

The Energy Regulatory Office of Kosovo

and

The Illinois Commerce Commission

Partnership Activity

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Prishtina, Republic of Kosovo

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United States Agency for International Development (USAID)

National Association of Regulatory Utility Commissioners (NARUC)

Presentation on:

Rule on Disconnection and Reconnection in Energy Sector



Customer Protection Department

www.ero-ks.org

Legal bases

- Energy Regulatory Office (ERO) pursuant to articles 15 and 58.7 has the authority to establish **Rule on Disconnection**.
- Pursuant to the authority given under Article 15 and 58.7 of the Law on Energy Regulator, the Board of the Energy Regulatory Office on a session held on **24th February 2006** has adopted the **Rule on Disconnection**.
- Due to some changes and modifications the Board of ERO on **27th May 2009** has approved the **Rule on Disconnection**.



General Conditions

- **Scope:** This Rule sets the criteria by which energy enterprises may disconnect and reconnect customers in energy sector in Kosovo and establishes the applicable standards, principles and procedures.
- **Purpose:** The purpose of this Rule is to establish the terms, conditions and procedures relating to disconnection and reconnection to the networks in order to:
 - a) ensure the transparent and non-discriminatory performance of disconnection and reconnection by energy enterprises;
 - b) protect customers through promoting transparent and open access to information regarding disconnection and reconnection to the networks;
 - c) ensure the equal and non-discriminatory treatment of all customers in Kosovo with respect to their rights and obligations regarding disconnection and reconnection.



General principles of Disconnection and Reconnection

- Each energy enterprise is encouraged to develop specific policies for disconnection that treat customers with respect, in a transparent and nondiscriminatory manner. Such policies shall be submitted to ERO for review, and ERO shall approve such policies prior to their application.
- This Rule sets forth only the principles that are directly related to the disconnection and reconnection. All other dispositions related to the Article 52 of the Law on Energy Regulator are included in the Rule on General Conditions of Energy Supply, issued and adopted by ERO.
- Disconnection is an option allowed to an energy enterprise; it is not a requirement placed on the energy enterprise by ERO.
- The energy enterprise shall endeavour to undertake all necessary steps, including the imposition of fines where such fines or other action may eliminate the reasons for disconnection and prevent the disconnection. In the case of non-payment, disconnection is to be used as a last resort where other measures set forth in this Rule and in the Rule on General Conditions of Energy Supply have failed to produce the desired effect.
- The energy enterprise is entitled to charge fees for issuance of the disconnection and reconnection notices, and for the disconnection and reconnection of customers in accordance with and not exceeding the amounts in the guidelines of Attachment 1: **Schedule of Prices and Fines.**



Disconnections categories

Two categories of disconnections:

➤ **Commercial disconnection:**

- ✓ Disconnection for Unauthorized Consumption of Energy;
- ✓ Disconnection for Non-payment of Energy;
- ✓ Disconnection for Other Commercial Reasons;

➤ **Non-commercial disconnection:**

- ✓ Disconnection for Health and Safety Reasons
- ✓ Disconnection for Distress or Damage to the Network or Equipment for the Supply of Energy
- ✓ **Disconnection due to Abandonment**
- ✓ **Disconnection upon Request**
- ✓ **Disconnection for other Non-Commercial Reasons**



Disconnection for Unauthorized Consumption of Energy

- The energy enterprise may disconnect the customer for unauthorized energy consumption as defined in the Article 28 of the Rule on General Conditions of Energy Supply.
- The energy enterprise may execute actions in response to unauthorized consumption in accordance with the Chapter 4 of this Rule as well as the energy enterprises' policies and internal procedures approved by ERO.
- Where a customer's energy supply has been disconnected due to unauthorized energy consumption and when the same customer has been arbitrarily reconnected without the authorization of the energy enterprise, then such customer shall have the energy supply equipment removed in accordance with the Article 26 of this Rule.



Disconnection for Non-payment of Energy

- The energy enterprise may disconnect a customer, who fails to meet payment deadlines set in the bill or supply contract, in accordance with the General Conditions of Energy Supply.
- In the event the customer presents clear evidence for the payment of bills or installment to the energy enterprise in accordance with the payment agreement, and such non payment was the reason why the disconnection notice was issued, then the energy enterprise shall not disconnect such customer.



Disconnection for Other Commercial Reasons

- An energy enterprise may disconnect a customer if such customer:
 - a). falls under the category of non-household customer but is registered as a household customer; or
 - b). has failed to pay a guarantee deposit when required by the energy enterprise, pursuant to requirements set forth in the Rule on General Conditions of Energy Supply.
 - c). is mandated by court order or by some other duly authorized public authority.



Disconnection for Health and Safety Reasons

- An energy enterprise is entitled to immediately disconnect any customer if such disconnection is necessary to remove an immediate risk to the health and safety of any physical person and/or safety of any property.
- Such disconnection may be used in the event of any force majeure or any material accident of installations for the generation, transmission or distribution of energy or other possible risks.
- Upon identifying a health or safety risk, the energy enterprise shall endeavor to notify all affected customers before making the disconnection.
- The energy enterprise shall, immediately upon addressing or removing the health or safety risks warranting disconnection, reconnect the customer at no cost to the customer, except in the event that such customer is responsible, in part or in full, for creating the dangerous conditions that resulted in the disconnection.



Disconnection for Distress or Damage to the Network or Equipment for the Supply of Energy

- The energy enterprise may disconnect the premises of any customer for causing distress or damage to the energy plants, energy network or meter in accordance with the Grid Code or the Distribution Code.
- The energy enterprise shall endeavour to inform all affected customers and shall provide the reasons for disconnection.
- Such written information shall contain the period of expected disconnection. Such period shall be reasonable and based on the circumstances of the case. If the cause of disconnection is not removed within the period stated in such information, the period may be extended until the completion of the repair.



Disconnection due to Abandonment and upon Request

Disconnection due to Abandonment:

- In the event that the energy enterprise identifies a connection no longer in use due to lack of human habitation or significant structural damage that precludes safe habitation, it shall post the disconnection notice at the physical location of the concerned connection.

Disconnection upon Request

- A customer is entitled to request the energy enterprise to disconnect his or her connection to the energy network.
- In the event that a customer requesting disconnection has failed to settle debts to the energy enterprise in full, the dispositions regarding the disconnection and reconnection charges and fines, as stipulated in Attachment 1, shall apply unless a separate payment agreement between the customer and the energy enterprise provides more lenient terms to the customer.



Disconnection for other Non-Commercial Reasons

- An energy enterprise may disconnect a customer when such customer has refused to grant a representative of the energy enterprise access to property or premises for the purpose of:
 - ✓ inspecting meters or metering point;
 - ✓ controlling a connection;
 - ✓ controlling unauthorized consumption of energy;



Disconnection procedure

Warning Notice:

- Prior to disconnection, a warning notice shall be issued with a bill for outstanding debt and explanation as to the method of remedying non-payment;
- The warning notice shall include a notification on measures that will be undertaken against the customer including disconnection if the customer does not perform actions specified in such warning notice within a defined period of time. That period of time shall not be less than fifteen (15) calendar days from the date that the warning notice is sent to the customer.

Disconnection Notice:

- An energy enterprise must provide, after the deadline for a warning notice set in Article 15.2 and taking into account the period for resolution of disputes stipulated in Article 19 setting forth the period, a disconnection notice to the customer prior to disconnection.
- Disconnection notice is not required in the following circumstances: health and safety risks to persons, per request of the customer, unauthorized consumption of energy, distress or damage to the network or equipment or for operational or maintenance purposes, where feasible.
- Disconnection notice includes: name of the customer and the number of the metering point, reason and legal basis for disconnection, address and contact information of the office where the customer may obtain more information, an explanation of actions that the customer must undertake to prevent the disconnection, conditions and procedures that the customer shall fulfill to request the reconnection etc.



Dispute and Investigation Prior to the Disconnection

- An energy enterprise shall not disconnect a customer who disputes in written form the reasons for disconnection, pending investigation of the dispute by the energy enterprise or other responsible authorities.
- In the event of such disputes, the energy enterprise or/ ERO shall investigate the dispute and communicate its decision to the customer within Rule on Dispute Settlement Procedure.
- Until such review and determination is made, the customer shall be required to pay: the part of bill that is uncontested;
- Temporary relief due to Medical Condition of the Customer: The energy enterprise shall postpone the disconnection of service for up to ten (10) calendar days, if, prior to the disconnection date specified on the disconnection notice, the customer provides to the energy enterprise a medical statement from a licensed physician or public health official certifying that disconnection would be a serious and immediate threat to the health or safety
- Disconnection during Extreme Weather: If a disconnection of energy supply puts at risk the life or health of any customer due to low temperatures the energy enterprise of district heating shall not execute disconnection actions, during extreme cold weather in winter when



RECONNECTION OF ENERGY SUPPLY

- An energy enterprise shall reconnect the premises of a customer not later than two (2) working days after the reason for disconnection has been resolved;
- If the customer has submitted a complaint in writing to the energy enterprise disputing the reasons for disconnection, then the energy enterprise shall reconnect the customer within the shortest term possible and no later than 48 hours since the disconnection was effected;
- Any unregistered customer who has been disconnected from the network because of being connected to the network without the consent of the energy shall be reconnected in the network only after fulfilling the following conditions: applies for connection, signs the agreement for connection, pays for the amount of energy consumed in unauthorized manner, signs a supply contract with the supplier.



Collective Disconnection

- Collective disconnection shall be used as a means of last resort and the energy enterprise shall endeavor to limit it in duration and extent to the maximum extent possible.
- Collective disconnections may be carried only where an energy enterprise can demonstrate to the satisfaction of ERO that:
 - a). a group of non-paying customers subject to the proposed disconnection is a qualifying group; or
 - b). the energy enterprise has been physically precluded from meter readings or conducting maintenance activities within a defined area
- When applying for approval for collective disconnection, an energy enterprise shall submit to ERO the following information: the physical point in the energy distribution, the number and percentage of customers, copies of all undisputed bills, warning notices and disconnection notices or relevant extracts of records for each customer within the qualifying group, evidence that the energy enterprise has published the public announcement



Execution of Collective Disconnection

- A collective disconnection shall be effected in accordance with the following procedure:
 - a). the first disconnection period shall be forty-eight (48) hours;
 - b). upon the conclusion of the first disconnection period, the energy enterprise shall reconnect services for a consecutive period of not less than forty-eight (48) hours;
 - c). if, upon the conclusion of the first reconnection period, the grounds for the collective disconnection remain, the energy enterprise shall apply in writing to ERO for approval to extend the period of disconnection for a specified amount of time, pursuant to identified conditions including additional disconnection notice.



Attachment 1: Schedule of Charges and Fines

1. Preparation and delivery of the disconnection and /or reconnection notice	€ 5.00																																													
2. Disconnection for Household Customers	€ 15.00																																													
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4. Disconnection for Non-household customers (commercial customers)	€ 30.00																																													
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6. Fines for Connection and Reconnection for Unauthorized use, Tampering meter and Theft	€ 1000																																													
7. Fines for unauthorized reconnection by registered customers of the premises after disconnection by energy enterprise (for House holds and Non-households of registered customers)	<table><tr><td>Tariff Group</td><td>Description</td><td>Amount</td></tr><tr><td>1/1</td><td>110 KV-2</td><td>€ 2.000</td></tr><tr><td>1/2</td><td>35 KV -2</td><td>€ 2.000</td></tr><tr><td>1/3</td><td>10 KV -3</td><td>€ 2.000</td></tr><tr><td>4/01</td><td>0.4 KV HH Single TM-4</td><td>€ 100</td></tr><tr><td>4/02</td><td>0.4 KV HH Double TM-4</td><td>€ 100</td></tr><tr><td>5/41</td><td>Prepaid HH</td><td>€ 100</td></tr><tr><td>5/71</td><td>Prepaid Commercial</td><td>€ 300</td></tr><tr><td>6/6</td><td>0.4 KV Cat. 1-6</td><td>€ 300</td></tr><tr><td>7/01</td><td>0.4 KV Cat.2 Single TM-7</td><td>€ 300</td></tr><tr><td>7/02</td><td>0.4 KV Cat.2 Double TM-7</td><td>€ 300</td></tr><tr><td>8/01</td><td>Public Lighting-8</td><td>€ 300</td></tr><tr><td>9/01</td><td>Fixed Rate < 400 kWh</td><td>€ 100</td></tr><tr><td>9/02</td><td>Fixed Rate 400-800 kWh</td><td>€ 100</td></tr><tr><td>9/03</td><td>Fixed Rate > 800 kWh</td><td>€ 100</td></tr></table>	Tariff Group	Description	Amount	1/1	110 KV-2	€ 2.000	1/2	35 KV -2	€ 2.000	1/3	10 KV -3	€ 2.000	4/01	0.4 KV HH Single TM-4	€ 100	4/02	0.4 KV HH Double TM-4	€ 100	5/41	Prepaid HH	€ 100	5/71	Prepaid Commercial	€ 300	6/6	0.4 KV Cat. 1-6	€ 300	7/01	0.4 KV Cat.2 Single TM-7	€ 300	7/02	0.4 KV Cat.2 Double TM-7	€ 300	8/01	Public Lighting-8	€ 300	9/01	Fixed Rate < 400 kWh	€ 100	9/02	Fixed Rate 400-800 kWh	€ 100	9/03	Fixed Rate > 800 kWh	€ 100
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8. Fines for energy enterprise non-compliance with the disposition of this Decision.	€ 2,000.00 for energy enterprise; 1/3 from salary of authorized person																																													



Thank you for your attention

