying, he/she is responsible for the non-payment of electrical energy invoices.
- 9.6 The parties agree that if there are unidentified payments made by the Client or other overpayments of the invoice/s, the Supplier is entitled to balance any actual or previous obligation and the respective amounts shall be considered as prepayment of Client's obligations of the coming month.

Article 10

Overdue interest

After the deadline specified in Article 9.1, the Client is obliged to pay an overdue interest equal to 0.1% of the invoice value for any delayed day, but no more than the total value of the invoice

Article 11

Consequences of non-payment

- 11.1 If the Client does not pay the invoice within 30 days after the defined deadline according to article 9.1 and 10, then the Supplier has the right to disconnect the electrical energy supply of the Client, after the Supplier has notified in writing the latter 48 hours in advance. The Supplier is obliged to reconnect the energy within 48 hours from the moment the Client settles the obligation.
- 11.2 Referring to the above mentioned cases, the notifications are sent to the address provided in the Contract.
- 11.3 If the Client does not pay the obligation towards the Supplier within one month from the disconnection date of electrical energy supply, according to Article 11.1, then the Supplier has the right to unilaterally terminate the Contract of electrical energy supply. In this case, the Supplier acts in conformity with Article 5.4 herein.

Article 12

Complaint on invoicing and conditions of electrical energy supply

- 12.1 The Client has the right to submit complaints to the Supplier for any action or omission of the Supplier related to rights and obligations defined herein –in writing, verbally, by telephone (call center), or by e-mail.
- 12.2 The Supplier shall process each complaint in accordance with the Regulation of processing the complaints, which is approved by ERE. This Regulation is made public in cash points, Customer Care Centers, Supplier's and ERE's web pages.
- 12.3 If the Supplier does not reply to a Client's complaint within the deadline defined in the above mentioned Regulation or if the Client does not agree with the response provided by the Supplier, then he is entitled to bring forward the complaint to ERE, according to procedures stipulated in respective Regulations of ERE.
- 12.4 The Client might object any time the invoice issued by the Supplier, but no later than one year from its issuing date, when he/she suspects on invoicing accuracy, other errors ascertained in the invoice or inaccuracy in the metering system.
- 12.5 If it results that, after Supplier's verification, the consumer is overbilled, then the Supplier:
- i. cancels the respective invoice and issues a correct one;
 - ii. if the payment has been made, fulfills the respective compensation in the Client's invoice within the three consequent months.

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If the Client is not compensated within the deadline defined above, then the Supplier must compensate the Client following a penalty 0.1 % per day for each delayed day on the value of difference to be corrected, which is deductible from the coming invoice.

12.6 In regard with invoices contested by the Client, resulting with overbilling (more than triple average monthly billing), the Supplier cancels the invoice and pursues promptly verification, annulations and issues the corrected invoice within ten days.

Article 13

Installation and ownership

13.1 The Supplier, with its own expenses, installs the metering system of the electrical energy at the Client's premises in accordance with requirements of legislation and connects it to the distribution grid upon undersigning this Contract.

13.2 The Client is responsible for the quality, technical conditions and technical safety requirements related to the process of electrical installations within his/her object or residence.

13.3 The Client is responsible for the protection of metering system of electrical energy installed by the Supplier inside the Client's property.

Article 14

Controlling metering system

14.1 The control of metering system is performed in the presence of the Client in accordance with legislation in power regulating electrical energy sector.

14.2 If there are inaccuracies in metering, the parties shall refer to procedures regarding compensation foreseen by Metering Code.

14.3 If there are interventions in the metering system from the Client, aiming at manipulating or non-registering accurately the consumed energy, he/she shall be legally pursued according to legal provisions in force.

Article 15

Supply and characteristics of electrical energy

15.1 The Supplier shall ensure the ongoing high-quality service supply of electrical energy. The Supplier can disconnect electrical energy supply in the following cases:

- a. Due to force majeure – disconnections caused by extraordinary phenomena and other definitions according to the law;
- b. Due to directives of Transmission System Operator;
- c. To guarantee safety of life, health and property of the people;
- d. Planned disconnections to carry out maintenance work, programmed remounts of lines and equipments of the Distribution System, notifying before hand according to deadlines defined in the Regulation of Service Quality;
- e. Planned disconnections (short or long ones) – due to breakdowns or damages of lines and equipments of the Distribution System.

15.2 The Supplier is not held responsible for the anticipated disconnections foreseen in letters “a”, “b”, “c”, of this Article. Regarding the planned disconnections foreseen in letters “d” and “e” of point 15.1, the Supplier is obliged to fulfill norms and procedures stipulated in Regulation “On Minimal Conditions of Service Quality of Distribution and Sale of Electrical Energy”, which is approved by ERE.

15.3 If the norms and procedures stipulated in Regulation “On Minimal Conditions of Service Quality of Distribution and Sale of Electrical Energy” are not fulfilled, the Supplier shall compensate the Client, at the latter’s request, in accordance with the procedure and the compensation amount foreseen in the above Regulation.

15.4 In no case, the benefit of compensation from the Client when the conditions of point 15.3 are fulfilled, does not exclude the right of the Client to legally demand the damage compensation.

15.5 The Supplier shall respect the parameters of voltage quality according to Distribution Code of Electrical Energy, with the following allowed deviations:

- For the capital: $\pm 5\%$
- For the urban areas: $\pm 15\%$
- For the rural areas: $\pm 20\%$

15.6 The Supplier is responsible for the damages incurring to the Client due to voltage deviations contrary to supply norms defined in point 15.5 and other acts in force, if such damages happen as a result of its direct action or omission, or its fault.

15.7 The definition of the damage caused to the Client, as foreseen in the point 15.6, is agreed between parties or in a legal way.

Article 16

Mutual Obligations

16.1 Distribution grid, equipments and installations shall be in conformity with technical conditions defined in the Distribution Code.

16.2 After both parties are ensured for the normal function of the supplying scheme and metering, the Supplier’s representative, in accordance with legislation in

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force, in the presence of the Client, seals the clamp cover and other elements of the metering system and registers the following in the Contract:

- Seal of the clamp cover _____
- Seal of the individual box _____
- Seal of the limitator before installing the meter _____
- Serial number of the meter _____
- Actual reading of meter indicator _____
- Number of meter phases _____
- Name of the supplying electrical cabin _____
- A simple electrical scheme including the meter, determining the limits of the Supplier's and Client's responsibilities.

16.3 Any change at a later moment of the elements defined in point 16.2, shall be included herein.

Article 17

Contract modification

17.1 The general terms and conditions of the Contract of electrical energy supply are subject to changes from ERE, according to the same procedures as they were approved. The Supplier notifies each Client for the modifications made to the Contract 30 days before its entry into force.

17.2 This Contract comes to force on the date defined by ERE and its terms and conditions automatically become applicable to all tariff customers.

17.3 If there are contests from the Client for these terms and conditions, he/she can terminate the Contract with no penalization, before fulfilling all the obligations.

Article 18

Conflict resolution

The parties shall amicably solve their disagreements, otherwise they shall address to ERE or to the competent court for solving the disagreements.

Article 19

Governing law

Civil Code and relevant legislation in force shall deal with all the matters which are not expressly regulated by this Contract.

Article 20

Entry into force

This Contract comes to force on 01.01.2012.