

**RULES FOR THE SUPPLY SERVICE CONDITIONS FROM THE SUPPLIER OF
LAST RESORT AND THE CONTRACTUAL CONDITIONS OF SUPPLY**

FIRST PART

GENERAL PROVISIONS

ARTICLE 1

Purpose

These rules aim to define the operational way from the Supplier of Last Resort regarding the comply of the obligations provided on the Law, for the actions that shall be followed to ensure the service from the Supplier of Last Resort as well as the contractual conditions for the electricity supply service from the Supplier of Last Resort.

ARTICLE 2

Legal basis

These rules/terms are drafted on the basis of:

- Law No.43/2015 “On Power Sector”, as amended article 86 and 87, point 3.
- Law No. 9902 dated 17.04.2008, “On customer protection”, as amended.
- Law No. 9887 dated 10.03.2008, “On the protection of the personal data” as amended

SECOND PART

TERMS AND CONDITIONS

ARTICLE 3

Definitions

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

“**ERE**” shall mean Energy Regulatory Authority, the regulator institution for Electricity and Natural Gas sector in Albania.

“**Supply**” shall mean the sale, including resale, of electricity to customers;

“Supplier of Last Resort” shall mean a company licensed to perform the supply activity and is charged with the supplier of last resort obligation, which provides a limited period for the supply service in regulated conditions to the customers, which have not managed to contract a supplier by themselves or have lost their supplier.

“End-use customer” shall mean a customer that purchases electricity only for personal usage.

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

“Metering” shall mean a series of actions to define the amount of a quantity.

“Metering Point” shall mean the natural location where it is realized the connection point and where the metering system fulfills all the technical and accuracy conditions according to the Metering Code. The natural point of connection is fully defined from agreements between the stakeholders.

“Imbalance” The difference between the energy flow defined by a bilateral contract and the actual metered energy flow for a particular hour.

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

“Smart meter” 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” shall mean a legal person responsible for secure, reliable and efficient operation of the distribution network, ensuring the maintenance and the development of the distribution system, expanded on a defined area and where applicable, its connections with other systems to ensure long-term ability of the system to meet the reasonable requests for electricity distribution, respecting the environment and electricity efficiency.

“Transmission System Operator or TSO” shall mean a legal person responsible for the 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 electricity transmission.

“Network Operator” shall mean the transmission and/or distribution system operator.

“Person” shall mean any natural or legal person, the Government or any state body, any local authority or other legal entities acknowledged from the law within or outside the country, except ERE.

“System users” are physical or legal persons which supply or are supplied with electricity through the transmission or distribution system.

“Connection point” shall mean the natural connection point of the Customer with the electricity Distribution network.

“Market Rules” shall mean the detailed rules which define the operation and management of the market, registration of participants, balancing responsibility from the electricity market participants; balancing responsibility from the participants in the electricity market; rules for balancing the electricity system; rules for calculating imbalances of balance responsible parties; rules for the financial responsibilities of the of the balance responsible party in case of imbalance as well as other issues related to the market operation;

“Distribution System” shall mean the system of lines, supporting structures, transforming and switching devices, used for electricity distribution system and its the delivery to its customers, not including the supply.

“Transmission system” shall mean the system, used for the transmission of electricity in high voltage and very high voltage, connected in parallel with the systems of other countries, including above all the lines, supporting structures, transforming and switching devices for electricity delivery to the customers or the distribution network, not including the supply.

“The tariffs and prices” shall mean the payments that shall be executed by the Customers for the electricity services, shall be ensured from the Supplier of Last Resort.

“Terms and conditions” shall mean the provisions approved by ERE to a licensee in the supply activity on Power Sector and charged with public service obligation of supply in the conditions of the Supplier of Last Resort.

ARTICLE 4

Obligations of the Supplier of Last Resort

- 4.1. To ensure the supply service as the Supplier of Last Resort, in conformity with article 86 and 87 of the Law 43/2015 “On Power Sector” as amended, are set the following rules of the Supplier of Last Resort service as protection measures for the Customer’s interests that shall ensure the electricity supply by this Supplier.
- 4.2. Any customer benefiting from the Supplier of Last Resort service, shall be supplied in conformity with the general conditions defined on this regulation.
- 4.3. The supplier shall establish systems/processes that ensure the customers which are under the conditions provided from the Law, not to interrupt the electricity supply during the periods guaranteed by the law on which the customer has the right to be supplied by the Supplier of Last Resort.

- 4.4. Within a reasonable period but not later than 15 days from appointing to exercise the Supplier of Last Resort activity, the licensee shall publish a notification to inform any customer for the right to be supplied from the Supplier of Last Resort on the conditions when:
- a) the other supplier has interrupted the electricity supply.
 - b) the customer has executed the obligations to the previous supplier;
 - c) the customer has evidenced the electricity supply inability from other suppliers.
- 4.5. On each case the Supplier charged with the Supplier of Last Resort service before the entry into force of these rules shall make the notification according to this article not later than 15 days from the approval of these rules.
- 4.6. The Supplier of Last Resort, shall be available to provide the Supply of Last Resort service to all the customers benefiting from the right to be supplied from the Supplier of Last Resort, according to the provisions of the legislation in force.
- 4.7. The supplier shall easily and freely ensure for the stakeholders, the necessary information in written form for the right to sign an electricity supply contract from the Supplier of Last Resort which shall be detailed, transparent and be significantly reflected by different means of information at any Supplier's office, including publications of this information even in the form of brochures or electronically on the website of the Supplier and of ERE.
- 4.8. This information shall be on the Albanian language, in a clear language and in a form accessible for all the stakeholders. The information shall minimally contain:
- a. The necessary documentation, submitted by the applicant at the moment of submitting the request for signing the electricity supply contract such as: the ID and the location certification, as well as any other technical documentation serving to realize the sign of the contract;
 - b. The term to handle the request of the applicant to sign an electricity supply contract with the Supplier of Last Resort;
 - c. The rights and obligations of the Customer;
 - d. The rights and obligations of the Supplier;
 - e. Location of the Supplier premises, where it is provided the customer care service;
 - f. Procedure for submitting a complaint and the terms to handle it;
 - g. Obligation of the Supplier not to issue the personal data of the customer.
- 4.9. Any Supplier of Last Resort shall implement the obligations deriving from Law no.9887, dated 10.03.2018 "On the protection of the personal data".

ARTICLE 5

Initiation for the Supply of Last Resort Service

The effective date to begin the Supply of Last Resort service shall be the date defined on the customer notification for the Supplier of Last Resort. This last one mentioned at any case shall be notified not later than 15 days from the date required to begin the supply and shall provide the supply for all the customers having the right to benefit from the supply of last resort service, within the term defined on this article.

ARTICLE 6

Preliminary conditions of signing an electricity supply contract

- 6.1. Any natural or legal person which has an approved connection point in the Transmission or Distribution System Network has the right to submit a request for signing an electricity supply contract from the Supplier of Last Resort when complying the criteria defined on article 86 of Law no. 43/2015 “On Power Sector” as amended.
- 6.2. The request to sign an electricity supply contract from the Supplier of Last Resort shall be submitted in the written form, at the Supplier’s premises, not later than 15 days prior to the required date for the electricity supply service from the Supplier of Last Resort.

ARTICLE 7

Sign of the contract

- 7.1. Applicant requiring to sign electricity supply contract from the Supplier of Last Resort shall submit a written request accompanied with the respective documentation, at any Supplier’s office.
- 7.2. The supplier shall inform the applicant at any case for accepting or not his request, within 2 calendar days from the submission of the request.

ARTICLE 8

Termination of the Contract

- 8.1 The supply contract is signed for a period defined by the parties, according to the provisions of the legislation in force and may be terminated before this term, only in cases provided as follows:
- 8.1.1 On the Supplier's initiative, in case of violating by the Customer of the essential obligations of the supply contract, which are provided as follows:
- a- If the Customer fails to pay the electricity obligations.
 - b- If from the Supplier is observed that the Customer is supplied with electricity in an illegal way.
 - c- If the Customer, repeatedly, does not enable access to the Supplier or the responsible parties for this activity, to read the verification of the meters and installations, when the meter or the metering system is within the boundaries of his ownership.
- 8.1.2 On Customer's request, after executing all the financial obligations to the Supplier.
- 8.2 With the termination of the electricity supply contract, the Supplier of Last Resort shall require from the Network Operator to immediately interrupt the electricity supply at the connection point.
- 8.3 With the interruption of electricity supply, the Network Operator shall register the data of the electricity metering equipment and shall calculate the electricity consumption, in conformity with the legislation in force.
- 8.4 The customer is responsible for executing the obligations regarding electricity consumption until the contract interruption. At any case the customer is not responsible for any obligation to the Supplier after the deadline provided on this article.
- 8.5 The supplier shall not require the interruption of the service if he has not informed the customer in advance, in the written form or electronically, for the possible interruption of the service. At any case the supplier shall provide to the customer possibilities for different ways to liquidate the obligations.
- 8.6 At any case of interrupting the electricity or the contract, the Supplier shall issue a final invoice not later than 5 days from the interruption of the Electricity Supply service.

THIRD PART
RIGHTS AND OBLIGATIONS OF THE PARTIES

ARTICLE 9
Obligations of the Supplier

- 9.1 The Supplier is obliged to supply the customers with electricity, according to the contract signed in a secure, reliable and efficient way.

9.2 The Supplier, has the obligation to inform his customers for:

- a) their right to appoint and switch the supplier for free, after having executed all the previous electricity obligations;
- b) the current electricity consumption and costs,
- c) opportunity of using simple procedures to follow their complaints;
- d) its consumption data, enabling each customer the access to the metering data, based on a clear and free of charge agreement;
- e) data for any energy resource ensured by the supplier during the supply period from the Supplier of Last Resort;
- f) constituent elements of the price and the respective costs;

9.3 The supplier shall provide to the customer sufficient information, where are clearly described the provided services, the circumstances for interrupting the supply service, as well as other payments regarding the supply or interruption service. All customers shall have the right to benefit same terms of supply by the Supplier of Last Resort.

ARTICLE 10

The rights of the Supplier of Last Resort

10.1 The Supplier shall have the right to require the interruption of the electricity supply from the Network Operator, when the Customer does not comply the contractual conditions and is notified from the Supplier according to article 8.5 of these rules. On each case the supplier shall provide to the customer the opportunity for different ways to liquidate the obligations to him before the electricity supply interruption.

10.2 In any case, the Supplier shall notify the Network Operator for the electricity reconnection, when the customer has met the obligations, which caused the interruption of electricity supply.

10.3 Supplier of Last Resort has the right to require from its customers to submit a bank guarantee equal with the financial amount of the expected supply, an amount agreed in an agreement between the parties, which shall be immediately released with the liquidation of the financial obligations between the parties by the end of the contract. The Supplier of Last Resort has the right to dispose on the bank guarantee within 24 hours after the date defined for the liquidation of the notified obligation, according to the agreement between the parties.

ARTICLE 11

Rights of the end use customer

11.1 The end use customer has the right:

- a) to be supplied with electricity in conformity with the conditions set on 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 in conformity with article 4 of this regulation;
- d) receive full information for the prices, tariffs standard terms and conditions, regarding the access of using the electricity services;
- dh) to use different payment methods and be protected from the unfair invoicing methods;
- e) benefit from the transparent and simple procedures for their complaint handling, which when possible, foresee a reimbursement and/or compensation system.
- g) be informed for his consumption and respective electricity costs, depending on the metering equipment's, with which the customer is supplied. This service is provided without additional costs for the customer.

ARTICLE 12

Obligations of the end use customer:

12.1 The end use customer is obliged:

- a) Pay electricity, according to the contract terms;
- b) Enable to the Network Operator the installation, maintenance and the reading of the equipment's for electricity consumption metering;
- c) Meet the electricity supply contract terms;
- d) 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 of Ministers Decision, the Electricity Market Rules and the Balancing Rules approved by ERE.

FOURTH PART

ELECTRICITY SUPPLY CONDITIONS

ARTICLE 13

Electricity Price

- 13.1 According to the legislation in force which regulates the Power Sector, the electricity price for the customers which are supplied from the last resort service is defined by ERE according to the approved Methodology for the defining the electricity sale price from the Supplier of Last Resort. The customer is notified with the price and its components on the contract signed between the parties as well as the electricity consumption invoice.
- 13.2 Electricity price changes are made with a common agreement being supported on the "Methodology for defining the electricity sale price from the supplier of last resort", approved

by ERE. The supplier on each case notifies the customer in the written form/ by text message/email, for the change of the price before the application of the new price.

- 13.3 The notification shall specifically refer to the price change and no other information related with the electricity supply service.

ARTICLE 14

Meter reading and the electricity invoicing

- 14.1 The supplier shall take from the Network Operator the recorded data of the Customer on the electricity meter equipment, for a time period as agreed on the contract signed between the parties and shall send to the Customer's address which is given on the contract, the standard electricity invoice within 10 days from the reading date.

- 14.2 The electricity invoice shall minimally contain:

- Technical data on the connection point;
- Identification data of the Customer;
- The reading date;
- The invoiced period;
- The meter reading and the respective consumption for the invoiced period;
- Price per unit according to the tariff structure and its components;
- Amount in ALL corresponding to the invoicing period;
- The corresponding tax amount according to the legislation in force;
- Deadline for paying the invoice;
- Overdue interest applied for each day of delay;
- Possible penalties for delay payment;
- Detailed value of the Customer's debt status;
- Detailed value of the Customer's credit status in case of prepayment schemes operation;
- Necessary information to the Customer Care (including the supplier website, the phone numbers, e-mail for the complaints, for the breakdowns as well as of ERE).

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

- 14.4 Electricity added to the network or invoiced for end-use customers is metered by the metering equipment's in conformity with the provisions of the Networks and Metering Codes as well as the legislation in force for metrology. The customers have the right to install additional metering units with their own request and expenses.

ARTICLE 15

Payment and its deadline

- 15.1 The customer shall pay the obligation defined in the periodic invoice of electricity (executive title) as well as in the case of respective overdue interests, not later than the last calendar day of the term defined in the contract between the parties.
- 15.2 The customer may choose the way to pay the electricity invoice by one of the possibilities provided by the Supplier (through direct payment at the Supplier's Office, at the banks, post offices, or by direct payment from the bank accounts).
- 15.3 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.
- 15.4 According to the Customer's Agreement the invoices may be send to the:
- The Customer in the address defined on the contract signed between the parties;
 - At the address of a third person, which is defined as a payer by the Customer, upon his consent.
 - A n y other communication form agreed between the customer and the supplier
- 15.5 On all cases, the Customer is responsible for full payment of all the invoices send according to point 4 of this article. If the Customer changes his home address without notification, he is responsible for the failure to pay the electricity invoices.
- 15.6 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 16

Overdue interest for delayed payment

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 17

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 notified him in the written form/ by text message/email 48 hours in advance on the address defined in the contract and according to the definitions on article 13 point 3.

ARTICLE 18

Complaint on invoicing and electricity supply conditions

- 18.1 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 rights and obligations defined in this Contract, in a written form, orally, by phone (Call Center) or electronically.
- 18.2 The supplier shall handle any complaint in conformity with the *Regulation of Handling the Complaints*. This Regulation shall be public on the premises where it is performed the electricity payment, or in Customer's Care Centre as well as on the Supplier's or ERE website.
- 18.3 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 on the "*Regulation on handling the complaints submitted by the customers and settling the disputes between the licensee, on power and natural gas sector*" approved by ERE.
- 18.4 The Customer may object up to 12 months from the date of issuing the invoice from the Supplier, if he suspects on the invoice accuracy or other errors observed in the invoice or inaccuracies in the metering system.
- 18.5. 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, realizes the respective compensation in the next Customer's invoice, reflecting the compensation details on the next electricity invoice;
 - iii. if the payment is executed and is terminated the customer contract for the supply from the Supplier of Last Resort, realizes the respective compensation on the bank account of the customer reflecting the details of the compensated amount.

- 18.6 In case of failure to compensate within the deadline defined on the contract signed between the parties, the Supplier shall compensate the Customer, for each day of delay, on the difference value to be corrected, which is reduced on the next electricity invoice.
- 18.7 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 19

Control of the metering system

- 19.1 The meter devices are controlled before they are set into operation, by the sample method, based on random selection and periodically.
- 19.2 Meter verification may be realized on the request of the system operator. The verification may be realized on site, where the meter is installed, at the General Directory of Metrology (DPM) laboratory or the authorized legal person. The frequency of verifying the customer's installed meters to the customer is defined in the Metering Code. In any case the system operator representative shall be present.
- 19.3 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.
- 19.4 When the customer suspects on the accuracy of the meter equipment he submits a written request to the network operator and of any other institution responsible for the verification of the meter equipment. The procedure for submitting a request, its review and the terms for notifying the applicant are approved with ERE decision. When the meter verification is on request of the customer and during the meter verification are not observed inaccuracies, the verification expenses are paid by the customer that has submitted the complaint.
- 19.5 In case of interventions in the metering system from the Customer, to manipulate or failure to register the accurate electricity consumption, to him shall be proceeded according to the legal provisions in force.
- 19.6 When after the verification are observed inaccuracies to the meter and there are no evidences for intentional damages, made by the customer, there are performed 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.
- 19.7 When after the verification there are observed inaccuracies to the meter and there are no evidences for intentional damages, made from the customer, by the Network 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, before to carry out maintenance works, programmed overhauls of Distribution System lines and equipment, by notifying in advance according to the terms defined on the "Regulation for the Service Quality";
 - e. Unplanned (short or long) interruptions – due to the defects and damages of Distribution System lines and equipment's.
 - f. Interruptions for other reasons which are not included on letters a) - e), above.
- 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 respective Regulations on the "*Standard Criteria of the Quality of Supply and Security Performance of the Electricity Distribution System*" approved with ERE Board Decision no.181, dated 10.11.2017 and the Regulation on the "*Quality of Supply and Grid Security Performance in the Electricity Transmission System*" approved with ERE Board Decision no. 207 dated 18.12.2017.
- 20.3 If there are not met the norms and procedures defined in the Regulations on the "*Quality of Supply and Security Performance in the Electricity Distribution System and the Regulation on the Quality of Supply and Grid Security Performance in the Electricity Transmission System*", approved by ERE the Supplier is responsible for the Customer compensation, according to his request, in conformity with the procedure and the compensation measure defined on the above-mentioned Regulation
- 20.4 In any case the compensation benefit from the Customer, when there are fulfilled the conditions of article 20.3, 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 their disputes, otherwise they shall address at ERE and then the civil court for settling the disputes.

ARTICLE 22

Amendment of the regulation

This regulation shall be object of review with ERE Board Decision, according to the Regulation on ERE Organization, Operation and Procedures.

ARTICLE 23

Entry into force

This Regulation enters into force without publication in the Official Gazette.