



ENERGY REGULATORY COMMISSION
OF THE REPUBLIC OF MACEDONIA



CONSUMER PROTECTION AND CUSTOMER SERVICE RULES

NARUC Energy Regulatory Partnership Program

***The Energy Regulatory Commission of the Republic of Macedonia
and
The Vermont Public Service Board***

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Utility Rights and Responsibilities

1. Law for Public Companies

- 1.1 Activities of public interest are those which represent an irreplaceable condition for life and work of the citizens, companies and government bodies
- 1.2 To secure the public interest, the activity of public interest should be carried out continuously and without interruption, enabling publicity of the work

2. The Energy Law

- 2.1 Activities of public interest in the energy area include:
 - Production, transmission and distribution of electricity
 - Production, transport and distribution of natural gas, and
 - Production, transmission and distribution of heat and geothermal energy
- 2.2 Legal and natural entities which carry out an energy activity of public interest are liable to execute their activity with continuity and with good quality.

Obligation to serve

The Energy Law

1. Power producers and suppliers are liable to supply the users with energy in compliance with the energy supply and demand, mutual contracts and general conditions for supply of related type of energy. (Article 26)
2. Power supplier is liable to ensure a smooth power system operation to the measuring point where energy is measured. (Article 27)
3. Power suppliers supply the energy and power users use the energy provided that the facilities, equipment, devices and plants meet the prescribed standards, technical type of standards and quality standards for the related energy type which provide supply and use of energy smoothly in agreed quantity, capacity, quality and continuity and safety of staff and property. (Article 28)

Notice

The power supplier shall notify the users for any temporary interruptions of power supply for the following reasons:

1. Inspections, tests and control measurements, repairs and overhauls, reconstruction and extension of facilities, devices and installations.

1.1 Scheduled

- Large users, the Ministry and the ERC should be notified in writing at least seven days prior to the interruption,
- Households and smaller energy users should be notified through the media means at least 24 hours before the interruption

1.2 Unscheduled

- For large users – written notification and contract
- For smaller users and households – notification through the media at least 24 hours prior to the interruption

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2. The power supplier may cease the power supply without prior notification if the user is using the power supply in a detrimental manner which is damaging to the life and health of the people and/or is executing a heavy violation to the law. The user, Ministry and the ERC are notified after the termination is made.
3. The supplier shall, by means of prior notification, at least 24 hours before the interruption, notify the user that has made a small violation to the law for the termination of power supply.
4. The power supplier shall notify the users for the interruption , that is limitation of supply due to Force majeure, as well as the time duration of the interruption, i.e. supply.

Connection and Disconnection

The conditions and methods and mutual rights, obligations and responsibilities of the supplier and user of the appropriate type of energy, are closely defined with the **General conditions for supply of the related energy type from the power system** that are given by the ERC.

With the **General conditions for supply of the related energy type from the power system** the following is established:

- Conditions and methods of issuing an energy license to connect the power user to the power grid;
- Conditions, method and term of entering the power supply contract of related energy type;
- Method of charging and bill collection for the power supplied;
- Conditions and method of indemnity to the power user in case of decreased supply or interruption and
- Users that cannot be cut off the power supply.

Connection

1. Energy licensing according to the Energy Law

- 1.1 Any user that gets connected to the power system who increases the energy demand and spare capacity more than 10% is obliged to obtain an energy license for the related energy type.
- 1.2 The energy supplier is liable within a period of 15 days after the submission of an energy license application to issue a decision on energy license in compliance with the technical, energy and economic conditions. A complaint may be lodged against a decision to the Ministry.
- 1.3 The energy supplier is liable, within a period of 15 days after the submission of application for connection to the power system, to connect the energy user to the power system provided that the conditions are fulfilled in the energy license thereof.
- 1.4 Energy license shall cease the validity in the event that within a period of two years after its issue the project construction shall not commence.

General conditions for supply of electricity

<i>Contents of the application for energy license</i>	<i>Contents for decision for energy license</i>
<ol style="list-style-type: none">1. Applicant information2. Address and place of facility3. Date of connection4. Purpose of electricity5. Installed capacity, simultaneous capacity, capacity factor6. Voltage level for connection7. Annual diagram of the electricity and capacity by months (for consumption above 10Gwh and/or installed capacity over 500kVa)	<ol style="list-style-type: none">1. Applicant information2. location, voltage level and date of connection3. Location for supply and measurement location4. Approved capacity and power5. Obligations of the applicant6. Obligations of the system user7. Purpose of electricity8. Method and conditions for carrying out the connection and measurement location

General conditions for supply of natural gas

<i>Contents of the application for energy license</i>	<i>Contents for decision for energy license</i>
<ol style="list-style-type: none">1. Consumer information2. Data and technical characteristics for the facility3. Planned time for connection4. Working pressure of the facility5. Total installed capacity6. Purpose of the consumption7. min. and max. hourly and daily consumption, consumption by months and total yearly consumption8. Possibility for substitution of gas with other fuels.	<ol style="list-style-type: none">1. Consumer information2. Type and purpose of the facility3. Approved working pressure and maximum working consumption4. Total yearly consumption5. Monthly consumption, except for households6. Place and mode of connection of the facility7. Label of the gas pipe to which the connection is being made8. Compulsory rules to be abided by9. Validity of license

Disconnection

Law on Energy

1. The power supplier shall cease the power supply, if it finds that the energy facilities, devices or installations of the user:
 - Do not meet the conditions prescribed under the standards, (technical standards and quality standards) for the smooth supply of the related energy type, or
 - in case of defects
2. Temporary suspension from the power system during the performance of routine inspections, tests and control measurements, repairs, overhauls, reconstruction and extension of facilities, devices and installations, and these:
 - 2.1 Scheduled, only when:
 - The temporary suspension of the power supply made at a time causing least damage to the users, and
 - This being in compliance with the maintenance program of facilities, devices, equipment and installations and pursuant to the annual energy and supply demand.
 - 2.2 Unscheduled, with that:
 - The time and duration of the power supply interruption shall be set and determined by the suppliers and user,
 - In the event that agreement shall not be reached, the Minister responsible for energy makes a decision by a resolution.
 - A complaint against the resolution may be lodged to the Government of R. Macedonia, however the complaint shall not delay the execution of the resolution.

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3. Interruption to the power supply in cases when the user:

- Endangers peoples health and property by using its power facilities, devices and installations;
- Within the period set by the Republic Inspectorate on technical inspections doesn't remove the defects in its power facilities, devices, equipment or installations in conformity with the technical rules and standards;
- poses a direct danger to destroying the power system;
- Connects, without power supplier's agreement, to its facility, device or installation of power system and/or enables connection to another user through its facilities, devices or installations.
- Doe not perform proper keeping of records for the power consumed and uses energy without measuring meters or supervision of the measuring meters or uses meters which are not agreed;
- Doesn't comply with the measurements prescribed for power system operation at war and under emergency circumstances;
- Constrains the energy supply to other users;

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- in the defined period of time does not decrease the capacity, with prior warning from the supplier, and/or the amount of energy consumption to the agreed value an energy license;
 - Does not comply, in times of energy shortages, with the measures prescribed for decrease in power consumption;
 - Does not pay the energy supplied in accordance with the general conditions of energy supply, the energy supply contract and the Law, and
 - Does not allow or enable authorized individuals access to all parts of the connection, protection and measurement meters and power facilities, devices and installations which are thought to be the cause for the occurred constraints in energy supply.
- 3.1 The power supplier is liable to reconnect the energy user to the grid once it determines that the causing effects for the power supply interruption are removed, at the cost of the energy user.
- 3.2 If the energy user considers that it was cut off the energy supply unjustifiably they may request the responsible inspection authority to determine the real conditions which caused the interruption to the power supply.
- 3.3 If the inspection authority determines that the energy supply was interrupted unjustifiably, it shall immediately order the energy supplier to reconnect the facilities, plants and installations at the charge of the supplier, and in this case the energy user may request damage indemnity.

Vis major

- 4.1. The energy user may limit, that is, interrupt the energy supply from the power system in the event of force majeure and other circumstances which are beyond the control of the power supplier and energy user, respectively.
- 4.2. The supplier and user are not bind to the obligation undertaken related to power supply and/or power receipt during the time duration of force majeure and other circumstances.

General energy shortage

- 5.1 Under conditions of general energy shortages, there shall be restrictions in the energy demands in accordance with the criteria and conditions of restrictions in the consumption of certain energy types.
- 5.2 The resolution on criteria and conditions of restrictions in natural gas demand and the resolution on criteria and conditions of restriction in electricity are adopted by the Government of the Republic of Macedonia.

Access to the network

1. The ERC prescribes rules for connection to the power networks
2. Access to the network by the power producer
 - 2.1 For connection to the network the power producer must make an agreement with the entity that operates with the network. The contract must contain the following provisions:
 - Technical conditions for connection to the power systems;
 - Coordination of energy generation;
 - Payment for the supplied energy
 - Conditions for continuous and additional supply to those generators which use a portion of production for internal demands.
 - 2.2 With the general conditions for supply of electricity the conditions for connection are prescribed, that is the supply of electricity produced by independent producers.

Access to the network by interested parties

- 3.1 Legal entities doing business with power systems for transmission, transportation and distribution of energy and energy supplies are liable to provide services from the free capacities to the entities interested in transmission, transportation, distribution and transit of energy and energy supplies through these systems.
- 3.2 The conditions for carrying out the services mentioned above and the tariffs should be objective and fair for all users and should be publicized through the media.
- 3.3 In case the company refuses to provide services without any reason or discriminate any legal entity interested in the provisions of these services, the entity may request the ERC to undertake activities to solve the requirement in compliance with the law.

Service Agreements

1. The contents of the contracts are determined in detail in the general conditions for supply of electricity:
 - Agreed parties
 - Energy data (capacity, energy and other data)
 - Methods and deadlines for delivery/supply
 - Customer category
 - Tariff codes and their use
 - Expenses for special modes of delivery
 - Location for supply and measurement location
 - Mechanism for calculation and method of payment
 - Time duration of the contract and method and conditions for canceling the contract
 - Opportunities for supply restriction for certain facilities of the user
 - Penalties and exemption from penalties

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2. The contents of the contracts are determined in detail in the general conditions for supply of natural gas:
 - Amount, quality and price
 - Mode of delivery
 - Location for supply and measurement location
 - Mechanism for calculation and method of payment
 - Obligations for maintenance of internal installations of the user
 - Obligation of the user for compliance with the technical guidelines for use of natural gas
 - Responsibility of both sides for compensation for damage
 - Conditions under which the supply cannot be restricted or discontinued
 - Time duration of the agreement
 - Dispute settlement