

**OPERATIONAL RULES FOR THE SUPPLIER OF LAST RESORT**

**FIRST PART  
GENERAL PROVISIONS**

**ARTICLE 1**

**Scope**

These rules shall define the operation way from the SoLR (Supplier of Last Resort) regarding the fulfillment of the obligations provided on the Law and the actions that shall be followed to ensure service from the supplier of last resort as well as the contractual conditions for the natural gas supply service, from the Supplier of last Resort.

**ARTICLE 2**

**Legal Basis**

These rules are drafted based on:

- Law no. 102/2015, “*On Natural Gas Sector*”, articles 90 and 91.
- Law no. 9902, dated 17.04.2008, “*On Customer Protection*”.
- Law no. 9887, dated 10.03.2008, “*On the protection of personal data*”.
- Council of Ministers Decision no.69, dated 07.02.2018, “*On approving the conditions and procedure for appointing the supplier of last resort on natural gas sector*”.

**SECOND PART  
TERMS AND CONDITIONS**

**ARTICLE 3**

**Definitions**

The terms used on these rules shall have the meaning as follows:

“**ERE**” means the regulator institution in electricity and gas sector which operates in conformity with power and Natural Gas sectors law;

“**Supply**” means sale and resale of the natural gas, including LNG, to customers.

“**Supplier of last resort**” shall mean a supplier designated in accordance with the provisions of this law, which for a limited period of time shall provide supply services under regulated conditions, to customers which have not been able to contract a supplier or have lost their supplier.

“**End-Use customer**” means a customer purchasing natural gas for its own use;

**"Metering Code"** is a set of minimum standards required for the measurement and recording of natural gas.

**"Compensation"** is the monetary amount value of natural gas, which is returned to the customer as compensation, as result of failure to meet the terms of the agreement.

**"Law"** is Law no. 102/2015, *"On Natural Gas Sector."*

**"Intelligent Meter"** means an electronic device which registers in real time the data consumption of natural gas and communicates this information, at least every day, to the system operator, for the purposes of monitoring and invoicing.

**"Distribution system operator" or "DSO"** means a legal person who carries out the function of distribution and is responsible for operating, maintenance, and, if necessary, developing the distribution system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the distribution of natural gas;

**"Transmission system operator" or "TSO"** means a legal person who carries out the function of transmission and is responsible for operating, maintenance, and, if necessary, developing the transmission system in a given area and, where applicable, its interconnections with other systems, and for ensuring the long-term ability of the system to meet reasonable demands for the gas transport;

**"Network Operator"** means the transmission system operator and/or distribution system operator for natural gas.

**"Person"** means a natural or legal person;

**"System user"** means a person that supplies or is supplied by the system, as well as a system operator itself in so far as it is necessary for it to carry out its respective functions;

**"Connection point"** is the natural connection point of a User with the Distribution network.

**"Market Rules"** means the rules which define the operation way and the market management, registration of participants, balance responsibility from the natural gas market participants; rules for calculating imbalances of balance responsible parties; rules for financial responsibilities of balance responsible parties in case of imbalances and other issues related to market operation;

**"System"** means any transmission networks, distribution networks, LNG facilities or storage facilities owned or operated by a natural gas undertaking, including *linepack*

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and its facilities serving as ancillary services and those necessary for access to transmission and distribution systems and LNG facilities;

**"Tariff"** means the price for the provided service by entities that carry out regulated activities on transmission and distribution of natural gas, as well as access to storage and LNG facilities, set on the basis of tariffs calculation methodology.

**"Terms and conditions"** shall mean the provisions approved by ERE, to the licensee in natural gas sector supply activity and charged with supply public service in the conditions of the Supplier of last resort.

### ARTICLE 4

#### Supply conditions from the Supplier of Last Resort

1. The supplier of last resort shall be appointed for a period of three (3) years. The decision contains the terms of last resort supply service, the information regarding pricing and its changes, as well as the contractual terms.
2. To ensure the supply as the last resort service, in conformity with article 90 of Law 102/2015, are set the following rules of the Supplier of Last Resort service as protective measures for the interests of the Customers that shall ensure the natural gas supply from this Supplier.
3. Any customer that benefits from the supply of last resort service, shall be supplied in conformity with the general conditions defined on these rules.
4. The agreements for the natural gas supply of the end-use customers, supplied from the supplier of last resort, are considered connected from the day of physical supply of the end-use customer, whether this is required or not from these end-use customers, in conformity with the rules and conditions provided on the Market Rules, the Regulation for switching the supplier and/or the operational Rules in force.
5. The supplier of last resort provides natural gas supply to the end-use customer if its supplier has exited the natural gas market, due to circumstances which are beyond its control or a severe violation by the supplier of its obligations, on the condition that the customer has lost natural gas supply and to him are not applied the protection measures from the previous supplier.
6. The supplier of last resort delivers to the end-use customer a natural gas supply agreement, within 8 days after beginning the supply of last resort
7. The licensee, Supplier of Last Resort shall publish the Notification to inform any Customer for the right to be supplied from the Supplier of Last Resort in the conditions when:
  - a) the other supplier has interrupted the natural gas supply;

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- b) the customer has liquidated the obligations to the previous supplier;
  - c) the customer has evidenced the inability to supply from the other suppliers.
8. The Supplier of Last Resort shall set at the disposal for all the customers of suppliers licensed in natural gas sector. On each case such Customers shall be able to benefit from the Supplier of Last Resort service only because of Supplier failure or interruption from their Supplier and the inability to find a supplier in the unregulated market.
9. The supplier shall easily and freely ensure for the interested parties, the necessary information by writing for the right to connect a supplier of last resort agreement which shall be detailed, transparent and be significantly reflected by different means of information at any office of the Supplier, including publications of this information even in the form of brochures or electronically on the website of the Supplier and of ERE.
10. This information shall be in the Albanian language, in a clear language and in a form accessible for all the interested persons. The information shall minimally contain:
- a. The necessary documentation, submitted by the applicant at the moment of submitting the request for signing the natural gas supply contract such as: certification for the identity and location, as well as any other technical documentation which serves for the realization of signing the contract;
  - b. The rights and obligations of the Customer;
  - c. The rights and obligations of the Supplier;
  - d. Location of the Supplier offices, where it is provided the customer care service;
  - e. Procedure of submitting a complaint and the terms for handling it;
  - f. Obligation of the Supplier not to issue the personal data of the customer.
11. The applicant that requires to sign a supply contract from the Supplier of Last Resort shall be informed on its application, immediately after submitting the written request, accompanied with the respective documentation.
12. Any Supplier of Last Resort shall implement the obligations deriving from the law to protect the personal data.

### **ARTICLE 5**

#### **Beginning the supply of last resort service**

The effective date receiving the Supply of Last Resort service shall be the date defined in the customer notification for the Supplier of Last Resort, which on each case shall have a copy of the supply contract from the Supplier of Last Resort not later than 8 days from the date required to begin the supply. The supplier of last resort shall ensure the supply for all the customers of one Supplier that has failed with the customer supply.

### **ARTICLE 6**

**The preliminary terms of connecting a natural gas supply agreement**

1. Any natural or legal person which has a connection point approved in the Distribution or Transmission System Network has the right to submit a request for connecting a natural gas supply agreement from the Supplier of Last Resort when fulfilling the criteria defined on article 90 of Law no.102/2015.
2. The request for signing a natural gas supply contract from the Supplier of Last Resort shall be submitted in the written form, at the Supplier offices.

**ARTICLE 7**

**Signing the contract**

1. The applicant which requires the sign of the natural gas supply contract shall be informed on its application, within 2 calendar days from the submission of a written request, accompanied with the respective documentation.
2. The supplier shall inform within 8 days the applicant for accepting or not his request.

**ARTICLE 8**

**Termination of the Contract**

1. The supply contract is signed for a term defined by the parties itself, but not later than 2 months and may terminate before this term, in the provided cases as follows:
  - a) On the request of the Customer, after executing all the financial obligations.
  - b) On the Supplier initiative, in case of violation by the Customer of the essential obligations of the contract.
2. Shall be considered essential violation of the agreement term from the Customer the cases as follows:
  - a) If the customer fails to pay the obligations for using natural gas;
  - b) If it is evidenced from the Supplier that the Customer receives natural gas illegally;
  - c) If the customer, repeatedly, does not create access to the Supplier for reading and verifying the meters and installations, when the meter or the metering system is within the restrictions of its ownership.
3. With the interruption of the natural gas supply contract, the Supplier shall require from the Network Operator to immediately interrupt the natural gas supply.
4. With the interruption of the supply, the Supplier shall perform the reading and calculate the last invoice, in conformity with the legislation in force.

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5. The customer is responsible for executing the obligations regarding the natural gas consumption until the moment of terminating the contract. On each case the customer is not responsible for any obligation to the supplier, after the termination of the term provided on this article.
6. The supplier shall not execute the interruption of the service before the term, if not informing the customer by writing before, for the possible interruption of the service. On each case the supplier shall provide to the customer various opportunities to liquidate the obligations.
7. On each case of natural gas interruption or the contract termination, the supplier shall issue the final invoice not later than 5 days from the interruption of the service.

### **THIRD PART RIGHTS AND OBLIGATIONS OF THE PARTIES**

#### **ARTICLE 9 Obligations of the supplier of last resort**

1. The supplier is obliged to supply the natural gas customers, in conformity with the signed contract, in a secure, reliable and efficient way.
2. The supplier is obliged to inform his customer for:
  - a) their right to appoint and change for free the supplier, after having executed all the previous obligations for natural gas consumption;
  - b) current costs of natural gas;
  - c) the opportunity to use simple procedures to follow their complaints;
  - d) data for its consumption, enabling any customer the access to the metering data, according to a clear and free agreement;
  - e) the composed elements of the respective price and costs.
3. The supplier shall provide to the customer sufficient information, where are clearly described the provided services, the circumstances of interrupting the supply service, and other payments regarding the supply service or its interruption. All the customers have the right to benefit the same conditions of supply from the Supplier of Last Resort.

#### **ARTICLE 10 The rights of the supplier of last resort**

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1. Supplier of Last Resort has the right to require the interruption of natural gas supply from the Network Operator, after having informed the customer, when the customer fails to comply the contractual obligations.
2. On each case the supplier shall restart the natural gas supply when the customer has fulfilled the obligations, which caused the natural gas supply interruption.
3. Supplier of Last Resort has the right to require from its customers to deposit a bank guarantee equal with the expected financial value of supply, a value agreed on the agreement between the parties, which shall be immediately released with the liquidation of the financial obligations between the parties.

### ARTICLE 11

#### The rights of the End use Customer

1. The customer has the right:
  - a) to be supplied with natural gas in conformity with the terms set on the contract;
  - b) submit a complaint at ERE, if not supplied according to the terms set on the contract, if the Supplier has not reviewed it before;
  - c) benefit from the supplier a non-discriminatory treatment;
  - d) receive all the necessary information from the supplier in conformity with article 4 of these rules;
  - e) use different mechanisms of payment and be protected from unfair invoicing methods;
  - f) switch the supplier in conformity with the “*Rules of Switching the Supplier in Natural Gas Sector*“, approved by ERE, without any additional cost regarding the supplier switch;
  - g) benefit from the transparent and simple procedure of handling their complaints, which when possible, provide a reimbursement and/or compensation system.
  - h) receive information for the consumption and financial situation of the termination, after any switch of natural gas supplier.

### ARTICLE 12

#### Obligations of the End-use Customer:

1. The end use customer is obliged:
  - a) to pay for natural gas consumption, in conformity with the conditions of the contract;
  - b) to enable the Distribution or Transmission System Operator the installation, maintenance and reading of the devices for metering the natural gas consumption;
  - c) to respect the terms of the natural gas supply contract.

2. The responsible persons for the caused imbalances, shall be defined in the Natural Gas Market Model, approved by Council of Ministers Decision, Natural Gas Market Rules and the Balancing Rules approved by ERE.

**FOURTH PART  
NATURAL GAS LICENSING CONDITIONS**

**ARTICLE 13**

**Natural gas supply tariff**

1. Based on the legislation in force ERE approves the methodology on defining the tariffs of supply which is realized from the supplier of last resort. The tariff, its components, hourly tariff structure or according to the consumption level, are notified to the Customer in the natural gas consumption invoice.
2. The amendments of natural gas supply tariff shall be with a joint agreement. The supplier on each case informs the customer in the written form, for tariff change before the entry into force of the new tariff.
3. The notification shall specifically refer to the change of the tariff and no other information regarding the supply service.

**ARTICLE 14**

**Meter reading and natural gas invoicing**

1. The supplier shall perform the Customer's natural gas meter reading for the period as agreed on the contract signed between the parties and shall send to the Customer address issued on the contract, the standard natural gas invoice, within 5 days from the reading date.
2. Each natural gas invoice shall minimally contain:
  - a) The technical data for the connection point;
  - b) Identifying data of the Customer;
  - c) Reading date;
  - d) Invoicing period;
  - e) The meter reading and the respective consumption for the invoicing period
  - f) Price per unit according to the tariff structure and its components;
  - g) Amount in ALL corresponding to the invoicing period;
  - h) The corresponding taxes amounts according to the legislation in force;
  - i) The limit date for paying the invoice;
  - j) The overdue payments applied for each day of delay;
  - k) Possible penalties for delayed payment;
  - l) Detailed value of the Customer's debt situation;



- m) Detailed value of the Customer's credit situation in case of operating prepayment schemes;
  - n) Necessary information for the Customer Care (including the company's website, the phone number, emails for the complaints, for the defects and of ERE).
3. The supplier shall ensure for free the online access of the natural gas invoice for each Customer, guaranteeing the confidentiality of the Customer data and invoicing.
  4. Natural gas issued in the network or invoiced to the end use customers is measured through the metering equipment in conformity with the provisions of the Network Code and the Metering Code as well as the legislation in force.

## **ARTICLE 15**

### **Payment and the term for executing it**

1. The customer shall pay the obligation defined on the natural gas periodic invoice (executive title) as well as when it is the case for respective overdue payments, not later than the last calendar day of the term defined in the contract between the parties.
2. The customer may choose the natural gas invoice payment with one of the opportunities that the Supplier has provided (through direct payment in the Supplier offices, at the banks, post offices, or direct payments from the bank accounts).
3. All the payments according to these conditions shall contain the data such as the number of bank transfer, the account number and all the data defined in the natural gas invoice, especially the contract number, the invoice number and the name of the customer.
3. According to the Agreement with the Customer the invoices may be sent:
  - To the customer on the address defined on the contract between the parties;
  - On the address of a third person, which is defined as payer by the Customer, with his consent.
  - On any other form of communication agreed between the customer and the supplier.
5. In all cases, the Customer is responsible for full payment of the invoices sent according to point 4 of this article. In case that the Customer changes his residence without notification, he is responsible for not paying the gas consumption invoices.
6. The parties agree that in case of unidentified payments executed by the Customer or other overpayments of the invoice/invoices, the Supplier has the right to balance the current or incurred Customer's obligations and the respective amount shall be considered as a prepayment of the next month Customer obligations.

## **ARTICLE 16**

**Overdue payment for delay payments**

After the expiry of the payment term defined on the contract between the parties, if not defined otherwise in the contract, the Customer is obliged to pay an overdue payment, which on each case may not be higher than the value of the invoice itself.

**ARTICLE 17**

**Non payment consequences**

In the absence of the invoice payment by the customer within the defined period in the contract, the Supplier shall be entitled to make the interruption of the natural gas supply of the Customer, delivering a request to the responsible System Operator, after having informed in written form the Customer 48 hours in advance, on the address defined in the contract.

**ARTICLE 18**

**Complaining for the invoicing and the natural gas supply conditions**

1. The end-use customer has the right to submit a complaint to the Supplier of last resort for any action or inaction of the Supplier regarding the obligations defined in the Contract, in the written form, verbally, by phone (Call Center) or electronically.
2. The supplier shall handle any complaint in conformity with the Regulation for handling the complaints. This regulation is made public on the offices where are performed the natural gas consumption payments, or at Customer Care Offices and on the website of the Supplier.
3. If the Supplier does not respond to a Customer complaint within the term defined on the abovementioned Regulation, or if the Customer does not agree with the response issued from the Supplier, then he has the right to submit a complaint at ERE, according to the procedures defined on ERE "*Regulation for handling the complaints submitted by the customers and settling the disputes between the licensee, on power and natural gas sector*".
4. The customer at any time may object the invoice issued by the Supplier, when he doubts for the invoice accuracy, other errors observed on the invoice or inaccuracies on the metering system.
5. In case that after the verifications of the Supplier, results that the customer is invoiced on the contrary of the legislation in force and the contract conditions, the Supplier:
  - a) cancels the respective invoice and issues the corrected one;
  - b) in case it is executed the payment, the respective compensation is realized on the next customers invoice, reflecting the compensation details on the next natural gas consumption invoice;

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6. In case of non-compensation within the deadline defined on the agreement between the parties, the Supplier shall compensate the Customer for any day of delay, on the difference value to be corrected, deductible on the next invoice of natural gas consumption.
7. The mechanism of calculating the compensation from the supplier for the customer shall be specified according to the definitions on the contract agreed between the parties.

### **ARTICLE 19**

#### **Control of the metering system**

1. The metering equipment shall be verified before set into operation, through the sample method based on random selection or periodically. The verification may be realized on site, where the meter is installed, at the General Directorate of Metrology laboratory or any authorized legal person.
2. The meters verification may be realized on the request of the Transmission System Operator, the Distribution System Operator, storage facilities and LNG plants.
3. Periodicity of verifying the customer's installed meters is defined on the Metering Code. On each case the representative of the system operator shall be present.
4. Control of the metering system shall be on the presence of the end use customer in conformity with the legislation in force which regulates the natural gas sector.
5. W h e n the customer doubts about the accuracy of the metering equipment submits a written request to the network operator and any other institution responsible for the verification of the metering equipment. The procedure for submitting a request, its review and the terms of informing the applicant are approved with ERE decision. When the verification of the meter is done on the request of the customer and during the metering verification are not found inaccuracies, the verification expenses are paid by the customer that has submitted the complaint.
6. In case of interventions in the metering system from the Customer, on purpose of manipulating or not properly registering the consumed natural gas, to him shall be proceeded according to the legal provisions in force.
7. When after the verification are found inaccuracies on the meter and there are no evidences for intentional damages, made by the customer, are made the respective calculations of the natural gas amount invoiced more or less, as the result of the inaccuracies in the meter and the reimbursement, according to the rules and procedures provided in the Metering Code.

### **ARTICLE 20**

#### **Supply and characteristics of natural gas**

1. The supplier shall ensure uninterrupted and qualitative supply of natural gas. The Supplier may interrupt the natural gas supply in the following cases:
  - a. Due to the force majeure – the interruptions caused by extraordinary external events and

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- other definitions according to the Law.
- b. Interruptions due to Transmission System Operator orders;
  - c. To guarantee the safety of life, health and property of the persons;
  - d. Planned disconnections, to perform the maintenance works, programmed overhauls of the lines and Distribution System equipment, preliminary notifying according to the terms defined in the Service Quality Regulation;
  - e. Unplanned disconnections (short or long ones) – because of defects and damages of the lines and Distribution System equipment.
2. The Supplier is not responsible for the interruptions provided on point 1, letters “a”, “b”, “c”, of this article. For the interruptions provided on letters “d” and “e” point 1, the Supplier is obliged to respect the norms and procedures defined in the Regulation “On the minimum standards of natural gas supply security”, approved by ERE.
  3. In case of failure to comply with the norms and procedures defined in the Regulation “*On the minimum standard of natural gas supply security*” approved by ERE, the Supplier is responsible for the Customer’s compensation, according to the request of this last one mentioned, in conformity with the procedure and the compensation measure defined on the abovementioned regulation.
  4. In any case the benefit of the compensation by the Customer, when there are fulfilled the conditions of article 20, point 3, of these Rules, does not exempt its right to require the caused effective damage in a legal way.

### FIFTH PART

#### FINAL PROVISIONS

##### ARTICLE 21

##### Settling the disputes

The parties shall settle their disputes with understanding, otherwise they shall address to ERE and then to the Civil Court to settle the dispute.

##### ARTICLE 22

##### Amendment of the rules

These rules are object of review, by ERE Board Decision, according to the “*Regulation on ERE Organization, Operation and Procedures*”

##### ARTICLE 23

##### Entry into force

These rules shall enter immediately into force after ERE Board approval.