

# TERMS OF NETWORK SERVICE 2019

as recommended by Finnish Energy

The Energy Authority has confirmed the following terms of network service for use by the distribution system operator on 17.5.2019.

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## **A. General, concluding a network service contract, the prerequisites for network service and commencement of network service**

### **1. Scope of application and definitions**

1.1 These general terms of contract, i.e. *the terms of network service* (hereinafter: terms, abbreviated VPE 2019), shall be applied to *the electricity network service* delivered to the electricity user, taking place in an *electricity distribution network* with a maximum nominal voltage of 36 kilovolts. These terms shall also be applied to an *electricity network service* delivered to an electricity producer connected to the electricity distribution network, which takes place in an *electricity distribution network* with a maximum nominal voltage of 36 kilovolts and where the electricity producer's electricity generation equipment operates in parallel with the distribution network so that the electricity generated can be transmitted to the distribution network either in part or in full. These terms are part of the *electricity network contract* (hereinafter: *network contract*) concluded between the distribution system operator and the electricity user or electricity producer. The electricity user or electricity producer may be connected to the distribution network directly or via an internal electricity network of a property or a corresponding group of properties.

1.2 The distribution system operator may also apply these terms to a network service taking place for an electricity user or electricity producer connected to an electricity network exceeding 36 kV if agreed separately in the network contract.

1.3 *Electricity network service (network service)* refers to all those activities of a distribution system operator which make it possible to distribute electricity on the distribution system operator's network against payment.

1.4 A *distribution network* is an electricity network with a nominal voltage of less than 110 kilovolts.

1.5 A *distribution system operator (DSO)* is a body or establishment in possession of a distribution network and engaged in licensed operation thereof.

1.6 With the *connection contract*, the connecting party and the DSO agree on the electricity distribution connection, the connection point and the connection fee for the *place of electricity use or generation* (e.g. a property, building or electricity generation equipment).

1.7 A *point of connection* means a point (boundary of property) between the the electrical installations of the distribution system operator and the connecting party, unless some other agreement has been made. The point of connection is specified in the connection contract.

1.8 An *electricity vendor (vendor)* is a person, corporation or establishment selling electricity.

1.9 An *electricity sale contract (sale contract)* is a contract by which the user buys and the vendor sells electric energy. Retail sales of electricity means electricity sales direct to electricity users via a distribution network, or electricity sales indirect to users via the internal network of a property or group of properties corresponding to it.

1.10 A *contract for electricity supply* is concluded between the vendor and the electricity user, and by signing it, the vendor assumes responsibility also for the network service. The vendor shall, where needed, agree on provision of network service with the DSO. When a contract for electricity supply is in force, no separate network contract or sale contract shall be concluded for the place of electricity use. Service conforming to the contract for electricity supply is called electricity supply in these terms. This clause of the terms is not applied to places of electricity generation.

1.11 The *producer's sale contract* in these terms refer to a contract on which the electricity producer agrees on the sale of the electrical energy it produces.

1.12 An *open supplier* is a vendor providing the user with all the electricity needed or balancing the differences between the user's various electricity acquisitions by supplying the missing amount of electricity during each hour (*open supply*). A fixed supplier is a vendor selling the user exactly the amount of electricity agreed on in advance for each hour (*fixed supply*).

1.13 If an electricity vendor has a significant market power referred to in the Electricity Market Act within the area of responsibility of a DSO to which the place where electricity is used belongs and the place of use is equipped with a main fuse of max. 3 x 63 A or if the amount of electricity purchased for the place of use amounts to max.100,000 kWh/a, the vendor has an *obligation to deliver* to the user in compliance with section 67 of the Electricity Market Act. This clause of the terms is not applied to places of electricity generation.

1.14 The *electricity user (user)* is a person or corporation that buys electricity from the vendor and the network service from the DSO principally for their own use. The user may also be a connecting party purchasing electricity to be used by others via the connection point specified in its connection contract. Several users may undertake to become jointly responsible for a network contract if the contracting parties make such an agreement.

1.15 An *electricity producer (producer)* is a person or corporation whose electricity generation equipment operates in parallel with the distribution network so that the electricity generated can be transmitted to the distribution network either in part or in full.

1.16 Unless otherwise referred to in these terms, the term *user* also refers to a *producer* in these terms.

1.17 Unless otherwise referred to in these terms, the term *place of electricity use* also refers to a *place of electricity generation* in these terms.

1.18 The *system responsible party* means the transmission system operator that the electricity market authority has appointed for having system responsibility.

1.19 A *user* who is a natural person and acquires electricity mainly for other purposes than their business activity is referred to in these terms as a *consumer*. In these terms, a producer who is a natural person and who generates electricity with their electricity generation installation mainly for purposes other than their business activity is also referred as a consumer.

1.20 The *contracting parties* referred to in these terms mean the DSO and the user.

1.21 An *electrical equipment* means the following items that require electricity for functioning or that are intended for the generation, transmission or measurement of electricity: finished equipment, installation materials, a combination of equipment made available on the market as a single functional unit and components or sub-assemblies that are intended for incorporation into equipment by the end user.

1.22 *Electrical installation* means a fixed installation or other similar functional unit consisting of electrical equipment and any other equipment, materials and structures, including *electricity generation installations* that can be used for generating electricity and that operate in parallel with the distribution network.

1.23 The *network service products* (i.e. *network products*) referred to in these terms mean the service entity to be used in the provision of network service. Data on the charges to be collected by the DSO are also included in the definition. The network products may also be called tariffs. The network products offered by the vendor are presented in a *price list*. The product price list and possibly a separate *service price list* (*the price lists*) are part of the network contract.

1.24 In these terms, sending e.g. a confirmation, invoice, notification of a price change or some other kind of message encompasses also the sending of electronic messages with same informative contents. The address or invoicing address of the user may also be an email address or some other personal address provided by the user. Sending messages electronically requires that contracting parties have agreed to do so. A separate agreement can be made with a user who is not a consumer to the effect that notices of price changes or revisions of other terms of contract may be published at a predefined address on the Internet. In addition, the user must be notified of the existence of the notice in a way that has been agreed on in advance, e.g. by email or an SMS.

1.25 *Balance settlement* refers to the clearing of electricity transactions realised during each hour, which results in an *electricity balance* and a balance deviation for each party to the electricity market.

1.26 *Hourly metering equipment* means remotely read equipment or a combination of pieces of equipment that meter and register the consumption of electricity by the hour. It must be possible to read the data registered by the equipment via a telecommunication network.

1.27 A *remote medium* refers to the telephone, mail, television, information network, or some other medium that can be used for concluding a contract without the parties being simultaneously present.

1.28 The central provisions on the electricity market have been laid down in the Electricity Market Act and the Act on Surveillance of Electricity and Gas Markets as well as in the decrees issued by virtue of these Acts.

## **2. Concluding a network contract, and the user's other contracts for electricity purchasing or generation**

2.1 A network contract concluded by the contracting parties is either valid indefinitely or for a fixed term.

2.2 The DSO and the vendor shall agree on the provision of network service,

- if a user encompassed by the obligation to deliver wishes to conclude a contract covering both the sale of electricity and the provision of network service with the vendor; or
- if the DSO generally provides vendors with an opportunity to offer users within the scope of competition electricity through contracts covering both the sale of electricity and the provision of network service.

In such a case, in the contract for electricity supply, the vendor undertakes to become responsible to the user for the network service required by electricity supply.

2.3 A network contract may be concluded when there is a valid connection contract for the place of electricity use in question. If it is not possible to transfer a connection contract in connection with a sale of property because the connection is encumbered by receivables outstanding to the DSO, the DSO is not required to start the provision of network service before the owner of the connection has paid the receivables outstanding to the DSO, or the DSO has accepted the fact that the transferee of the connection contract will assume liability for them.

2.4 Commencement of network service (i.e. connecting the user to electricity supply) and its continuation requires, in addition to a network contract and a connection contract for the place of electricity use, that there is a valid contract for electricity sales concerning open supply, concluded

with one, and just one vendor, and that the user's place of electricity use and electrical installations meet the necessary technical requirements for connection to the network, set by the DSO (for more detailed information, see chapters 4 and 5).

2.5 If electricity produced by electricity generation equipment is transmitted into the distribution network, the commencement and continuation of a network service requires, in addition to a network contract and a connection contract, that there is one and just one valid contract concluded for electricity sales concerning open supply with the producer (*producer's sale contract*).

2.6 A network contract may be concluded in writing, orally or electronically.

2.6.1 A network contract shall be concluded in writing if either contracting party so requires. The relevant price lists and a link to a saveable version of these terms shall be attached to the network contract. At the customer's request, the written general terms of contract shall be sent to the customer free of charge with the network contract. In addition to the contract, the consumer shall be provided information about the energy consumer checklist and the website address of the Energy Authority, where the checklist is available.

2.6.2 An electronic contract is binding if it meets the general requirements for electronic agreements.

2.6.3 If the network contract is not concluded in writing, the DSO shall within the time specified in the Electricity Market Act send a *confirmation* to the invoicing address provided by the electricity user or any other address separately agreed on. In addition to the date of entry into force of the network contract, also the individual terms of the network contract, the relevant price lists, and a mention of the comment period granted to the user and a link to the saveable version of these terms shall be included in the confirmation. At the customer's request, the written general terms of contract shall be sent to the customer free of charge with the contract confirmation. In addition to the confirmation, the consumer shall be provided information about the energy consumer checklist and the website address of the Energy Authority, where the checklist is available.

2.6.4 If the network contract is concluded with a consumer via a remote medium, the confirmation sent by the DSO shall, where applicable, in addition to the information mentioned in section 2.6.3 include other relevant information referred to in section 9 of chapter 6 of the Consumer Protection Act, including delivery and other charges that are not included in the total price, payment terms, information about the consumer's right to cancel the contract and a cancellation form and instructions, unless the DSO has already earlier supplied this information to the consumer in a permanent manner.

2.6.5 A network contract that has not been concluded in writing will have entered into force and will continue on the terms specified in the confirmation, except for the following cases:

- The user of electricity, within three weeks of the sending from the confirmation or by some other date mentioned in the confirmation that is at least three weeks from the sending of the confirmation, notifies the system that he does not deem the terms specified or clarified in the confirmation to correspond with the network contract. During the period between the conclusion of the network contract and the notification given by the electricity user, the contractual terms specified in the confirmation shall be applied, unless it is shown that some other agreement has been made.
- The consumer cancels the contract in accordance with the cancellation right related to distance and door-to-door selling that complies with the Consumer Protection Act. If, by the time the contract is cancelled, the consumer has received network service, the consumer shall pay a reasonable compensation to the DSO for the advantage gained by them. The price is determined according to contractual terms specified in the confirmation, unless it is shown that some other agreement has been made.

2.7 The contract documents form the content of the network contract. If there is a conflict between the content of the network contract and the contents of the documents specified in it, the documents shall be applied and interpreted in the following order:

- 1) Individual terms of contract
- 2) Relevant price lists
- 3) General terms of contract (these terms).

2.8 The DSO and the user may agree to amend these terms. However, no exceptions to these terms may be included in a network contract to the detriment of the consumer, nor to the detriment of the user in respect of chapter 14 of these terms.

2.9 The user is entitled to change the network products subject to a number of reasonable restrictions based on the nature of the products presented in the price list. A restriction on changing products may not be valid for more than 12 months. It is not possible to change to a product reported to be withdrawn.

2.10 Time restrictions on the availability of electricity (and other methods of steering the use of electricity)

2.10.1 In the network contract or otherwise, the electricity user and the DSO may agree to adopt, use or cancel time restrictions (or other methods of steering the use of electricity) by means of the DSO's installations or equipment. The agreed restrictions shall be carefully defined.

2.10.2 An agreement on the adoption of restrictions shall be made in writing. If there is a previous agreement on restrictions for the place of electricity use, and a new network contract is concluded for the same place of electricity use, the restrictions shall be mentioned in the new network contract concluded in writing, or in the confirmation of the network contract.

2.10.3 If so agreed by the user and the vendor, the vendor has the right to restrict the availability of electricity (or steer the use of electricity in some other way). If the intention is to implement the desired restriction on the availability of electricity using the DSO's installations or equipment, it is not possible, unless the DSO provides the service required. The DSO shall implement the restrictions by order of, and at the expense of, the vendor. The restrictions shall not be implemented, unless the vendor tells the DSO that he has made a written agreement with the user on the restrictions.

2.10.4 As regards direct electric heating of residences mainly by means of direct electric heaters, the number of de-energised hours of the heating elements may not exceed 1.5 hours at a time and 5 hours a day. Each separate de-energised period shall be followed by an energised period of at least the same duration as the de-energised period.

2.10.5 The user may not present claims based on these terms and such restrictions (or steering measures) that have been implemented in accordance with individually negotiated agreements to the DSO.

2.11 The user is required to notify the DSO of any changes affecting the network contract concerning, e.g., the user, the place of electricity use, the invoicing address or any other address that the contracting parties have agreed to use, e.g. when the DSO sends confirmations, notifications of price changes or when other types of messages are sent.

### **3. Security and advance payment**

3.1 When a network contract is concluded, the DSO is entitled to require that a user who is not a consumer lodge a security or advance payment for the payment of receivables based on the network contract. If the network contract is concluded only because the place of electricity use has been changed, or because a contract for electricity supply has been terminated, without any simultaneous changes taking place in electricity consumption or other circumstances, a security may only be required in accordance with section 3.2.

3.2 After the commencement of network service, the DSO is entitled to require that a user who is not a consumer lodge a security or advance payment for the payment of receivables based on the network contract, if the user has materially failed to meet their liability to pay based on this or some other network contract or a contract for electricity supply, which has not been soundly challenged, or if the user's credit rating shows that the user is apparently incapable of making the payments based on the network contract.

3.3 The DSO may require that the consumer lodge a reasonable security or advance payment, when a network contract is concluded as well as when such a contract is in force. When a network contract is in force, a security or advance payment may be required only if the consumer has materially failed to meet their liabilities to pay related to the contractual relations between the parties to the contract. The DSO shall have a very weighty reason for their claim for a security or advance payment both when concluding a network contract and when such a contract is in force. The very weighty reasons may include the following:

- network service to the consumer has been interrupted because of a failure to pay
- the DSO has outstanding receivables related to network service, electricity supply or a connection contract from the consumer, the amount of which can be considered substantial compared to the amount of invoicing based on network service; or
- the credit rating of the consumer shows that he is apparently incapable of making the payments based on the network contract.

3.4 If, when a network contract has been concluded, a security or an advance payment is not lodged by a due date, the network contract becomes void without a separate notification with immediate effect. The contract will become void, even if electricity distribution to the place of electricity use has begun. The user is required to pay a contract price for the network service used by them before the contract has become void.

3.5 The DSO is entitled to use a security or advance payment as a payment for their outstanding receivables, the accrued penal interests and reasonable collection charges based on network service or previous electricity supply to the same place or places of electricity use. If the DSO uses the security or advance payment or a part thereof as a payment for their receivables, the DSO is entitled to require that the consumer increases the amount of security or advance payment to the amount specified in section 3.7, if the contractual relation still continues.

3.6 The DSO shall not pay interest on security or advance payment.

3.7 The maximum amount of security or advance payment may equal the amount invoiced for network service since the beginning of the invoicing period until the date of interrupting network service (as specified in sections 9.1-9.1.4). The invoice for the network service shall be calculated according to the user's estimated electricity use. The estimate may be based on the period when the use of electricity is highest.

3.8 When the network contract has expired, the DSO shall return the security to the user as soon as the final invoice has been paid and all other obligations of the user have been fulfilled. If the contract remains valid, the security shall be returned to the user no later than two years after the date it was lodged (the corresponding period for a consumer is one year). When the contract is valid and a security has been lodged, the security shall not be returned, if the user has essentially defaulted on payment during the period the security is being held. However, a security or a part thereof shall not be returned to the user when the network contract is valid or after it has expired, if the DSO can require that the whole security or a part thereof should be used for paying the DSO's outstanding receivables, accrued penal interests and reasonable collection charges based on the user's other valid or expired network service or electricity supply contracts. The advance payment shall be used to effect maturing payments within the return period for the security specified in this section.

3.9 A confirmation shall be drawn up in writing on the lodging of security. A statement about advance payment may also be included in the confirmation.

3.10 The DSO is entitled to realise the security lodged in the manner he thinks best in order to have their outstanding receivables paid.

3.11 Instead of the relinquishing of security or an advance payment, the user and DSO may agree that the charges based on the network contract shall be paid in advance. As regards reverting to the ordinary payment schedule, the provisions included in section 3.8 shall be followed as applicable.

3.12 The advance payment referred to in this chapter or the prepayment referred to in section 3.11 are not in question, if the user selects from among the different (network service or payment method) alternatives available the one with an accelerated payment arrangement.

#### **4. Electrical equipment**

4.1 By referring to the provisions of this chapter, the DSO may not refuse to fulfil the obligation to develop the network by virtue of the Electricity Market Act.

4.2 The user shall ensure that the user's installations meet the technical requirements concerning the connection of electrical installations published by the DSO and any requirements of the system responsible party with respect to the grid codes and operational performance.

4.3 The contracting parties shall see to it that their electrical installations and electrical equipment meet the requirements of the rules and regulations. Electrical installations and equipment may not be used so that they cause damage or disturbance to the distribution network or other users. The installations and equipment of a contracting party also include other installations and equipment within the scope of their responsibility, e.g. those of a leaseholder or rebuyer who has not concluded a network contract with the DSO.

4.4 Installations or equipment that generate electricity must not be connected to the property's electricity network when the property's electricity network is connected to the distribution network before the DSO has given permission to the connection.

4.5 Electrical installations shall be carried out, inspected and connected to the network in accordance with electrical safety legislation as well as the rules and regulations and the standards of the sector issued by virtue of it. If there are no standards, the DSO may issue recommendations or instructions based on international practice and good ways of constructing and operating electrical equipment for connecting the user's installations and equipment to the network.

4.6 The user shall notify the DSO of any installations and equipment in accordance with the following sections 4.6.1 and 4.6.2 before they are taken into use. On request, the DSO shall provide the user with the requested information on the properties of the network.

4.6.1 If there are no standards applicable to the network disturbances caused by the user's electrical installations or equipment, the DSO will, on the request of the user, clarify if the installation or equipment can be connected to the network in question. It is recommended that a request for clarification be made in the following cases in particular:

- the switching current of the electrical installation or equipment is high compared to the size of the main fuse;
- the electrical installation or equipment is frequently connected to the network;
- the operation of the electrical installation or equipment requires special measures to be taken by the DSO; and
- the electrical installation or equipment causes significant harmonic currents.

4.6.2 The following installations or equipment require advance clarification:

- generators and other equipment feeding voltage, energy or short-circuit power;
  - e.g. wind power plants, solar power plants and biofuel-fired power plants
- ground source heat pumps
- compensating devices for reactive power
- welding apparatuses
- compressors
- fairly large equipment controlled by electronics and

- fairly large electronic power converters or frequency converters
- data centres
- various motor-driven equipment, such as pumping stations.

4.6.3 Equipment that is frequently switched on, such as pumps, compressors and engines, and require a high start-up current, should be fitted with current-limiting systems in order that their operation will not exceed the maximum current according to the fuse size defined in the network contract or the connection contract or the agreed maximum output. If these are of different size, the upper limit to electricity use shall be determined by the smaller size.

4.7. The contracting parties are required to pay compensation to each other for the damage specified in chapter 12, subject to the conditions and limitations presented in the same chapter, caused by their installations or equipment contrary to the rules, regulations and written instructions referred to in the above sections (4.2 - 4.6) or by their faulty equipment, or by the operation of such installations or equipment. The user is also liable for such damage caused to other users for which the DSO is required to pay compensation to the other users. The user's liability for damage has been limited as follows, however:

4.7.1 The user is required to pay compensation only if he has been aware of, or if he should have been aware of, the risks that their installations or equipment, or their operation, may cause, considering their expertise, the properties of the equipment or installation used by them, and the information the DSO may have provided them with.

4.7.2 When there is a fault or property in the electrical installation or equipment which the user cannot have noticed, the user is liable for the possible damage and costs caused by such an electrical installation or equipment only if he continues to use the installation or equipment causing damage, despite the instructions given by the DSO.

4.8 The contracting parties shall notify each other of all faults and disturbances they have detected in their electrical installations and equipment. The contracting parties shall, after they have been notified of the fault or disturbance, without delay take measures to remedy the situation. If the fault or disturbance that has been reported does not fall within the scope of the contracting party's obligation to make repairs, the contracting party shall inform the notifying party of their opinion of the responsible party.

4.9 If the fault or disturbance reported by the user falls within the scope of some other party's than the DSO's obligation to make repairs, the DSO shall notify the other party of the fault or disturbance.

4.10 If the user's electrical installations or equipment disturb the electricity use of other users, or the operation of the DSO's metering or other systems, the DSO and the user shall together determine the methods of eliminating the disturbance. Hence, the DSO may, for example, restrict the operation of the installation or equipment so that it will be operated at certain times. The DSO may prohibit the operation of the installation or equipment only if it cannot be operated at all without causing major disturbance to other users or the DSO's metering or other systems.

4.11 If there is an electrical installation or equipment controlled by the DSO in the premises or area of the user, the user shall allow the DSO to immediately enter, free of charge, the place where the installation or equipment is located, to carry out maintenance, checking, fault diagnosis or repair work regardless of the time of day or night, in the manner approved by the contracting parties.

4.12 The DSO is not responsible for the properties, ageing, wearing or breakage of the user's installations or equipment, or their compatibility with the distribution network, user's network, or other electrical equipment or devices on the user's network, or the damage caused by the above-mentioned circumstances, unless it is question of a fault in the quality of electricity referred to in chapter 11. Neither is the DSO responsible for damage caused by the user's installations or equipment or by their inadequate protection.

4.13 If, due to e.g. the sensitivity of the user's installations or equipment, the quality of electricity is required to be higher than that of the electricity conforming to conventional network service (cf.

section 11.4) or the user requires uninterrupted electricity supply (cf. section 11.5), the user shall contact the DSO to resolve the matter.

## **5. Special requirements concerning the electricity generation installations**

5.1 By referring to the provisions of this chapter, the DSO may not refuse to fulfil the obligation to develop the network by virtue of the Electricity Market Act.

5.2 Electrical safety of the electricity generation installations

5.2.1 The electricity producer's electricity generation installations, electrical installations and electrical equipment must not cause any danger to those working in the distribution network or to electricity users connected to the distribution network or disturb the operation of the electrical installations of other electricity users.

5.2.2 The electricity generation installations must not keep on feeding into the DSO's distribution network or a part thereof when the distribution network is not being fed from elsewhere.

5.2.3 The electricity generation installations must be equipped with devices that can be used for disconnecting it from the DSO's distribution network. These devices must be constantly available to and lockable by the DSO to ensure that measures carried out in the distribution network can be performed safely.

5.3 Before the electricity generation installation is commissioned, a notification about the completion of the installation, enclosing the appropriate testing and commissioning inspection records, shall be sent to the DSO. The electricity generation installation may not be connected to the distribution network for testing and operation until the DSO has given permission to do so.

5.4 The user must present to the DSO an account of the condition of the electricity generation installation to ensure that the connection will not cause any danger or disturbance and that it meets the technical requirements presented in the individual terms of contract and the system responsible party's requirements with respect to the operational performance.

5.5 The electricity generation installation must be suitable for use in the distribution network, taking into account the control and protection systems of the distribution network. The DSO shall provide the electricity producer with information related to the network properties for connecting to the network. The electricity producer must find out whether their electricity generation installation can be connected to the distribution network, taking account of its properties and the method of operation of the equipment.

5.6 Any changes made to the electricity generation installation must be reported to the DSO.

5.7 If a technical modification made to the electricity generation installation requires changes in the distribution network, the electricity producer shall be responsible for any costs incurred to the DSO in accordance with the connection fee principles.

5.8 If a technical modification made to the electricity generation equipment causes a change in the size or structure of the connection, the connection contract on the connection shall be amended and the costs incurred by the change shall be charged to the connecting customer in accordance with the connection fee principles.

5.9 The DSO is entitled to impose restrictions on the use of the electricity generation installation if the properties or the operation, repair and/or maintenance situations of the distribution network so require.

5.10 The quality of electricity transmitted from the electricity generation installation into the distribution network must meet the requirements of the standards concerning quality of electricity.

5.11 The contracting parties are obliged to compensate to each other any damage caused by their faulty installations or equipment or their use that is contrary to the regulations, provisions, contracts and written instructions referred to in the previous sections (5.1–5.10), where applicable, in compliance with the requirements and restrictions referred to in chapter 13 of these terms.

5.12 The electricity producer is responsible for the properties, aging, wear and tear, or breakage of the electricity generation installations or electrical installations and equipment and for their compatibility with the distribution network, the electricity producer's own network or any other electrical installations and equipment in the electricity producer's network and for any damage caused by the above matters. The DSO is not responsible for the above-mentioned damage or any damage caused by the electricity producer's installations or equipment or a lack of their protection.

## **B. Metering, invoicing and interruption of networks service**

### **6. Metering of electricity and the metering equipment**

6.1 The DSO is responsible for arranging the metering, required by the electricity market legislation and for the reading, forwarding and reporting of metering data. The network contract shall include a detailed agreement on the arrangement of metering. The DSO is responsible for the metering equipment and the correctness of metering, unless some other agreement has been made. If there are several meters, an agreement shall be included in the network contract, on the meter or meters on which the invoicing of network service and balance settlement shall be based. If there is another meter in the place of electricity use, in addition to those on which the invoicing of network service is based, metering the internal distribution of electricity use, the DSO shall not be responsible for reading this kind of meter or arranging a balance settlement for the electricity use metered by it, unless a separate agreement is made and a separate compensation is paid.

6.2 The electricity producer must take separately into account the special requirements set by legislation on the metering of energy produced with electricity generation installation and used in a place of electricity use that contains electricity generation installation.

6.3 The user shall agree to it that the equipment required by the DSO for metering and the transfer of metering data is installed in their premises without compensation, and that it can be kept, serviced and read there, and that any other necessary measures can be taken there.

6.4 The structure and accuracy of the metering equipment shall be in accordance with standards and general practice, as well as meet the requirements set in the legislation concerning the electricity market.

6.5 Faults in the metering equipment are the responsibility of the contracting party that owns the metering devices or has ordered the metering service from elsewhere than the party to the network contract. The responsibility also applies to the investigation and repair of faults and the provision of information necessary for correcting any invoicing errors caused by the faults to the parties required by the provisions concerning the electricity market and to other parties concerned.

6.6 The party responsible for the metering equipment shall also be responsible for the inspection of the metering equipment as separately specified in rules and regulations and otherwise as necessary. If the other party so requires, the party responsible for the metering equipment shall have the metering equipment inspected. If the verified error percentage shown by the metering is higher than twice the accuracy class of the meter for the loads decisive for invoicing, the contracting party responsible for the metering equipment shall be liable for inspection costs incurred. Otherwise, the party who has required an inspection shall be liable for the costs incurred.

6.7 It is possible to have the metering equipment checked by inspectors authorised by virtue of valid legislation or by other inspectors approved by the contracting parties. Liability for the inspection costs is determined in accordance with the previous section.

6.8 The DSO shall offer metering services in accordance with the general time division in compliance with the Government decree on determination of electricity supply and metering (66/2009). The metering services conforming to the general time division encompass the metering based on hourly metering, single-rate metering for a general distribution tariff, two-rate metering for a time-of-day distribution tariff based on night-time and daytime energy, two-rate metering for a

seasonal tariff based on winter-weekday energy and other time-differentiated energy. In addition, the DSO may offer metering services based on time divisions structured differently.

## **7. Reading of the meter and transfers of metering data**

7.1 The user shall agree to it that the meter can be accessed, the metering data can be read and transferred from the metering equipment and that the metering data can be used in the manner required by the settlement of electricity balances and metering, as prescribed or is necessary in order to comply with the obligations related to the applicable laws and the provisions and instructions of the authorities, or customer relationships.

7.2 The user shall agree to it that the data on the supply and quality of electricity can be read and transferred from the metering equipment and that they can be used in the operation of the DSO's network.

7.3 The user shall permit the data transfer needed for forwarding the DSO's metering data or other data related to network operations on their power network. This kind of data transfer shall not cause costs or disturbance to electricity users. Neither may the electricity user take such measures at a later stage which could disturb or endanger the data transfer conforming to this section that the distribution system operator started earlier.

7.4 If the metering equipment is based on hourly metering, the data on consumption shall be transferred from the meter in compliance with provisions in force. The DSO is entitled to estimate the metering data on the basis of the previous data on electricity consumption in the place where electricity is used, if the metering data is not available due to a temporary data transfer or equipment failure.

7.5 If the metering equipment is not based on hourly metering, sections 7.5.1-7.5.6 shall be complied with.

7.5.1 The metering equipment shall be read at least four times a year.

7.5.2 The DSO is responsible for at least one meter reading a year.

7.5.3 Three times a year, the user is required to report to the DSO the meter readings of each place of electricity use covered by the network contract upon a written request of the DSO.

This section does not apply to users who in practice are unable to read the meter.

7.5.4 The user and the DSO may agree on more frequently reading of the meter and on compensating the reasonable costs of it to the DSO.

7.5.5 The user must allow access to the metering equipment by persons authorised by the DSO and the reading of the meter. The meter must be read at a time when the reading does not cause significant disturbance to the user.

7.5.6 The DSO is entitled to estimate the reading of the metering equipment based on the previous consumption of the place of electricity use if the metering equipment is located at a place where the DSO has no access and the user has not submitted a reading within a reasonable time specified by the DSO after the DSO has requested it.

7.6 The DSO is responsible for reading the metering equipment after the user has notified them of the fact that the electricity vendor has been changed. The DSO is entitled to estimate the reading of the metering equipment, other than that of hourly metering equipment, on the basis of the previous electricity consumption in the place of electricity is used, if the user has failed to provide the DSO with a reading by a reasonable deadline set by the DSO, or if the metering equipment is located in a place that is out of the reach of the user. The estimate can also be based on a reading of the metering equipment carried out by the DSO after the electricity vendor has been changed, but before the user has received a final bill from the previous electricity vendor.

## **8. Invoicing and payments**

8.1 The DSO shall invoice the user for the use of network service in accordance with the network contract and the price lists valid at any given time. Changes in price lists and other terms of contract have been discussed in chapter 15.

8.1.1 If there is hourly metering equipment or some other type of remotely read metering equipment in the place of electricity use, invoicing shall be based on metered (taking into account section 7.4) electricity consumption, unless some other agreement has been made. If the metering of electricity consumption in the place of electricity use is not based on remotely read metering equipment, invoicing shall be based on the estimated electricity consumption of the user, unless some other agreement has been made. Estimated invoicing shall be balanced at least four times a year on the basis of meter readings that have been either reported or acquired by reading the meter (section 7.5) (the reading or balancing invoice).

8.1.2 Invoicing can be based on estimated consumption or a fixed amount when invoicing is based on metering equipment read by the end user and they have not submitted a meter reading for the invoicing period in question or if there is no metering equipment at the place of electricity use. Invoicing can also be based on estimated consumption if it has not been possible to read the electricity meter due to a fault in the metering equipment or if the metering data is not available due to a data transmission disturbance in remotely read metering equipment.

8.1.3 The DSO is required to revise invoicing based on estimated electricity consumption upon the request of the user, in case there has been an essential change in the circumstances on which invoicing is based or there is a legitimate reason for revising it. The DSO shall notify the open supplier of the change in estimated consumption in accordance with the current practice of the sector.

8.2 The contents of the invoice shall be in accordance with the Electricity Market Act and the rules and regulations issued by virtue of the Act.

8.3 A period of at least two weeks shall be left between the date of sending the invoice and the due date. If the user is not a consumer, the contracting parties may also agree on a shorter period between the date of sending the invoice and the due date.

8.4 The user is required to pay the invoice sent by the DSO by the due date stated on the invoice. The invoice shall be sent to the invoicing address given by the user. The user is required to pay the invoice regardless of the address, to which he has requested the DSO to send the invoice.

8.5 The DSO is entitled to collect a penal interest on delayed payments in compliance with the Interest Act. If the due date and the amount to be paid have been determined in advance, penal interest is charged as of the due date. If the due date of the consumer's invoice and/or the amount to be paid have not been determined in advance, a penal interest cannot be charged until 30 days have elapsed since the invoice was sent. In addition, a reasonable fee based on a valid price list may be collected for sending a reminder and a warning of cutting electricity supply in writing.

8.6 The DSO is entitled to charge an additional fee for errors that have occurred in invoicing, metering and reading of the meter, and the user is entitled to receive a credit note in accordance with the following sections:

8.6.1 If a metering error has been shown to be bigger than what is acceptable according to section 6.6, this shall be taken into account in invoicing so that a credit note or an additional invoice is issued by virtue of an assessment performed by the DSO, based on an inspection of the metering equipment, the verified amounts of electricity consumed at different times by the user, as well as other data.

8.6.2 The contracting parties may present claims for their receivables stemming from three previous years, if the claims are based on the errors specified in section 8.6. The fixed term of three years shall be calculated from the date on which the other contracting party was notified of the error.

8.6.3 The consumer may, however, present a claim for the receivables specified in section 8.6, stemming from the whole period (not longer than ten years, however), during which the error has affected invoicing, if the moment the error took place and the effects of the error on invoicing can be verified afterwards.

8.6.4 The DSO, not the vendor, is responsible for correcting the user's invoicing, if

- more than three years have elapsed since the error in invoicing occurred and the customer was notified of it, or
- if the relationship between the customer and vendor has ended earlier than six weeks before the error was detected,

and the electricity consumption data used as the basis of invoicing given to the vendor by the DSO have been erroneous due to a metering error, a meter reading error, or an error in the notification given to the vendor by the DSO (not due to deviation in estimated consumption, however), compared to the actual electricity consumption.

The sale price to be applied to the credit note referred to in this section shall be that of the public electricity product, or the electricity tariff, of a supplier with a delivery obligation operating in a DSO's area of responsibility that is best suited for the user. If the error has occurred on the DSO's side, however, and the user within a reasonable time provides an account of the prices applied to their electricity procurement during the period concerned, these prices shall be applied.

8.6.5 With regard to the period of interest accrual, no interest shall be paid on the additional charge or credit note determined on the grounds of the previous sections. As regards the additional charge, the user shall be granted a reasonable term of payment. If the user does not pay the invoice based on the additional charge during the period granted, a penal interest may be collected on it for the period exceeding the term of payment, as specified in the Interest Act.

8.7 The user is required to pay also the metered or verified network service that has been caused by faults in the electrical installations or electrical equipment within the scope of their responsibility.

## **9. Interruption of network service**

9.1 The DSO is entitled to interrupt the network service referred in the network contract (supply of electricity to the user), if the user has materially defaulted on the payment of the receivables of the DSO or has otherwise materially breached their obligations based on the network contract

9.1.1 The DSO shall *remind the user in writing* to rectify a breach of contract, i.e. to pay the outstanding receivable or to rectify some other negligence within a period stated in the reminder, which is at least two weeks from sending the reminder. If a charged reminder is sent to the user, who is a consumer, the reminder can be sent at the earliest two weeks after the payment has originally fallen due. If the user does not rectify the breach of contract within the period granted in spite of the reminder, the DSO shall send a *warning of interrupting the network service* to the invoicing address of the user, or to some other address separately agreed on. The date of interrupting the network service shall be stated in the warning. The user shall rectify the breach of contract in time before the date on which the network service is to be interrupted in order to avoid the interruption. The warning of interrupting the network service shall be sent to the user at least two weeks before interrupting the network service. The supply of electricity may be interrupted at the earliest five weeks after the payment has originally fallen due or after the user has been informed for the first time of some other of breach of contract and the need to rectify it. If a charged reminder has been sent to the user, who is a consumer, the supply of electricity may be interrupted at the earliest six weeks after the payment has originally fallen due.

9.1.2 If the default on payment is caused by financial difficulties that the user has run into because of a severe illness, unemployment or some other special cause, principally through no fault of their own, the network service may be interrupted at the earliest three months after the

due date of the payment. The user shall notify the DSO of the reason for the non-payment as soon as he is aware of it and, if possible, before the due date of the invoice.

9.1.3 Provision of network service to the consumer or residential property may not be interrupted, however, if the outstanding invoice of such a user does not amount to at least EUR 250 or if not at least three months have elapsed since the due date of the oldest outstanding invoice.

9.1.4 Provision of network service to a building or a part of a building used as a permanent residence may not be interrupted because of default on payment between the beginning of October and the end of April, if the building is heated by electricity, before four months have elapsed since the due date of the outstanding payment.

9.1.5 If the user's default on payment is due to a force majeure, the provision of network service may not be interrupted as long as it prevails.

9.2 Provision of network service may be interrupted in the cases presented below, for a reason attributable to a vendor who has a contractual relationship with the user.

9.2.1 If the user's vendor in charge of open supply neglects to discharge their duties towards the DSO, related to network service, metering or data transfer, or neglects to discharge the duties related to balance responsibility or balance settlement, the DSO is entitled to interrupt the provision of network service. The duties of the vendor referred to in this section are determined in accordance with the Electricity Market Act and the rules and regulations issued by virtue of it, guidelines issued by the authorities or by the party vested with systems responsibility, the practice generally followed in the sector, or as separately agreed upon.

9.2.2 The DSO is entitled to interrupt the network service, if the vendor in charge of open supply ceases to operate due to, e.g., bankruptcy.

9.2.3 Provision of network service may not be interrupted by virtue of sections 9.2.1 and 9.2.2 before ten (10) days have elapsed from the sending of a notification of interrupting the network service, including a statement of the grounds for the interruption and the date of interrupting the service. The notification shall also include a request for the user to secure the supply of electricity to their place of use by immediately concluding a new sale contract with another vendor.

9.2.4 Provision of network service to the consumer may not be interrupted before three weeks have elapsed from the sending of the notification referred to in the previous section.

9.2.5 Provision of network service to the user encompassed by the obligation to deliver may not be interrupted before the Energy Authority has designated a new vendor with the obligation to deliver.

9.2.6 The user is required to pay to the DSO or order the reasonable costs caused to the DSO by electricity sales conforming to sections 9.2.1-9.2.5.

9.3 If the user's electricity sale contract for open supply expires for a reason other than stated in section 9.2 and no new electricity sale contract for open supply enters into force, the DSO is entitled to immediately interrupt the provision of network service. The DSO is not required to contact the user or any other party to verify the correctness of the notifications of the expiration of electricity sale contracts given by the vendor.

9.4 Provision of network service may also be interrupted upon the request of the user. If, despite the interruption, the user wishes to maintain the opportunity for network service, the user shall pay a valid fee for the maintenance.

9.5 If the provision of network service is interrupted for reason attributable to the vendor or the user, and not due to a request conforming to section 9.4, the user shall not be released from their liability to pay or their other responsibilities towards the DSO.

9.6 The DSO is entitled to collect a reasonable fee according to valid price list for sending a reminder and a warning of interrupting the network service in writing as well as for disconnecting and reconnecting the network service.

9.7 Provision of network service shall be continued after the reason for the interruption has been removed. The DSO is not, however, required to reconnect the network service before the user has paid the fees and costs caused by the sending of a written reminder or any other notifications as well as by the measures related to the interruption and reconnection of network service and the outstanding receivables of the DSO and lodged the requisite security.

The DSO and the user may make a separate agreement to the effect that the provision of network service will be started again before the requisite security expires. In such a case, the provision of network service can be discontinued with immediate effect without a separate notification, if the security has not been paid by the due date.

9.8 The open supplier may require that the DSO interrupt the provision of network service, when the open supplier has the right to interrupt electricity sales in accordance with the electricity sale contract. It is the vendor's responsibility to ensure that the interruption required by them is based on legal grounds, the electricity sale contract, or other contracts or provisions. The reconnection shall take place by order of the open supplier. If the sale contract expires, the reconnection shall take place when a new vendor has announced that electricity sales have commenced.

9.9 The user may not present claims due to an interruption of network service towards the DSO, if the reason for the interruption is attributable to the user or the vendor.

9.10 The DSO is entitled to suspend the network service concerning the place of electricity generation if the electricity distribution to the place of electricity use behind the metering concerning the network service of the place of electricity generation is suspended in accordance with chapter 9.

## **C. Delay or fault in network service, compensation for damages and standard compensation**

### **10. Commencement of, and delay in, network service**

10.1 Provision of network service (i.e. the supply of electricity is connected to the user) is commenced in accordance with prerequisites separately agreed on and the provisions stipulated in these terms (see sections 2.3 and 2.4). Provision of network service can be started at the earliest after 14 days have elapsed since the network contract was concluded, unless some other agreement has been made.

10.2 If the commencement of network service is delayed, the DSO shall immediately notify the user of the reason for the delay, which shall be acceptable according to these terms, or commence the provision of network service.

10.3 If the commencement of network service is delayed for a reason attributable to the DSO, the DSO shall pay compensation for the damage caused by the delay in accordance with the provisions and limitations laid down in chapter 12.

10.4 The DSO shall deduct the network charges that have accrued during a delay, of which he has been informed, from the invoice to be sent to the user after the matter has been cleared up. If the above-mentioned procedure is no longer possible due to e.g. the termination of a contractual relation, the sum to be deducted shall be returned to the user.

10.4.1 If the user wants to ensure that the charges referred to in section 10.4 that have accrued during the delay are deducted from their invoice, he shall make a claim to this effect to the DSO. The DSO may request the user to supplement the claim in writing, if necessary. If the claim is not unfounded, the DSO shall deduct the sum to be withheld from the first invoice to be sent to the user after the matter has been cleared up.

### **11. Fault in network service**

11.1 The network service is faulty, if the quality of electricity or the mode of supply does not correspond to what has been, or can be considered to have been, agreed upon.

The DSO's service is faulty also when an error or a delay has occurred in a consumer's invoicing in accordance with section 97 of the Electricity Market Act.

11.1.1 On request, the DSO is responsible for providing the user with the necessary information about the fault suspected by the user as well as the reasons for it.

11.1.2 Invoicing by the DSO is not deemed to be erroneous or delayed, if it is based on an estimate in accordance with section 8.1.2.

11.2 A written agreement may be made on deviations from the qualitative requirements for electricity and the method of supply (cutting electricity supply) by including such agreements in a written network contract, or by concluding a separate contract in writing.

11.3 The limitations or agreed deviations specified in this chapter do not release the DSO from the obligation to develop the network in the manner laid down in the Electricity Market Act.

11.4 When evaluating the quality (deviations in the quality) of network service, the following considerations shall be taken into account:

11.4.1 The quality of electricity is to be evaluated at the point of connection.

11.4.2 If there is no agreement to the contrary, the network service is faulty, if the quality of electricity does not correspond to the standards adhered to in Finland. The standard to be applied when these terms enter into force is SFS - EN 50160.

11.4.3 As regards network service concerning three-phase current, interruptions in one or two phases may mean the interruption referred to in section 11.5.

11.5 When the mode of supply is evaluated, it must be taken into account that it is not possible to require that electricity supply is never interrupted. The electricity network is exposed to various natural and other phenomena that may cause interruptions. If there is no agreement to the contrary, the network service is faulty, if there have been continuous or repeated interruptions in the network service and these interruptions (power cuts) cannot be considered minor in view of their reason and circumstances. The faults caused by an interruption in the network service shall be evaluated as a whole.

11.6 When the mode of supply is evaluated, e.g., the following sections shall be taken into account, in addition to what has been stated in the previous section:

11.6.1 The DSO is entitled to temporarily and immediately interrupt the network service (to cut the distribution of electricity), if it is necessary for preventing danger to human life, health or property.

11.6.2 An essential disturbance in electricity generation, network operations or cross-border electricity transmission or some other reason independent of the DSO (such as a war or other type of crisis situation, industrial action or an exceptional natural circumstance) may cause such a disturbance in the availability of electricity that the supply of electricity may be totally interrupted or it may decrease so that the DSO is forced to interrupt the provision of network service to users or introduce regulation.

11.6.3 If the DSO is capable of supplying electricity or offering other network services to a limited extent only due to the reasons specified in the two previous sections, the DSO is entitled to divide (regulate) the electricity available between users by taking into account the general and vital needs of society, any provisions that may be issued by the authorities, any valid plans or obligations concerning the management of the electricity shortage, as well as the prevailing circumstances, and to interrupt the provision of other network services, if necessary.

11.7 Network service may be temporarily interrupted, if the interruption is necessary for maintaining the provision of services by servicing, modifying and inspecting the necessary equipment, or by diagnosing faults in it, or for some other similar reason. The interruption shall not be unnecessarily long, and it shall take place at such a time and in such a manner that it will cause as little disturbance to the users as possible.

11.8 Sufficient information shall be provided on interruptions caused by the reasons specified in the previous section, of which the DSO has been aware of in advance. If sufficient information is not

provided on an interruption referred to in this section or if the reconnection following the interruption is unnecessarily delayed from what has been stated earlier, the network service is faulty.

11.9 The interruption is considered to have begun at the moment, when the DSO has been notified of it or can be considered to have been aware of it.

11.10 The user shall keep in mind that electricity supply may not be uninterrupted. The user shall take into account the operating conditions of their installations and equipment and make sure that the supply of electricity to their installations and equipment is appropriate, if he, e.g. due to the sensitivity of their installations and equipment needs electricity of a higher quality than the electricity conforming to conventional network service, or an uninterrupted supply of electricity.

11.11 The DSO will not necessarily be automatically informed about interruptions in electricity supply to a single place of electricity use or area. Therefore, the user should notify the DSO of such interruptions.

11.11.1 If the DSO is always automatically informed about interruptions in electricity supply to a single place of electricity use or area, the DSO is required to tell the customer about this.

11.11.2 On request, the DSO is required to provide the user with more detailed information as to how the DSO is informed about interruptions in electricity supply by their own systems.

11.12 The user shall without delay notify the DSO of any fault or an imminent fault he has detected in network service, or of the fact that he considers there to be a fault in network service. A notification is not necessary, if it is obvious that the DSO is aware of the fault or an imminent fault or has otherwise been informed of the opinion of the user.

11.13 The DSO shall, as soon as he has been notified of a fault or has otherwise become aware of it, without delay, diagnose the fault and repair it.

11.14 If there is a fault in network service, the DSO is required to compensate the user for the damage caused by the fault in accordance with chapter 12.

11.15 If the network service is faulty, the user is entitled to a price reduction proportionate to the fault.

11.15.1 If the fault is due to an interruption in network service, the price reduction shall amount to at least four per cent (4%) of the estimated annual network service fee paid by the user for the place of electricity use concerned. If the user is not a consumer, the above-mentioned 4% rule shall be applied to the calculation of annual price reductions up to EUR 350 per user. A price reduction shall always correspond to at least the fault, however. If the user is paid a standard compensation due to an interruption in network service in compliance with chapter 14, he is not entitled to the price reduction referred to in this section due to the same interruption.

11.16 The DSO shall deduct the price reduction derived from a fault that has come to their knowledge from the following invoice to be sent to the user, or refund the price reduction to the user in compliance with sections 10.4 and 10.4.1.

11.17 The user has always the right to present claims based on a fault in network service to the DSO. A claim shall be presented within a reasonable time from the moment the user has noticed, or should have noticed, an interruption in network service, and has had the DSO's contact details needed for presenting the claims.

11.18 The DSO is not responsible for a fault, if he within a reasonable time after having been notified of the claim notifies the user of the vendor who is responsible for the fault and who will assume responsibility for compensating the user for the damage resulting from the fault, or a price reduction.

## **12. Compensation for damage**

12.1 The DSO shall compensate the user for the damage caused by a delay or fault in network service specified in these terms, in accordance with the reasons and limitations laid down in this chapter.

12.2 No compensation shall be paid for damages caused by a delay, if the DSO shows that the delay is caused by an obstacle beyond their control, which he cannot reasonably be expected to have taken into account when concluding the network contract and the consequences of which he could not have reasonably avoided or overcome.

12.3 If the delay is caused by a third party that the DSO has used as help in fulfilling the terms of the network contract, the DSO is released from their obligation to pay compensation only if this third party would be released from the obligation to pay compensation by virtue of section 12.2.

12.4 The user has the right to receive compensation for indirect damage only if the delay or fault is caused by negligence attributable to the DSO. If the user is not a consumer and no agreement has been made to the contrary by the parties to the contract, the maximum sum to be paid as compensation for indirect damage by the DSO corresponds to the total amount of annual network service charges paid by the user. The amount to be paid as compensation may exceed EUR 8,500, however. If the DSO has been guilty of deliberateness or gross negligence, the limitation of the maximum amount of compensation shall not be applied.

12.5 In these terms, indirect damage means:

12.5.1 loss of earnings incurred by the user of electricity because of the delay or fault or the consequent actions;

12.5.2 damage caused by an obligation which is based on some other agreement;

12.5.3 major loss of utility at the place where electricity is used when this loss does not result in direct financial damage, and other comparable major disturbance;

12.5.4 damage caused to the property of a user who is not a consumer by a functional disturbance or stopping in the user's device or equipment as a result of a fault in network service, or an interruption of the user's activity, or consequential financial damage or loss due the same reason; and

12.5.5 other damage of a similar nature that is difficult to foresee.

12.6 The consumer is entitled to receive compensation also for the damage caused to their family or family member on the same grounds as for the damage caused to them.

12.7 In spite of what has been stated above in section 12.5.4, the user shall be compensated for the damage caused to their property which is mainly in their private use. Similarly, a person who is in the position of a consumer and has no contractual relation with the DSO, who acquires the network service from the user, shall receive direct compensation for the damage specified in the previous sentence. The user is not entitled to a corresponding compensation.

12.8 In order to prevent damage, when damage occurs or is imminent, the parties to the contract shall take all measures for the prevention or limitation of damage that can reasonably be required or expected of them. If the damage is caused by the user's activity, the vendor is not required to pay compensation for it. Compensation shall be paid for the damage that has been caused to a contracting party by the limitation of the damage for which compensation shall be paid in accordance with these terms.

12.9 If the contracting party neglects their obligation to take reasonable action to limit the extent of the damage being caused to them, they themselves shall be liable for the damage in this respect. If the user's negligence can be considered to be of minor significance, the proportion of liability for damage to be borne by the user may be reduced in this respect, however.

12.10 The DSO is not required to pay compensation for such damage, for which the user or some other party is entitled to receive compensation on other grounds, such as a delay in connecting the user to network service.

### **13. Error due to the electricity generation equipment and compensation for damage**

#### 13.1 Error in electricity generation

13.1.1 There is an error in electricity generation if the quality or method of delivery of electricity fed into the network does not meet the requirements of what has been or what can be deemed to have been agreed or if the electricity generation installation or electricity installation is not used or managed in accordance with the contract.

13.1.2 The contracting party is obliged to provide on request the necessary information to the other contracting party with regard to the error suspected by the other contracting party and to its reasons.

13.1.3 The contracting party must, without delay, notify the other contracting party of an error they have detected, a risk of an error or the fact that as far as they understand the matter in question is an error.

13.1.4 The contracting party must, without delay after being notified about an error on their part or when they have otherwise become aware of the error in question, investigate the reason for the error and rectify the error.

#### 13.2 Compensation for damage concerning electricity generation

13.2.1 The electricity producer shall compensate to the DSO for damage caused by an error in electricity generation or a breach of contract specified in these terms on the basis of and within the limits laid down in these terms.

13.2.2 However, the electricity producer is liable to pay compensation only if the producer has known or should have known the risks caused by the use of their equipment to the DSO, taking their expertise into account.

13.2.3 If the electricity producer's equipment has a fault or feature which the producer has not and should not have noticed, the producer shall be responsible for any damage caused to the DSO if the producer continues to use the faulty equipment despite the DSO bringing the matter to their attention.

13.2.4 The DSO is entitled to receive compensation for indirect damage only if the error is due to negligence by the electricity producer. Indirect damage is defined in section 12.5.

13.2.4.1 Compensation due to an error in electricity generation, paid by the DSO to other users connected to the distribution network, is also regarded as indirect damage.

13.2.4.2 If the maximum rated capacity of the electricity generation installation is 100 kilovolt-amperes, the maximum amount of compensation with respect to indirect damage caused is EUR 8,500 if there is no other agreement between the contracting parties.

13.2.4.3 If the rated capacity of the electricity generation installation is higher than 100 kilovolt-amperes, the maximum amount of compensation with respect to indirect damage caused is EUR 8,500 for each user connected to the distribution network and for whom the DSO is liable to pay compensation due to an error in electricity generation, if there is no other agreement between the contracting parties. The maximum amount of compensation in accordance with this section is EUR 150,000 if there is no other agreement between the contracting parties.

13.2.4.4 If the electricity producer has been guilty of deliberateness or gross negligence, the limitation of the maximum amount of compensation shall not be applied.

### **14. DSO's liability to pay standard compensation**

14.1 This chapter shall not be applied to an electricity producer or a place of electricity generation.

14.2 Without a separate request, the user has the right to receive a standard compensation due to a continuous interruption in the network service, unless the DSO or vendor selling electricity to users through an internal network of a property or a group of properties corresponding to it, shows that the interruption of network service is caused by an obstacle beyond their control which he cannot

reasonably be expected to take into account in their operations and the consequences of which could not have been avoided or overcome with due diligence.

14.3 A standard compensation is always based on an interruption caused by the network service provided by the DSO. If the interruption has been due to a disturbance or interruption that has occurred on the national grid or a high-voltage distribution network or that has been caused by measures taken by third parties, the user has no right to receive standard compensation. If the interruption has been caused by the user's electrical equipment, the DSO is not required to pay standard compensation to the user concerned or to other users affected by the interruption in question.

14.4 The amount of standard compensation of the user's annual network service fee is as follows:

- 1) 10%, when the interruption duration has been at least 12 hours, but less than 24 hours;
- 2) 25%, when the interruption duration has been at least 24 hours, but less than 72 hours;
- 3) 50%, when the interruption duration has been at least 72 hours, but less than 120 hours;
- 4) 100%, when the interruption duration has been at least 120 hours, but less than 192 hours;
- 5) 150%, when the interruption duration has been at least 192 hours, but less than 288 hours; and
- 6) 200%, when the interruption duration has been at least 288 hours.

14.5 The maximum amount of standard compensation to be paid to the user for interruptions in network service per calendar year is 200 per cent of the annual network service fee or EUR 2,000. However, the maximum amount of standard compensation to be paid for a single interruption in network service is always EUR 2,000. The maximum amount of standard compensation may be revised by virtue of a Government decree to correspond to a change in the value of money.

14.6 The DSO shall determine the amount of standard compensation on the basis of an estimate for the annual consumption of the place of electricity use.

14.7 If the user is paid a standard compensation due to an interruption in the network service, he is not entitled to the price reduction referred to in section 11.15 due to the same interruption.

14.8 No agreements resulting in deviations from the payment of standard compensation shall be made to the detriment of the user.

14.9 Without a separate request, the user has the right to receive a standard compensation, if the DSO has been aware of an interruption in network service which entitles the user to a standard compensation. In addition, the user has always the right to present their claims based on interruptions in the network service to the DSO. A claim shall be presented within a reasonable time from the moment the user noticed, or should have noticed, the interruption in the network service, and has the DSO's contact details needed for presenting the claim.

14.10 A DSO is responsible to the user for interruptions in the network service. The DSO is also responsible for interruptions in the network service to the user, who buys electricity through the internal network of a property, or a group of properties corresponding to it, which is connected to their distribution network, unless the DSO within a reasonable time after having been notified of the claim notifies the consumer of the vendor who will assume responsibility for the standard compensation based on the interruption in the network service.

14.11 Fulfilment of the conditions that entitle a user to standard compensation does not mean that there would have been a fault in the network service conforming to section 11.

## **D. Changing the terms of contract, transfer and expiration of the contract**

### **15. Changing the terms of contract and prices**

15.1 The contracting parties may jointly agree to change the terms of an individual network contract. Unless some other agreement has been made, the provisions included in sections 2.6–2.6.5 shall be complied with.

15.2 In addition, the provisions in section 26a of the Electricity Market Act shall also be complied with in increasing the fees of electricity transmission and distribution.

15.3 The DSO has:

- the right to change the terms of the network contract and prices, if the reason for the change is a change in the level of capital costs related to network service, such as a change in interest expenses, investment requirements related to the development of the network, or a change in the depreciation or payback periods of the capital tied to the network, which is not attributable to the DSO;
- the right to change the terms of a network contract and prices, if the reason for the change is changes in the cost of network construction or maintenance, changes in the charges that the DSO shall pay to other DSOs, changes in the acquisition cost of grid losses, changes in the labour or other operating costs related to network service, other than the costs related to network construction or maintenance, changes in the costs of providing other services required by the provision of network service, or changes in obligations affecting network service; and
- the right to change the prices of a network contract so that even after the change the pricing corresponds with the requirements of reasonable pricing by virtue of section 24, subsection 2 of the Electricity Market Act.

The network contract may not be changed on the basis of this section so that the principal content of the network contract will change.

15.4 The DSO is entitled to change the prices and other terms of contract, if the change is based on a legislative amendment or a decision of the authorities that the DSO could not have taken into account when concluding the network contract.

15.5 The DSO may change the prices and other terms of contract on the basis of such a legislative amendment or decision of the authorities which the DSO has been aware of when concluding the network contract, provided that the change will not essentially change the prices or the content of the network contract.

15.6 If there is a change in the DSO's area of responsibility, the DSO is entitled to change the prices of network services or other terms of contract in order to implement uniform pricing. Price changes resulting in significant changes in the charges to be paid by individual users shall be implemented within a transition period that the Energy Authority will approve before the new prices are adopted.

15.7 Furthermore, the DSO is entitled to change the terms of contract and prices, if there is a special reason for the change, owing to

- an essential change in circumstances;
- a revision of outdated contractual or pricing arrangements, or
- measures required by energy conservation.

15.8 Within a reasonable transition period, the DSO is entitled to replace an outdated network service product with another network service product that is presented in the product price list and is suitable for the user. The DSO shall send the user a withdrawal plan indicating the manner and schedule of withdrawing the outdated product. The plan must be sent to the user within a reasonable time before the product is replaced.

15.9 The DSO is entitled to make such minor changes in the terms of the contract that do not affect the principal content of the contractual relation.

15.10 The DSO shall send the user a notification of how and from which date the prices and other terms of contract will change and the reason for the change. If the reason for the change is some other than an amendment to legislation or a decision of the authorities, the change may take effect at the earliest two weeks, and on the part of consumers, one month after the sending of a notification. The notification is to be sent to the invoicing address of the user or to some other address separately agreed on, and it can be included, e.g., in an invoice to be sent to the user.

15.11 If the change is based on an amendment to legislation or a decision of the authorities, the DSO is entitled to implement the change as of the date when the change or decision took effect. If the change does not benefit the user, it can be implemented as of a later date to be determined by the DSO. The DSO shall notify the user of the changes to be made on these grounds as soon as possible.

## **16. Transfer of the network contract**

16.1 The user may not transfer a network contract to a third party.

16.2 The DSO is entitled to transfer a network contract to another DSO. The terms of a network contract may not be changed in connection with the transfer, unless there are provisions to the contrary in section 15.6. The new DSO shall notify the user of the transfer no later than in connection with the first invoice.

## **17. Expiration of the network contract**

17.1 When a connection contract expires, also the network contracts concerning the place of electricity use specified in the connection contract expire.

17.2 A fixed-term network contract expires at the end of the term or because it has been revoked. The consumer is entitled to terminate also a fixed-term network contract in the same way as a network contract that is valid indefinitely.

17.3 A network contract that is valid indefinitely expires when it is terminated or revoked.

17.4 The user is always entitled to terminate the network contract that is valid indefinitely at two weeks' notice.

17.5 After the user has been notified of a revision of the terms or prices, or of a transfer of the network contract, he is entitled, for 15 days (in case of the consumer, for 30 days), to terminate the network contract without a period of notice. In such a case, the revised terms or prices do not concern the user, unless the revision is based on a decision of the authorities or an amendment to legislation.

17.6 The DSO may not terminate the network contract of a consumer. The DSO may terminate the network contract of a user who is not a consumer at three months' notice, if maintaining the validity of the network contract is unreasonable for the DSO due to a legislative amendment or an essential change in circumstances.

17.7 The user is entitled to revoke a network contract, if the commencement of network service has been delayed for more than 24 hours or if the network service has been interrupted for more than 24 hours, provided that the reason for the delay or interruption is attributable to the DSO and is other than a force majeure.

17.8 The DSO is entitled to revoke a network contract,

17.8.1 if the user has materially breached their obligations based on a network contract and the breach of contract has not been rectified within a reasonable period specified in writing by the DSO;

17.8.2 if the user is guilty of stealing electricity or of intentionally damaging the equipment under the responsibility of the DSO or vendor; or

17.8.3 if the distribution or supply of electricity to the place of electricity use has been interrupted on the grounds of a non-payment or some other non-fulfilment of contract and the interruption has continued for at least one month, or in case it has not been possible to implement the interruption for a reason attributable to the user and at least a month has elapsed since the conditions for the interruption were fulfilled.

17.9 If the consumer is late with their payments, the network contract may be revoked only in situations conforming to section 17.8.3.

17.10 The DSO shall send the user and the user's vendor in charge of open supply a notification in writing of the termination of the network contract, specifying the grounds for the termination and the date when the network contract expires.

## **18. Responsible parties**

18.1 The contractual parties are mutually responsible for the obligations specified in the network contract.

18.2 The user is responsible for any damage caused to third parties, if he fails to meet their obligations conforming to the network contract.

18.3 The contractual parties are also responsible for the activities, installations and equipment of other parties than those referred in chapter 4 falling within the scope of their responsibility.

18.4 The user has always the right to present their claims based on a fault in network service specified in chapter 11 and an interruption of network service specified in chapter 14 to the DSO. The claim shall be presented within a reasonable time from the moment the user noticed, or should have noticed the interruption in network service and has had the DSO's contact details needed for presenting the claim.

18.5 The DSO is responsible to the user for the fault in network service specified in chapter 11. The DSO is not responsible for the fault, if he within a reasonable time after having been notified of the claim notifies the user of the vendor responsible for the fault, who will assume responsibility for compensating the consumer for the damage resulting from the fault, or for a price reduction.

18.6 The DSO is responsible to the electricity user for the interruption in the provision of network service referred to in chapter 14. In addition to this, the DSO is responsible for interruptions in the provision of network service on their network also to the user, who buys electricity through the internal network of a property, or a group of properties corresponding to it, connected to their distribution network, unless the DSO within a reasonable time after having been notified of the claim notifies the consumer of the vendor who will assume responsibility for the standard compensation based on the interruption in the provision of network service.

## **19. Settling matters under dispute**

19.1 The consumer has the right to bring any disputes derived from the interpretation of this network contract to the Consumer Disputes Board for consideration ([www.kuluttajariita.fi](http://www.kuluttajariita.fi)). Before submitting a request for resolution to the Consumer Disputes Board, the consumer must contact the Consumer Advisory Services ([www.kuluttajaneuvonta.fi](http://www.kuluttajaneuvonta.fi)).

19.2 Any disputes derived from the network contract shall be settled by the district court of first instance of the locality where the user's place of electricity use is situated, unless some other agreement has been made. However, a consumer is always entitled to bring a suit to the general court of first instance of their place of domicile in Finland.