

## **Imatra Elekter AS Standard terms and conditions for electricity contracts**

*Valid from 10.07.2016*

### **1. GENERAL PROVISIONS**

1.1. These Imatra Elekter AS (hereinafter “Seller “or “Party”) standard terms and conditions (hereinafter “Terms”) for electricity contracts govern the sale of the total amount of electricity needed by residential and business consumers (consumer or party) – provision of open supply.

1.2. The prerequisite for entering into and performing the electricity sales contract (hereinafter “electricity contract”) is the right of the consumer to use, at the connection point and metering point, the network services on the basis of a valid network contract concluded with a network operator.

1.3. The Terms do not govern provision of network services to the consumer. The consumer must sign the network contract with the network operator separately. If the consumer’s metering point is located in the service area of the distribution network operator assigned to the seller, then Imatra Elekter AS shall be the network operator providing network services to the consumer. If the consumer’s metering point is located outside the service area of the Imatra Elekter AS distribution grid, then the network services shall be provided to the consumer by the distribution grid operator in whose service area the metering point is located. For information on the distribution network operators’ service areas, visit the Competition Board website: <http://www.konkurentsiamet.ee/>.

1.4. Sale of electricity to the consumer by the network operator as universal service or provision of open supply in case of interruption of the open supply contract shall be governed by the relevant standard terms posted on the network operator’s website.

1.5. By entering into the electricity contract, the consumer certifies having read and understood these Terms. Upon consumer request, the seller shall provide additional information on the Terms. The Terms are posted on the seller’s website. If desired by the consumer, the seller shall issue the Terms to the Consumer in hard copy.

1.6. The parties may agree on additional terms and conditions for the sale of electricity, and may also agree that a condition contained in the Terms shall not be applied or be applied only partially.

### **2. DEFINITIONS**

2.1. In the electricity contract and in the Terms, terms shall have the meanings accorded to them in the Electricity Market Act and acts established thereunder, unless arising otherwise from the Terms.

2.2. The following words are defined as follows:

2.2.1. Data hub – Centralized digital platform for data exchange between suppliers and grid operators.

2.2.2. open supply – sale of the total amount of electricity needed by the consumer;

2.2.3. open supplier – person that sells to the consumer the total amount of electricity needed at a metering point and holds the balance responsibility for the metering point as set forth in legal acts;

2.2.4. interruption of open supply contract – situation where the consumer’s open supply contract expires, and the consumer does not enter into a new open supply contract by the date of expiry, and no open supplier sells electricity to the consumer at the metering point on the basis of open supply contract;

- 2.2.5. changing open supplier – process set forth in legal acts as a result of which the open supplier selling electricity to the consumer is replaced with another;
- 2.2.6. estimated amount consumed – quantity of electricity the consumer is likely to consume or has consumed at the metering point. The estimated amount consumed is determined on the basis of the quantity consumed at the same metering point in the previous corresponding period, or if not possible, on the basis of the quantity consumed in the corresponding period at a similar metering point.
- 2.2.7. EIC code – Unique identifier for market participants and metering points.
- 2.2.8. basic electricity rate – price of electricity (unit of measurement cents/kWh);
- 2.2.9. daytime electricity rate – price of electricity from Monday to Friday from 7:00-23:00 standard time, during summer time from 8:00-24:00 (unit of measurement cents/kWh);
- 2.2.10. night-time electricity rate – price of electricity from Monday to Friday from 23:00-7:00 during standard time, from 24:00-8:00 during summer time (unit of measurement cents/kWh);
- 2.2.11. electricity interruption – partial or total cut or interruption of supply of electricity in the network operator's network, consumer's connection point and/or metering point and/or electrical system or limitation of the capacity of network connection, which may be accompanied by a cut or interruption in network connection as well;
- 2.2.12. service plan – a package of electricity price and other sales terms and conditions, whereby the consumer can buy electricity from the seller, and which is generally agreed upon between the parties in the electricity contract;
- 2.2.13. mark-up – the sales margin (unit: cents/kWh) added by the seller to a price of the variable-price service plan, the amount of the margin being agreed upon in the electricity contract;
- 2.2.14. metering point – place identified by EIC code and agreed upon in the electricity contract, and where the quantities of electricity sold to the consumer are metered or determined;
- 2.2.15. The seller's webpage – webpage which has URL [www.imatraelekter.ee](http://www.imatraelekter.ee)
- 2.2.16. fixed fee – in electricity contract agreed fee, which the consumer pays per contract in a calendar month. The fixed fee is always calculated on the basis of full month.
- 2.2.17. load duration curves –timetable for distribution of electricity, prepared by the network operator and approved by the Competition Board, used to distribute non-remote-read measurement systems' metering results into an hourly structure;
- 2.2.18. network operator – power company on the basis of an contract with which the consumer is able to use the network services at the connection point and metering point. The network operator provides consumers, in cases and in accordance with procedure specified in legal act and the Terms, with the universal service or, in case of interruption of open supply contract, open supply.
- 2.2.19. universal service – sale of electricity by the network operator on the basis of and in accordance with the procedure set forth in legal acts to residential consumers, apartment associations, and apartment owners' cooperatives, as well as to business consumers whose electrical system is connected to the network at a low voltage via a 63-ampere main circuit breaker (collectively also called "small consumer").

### **3. SALE OF ELECTRICITY**

3.1. In the electricity contract, the parties shall agree on which metering point, during which period, and under the service plan the seller shall sell the total amount of electricity needed by the consumer.

3.2. The seller shall be the only open supplier for the consumer at the metering point agreed upon in the electricity contract during the term of performance of the electricity contract.

3.3. The quantities of the electricity sold at the metering point shall be measured and/or determined by on the basis of the legal act, network contract and standard terms of network contract (hereinafter the standard terms for the latter two referred to together as “network contract”) by the network operator in whose service area the consumer’s metering point is located. The network operator shall make the consumer’s metering data available to the seller via the data warehouse (<http://andmeladu.elering.ee/consumer/home>) administered by the system operator Elering AS.

3.4. If the seller does not, for any reason, receive from the network operator or data warehouse by the 9th day of the current month, consumption data for the previous calendar month regarding the consumer’s metering point, the seller may present the consumer a forecast invoice for the likely quantity to be consumed extrapolated from the electricity sold in the previous month. Upon receiving the consumption data from the data warehouse or network operator, the seller shall correct the forecast invoice in the next month’s invoice if necessary.

### **4. SETTLEMENT AND FEES**

4.1. The basis for preparing the invoice for the consumer is the service plan and the quantity of electricity consumed at the consumer’s metering point and measured and/or determined by the network operator, including the losses of electricity determined mathematically in cases set forth in the network contract and/or forecasted quantities of electricity.

4.2. If the electricity charge contains a fixed fee component and the billing period is shorter than calendar month, then the consumer pays a fee for the entire calendar month. The fixed fee is added to each invoice per calendar month. This is also applied in the case when the seller has not send the invoice according to Terms clause 4.4 and 4.5

4.3. If, after presentation of invoice, the network operator corrects, in conformity with legal act, the quantities of electricity measured and/or determined at the consumer’s metering point that served as the basis for preparation of invoice, then the amounts payable for electricity actually consumed by the consumer shall also be corrected in the next month’s invoice.

4.4. The settlement period shall be 1 (one) calendar month, unless the Parties have agreed otherwise in the electricity contract.

4.5. The seller has the right to postpone presentation of the invoice to the consumer for as long as the amount on the invoice is smaller than the minimum invoice sum published on electricity contract.

4.6. The invoice shall be issued to the consumer either in hard copy or electronically, as agreed by the parties.

4.7. The invoice must be paid by the payment deadline specified on the invoice. The payment shall be considered paid on the day on which it is received by the seller.

4.8. Of the amount received, first the expenditure on debt collection, then accessory obligations (including late interest, contractual penalties) shall be considered paid, and then the principal. Principal obligations that have fallen due shall be extinguished in the order in which the obligation fell due. In the case of coexistence of chargeability, shall be deemed firstly covered electricity contract obligations and then other contracts obligations (grid agreement).

4.9. If the consumer fails to pay the invoice by the due date, the seller has the right to demand a fine for delay of 0.06% per day until all payments specified on the invoice are received in full. The fine for delay shall begin to accrue on the day after the due date and shall cease on the day on which the payments specified on the invoice are received in full.

4.10. The seller has the right to request that the consumer make a prepayment, without having the obligation to pay the consumer interest. The amount of the prepayment must not exceed the fee for 2 (two) billing periods determined on the basis of the consumption of electricity in the last 12 (twelve) months, if:

4.10.1. the consumer has, in the last 12 (twelve) months, partially or fully and for at least the second time, failed to pay an invoice presented on the basis of an electricity contract or

4.10.2. the seller has justified suspicion regarding the consumer's liquidity.

4.11. The prepayment specified in clause 4.9 shall be refunded by the seller to the consumer upon cancellation of the electricity contract if all of the consumer's obligations to the seller have been discharged as required.

4.12. If the consumer has made on his/her initiative an advanced payment to The seller, The seller is not obligated to pay on that any interest. If the consumer wishes, The seller can take it as an advanced payment of future bills

## **5. VALIDITY OF ELECTRICITY AGREEMENT, THE TERMS AND THE ELECTRICITY PRICE LIST**

5.1. The electricity contract shall enter into force upon conclusion of the electricity contract. The start date for electricity sales shall be agreed in the electricity contract, taking into consideration the term/date provided in legal acts for changing open supplier and/or the date of entry into force of the new open supply contract.

5.2. The electricity contract may be either with or without a specified term. This distinction shall either be agreed upon in the electricity contract or stem from the terms and conditions of the service plan selected by the consumer.

5.3. The valid standard terms and conditions for electricity are posted on the seller's website and they shall apply to all electricity contracts either already in effect or yet to be concluded, irrespective of whether they are annexed directly to the electricity contract or not.

5.4. The electricity contract shall expire:

5.4.1. in the case of an electricity contract entered into for a specified term, upon the expiry of the contract, when one party notifies the other in a form reproducible in writing or electronic format at least 30 (thirty) days before the expiry of the electricity contract that it wishes to cancel the electricity contract. If neither party submits such a notification within this term, the electricity contract shall be considered to be extended by the same term under terms and conditions set forth in the electricity contract and the Terms in force.

5.4.2. by agreement between the parties;

5.4.3. by a single party by withdrawing from or cancelling the electricity on grounds and in accordance with procedure set forth in legal acts, electricity contract or the Terms;

5.4.4. upon dissolution of a business consumer;

5.4.5. upon expiry of a network contract;

5.4.6. on other grounds set forth in the electricity contract, Terms or legal acts.

5.5. The Consumer shall provide at least 30 (thirty) days advance notice of the cancellation of an electricity contract, whether it was entered into for a specified or unspecified term – including upon change of open supplier or transition to universal service.

5.6. Consumers who are individuals have the right to withdraw from agreements entered into by telecommunications within 14 (fourteen) calendar days of the date of entering into the electricity contract, by notifying the seller either in written form, a form reproducible in writing or electronic form.

5.7. Upon request by consumer, the seller may shorten the term for cancellation of electricity contract set forth in the Terms.

5.8. In the case of prematurely cancellation of an electricity contract entered into for a specified term, the seller has the right to charge consumers who are legal persons a fee for cancellation of contract as set forth in the electricity contract.

5.9. The seller has the right to cancel the electricity contract with 30 (thirty) days' advance notice if the electricity interruption at the consumer's measurement point has lasted at least 60 (sixty) days, and due to this the seller has not been able to sell electricity to the consumer on the basis of the electricity contract.

5.10. The seller may cancel the electricity contract before the date agreed upon in the Terms or legal act, if the metering point agreed upon in the electricity contract has been transferred and the consumer lacks a legal basis to use the metering point.

5.11. If the consumer has exceeded the payment date and has not paid the indebtedness by a reasonable additional term set by the seller, the seller has the right to cancel the electricity contract, notifying the consumer thereof at least 30 (thirty) calendar days in advance.

5.12. Upon expiry of the electricity contract, the sales of electricity contract to the consumer by the seller on the basis of the electricity contract shall end. If the expiry of the electricity contract is not accompanied by a electricity interruption at the metering point and the consumer has not entered into a new electricity contract but consumption of electricity continues, the consumer continues to consume universal service or open supply provided by the network operator or its designated seller.

5.13. Upon expiry of the electricity contract, the consumer shall pay all of the fees payable arising from the electricity contract and the Terms.

5.14. Upon expiry of electricity contract for any reason, the provisions of the electricity contract which intrinsically set forth the rights and obligations of parties after the expiry or termination of the electricity contract shall remain applicable after the expiry of the electricity contract as well.

## **6. AMENDMENT OF NETWORK AGREEMENT, THE TERMS AND SERVICE PLAN**

6.1. The electricity contract can be amended by agreement between the parties, as well as on other grounds set forth in the electricity contract, Terms or legal act.

6.2. The seller may unilaterally change the mark-up and fixed fee agreed upon in the electricity contract if the need for changing it is occasioned by the competition situation between sellers, changes on the electricity market, amendments to legal acts or changes in the terms for trading electricity as a good; the seller must notify the consumer via its website as well on the invoice to be sent to the consumer at least 45 (forty-five) calendar days in advance. The Consumer has the right, should it not accept the changes in the mark-up, to cancel the electricity contract without having to adhere to the terms of advance notification, by sending to the seller a notice in written form or a form reproducible in writing. In such a case, the amended mark-up shall not apply to the consumer. If the consumer does not within 30 (thirty) days cancel the invoice notifying the consumer of the change in mark-up, the consumer shall be deemed to have accepted the change by default, and the new mark-up rate shall be considered to have been agreed between the parties as of its entry into force and the electricity contract shall be considered to have been amended with regard to mark-up or fixed fee.

6.3. The seller shall have the right to unilaterally amend the Terms if such a need arises from legal acts, material changes taking place on the electricity market, material changes in the seller's activity, material changes in conditions for trading of goods, and requirements set by government institutions or other persons with the relevant authority (e.g. system operator). The seller shall post the changes to Terms on its website and notify the consumer of the changes to Terms on the invoice sent to the consumer at least 30 (thirty) days before the planned changes are to enter into force. Should it not accept the changes, the consumer shall have the right, without the obligation to adhere to the notification term, to cancel the electricity contract by sending to the seller a notice in written form or a form reproducible in writing. If the consumer does not within 30 (thirty) days cancel the invoice notifying the consumer of the amendments to the Terms, the consumer shall be deemed to have accepted the changes by default, and the amended Terms shall, as of their entry into force, become an integral part of the electricity contract.

6.4. If the consumer wishes to change the service plan agreed upon in the electricity contract, the consumer shall notify the seller of such a desire at least 30 (thirty) days in advance in written form or in a form reproducible in writing. The amendment of the service plan shall take place by way of cancelling the valid electricity contract and entering into a new electricity contract. In case of a change of the service plan specified in an electricity contract entered into for a specified term, the right of the seller specified in clause 5.8 – to charge consumers who are legal persons a fee for cancellation of contract as set forth in the electricity contract – shall be applicable. The new service plan shall enter into force on the date agreed upon between the parties, but not before the start of the calendar month following the end of the notification term.

## **7. LIABILITY**

7.1. Parties shall be liable for failure to perform as required or non-performance of the obligations set forth in legal acts, electricity contract and Terms (hereinafter "violation of obligation(s)") in accordance with procedure set forth in the electricity contract, Terms and legal acts.

7.2. The party at fault shall compensate the counterparty for the direct patrimonial damage caused by the violation of obligations. Other damage, including revenue forgone, shall not be subject to compensation.

7.3. A party shall not be liable for violation of obligations if the violation was excusable.

7.4. The seller shall not be liable for the quality of the network operator's network services, electricity interruptions occurring in the electrical system of the network operator or consumer, malfunctions in the functioning of the data warehouse or restrictions established at the behest of the system operator or network operator on consumption.

## **8. POWERS, NOTIFICATION AND CONSENT**

8.1. By entering into an electricity contract, the consumer may grant authorization to the seller to perform all acts and transactions necessary for changing, in favor of the seller, the open supplier which thus far provided open supply at the metering point, including the data exchange between the network operator, data warehouse and previous open supplier necessary for replacing the open supplier. If the parties do not come to agreement regarding granting the aforesaid authorization to the seller, each party shall itself perform the procedures arising from legal act in order to effect the change of the consumer's open supplier. The seller shall provide the consumer with the relevant information if necessary.

8.2. Notices, permissions, and statements of consent arising from legal acts, the electricity contract, Terms shall be considered presented as required and received by the counterparty if the declaration of intent has been conveyed to the counterparty in the form required in the electricity contract. Terms or legal acts at the contact details specified in the electricity contract or communicated to the other party.

8.3. In the case of a residential consumer, the consumer shall give the seller, persons used by the seller for performing its obligations, and persons to whom the seller has ceded claims against the residential consumer arising from the electricity contract, consent to process the personal data of the residential consumer obtained from the electricity contract (including data related to metering point and data on consumption) for the purpose of entering into and/or performing and/or terminating the electricity contract. The residential consumer shall have the right to withdraw, at any time, the aforementioned consent for processing of personal data. The consent may not be withdrawn retroactively.

8.4. By entering into the electricity contract, the consumer grants to the seller consent to record, process and if necessary utilize telephone calls made by the consumer to the seller.

## **9. RESOLUTION OF DISPUTES**

9.1. Disputes arising from the electricity contract shall be resolved by the parties by mutual agreement.

9.2. Parties may lodge a written complaint with the Competition Authority in response to a party's action or omission which is in conflict with the Electricity Market Act or legal acts enacted thereunder.

9.3. For the purpose of resolving disputes arising from the electricity contract which the parties have been unable to resolve by way of agreement, a residential consumer may, on grounds and in accordance with procedure set forth in the Consumer Protection Act, address a complaint to the consumer complaints committee operating at the Consumer Protection Board.

9.4. Disputes arising from the electricity contract which the parties were unable to resolve extra judicially shall be resolved in a court of law.