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# STANDARD TERMS OF NETWORK AGREEMENT OF ELERING AS

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#### 1. General provisions

- 1.1 These "Standard Terms of the Network Agreement of Elering AS" (hereinafter referred to as the Standard Terms) specify the rights and obligations of Elering AS (hereinafter referred to as the Network Operator) in relation to the network connection user (hereinafter referred to as the Customer) in providing network services in accordance with the Network Agreement between the Network Operator and Customer (hereinafter referred to as the Agreement), and the Customer's rights and obligations in carrying out the Agreement.
- 1.2 A Standard Term that deviates from an important principle of law is null and void.
- 1.3 The Standard Terms apply to Network Agreements to be entered into and to Network Agreements valid at the time the Standard Terms enter into force regardless of whether or not the Standard Terms are attached to the Network Agreement. The Network Operator ensures the availability of the Standard Terms on its website. The valid Standard Terms shall be applied to the Network Agreement at all times.

#### 2. Definitions

- 2.1 The terms in the Agreement are used in the following meaning:
  - 2.1.1 **emergency situation** i.e. an operational malfunction is a situation where events caused by internal or external factors cause a malfunction of the electricity system's normal status or the system's electrical installations;
  - 2.1.2 system automation:
    - 2.1.2.1 pole slip protection (PSP);
    - 2.1.2.2 splitting automation by voltage (SAV);
    - 2.1.2.3 load shedding (LS);
    - 2.1.2.4 load shedding by voltage (LSV);
    - 2.1.2.5 load restoration by voltage (LRV);
    - 2.1.2.6 load shedding by frequency (LSF);
    - 2.1.2.7 load restoration by frequency (LRF).
  - 2.1.3 **electricity** active and reactive electrical energy;
  - 2.1.4 **power outage** a situation where both conditions are present at the place of consumption:
    - 2.1.4.1 voltage below 5% of the contractual voltage for a longer period than automatic function:
    - 2.1.4.2 reduced consumption or production of consumers and/or producers connected to the place of consumption by normal circuit, except when caused by the Customer's activities (or failure to act), or a malfunction of the Customer's electrical installation (including relay protection or automation malfunction);
  - 2.1.5 **electrical installation** functional set of equipment, conductors and accessories for electricity production, transmission, conversion, measurement, sale or consumption;
  - 2.1.6 **ordering the operation of the electrical installation** issuance of an order to the switching operator to change the operational status of an electrical installation, including switching it on or off;
  - 2.1.7 **electricity system** the technical system for electricity production and transmission by power stations on the territory of Estonia plus a network with the relevant control, protection and communication systems connecting the stations with each other and with consumers;
  - 2.1.8 **electricity system operation management** activities ensuring the security of supply for the electricity system or its parts: the Network Operator's orders to switch equipment on/off, or single parts thereof, or relay protection and automation equipment

- under the Operator's control for repairs or relocation of work, amendments to the settings of relay protection and automation equipment or regulation of the active or reactive energy by the Customer's electricity production equipment;
- 2.1.9 **restriction of power supply** restriction or discontinuation of network service provision in one or more connection points so as to ensure the balance of electricity system capacities and the functioning of the electricity system as a whole;
- 2.1.10 **table of charges** list(s) of network charges laid down by the Network Operator payable to the Operator by the Customer for services provided and expenses incurred. The table of charges is, in the cases and to the extent prescribed by legislation, coordinated or approved by a competent monitoring authority as provided for in legislation, and is published to the extent and according to the procedure prescribed by legislation;
- 2.1.11 **applicable set of tariffs** a set of network charges defined in the table of charges;
- 2.1.12 **operation** any activity which keeps electrical installations in service;
- 2.1.13 **agreement** the network agreement concluded between the Customer and the Network Operator with all of its amendments, annexes and integral parts, including the Standard Terms:
- 2.1.14 **connection contract** the contract concluded between the Network Operator and the Customer to create a network connection for the Customer and/or amend the terms of use of the network connection;
- 2.1.15 **connection point** a specified junction between the Customer's electrical installation and the Network Operator's network, determining liability between the Customer and Network Operator, as well as limits of ownership and possession for the electrical installation;
- 2.1.16 **switching operations** activities related to an electrical installation to change its electrical status, including changes to its operational condition and the execution of electrical installation operation related work, including:
  - 2.1.16.1 the granting of permission to an electrical installation manager to switch the installation on or off;
  - 2.1.16.2 the granting of permission by the electrical installation manager for the switching operator to change the electrical installation's operational condition, including switching it on or off (ordering the operation of electrical installation);
  - 2.1.16.3 changes to the electrical installation's operational condition, e.g. switching it on or off.
- 2.1.17 **due date of payment** the day when a given charge has to be received in the Network Operator's bank account;
- 2.1.18 **measurement point** a location where electricity is measured as it passes through;
- 2.1.19 **measurement system** a set of measuring instruments and ancillary equipment for the measurement of electricity volumes consumed from the network or supplied into the network;
- 2.1.20 **normal mode** power network configuration whereby normal operating conditions and the consumption and/or production capacities under the network agreements of all Customers connected to the power network are guaranteed;
- 2.1.21 **fuse with cross-boundary effect** relay fuse device the working range of which exceeds the boundary between the Customer's and Network Operator's property or possession;
- 2.1.22 **malfunction** a condition of the electricity system that can cause disturbances in the electricity system or in electrical installations connected to it;
- 2.1.23 **verification** the procedure during which a competent verification laboratory or informed authority tests whether or not a measurement equipment meets the defined

- requirements and marks measurement equipment that meets the requirements with a verification mark;
- 2.1.24 **verification mark** a verification sticker, verification seal or impression of a verification stamp;
- 2.1.25 **place of consumption** a place where the Customer can use a network connection through one or more connection points; should there be multiple connection points, it is the same place of consumption only if the network connection can be ensured through another connection point at the same place of consumption in the case of a network connection disruption at one connection point;
- 2.1.26 **terms of consumption** nominal voltage, maximum permitted consumption capacity and maximum time limits for the elimination of power outages with regard to place of consumption as laid down in the Agreement;
- 2.1.27 **terms of production** nominal voltage, maximum permitted production capacity and maximum time limits for the elimination of power outages with regard to place of consumption as laid down in the Agreement;
- 2.1.28 **charge** any monetary amount paid or payable to the Network Operator by the Customer in accordance with an agreement and/or legislation, including the network services charge paid in accordance with the Agreement, fines for delays, contractual penalties and amounts payable as compensation for damages to the Network Operator;
- 2.1.29 **technical regulations** the technical requirements referred to in legislation, agreements entered into between the Customer and the Network Operator and the Standard Terms; the standards and regulations provided in Annex 1 to the Standard Terms; and the regulations, which are to be met in order to ensure the operation of the electricity system and safety of electrical installations;
- 2.1.30 **switching failure** failure of an electrical device's condition (on or off position) to change when attempts are made to change it;
- 2.1.31 **network service** a service provided by the Network Operator to the Customer in accordance with the Agreement, including:
  - 2.1.31.1 enabling the transmission of electricity in the main network to or from the connection point;
  - 2.1.31.2 the transmission of electricity in the main network to or from the connection point;
  - 2.1.31.3 the collection and analysis of measurement data;
  - 2.1.31.4 the provision of additional services directly related to the network services listed in sections 2.1.31.1–2.1.31.3.
- 2.1.32 **network connection** an electrical connection between the network and the Customer's electrical installations;
- 2.1.33 **use of a network connection** use of a network connection by the Customer to the extent and according to the procedure, parameters and terms provided for in the agreement;
- 2.1.34 **terms of use for a network connection** consumption terms or production terms other technical terms;
- 2.1.35 **network** an electrical installation or its part used for the transmission of electricity to the Customer's connection point or from the Customer's connection point towards the transmission network.

# 3. Ensuring Network Connection and Quality of Network Services

- 3.1 The Network Operator must provide the Customer with a network service at the place of consumption and under the terms agreed upon in the Agreement.
- 3.2 Regulation of voltage:
  - 3.2.1 The Network Operator guarantees the regulation of voltage at nominal voltages of 110 kV and 330 kV according to the voltage ranges specified in regulations (EU) 2016/631 (hereinafter referred to as RfG) and (EU) 2016/1388 (hereinafter referred to as DCC);
  - 3.2.2 The Network Operator shall ensure voltage regulation at nominal voltages up to 35 kV in accordance with the voltage ranges given in the standard EVS-EN 50160;
  - 3.2.3 The Network Operator must implement the setting values for automatic voltage regulators within a reasonable time of receiving them from the Customer. These setting values must remain within the voltage limits specified in sections Error! Reference source not found. and Error! Reference source not found. given voltage ranges. For transformers without automatic voltage regulators, the System Operator must set the tap changers to the voltage level required by the Customer within a reasonable time
- 3.3 The Network Operator shall ensure that the range of frequency change of the network complies with the frequency ranges specified in the RfG and the DCC and the national provisions approved by the Competition Authority on the basis of these regulations.
- 3.4 The Customer guarantees that their electrical installations function within the limits of voltage provided for in section 3.2 and frequency deviation provided for in section 3.3, so that the requirements laid down in technical regulations are followed.
- 3.5 The network services provided by the Network Operator must, among other things, comply with the requirements laid down by the Minister of Economic Affairs and Communication's regulation "Quality requirements for network services and conditions for reducing network charges in case of violation of the quality requirements" (hereinafter referred to as Quality Requirements).

# **4.** Measurement of Electricity Transmitted and Determination of the Maximum Consumption Capacity

- 4.1 The Network Operator ensures the determination of the volume of electricity to or from their network; collection and processing of measurement data by appropriate measuring equipment in accordance with legislation, the Standard Terms and the Agreement.
- 4.2 The volumes of electricity transmitted are determined using the Network Operator's measurement system at measuring points agreed upon in the Agreement, unless otherwise agreed upon between the parties.
- 4.3 The maximum power consumption shall be determined by measuring the electricity for a period no shorter than one minute. The maximum consumption capacity does not include the capacity that was necessary to ensure the reserve connection capacity of the Network Operator's equipment.
- 4.4 The Network Operator must conduct, at its own expense, metrological and technical servicing of the measurement system installed at the connection point or elsewhere.
- 4.5 The telemetry (measurement and transference of data) shall be organised by the Network Operator unless otherwise agreed upon between the parties.
- 4.6 If the Customer requests it, the System Operator shall enable the Customer to monitor measurement data in real time at their own expense, unless this is impossible for technical reasons.

- 4.7 If the measurement point is not located at the connection point, the calculated network electricity losses between the measurement point and the connection point shall either be added to or subtracted from the volume measured. If the measurement point has been established in the connection point during the network construction works by the Network Operator, the measurement point established in the connection point shall be applied by the Network Operator and the parties must sign the respective amendment to the Agreement.
- 4.8 The measurement system is sealed by the Network Operator. Removal of the seals without permission from the Network Operator or violation of the seals is prohibited.
- 4.9 The Customer must immediately notify the Network Operator of any damage, loss, absence or destruction of the measurement system or its seals and verification marks, as well as of any malfunction of the measurement system or affecting or distorting its readings.
- 4.10 If the Customer so requires in writing, the Network Operator shall organise a test of the measurement systems. If the verification reveals that the measurement device does not meet the requirements, the costs of the test will be incurred by the Network Operator. In other cases, the expenses related to the inspection shall be borne by the Customer on the basis of an invoice presented by the Network Operator. If the measurement system does not belong to the Network Operator, the Network Operator shall have the same rights as stipulated in this section for the Customer when testing the measurement system.
- 4.11 If, due to malfunction of, damage to, loss, lack or destruction of the measurement system or its seals for reasons other than the Customer's or a third party's activity or failure to act, and in other cases when, for reasons other than the Customer's or a third party's activity or failure to act, the electricity volume as measured by the measurement system does not correspond to the actual volume of transferred electricity, the parties will calculate the electricity volumes transmitted using the mathematical principle. The measurement results from similar previous days, telemetry results, measurement results from the Customer's control meters, and extraordinary changes in consumption etc. will be taken into account. The Network Operator together with the Customer's representative will prepare a document on calculating the electricity volume on the grounds described in this section, on the basis of which an invoice is submitted to the Customer in accordance with the Agreement.
- 4.12 In the case of a malfunction of the measurement system, or tampering with or distortion of its readings, or damage to, loss or destruction of the measurement system or its seals is caused as a result of the Customer's or a third party's activity or failure to act (unauthorised use), the electricity volume transmitted will be calculated in accordance with legislation.

## 5. Network Charges

- 5.1 The Customer must pay the Network Operator for the provision of the network services the charges set forth by the latter in accordance with legislation (hereinafter referred to as the Network Charges), and the table of charges laid down by the Network Operator forms an integral part of the Agreement.
- 5.2 The calculation of the Network Charges under the network agreement starts on the day following the completion date of the connection point under the connection contract. If the connection point has actually been completed earlier and the connecter takes it into use, the calculation of the Network Charges shall commence as of the date on which the connection point is taken into use. If the connection point is not completed by the date agreed in the connection contract, the calculation of the Network Charges shall commence as of the day following the date of actual completion.
- 5.3 The Network Operator has the right to unilaterally amend the table of Network Charges list in accordance with the procedure and conditions provided for in legislation, and the amended table of charges becomes part of the Agreement as of its entry into force.

- 5.4 The amount of the Network Charges applicable to the Customer shall be determined on the basis of the voltage level of the connection point and the applicable set of tariffs chosen by the Customer:
  - 5.4.1 The Network Operator shall classify the connection points between the three voltage levels according to the nominal voltage of the connection point: on the lower voltage side of a 330 kV, 110 kV or a 110 kV transformer operating at 6-35 kV voltage;
  - 5.4.2 The Network Operator permits the Customer to choose between the following applicable sets of tariffs:
  - 5.4.2.1 Set of tariffs I, which includes the transmission fee and whereby the following tariff components are applied depending on the voltage level of the connection point(s):
  - 5.4.2.1.1 for using network services at a voltage level of 330 kV, the Customer shall pay during as follows:
  - 5.4.2.1.1.1 transmission charge on the basis of tariff A1 for the consumption of active energy and reactive energy charge on the basis of tariff R for the consumption and for the supply of reactive energy to the network per connection point during the trading period;
  - 5.4.2.1.1.2 upon the supply of active energy to the network the reactive energy charge for the consumption of reactive energy and the supply of reactive energy to the network on the basis of tariff R during each trading period per connection point;
  - 5.4.2.1.1.3 capacity charge according to the maximum permitted consumption capacity of the place of consumption under tariff V1;
  - 5.4.2.1.1.4 consumption point charge according to the number of consumption points on the basis of tariff T1;
  - 5.4.2.1.2 for using network services at a voltage level of 110 kV, the Customer shall pay as follows:
  - 5.4.2.1.2.1 transmission charge on the basis of tariff A2 for the consumption of active energy and reactive energy charge on the basis of tariff R for the consumption and for the supply of reactive energy to the network per connection point during the trading period;
  - 5.4.2.1.2.2 upon the supply of active energy to the network the reactive energy charge for the consumption of reactive energy and the supply of reactive energy to the network on the basis of tariff R during each trading period per connection point;
  - 5.4.2.1.2.3 capacity charge according to the maximum permitted consumption capacity of the place of consumption under tariff V2;
  - 5.4.2.1.2.4 consumption point charge according to the number of consumption points on the basis of tariff T2;
  - 5.4.2.1.3 for using network services at a voltage level of 110 kV of the low voltage side of the transformer, the Customer shall pay as follows:
  - 5.4.2.1.3.1 transmission charge tariff A3 for the consumption of active energy and reactive energy charge on the basis of tariff R for the consumption and for the supply of reactive energy to the network during each trading period per connection point;
  - 5.4.2.1.3.2 upon the supply of active energy to the network the reactive energy charge for the consumption of reactive energy and the supply of reactive energy to the network on the basis of tariff R during each trading period per connection point;
  - 5.4.2.1.3.3 capacity charge according to the maximum permitted consumption capacity of the place of consumption under tariff V3;
  - 5.4.2.1.3.4 consumption point charge according to the number of consumption points on the basis of tariff T3.
  - 5.4.2.2 Set of tariffs II, which does not include the transmission fee and whereby the following tariff components are applied depending on the voltage level of the connection point(s):

- 5.4.2.2.1 for using network services at a voltage level of 330 kV, the Customer shall pay during as follows:
- 5.4.2.2.1.1 the reactive energy charge for the consumption of reactive energy and the supply of reactive energy to the network on the basis of tariff R during each trading period per connection point;
- 5.4.2.2.1.2 capacity charge according to the maximum permitted consumption capacity of the place of consumption under tariff V4;
- 5.4.2.2.1.3 consumption point charge according to the number of consumption points on the basis of tariff T4.
- 5.4.2.2.2 for using network services at a voltage level of 110 kV, the Customer shall pay as follows:
- 5.4.2.2.2.1 the reactive energy charge for the consumption of reactive energy and the supply of reactive energy to the network on the basis of tariff R during each trading period per connection point;
- 5.4.2.2.2 capacity charge according to the maximum permitted consumption capacity of the place of consumption under tariff V5;
- 5.4.2.2.3 consumption point charge according to the number of consumption points on the basis of tariff T5.
- 5.4.2.2.3 for using network services at a voltage level of 110 kV of the low voltage side of the transformer, the Customer shall pay as follows:
- 5.4.2.2.3.1 the reactive energy charge for the consumption of reactive energy and the supply of reactive energy to the network on the basis of tariff R during each trading period per connection point;
- 5.4.2.2.3.2 capacity charge according to the maximum permitted consumption capacity of the place of consumption under tariff V6;
- 5.4.2.2.3.3 consumption point charge according to the number of consumption points on the basis of tariff T6.
- 5.4.3 The set of tariffs chosen by the Customer until 10 December 2023 will be applied to the Customer for a minimum period of six months starting from 1 January 2024. For the initial period after the establishment of the Standard Terms, the Network Operator shall apply set of tariffs I to the Customers who do not inform the Network Operator of the recommended tariff. The Customer is only permitted to use one set of tariffs per substation. The set of tariffs chosen by the Customer after 10 December 2023 will be applied to the Customer for a minimum period of six months, starting either on 1 July (for which the Network Operator must be notified no later than 31 December of the previous calendar year) or 1 January (for which the Network Operator must be notified no later than 30 June of the previous calendar year). If the Customer does not inform the Network Operator of the set of tariffs they would like for the next period by the deadlines given, the set of tariffs in force for the next half-year will apply to the Customer.
- 5.5 For those trading periods for which the Network Operator has given an order to modify the reactive energy balance at the connection point by means of a predetermined voltage level or amount of reactive energy, the contractual penalties for breach of the reactive energy tariff R in section 5.4 and the conditions in section 11.2.19 in accordance with section 12.3 shall not apply, unless otherwise agreed in a bilateral agreement.
- 5.6 The volumes of active and reactive energy network services provided during the trading period shall be calculated separately for the directions of supplied to the network and taken from the network by the metering point of each connection point.
- 5.7 For the maximum aggregated consumption capacity at a consumption point or across several consumption points, the Customer pays a capacity fee according to the set of tariffs, the consumption capacity and the voltage level indicated in the Agreement, based on MVA per calendar year.

5.7.1 in the case of a consumption point or consumption points where there are connection points at different voltage levels in the same consumption point or in the aggregated consumption point, the Customer shall pay the capacity charge according to the formula:

$$\begin{split} \text{Capacity charge at consumption point} \\ &= \sum \Bigl( \frac{\text{LPV}_{\text{voltage level}}}{\text{LPV}_{\text{sum}}} \cdot \text{TKV} \cdot \text{V}_{\text{voltage level}} \Bigr) \end{split}$$

where

LPV voltage level is the maximum permissible consumption capacity of the connection points of a voltage level;

LPV<sub>sum</sub> is the sum of the maximum permitted consumption capacities of all connection points or consumption points of the consumption point;

TKV is the maximum permitted consumption capacity at the consumption point or the sum of the maximum permitted consumption capacities of consumption points; V<sub>voltage level</sub> is the capacity charge tariff of the respective voltage level.

- 5.7.2 for consumption points where the maximum permitted consumption capacity values set forth in the Agreement change during the calendar year, the Customer pays a capacity charge pro rata to the term of validity of the agreed capacity. In this case, a calendar year is deemed to be 365 calendar days.
- if the network agreement provides for a maximum permitted consumption capacity 5.7.3 above several consumption points, the Customer pays a capacity charge for the capacity above the consumption points agreed in the network agreement.
- 5.8 The charge for the consumption point is paid by the Customer at each substation according to the set of tariffs, the voltage level indicated in the agreement, on the basis of a connection point per calendar year.
  - in the case of a consumption point, where there are connection points at different 5.8.1 voltage levels at the same consumption point, the Customer pays the consumption point charge according to the voltage level of the connection point with the highest consumption point tariff;
  - 5.8.2 In the case of the total capacity of consumption points agreed in the network agreement for one substation, the Customer must pay the consumption point charge for each consumption point.

# 6. Payment of Network Charges

- The Customer shall pay the Network Charges and other charges arising from the Agreement by the 21<sup>st</sup> day of the calendar month following the provision of network services. The annual fee calculated in sections 5.7 and 5.8 will be paid by the Customer on the basis of an invoice in 12 equal monthly instalments. In the case of an increase in the Customer's consumption capacity specified in the Agreement or an increase in the number of consumption points, the charges set out in sections 5.7 and 5.8 shall be recalculated during the calendar year and shall apply from the entry into force of the Agreement. The transmission charge is billed monthly according to the amount of electricity transferred from the Network Operator's network to the Customer's network at the connection point.
- The charge shall be considered paid on the day on which it is received in the Network 6.2 Operator's bank account.
- 6.3 If the Customer fails to pay the invoice by the payment date specified, the Network Operator has the right to charge from the Customer late interest of 0.05% of the amount outstanding as of the payment date per day until the entire sum is completely received by the Network Operator. Late interest shall start to accrue on the day following the payment date and shall

- stop accruing on the day full payment is received. If invoices are paid partially, late interest shall be extinguished first followed by the principal, and the amounts that became collectible earlier shall be extinguished before the amounts that became collectible later.
- 6.4 If the Customer does not agree with the invoice presented by the Network Operator or agrees only partially, the Customer shall notify the Network Operator thereof in writing promptly after receiving the invoice, specifying all of the reasons for not agreeing with the invoice. In case of partial non-acceptance, the Customer must pay the accepted part pursuant to the Agreement. The Network Operator must check the Customer's request within five (5) days of receiving the notice and to notify the Customer of the results of the check. Due to the check procedure, the Network Operator may set a later payment date. If the invoice proves not to be correct, the Customer shall pay the fee shown on the invoice along with late interest.
- 6.5 If, as a result of the correction invoice or for any other reason, the Customer incurs a prepayment credit, which is bigger than EUR 50, the Network Operator shall transfer it back to the Customer within two (5) business days, except for cases specified in section 6.6 or if the Customer notifies the Network Operator before the deadline for repayment of the overpaid amount of its desire to be credited for the overpaid amount as a prepayment. If the Network Operator fails to pay the amounts repayable to the Customer by the required deadline, the Customer has the right to demand late interest of 0.05% of the amount outstanding as of the payment deadline per day.
- 6.6 The Customer must, at the demand of the Network Operator, make the prepayment in the following cases:
  - 6.6.1. the Customer has, in the current calendar year, been over ten (10) days late paying the fee more than three times;
  - a fault or distortion in the measurement system, breach of the measurement system or its seals and breach, loss or destruction of the verification markings is found on the Customer's end, and said fact took place as a result of the Customer's failure to perform obligation or perform the obligation in the required manner or as a result of other action or omission on the part of the Customer;
  - 6.6.3. a bankruptcy caution or declaration of bankruptcy is brought against the Customer or bankruptcy or liquidation proceedings are launched, or it is obvious from other circumstances that it may be impossible for the Customer to duly perform obligations arising from the Agreement in the near future;
  - 6.6.4 the power supply at the Customer's connection point has been interrupted due to a violation of the Agreement on the part of the Customer;
  - 6.6.5 in other cases provided in the Agreement.
- 6.7 The Network Operator has the right to demand payment of prepayment by the 25<sup>th</sup> day of the calendar month preceding the provision of network service.
- 6.8 The amount of the prepayment may not exceed the sum of payments for two months, determined on the basis of the average network service charges for six months that the Customer used the network service. If the prepayment paid by the Customer is larger than the payment actually payable the next month, the overpaid amount shall be carried forward as a prepayment for the next month. If the actual network service fee is larger than the prepayment, the Customer shall pay the balance owed on the basis of the invoice presented by the Network Operator
- 6.9 The parties have the right to offset claims against each other solely upon mutual agreement.

## 7. Requirements for Electrical Installations

7.1 The parties have to ensure that the electrical installations they own or possess meet the requirements of the Agreement and technical regulations and will not cause material

- disturbances in the electricity system or worsen electricity transmission. In addition, the parties must use electrical installations in a manner that does not cause side effects or disturbances in contradiction with the rules (including legislation) to other persons connected to the network.
- 7.2 Each party shall ensure the good condition, inviolability, maintenance and compliance, adherence to all protection and safety requirements in accordance with technical regulations at the connection point, measurement systems and their seals and verification marks related to the Agreement and located on a territory or in a building or electrical installation that they own or possess.
- 7.3 The Customer must submit in writing to the Network Operator information on the parameters and use of lines, transformers, generators and compensation equipment as prescribed by the Network Operator, and which is necessary for the Network Operator and/or TSO to fulfil their legal obligations.

# 8. Special Requirements Applied to Production Equipment

- 8.1 The Customer is permitted to connect production equipment to its network in accordance with the legislation, the standard terms and conditions for connection to the electricity transmission network of Elering AS (hereinafter referred to as the Connection Terms) and the technical regulations.
- 8.2 In the event that the connection of electrical installations to the Customer's network is sought, as a result of which the Customer's electrical installation and/or the terms of use of network connections change in terms of the connection terms, the Customer must submit to the Network Operator a request for initiation of connection procedure.
- 8.3 The requirements provided for in legislation and the connection terms apply to the connection procedure and to the approval of the connecters to the Customer's network.
- 8.4 The connection procedure shall not be initiated in the case of changes to the consumption and production conditions to reduce the maximum consumption and/or production capacity or to treat several consumption points as one without increasing the total consumption capacity of the consumption points.
  - 8.4.1 Reduction of the maximum permitted consumption and/or production capacity or the request to treat consumption points as one consumption point without increasing the total consumption capacity of the consumption points shall be made on the basis of the respective request submitted to the Network Operator by the Customer.
- 8.5 The Customer, in whose ownership or possession the power plant is, must ensure:
  - 8.5.1 the submission of data on the regular maintenance works and stoppages of the following year at the power plant in writing to the Network Operator;
  - 8.5.2 the submission of information to the Network Operator on the estimated length of power outage etc. if power plant or its part switches off in case of emergencies;
  - 8.5.3 regular control of the compliance of the power plant to the network regulation and the submission of data to the Network Operator on the schedule and execution of these control procedures;
  - 8.5.4 separate operation of the main power supply and the reserve solution of the power plant;
- 8.6 The Customer, whose electricity network is connected to power plants or generators, must annually provide the Network Operator with the data of the production equipment connected to its electricity network in accordance with the terms and conditions and data form on the Network Operator's Internet website.
- 8.7 The Customer must notify the Network Operator in writing at least 6 (six) months in advance of possible changes to a power plant with a nominal capacity exceeding 1MW that belongs

to the Customer or is connected to the Customer's network, so as to clarify the effect of the changes on the transmission network and, if necessary, make changes or additions to the transmission network and agree within the Network Operator in writing about the respective activity and the division of the costs arising from the change before the change is made. The possible changes include:

- 8.7.1 a new 110 kV line or 110 kV high voltage transformer;
- 8.7.2 replacement of a production device connected to the Customer's or a third party's network or changes to the parameters provided for in the Agreement;
- 8.7.3 replacement of the control system of an existing production device connected to the Customer's or a third party's network or changes to the parameters provided for in the Agreement;
- 8.7.4 adding a direct line to the electrical installation of a consumer, producer or mixed installation connected to the Network Operator.
- 8.8 The provisions of this chapter are not applicable to production equipment that does not work synchronously with the electricity system, including the so-called backup generators.

# 9. Relay Protection and Automation

- 9.1 The parties must keep in working order the relay protection and automation devices and event recorders for the electrical installations they own or possess.
- 9.2 The Network Operator must provide, if necessary, technical information on the compatibility of the protection devices to be connected to the transmission network and existing in the transmission network and to provide the values of the provisions of the protection devices.
- 9.3 The relay protection and automation of the Customer's network must comply with and operate in accordance with the conditions and technical rules laid down by the Network Operator.
- 9.4 The power plants connected to the Customer's network must be equipped with splitting automation in accordance with the technical rules.
- 9.5 The parties must ensure the protection of the electrical installations in their ownership or possession against interruptions and failures.
- 9.6 The parties must take into account that the Network Operator's line protection may not be a reserve protection for the transformer connected with the line.
- 9.7 The Customer must obtain an approval from the Network Operator in writing no less than 2 (two) months in advance for the settings, effects and functions with cross-boundary impact to ensure the selectiveness, speed, sensitivity and reliability of their relay protection and automation, as well as the changes in the transmission of their measuring transformers, especially as follows:
  - 9.7.1 settings of fuses connected to the Customer's medium voltage bars;
  - 9.7.2 high-voltage fuses of the Customer's transformer;
  - 9.7.3 the Customer's line fuses;
  - 9.7.4 settings of the generator's voltage and frequency fuses.
- 9.8 The Network Operator must inform the Customer in writing no less than 2 (two) months in advance about the settings, effects and functions with cross-boundary impact to ensure the selectiveness, speed, sensitivity and reliability of the Network Operator's relay protection and automation, as well as the changes in the transmission of their measuring transformers.

#### 10. Switching Operations and Power Outages

- 10.1 The Network Operator shall ensure that power outages are rectified in accordance with the deadlines set out in the Minister of Economic Affairs and Communications Regulation "Quality requirements for network services and conditions for reducing network charges in the event of non-compliance with quality requirements", except in the cases set out in sections 10.6, 10.12.1–10.12.5.
- 10.2 The switching activities of electrical installations, including their individual elements, relay protection and automation are carried out according to a procedure agreed upon in the Agreement, including with the permission of and by persons authorised by the Agreement.
- 10.3 An electrical installation controlled by one party can be unilaterally switched on or off by the other party only in the cases provided for in the Agreement, including in the Standard Terms, or in the case of direct threat to life, health or property.
- 10.4 If no special guidelines exist, circuit breakers switched off by the system automation device can be switched on only with the permission of the Network Operator.
- 10.5 Earthing of the neutrals of the start-connections of transformers:
  - 10.5.1 the Network Operator is entitled to changing the earthing mode of the neutral owned by the Network Operator at any time;
  - 10.5.2 earthing or non-earthing of the star-connections of the overwinding of the Customer's 110 kV 330 kV transformers is carried out by order of the Network Operator. An unearthed star-connection must be equipped with an overvoltage protection;
  - 10.5.3 the Customer must change the earthing mode of the neutral of the Customer's transformer within 24 hours as of receiving the respective order from the Network Operator.
- 10.6 So as to ensure security of supply in a system or part of a system in an emergency, the Network Operator has the right to switch off the Customer's consumption to the extent required for technical reasons.
- 10.7 By the 15<sup>th</sup> day of the month, each party shall submit to the other party for written approval the time and duration of the de-energisation of their connection point scheduled for the following month, should one party need to temporarily disconnect the electrical installation from the network for maintenance, repairs, tests or other previously scheduled reasonable cause.
- 10.8 The other party must, no later than within 10 (ten) days of receiving the notice specified in section 10.7, approve the proposed time and duration of the outage of the electrical installations or, in the case of refusal to give approval, present within the same time limit, reasoned objections to the time and/or duration of the outage, which the party that sent the notice will, if possible, take into account, by bringing forward or moving back the time of the outage of the electrical installation by up to thirty (30) days and/or shortening the length of the power outage, if possible.
- 10.9 If the party does not present their approval in accordance with the procedure described in section 10.8 or if their objections cannot be solved by changing the time and duration of the outage of the electrical installations in accordance with the procedure described in section 10.8, the power outage will not take place.
- 10.10 If, for a second time during the same calendar year, a party does not approve the time and duration of the outages of the same electrical installations or their objections cannot be solved by changing the time and duration of the outage of the electrical installations in accordance with the procedure described in section 10.8, the party that sent the notice will have the right to conduct the outage of said electrical installations at the time chosen by the party.
- 10.11 When planning an outage of electrical installations, the parties must align the times of the outages of electrical installations if possible and if it does not cause excessive expenses to the parties

- 10.12 The Network Operator has the right to carry out an outage or allow for one to occur:
  - 10.12.1 without prior notice in an emergency situation and in the instance of a malfunction if it cannot be avoided in order to ensure the protection of people's lives or health or the electricity system's performance, to eliminate an emergency situation or malfunction or to prevent an emergency situation or malfunction or a greater emergency situation or malfunction or to prevent damage or greater damage;
  - 10.12.2 if the Customer uses electrical installations that lower the quality of electricity or a network service or the security of supply in the transmission network compared to the effective requirements;
  - 10.12.3 if the Network Operator has received a request to such effect from the Customer;
  - 10.12.4 if any unauthorised use of a network service or unauthorised consumption of electricity is discovered;
  - 10.12.5 if the Network Operator is prevented from accessing the measuring system(s) located on the plot of land or building owned or possessed by the Customer for the purpose of inspection, replacement or performance of the work necessary for the operation of its electrical installation.
- 10.13 If an outage was carried out in the cases specified in sections 10.6, 10.12.1 10.12.5, or is caused by one or more circumstances, events, activities or failures to act listed in the above sections, the Network Operator will not have to obtain the Customer's approval for the outage or notify the Customer about this in advance. In such an event, the Network Operator must inform the Customer of the outage as soon as practicable.
- 10.14 In the case of a power outage that occurred by fault of the Customer or on the territory or in a building or electrical installation owned or possessed by the Customer due to a reason arising from a third party, the Network Operator shall restore the network connection after the circumstance that was the basis for the outage is eliminated by the Customer or the third party. In such a case, the Customer must reimburse the costs incurred by the Network Operator in connection with the outage and the restoration of the connection at the Network Operator's first request.
- 10.15 The parties must notify each other immediately by telephone or e-mail of such network failures that affect the activities of the other party, including those that may cause an unplanned power outage, and to repeat the notification in writing at the request of the other party.

# 11. Other Obligations of parties

- 11.1 The Network Operator is obliged:
  - 11.1.1 in emergency situations, restore the electricity system's normal status as soon as practicable;
  - 11.1.2 eliminate malfunctions in the measurement system as soon as practicable;
  - 11.1.3 notify the Customer at least 5 (five) days in advance of any scheduled work in the measurement system, including the replacement of meters. A record shall be prepared of the work or operations conducted, one copy of which will be sent to the Customer. The Customer has the right to participate in the preparation of the record should they wish to do so;
  - 11.1.4 inform the Customer, at the Customer's request, of the causes of any emergency or disruption affecting the Customer's electrical installations;
  - immediately notify the Customer of any emergency or disruption in the transmission system if it significantly reduces the Customer's security of supply;
  - 11.1.6 in the event of any request for approval, not delay or refuse to grant the approval to the other party unreasonably or without a reason;

- 11.1.7 explain to the Customer, at the latter's request, the content of the Agreement (including the technical regulations) and the obligations and rights of the parties arising therefrom;
- 11.1.8 immediately notify the Customer in writing:
  - if a competent person or body has made a decision on the dissolution, including a compulsory dissolution, of the Network Operator;
  - 11.1.8.2 if a statement of claim has been filed against the Network Operator for an amount exceeding 20% of the Network Operator's equity;
  - 11.1.8.3 if a petition for the declaration of bankruptcy has been filed with regard to the Network Operator or the Network Operator has been issued a bankruptcy caution;
  - 11.1.8.4 in the event of the merger, division or transformation of the Network Operator;
  - of any circumstances that impair or may impair the ability of the Network Operator to properly fulfil its obligations under the Agreement.
- 11.1.9 verify, during each period in which it was established that the Customer exceeded the maximum permitted consumption capacity provided for in the Agreement, whether the consumption capacity was exceeded as a result of the Network Operator ensuring the reserve power of its equipment.
- 11.1.10 keep confidential during the term of the Agreement, as well as after the termination of the Agreement, any information about the Customer which has come to its knowledge in connection with the conclusion of the Agreement and its performance, the disclosure of which may be prejudicial to the Customer's interests or the confidentiality of which is or may presumably be of interest to the Customer;
- 11.1.11 perform all other obligations arising from the Agreement, legislation, technical regulations and the corresponding rights of the Customer.

#### 11.2 The Customer must:

- submit to the Network Operator, at the request of the Network Operator, the information necessary for the planning of the operating modes of the transmission network:
- 11.2.2 comply with the conditions for relay protection and automation provided by the Network Operator;
- 11.2.3 execute the Network Operator's orders in terms of the positions of the earthing devices of the 110-330 kV transformers' neutrals;
- ensure that the consumption of electricity takes place only through the connection point in such a way that all the electricity consumed is measured by the measurement system set out in the Annex to the Agreement;
- plan their operating modes in such a way that they do not cause deviations from the normal situation for the Network Operator or third parties;
- 11.2.6 comply without exception with all orders of the Network Operator for the management of the operation of the electricity system, provided that they do not endanger human life and the preservation of the equipment;
- 11.2.7 maintain in operation the emergency automation equipment agreed in the Agreement;
- 11.2.8 get prior approval from the Network Operator for repair schedules for all electrical installations listed in the Annex "Switching procedures of electrical installations" to the Agreement and belonging to the Customer;
- 11.2.9 immediately notify the Network Operator in writing of any change of ownership or control of the Customer's electrical installations connected to the transmission system, indicating the identity, registration number and contact details of the new owner or control, and of the termination of the consumption of the network services, and pay all charges and guarantee on the basis of an invoice issued by the Network

- Operator, the new owner or holder of the electricity installations connected to the transmission system and the Customer, at the request of the Network Operator, conclude a written agreement with the Network Operator whereby the new owner or holder of the electricity installations connected to the transmission system takes over all the rights and obligations of the Customer under the Agreement;
- 11.2.10 ensure that the Network Operator has the possibility to install on the Customer's territory and in the Customer's buildings any electrical installations (including measurement systems, communication equipment, etc.) owned by the Network Operator which are necessary to ensure the Customer's electricity supply;
- 11.2.11 provide the necessary access to the Customer's electrical installations referred to in the preceding paragraph located on the territory of the Network Operator for the purpose of their maintenance and repair;
- 11.2.12 ensure that the Network Operator has the possibility to inspect the Customer's electrical installations during daytime without hindrance, which may affect the operation of the transmission system, if the Network Operator has notified the Customer thereof in advance. The Customer shall have the right to inspect the Customer's electrical installations at the Network Operator's substation during daytime by giving reasonable notice to the Network Operator.
- 11.2.13 not to charge any fees for the performance of the obligations set out in sections 11.2.10 to 11.2.12;
- 11.2.14 establish, at the respective request of the Network Operator, servitudes for the benefit of the Network Operator in order to secure the activities specified in the Agreement and in sections 11.2.10–11.2.11 of the Standard Terms.
- 11.2.15 in the event of any request for approval, not delay or refuse to grant the approval to the other party unreasonably or without a reason;
- 11.2.16 immediately inform the Network Operator in writing:
  - 11.2.16.1 if a competent person or body has made a decision on the dissolution, including a compulsory dissolution, of the Customer;
  - 11.2.16.2 if a statement of claim has been filed against the Customer in an amount that exceeds 20% of the Customer's equity;
  - 11.2.16.3 if a petition for the declaration of bankruptcy has been filed with regard to the Customer or the Customer has been issued a bankruptcy caution;
  - 11.2.16.4 in the event of a merger, division or transformation of a Customer that is a legal entity;
  - 11.2.16.5 of any circumstances that impair or may impair the ability of the Customer to properly fulfil its obligations under the Agreement.
- 11.2.17 keep confidential during the term of the Agreement, as well as after the termination of the Agreement, any information about the Network Operator which has come to its knowledge in connection with the conclusion of the Agreement and its performance, the disclosure of which may be prejudicial to the Network Operator's interests or the confidentiality of which is or may presumably be of interest to the Network Operator;
- 11.2.18 ensure compliance with the requirements, rules and other relevant obligations set out in the connection agreement entered into between the parties during the term of the Agreement, unless otherwise agreed;
- 11.2.19 not exceed the maximum permitted consumption capacity of the consumption point set forth in the Agreement, which the Network Operator may verify as the average capacity over a period of no less than one minute and treat as real consumption, except if this instance of exceeding the capacity has been agreed in advance by the Network Operator. Similarly, a situation where the identified instance of exceeding the consumption capacity was due to the Network Operator's provision of back-up capacity for its own facilities and which is verified by the Network Operator in

- accordance with section 11.1.9 shall not be considered an instance of exceeding the contractually agreed maximum permitted consumption capacity;
- 11.2.20 not exceed the maximum permitted production capacity of the consumption point set forth in the Agreement, which the Network Operator may verify as the average capacity over a period of no less than one minute and treat as real production, except if this instance of exceeding the capacity has been agreed in advance by the Network Operator;
- 11.2.21 if the maximum permitted consumption capacity of the consumption point specified in the Agreement is exceeded, pay the contractual penalty specified in section 12.3 or undergo the connection process to increase the consumption capacity of the consumption point at least to the extent of the capacity exceeding the maximum permitted consumption capacity. The Customer is obliged to submit a connection application within 30 days of the occurrence of an instance of exceeding the maximum permitted consumption capacity, to enter into a connection contract following the connection offer within the period of validity specified therein, to comply with the terms and conditions of the connection contract within the deadlines specified in the connection contract and to enter into a network contract to fix the increased maximum permitted consumption capacity no later than 30 days after the Network Operator submits the contract offer. In this case, the Network Operator shall communicate to the Customer an offer of a connection contract, according to which the Customer can use the increased maximum permitted consumption capacity at the consumption point for periods until the final execution of the connection contract, provided that this does not cause overloading of the elements of the electricity network, and to use which the Network Operator shall communicate to the Customer, after payment of the first instalment of the connection fee, a network contract to fix the increased maximum permissible consumption capacity, which must be signed by the Customer within 30 days at the latest from the submission of the contract offer by the Network Operator.
- 11.2.22 perform all other obligations arising from the Agreement, legislation, technical regulations and the corresponding rights of the Network Operator.

#### 11.3 The parties must:

- 11.3.1 ensure that persons involved in the performance of the Agreement and accepted by the other party have 24-hour free and free of charge access to the measurement and communication systems related to the performance of the Agreement.
- 11.3.2. ensure the operation and conversion of electrical installations in their ownership or possession at least to the extent that they comply with the Agreement and legislation and the conditions enabling the parties to perform the Agreement in accordance with the terms and conditions provided for in the Agreement, unless the parties agree otherwise. In operation procedures, the parties shall be guided by the "Safety Guide of the Electrical Installation Operations of Elering AS" approved by Elering AS;
- 11.3.3 in the event of alteration or renovation of electrical installations in its ownership or possession, ensure compliance with the requirements of the technical regulations in respect of electrical installations having an effect on the electrical installations of the other party, unless otherwise agreed.

## 12. Liability for Violation of Obligation

12.1 The Network Operator has the right to interrupt or restrict network service in the case of violation of the Agreement, which shall be considered to be, above all, the following:

- 12.1.1 the Customer has not paid the charges of the Network Operator for which the Network Operator has sent the Customer a written notice and fifteen (15) days have passed from its posting, and the Customer has not rectified the deficiency in this time;
- 12.1.2 the Customer uses electrical installations which do not comply with the requirements of the technical rules and which jeopardise the security of supply of the electricity system or part of it or cause a significant deterioration in the quality of electricity in the network (abnormal voltage, frequency or power).
- 12.1.3 the Customer's consumption at the consumption point exceeds the maximum contracted capacity.
- 12.1.4 The Customer is in material breach of other obligations established in the Agreement or legislation.
- 12.2 The parties shall be liable for failure to comply as required or at all with obligations set forth in the Agreement.
- 12.3 The Customer is obliged to pay to the Network Operator a contractual penalty for each instance of exceeding the maximum aggregate permitted consumption capacity at the consumption point or points provided for in the Agreement and for each breach of the conditions referred to in section 11.2.19, in an amount corresponding to five (5) times the capacity charge per calendar year according to the consumption capacity in accordance with section 5.7 for the exceeded capacity. The contractual penalty is calculated on the basis of the part of the capacity exceeding the total maximum permitted consumption capacity of the consumption point or points located in one substation if the capacity is exceeded by more than 0.1 MVA. Instances of exceeding the consumption capacity that occurred for one day are treated as one instance of exceeding the consumption capacity. The contractual penalty is paid as a single payment on the basis of the Network Operator's invoice.
- 12.4 The parties shall be responsible for the actions of the persons they have hired to perform their obligations.
- 12.5 A party is not liable for failure to perform and/or improper performance of its obligations under the Agreement or the law (breach of obligation) if the breach is excusable. It is presumed that a breach of an obligation is not excusable.
- 12.6 A breach of an obligation is excusable if it was due to force majeure. Force majeure is a circumstance that a party could not influence and, based on the principle of reasonableness, could not have been expected to take into account or avoid or surmount the consequence thereof upon entering into the Agreement, including:
  - 12.5.1 natural disasters;
  - 12.5.2 lightning, wind and ice exceeding the design standards in force during the construction of the electrical installations:
  - 12.5.3 fire:
  - 12.5.4 strike;
  - 12.5.5 terrorism;
  - 12.5.6 declaration of a state of emergency;
  - 12.5.7 limitation of electricity consumption in accordance with section 10.6.
- 12.7 If the impact of force majeure is temporary, the breach of an obligation is only excusable in the period during which force majeure hindered the performance of the obligation.
- 12.8 The Network Operator shall not be liable for performance of obligations arising from the Agreement (including from technical rules) if caused by client's actions that are in conflict with the Agreement or technical rules.
- 12.9 The Network Operator does not guarantee the quality of the network service parameters agreed in the Agreement in cases caused by the Customer, including the Customer's activities, non-compliance of the production equipment (including the compliance of the production equipment during the tests).

- 12.10 Upon reduction of network charges in the event of a violation of quality requirements, the Network Operator shall proceed from the Minister of Economic Affairs and Communications Regulation "Quality Requirements of Network Services and Lowering Network Charges in Case of Breaching the Quality Requirements".
- 12.11 The Network Operator is not liable for any damage caused to the Customer due to transient surges, voltage dips and voltage surges in the network.
- 12.12 The Network Operator shall not be liable for any damage caused to the Customer by the legitimate activities of the Network Operator as system operator to ensure the normal operation of the electricity system in accordance with the law.

# 13. Compensation of Damages

- 13.1 A party shall compensate the other party for any direct proprietary damage caused by the failure to perform or by unsatisfactory performance of their obligations arising from the Agreement in the cases and pursuant to the procedure set forth in the Agreement. Direct damage shall include, among other things, expenses related to elimination of damage to the network or part thereof, including metering systems, caused due to breach of obligations.
- 13.2 A party shall, within a reasonable time of becoming aware of the damages, notify the other party in writing of the estimated amount of the damages and the grounds for compensation, and present documents evidencing the damage sustained and the amount thereof.
- 13.3 The party shall review the other party's request for compensation for damages and compensate the damages indicated therein within thirty (30) days of the receipt of the request and the documents listed in section 13.2, or if they do not agree with the request, present their written objections and reasons within the same deadline.

## 14. Amendment, Cancellation and Expiry of Agreement

- 14.1 The Agreement may be amended upon agreement between the parties or on other grounds set forth in the Agreement or legislation. The Network Operator shall have the right to unilaterally amend the Standard Terms in accordance with the procedure laid down by law for unilateral amendment of Standard Terms.
- 14.2 In order to change the conditions of production and/or consumption to reduce the maximum production and/or consumption capacity or the number of consumption points permitted in the Agreement and/or to change the set of tariffs, the Customer shall submit a request. The reduced capacity shall be calculated on the basis of the network charges between the parties after seven (7) calendar days from the conclusion of the amendment to the Agreement.
- 14.3 The Network Operator shall notify the Customer in writing of any changes to the table of charges at least ninety (90) days before the changes enter into force, by publishing the revised table of charges in at least one (1) national newspaper, on its website and by sending it to the Customer by post or email. The Network Operator must provide explanations about the amendments at the demand of the Customer.
- 14.4 The Network Operator shall notify the Customer in writing of any changes to the Standard Terms at least thirty (30) days before the changes enter into force, by publishing the revised table of charges in at least one (1) national newspaper and by sending it to the Customer by post or e-mail. The Network Operator posts the amended Standard Terms on its website and sends them to the Customer by post or email. The Network Operator must provide explanations about the amendments at the demand of the Customer.

- 14.5 The Network Operator's Standard Terms in force at any time are an integral part of the Agreement, including all existing and future annexes, parts, modifications and additions thereto, irrespective of their immediate incorporation into the Agreement.
- 14.6 The Customer has the right to cancel the Agreement at any time by notifying the Network Operator thereof in writing at least thirty (30) days in advance.
- 14.7 The Network Operator has the right to cancel the Agreement and disconnect the consumption point if:
  - 14.7.1 the network connection has been interrupted by the Network Operator due to a breach of the Agreement, including improper payment of the charges, and this interruption has lasted for at least 180 consecutive days and the Customer has not eliminated the circumstance which is the basis for the termination of the Agreement during this period.
  - 14.7.2 the Customer is in material breach of the obligations laid down in the Agreement or in legislation (including failed to pay the contractual penalty or to submit the request referred to in section 11.2.21) in such a way that the Network Operator cannot reasonably be expected to continue the Agreement as a result, and the breach is not remedied within a reasonable period of time set by the Network Operator.
- 14.8 The Network Operator must notify the Customer of the cancellation of the Agreement in writing at least thirty (30) days in advance.
- 14.9 Upon expiry of the Agreement on any grounds, including the invalidity of the Agreement, those provisions of the Agreement that due to their nature specify the rights and obligations of the parties following the expiry of the Agreement shall be applied also after the expiry of the Agreement. This especially concerns the provisions that set out the settlement of disputes between the parties, manner of interpretation of provisions of the Agreement, confidentiality, and liability and compensation for damage of the parties. Regardless of the expiry of the Agreement, all obligations already incurred by the moment of expiry must be performed, including payment pursuant to the Agreement of all payments that have become collectible or become collectible as a result of an event taking place during the term of the Agreement.

#### 15. Declarations of Intent

- 15.1 Unless otherwise provided for in the Agreement or the Standard Terms, all notices, consents, approvals and other expressions of intent, as well as other information relating to the performance of the Agreement or to disputes arising out of the Agreement (hereinafter: declaration of intent) shall be deemed to have been formally made in accordance with the Agreement if delivered to the other party against signature or transmitted by email or other electronic channel (e.g. a dedicated information technology solution) previously accepted in writing by both parties, or by telephone at the contact addresses or numbers specified in the Agreement or communicated to the other party in writing.
- 15.2 A notice is deemed as received if:
  - 15.2.1 it has been forwarded by e-mail to the e-mail address indicated in the Agreement or given to the other party in accordance with section 15.1, or the notice sent via another electronic channel has been registered technologically;
  - 15.2.2 the phone call was recorded.
- 15.3 All declarations of intention shall only be deemed validly communicated and binding to the parties if they are made by the persons directly authorised for this by the parties.
- 15.4 By signing the Agreement, the Customer gives the Network Operator his consent to record the Customer's calls received on the Network Operator's telephone number and to use such recordings, if necessary, to prove orders given or other actions taken towards the Customer.

# 16. Settlement of Disagreements

- 16.1 The parties shall settle any disagreements and disputes arising from the fulfilment, amendment or termination of the Agreement primarily by way of negotiations.
- 16.2 If disputes arising from the Agreement cannot be settled in negotiations between the parties, the dispute shall be settled in the court stipulated in the Agreement; if there is no such provision, in the court of the location of the defendant. In the cases and on the basis of the grounds provided for in legislation, the parties have the right to refer the dispute to the Competition Authority.

# Annex 1 to the Standard Terms of the Network Agreement

- 1. EVS-EN 50160 Voltage characteristics of electricity supplied by public electricity networks;
- 2. EN 50110 Operation of electrical installations;
- 3. IEC 61000 series standards;
- 4. EVS-EN 61936-1 Power installations exceeding 1 kV Part 1: Common rules;
- 5. EVS-EN 50522 Earthing of power installations exceeding 1 kV;
- 6. Company standard EE 10421629 ST 8:2004 "Measuring alternating current. Technical requirements for measuring equipment used in transactions with high voltage".
- 7. EVS-EN 61869-1 Instrument transformers Part 1: Common rules
- 8. EVS-EN 61869-2 Instrument transformers Part 2: Additional requirements for current transformers;
- 9. EVS-EN 61869-3 Instrument transformers Part 3: Additional requirements for inductive voltage transformers;
- 10. EVS-EN 60044-3 Instrument transformers Part 3: Combined transformers;
- 11. EVS-EN 50482 Instrument transformers: Three-phase inductive voltage transformers having Um up to 52 kV;
- 12. EVS-IEC 60038 IEC Standard voltages;
- 13. IEC 60870-5-104 Telecontrol equipment and systems, part 5-104;
- 14. IEC 60050-415 International Electrotechnical Vocabulary part 415: Wind turbine generator systems;
- 15. IEC 60071-1 Insulation co-ordination Part 1: Definitions, Principles and Rules;
- 16. IEC 60664-1: Insulation coordination for equipment within low-voltage systems Part 1: Principles, requirements and tests.

Issues not regulated by the above standards are primarily based on the EVS standards of the Republic of Estonia, in the absence of the latter, CENELEC standards, in the absence of the latter, ISO and IEC standards, and in the absence of the latter, ANSI standards.