

## TERMS OF NETWORK SERVICE FOR HIGH-VOLTAGE DISTRIBUTION NETWORKS

recommended by Finnish Energy

### SJVPE 2019

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

#### 1. Scope of application and definitions

- 1.1. These terms of network service for high-voltage distribution networks (SJVPE) shall be applied to the *electricity network service* for the distribution system operator, electricity user or electricity producer (*customer*) connected to a high-voltage distribution network, and they are part of the *electricity network contract (network contract)* concerning this service between the high-voltage distribution system operator and the customer.
- 1.2. The distribution system operator may also apply these terms to an electricity network service for an electricity user or electricity producer connected to a distribution network of with nominal voltage exceeding 36 kV if agreed upon in the network contract.
- 1.3. *The electricity network service (network service)* refers to all those activities of a distribution system operator which make it possible to distribute electricity in the distribution system operator's network against payment.
- 1.4. The customer shall be responsible for ensuring that the electricity network of a third party connecting to the connecting party's network either directly or indirectly and the installations connected to it will meet these terms.
- 1.5. In these terms, a *high-voltage distribution network* is a local or regional electricity network or line with a nominal voltage of 110 kilovolts, which is not a connection cable, does not cross the national border and is not part of the transmission grid.
- 1.6. *A distribution system operator of a high-voltage distribution network (DSO)* is a body or establishment in possession of a high-voltage distribution network and engaged in licensed operations thereof.
- 1.7. *An open supplier* is a vendor providing the electricity user with all the electricity needed or balancing the differences between the electricity user's various electricity acquisitions by supplying the missing amount of electricity during each hour (*open supply*).
- 1.8. *A network service product (network product)* referred to in these terms mean the service entity to be used in the network service. Data on the charges to be collected by the DSO are also included in the definition in accordance with the network product, which are agreed in the network contract.
- 1.9. *The system responsible party* means the transmission system operator that the electricity market authority has appointed for having system responsibility.
- 1.10. *Balance settlement* refers to the clearing of electricity transactions realised during each hour, which results in an electricity balance for each party operating in the electricity market.
- 1.11. With the *connection contract*, the connecting party and the DSO agree on the electricity distribution connection between the connecting party's network, the place of electricity use or electricity generation and the DSO's electricity network.

- 1.12. A *connection cable* referred to in these terms means a power line built for one place of electricity use, property or group of properties or one or several sets of electricity generation installations, through which the connecting party is connected to the electricity network.
- 1.13. An *electrical equipment* means the following items that require electricity for functioning or that are intended for the generation, transmission or measurement of electricity: finished equipment, installation materials, a combination of equipment made available on the market as a single functional unit and components or sub-assemblies that are intended for incorporation into equipment by the end user..
- 1.14. *Electrical installation* means a fixed installation or other similar functional unit consisting of electrical equipment and any other equipment, materials and structures, including *electricity generation installations* that can be used for generating electricity and that operate in parallel with the distribution network.
- 1.15. The central provisions on the electricity market and the network service have been laid down in the Electricity Market Act, the Act on the Surveillance of the Electricity and Gas market as well as in the decrees issued by virtue of these Acts.

## **2. Obligation to develop the network**

- 2.1. The DSO shall ensure that the customer's needs are taken into account when developing a high-voltage distribution network. The DSO shall provide the customer with information about significant network changes as early as possible.
- 2.2. The DSO plans and builds a high-voltage distribution network and maintains it so that the network meets the requirements set by the system responsible transmission system operator concerning the operational security and reliability of the network, and the operation of the network will not be disturbed by trees falling on the electricity lines or growing in the power line area.
- 2.3. The customer is responsible for the maintenance measures and tree safety of its network of at least 110 kV that is connected to the DSO's high-voltage distribution network without protective equipment. The customer shall report to the DSO at least every five years of the maintenance measures of this kind of network, including the treatment of trees growing in the power line area and its vicinity.
- 2.4. The customer must report any essential changes to be made to its electrical system as early as possible. If the customer's need requires reinforcing or altering a high-voltage distribution network or transmission system, this shall be agreed further in the connection contract.
- 2.5. The customer shall, on request, provide the DSO with information about electricity consumption and production forecasts required by the DSO or system responsible party for their development plans. The information is processed confidentially.
- 2.6. If the customer needs electricity with higher quality than that of the ordinary network service or complete uninterruptedness of the electricity supply, the customer must contact the DSO to clarify the matter.

## **3. Drawing up the network contract and other contracts concerning customer's electricity procurement**

- 3.1. The general technical requirements for electrical installations to be connected to the electricity network are specified in the terms of connection for high-voltage distribution network (SJLE) pertaining to the connection contract. In addition, the power plant or electrical installation connected to the electricity network must meet the system responsible party's Grid Code and Operational Performance specifications for power plants and consumption valid at any given time. These terms and requirements also apply to electrical installations and power plants connected to the customer's electricity network.

- 3.2. The network contract is drawn up between the contracting parties to be valid until further notice.
- 3.3. The network contract is made in writing. These terms shall be appended to the network contract.
- 3.4. The network contract can be drawn up when the connection contract is valid.
- 3.5. In addition to the network contract and connection contract, starting and continuing the network service requires a valid electricity sale contract concerning open supply, drawn up with one and only one vendor, and the place of electricity use or electricity generation must meet the DSO's necessary technical requirements concerning connection to the network.
- 3.6. The customer shall notify of a change of vendor in accordance with the generally used procedures in the electricity market.
- 3.7. The practical implementation of voltage regulation and reactive power supply in a normal situation shall be agreed in a separate reactive power contract.
- 3.8. The terms and practices of parallel operation of networks and island operation shall be agreed separately.
- 3.9. The contract documents constitute the contents of the network contract. In the event of a conflict between the contents of the network contract and the documents stated therein, the documents shall be applied and interpreted in the following order:
  - 1) Network service contract with its appendices
  - 2) The general terms of contract (SJVPE) valid at any given time.
- 3.10. The DSO and the customer may agree to amend these terms.

#### **4. Installation requirements and the use of the installations**

- 4.1. Electrical equipment and installations
  - 4.1.1. The contracting parties must ensure that the condition of the electrical installations and equipment in their possession meets the requirements of the regulations, provisions and this contract. The electrical installations must meet the applicable standards and generally accepted recommendations.
  - 4.1.2. The electrical installations shall be made, inspected and connected to the network in accordance with legislation concerning electrical safety legislation as well as the rules and regulations and the standards of the sector issued by virtue of it. In the event of a change in legislation, regulations, provisions, standards or local conditions concerning electrical safety, the electrical installations must be reassessed and, if necessary, modified to meet the new requirements. If there are no standards, the contracting parties may agree on the instructions to be complied with. The DSO may also issue recommendations or instructions based on international practice and a good ways of constructing and operating the electrical installations.
  - 4.1.3. The electricity producer's electrical installations and electrical equipment must not cause any danger to those working in the distribution network or to electricity users connected to the distribution network, or disturb the operation of the electrical installations of other electricity users or producers.
  - 4.1.4. When planning and operating the electrical installations, the short-term voltage dips, loss of voltage and the impacts of reconnections caused by faults in the electricity network must be taken into account.
  - 4.1.5. The contracting parties shall inform each other in writing and at a sufficiently early stage of such electricity equipment and installations that may cause deterioration in the quality of electricity in the electricity network, changes in the operation of the electrical system or disturbing adverse effects to third parties. The connection of these equipment and installations shall be agreed separately. If any changes are made to the connection, they shall be agreed separately in the connection contract.
- 4.2. Operation and protection of electrical equipment



- 4.2.1. The contracting parties shall maintain and operate their electrical installations so that the electricity distribution or the operation of the electricity system will not be disturbed unnecessarily and there are no adverse effects or disturbances exceeding the generally agreed standards or recommendations to other users of the network.
- 4.2.2. The operation of the installations must not pose a risk to those working in the network or to other electricity users.
- 4.2.3. The electrical equipment must be able to operate within the voltage and frequency range defined by the system responsible party so that the equipment meets the system responsible party's Grid Code and Operational Performance specifications.
- 4.2.4. Electrical installations must be equipped with over- and undervoltage protection and, when the electrical equipment so requires, also with frequency protection so that an exceptional voltage or frequency will not damage the installations of a customer or third party.
- 4.2.5. The customer is obliged to ensure together with the customers connecting to its electricity network either directly or indirectly that their electricity networks and the electrical installations connecting to them meet the terms of connection for high-voltage distribution network (SJLE) and that these customers comply with the terms and instructions required in the network contract.
- 4.3. Additional conditions concerning electricity generation installations
  - 4.3.1. The production plant must meet the system responsible party's Grid Code and Operational Performance specifications for production plants (power plants) valid at the time of connection.
  - 4.3.2. The electricity generation installations must not keep on feeding into the network or a part thereof when the network is not being fed from elsewhere or in the event of another serious disturbance in the network. Technical special requirements shall be agreed in the individual contract terms.
  - 4.3.3. The electricity generation installations must be equipped with devices that can be used for disconnecting it from the DSO's network.
  - 4.3.4. Before the electricity generation installation is commissioned, a notification about the completion of the installation, enclosing the appropriate testing and commissioning inspection records, shall be sent to the DSO. The electricity generation installation may not be connected to the distribution network until the DSO has given permission to do so.
  - 4.3.5. The electricity generation installation must be suitable for use in the high-voltage distribution network, taking into account the control and protection systems of the network. The DSO shall provide the electricity producer with information related to the network properties for connecting to the network. The electricity producer must find out whether their electricity generation installation can be connected to the high-voltage distribution network, taking account of its properties and the method of operation of the equipment.
- 4.4. Also other installations and equipment of a third party that are within the scope of responsibility of the contracting party are regarded as the installations and equipment of the contracting party.
- 4.5. The contracting parties are obliged to compensate to each other any damage caused by their faulty installations or equipment or their use that is contrary to the regulations, provisions, contracts and written instructions referred to in the previous sections, where applicable, in compliance with the requirements and restrictions referred to in chapter 7.

## **5. Quality, restrictions and interruptions of a high-voltage distribution network**

- 5.1. Within the restrictions or under the DSO's rights referred to in this chapter, the DSO is not exempt in any part from its obligations by virtue of the Electricity Market Act, including the obligation to transmit and the obligation to develop the network. The network operation must not be disturbed by trees falling over the electricity lines or growing in the power line area.

- 5.2. Faults and disturbance situations
- 5.2.1. The contracting parties shall agree in advance on the principles of fault clearing operations, such as fault clearing measures and the principles of cost sharing.
  - 5.2.2. The principles of fault clearing instructions of the system responsible party shall be followed in fault clearing.
  - 5.2.3. The contracting parties are obliged to notify each other immediately about network faults that have an impact on the other contracting party's operation and about faults and disruptions they have detected that are the responsibility of the other contracting party.
  - 5.2.4. If any faults or defects that impair the use of the electricity system of the other contracting party or a third party are detected in the contracting party's electrical equipment, resulting in disruptions that exceed the generally accepted limits, the contracting party that has caused the disruption must repair the faults and defects with immediate effect.
  - 5.2.5. If the repair of the faults or defects referred to in section 5.2.4 is materially delayed, the DSO is entitled to limit the customer's network service or interrupt it completely.
  - 5.2.6. The contracting parties have the right to disconnect their electrical installations from the electricity network or disconnect themselves from the network without advance warning in the event of, or to prevent, faults or disturbance situations if it is necessary due to fault clearance or repair measures. Both contracting parties shall take immediate measures at their own expense in order to remove the disruption.
  - 5.2.7. When the electrical safety or operational security of the high-voltage distribution network so requires, the DSO is entitled to demand that the customer regulates or, in an extreme situation, disconnects a production plant, which is connected to the network either directly or indirectly, from the electricity network.
  - 5.2.8. If the electrical system or electrical equipment connected to the electricity network shows faults or shortcomings which disturb the operation of the power system and whose correction is considerably delayed, the DSO is entitled at the system responsible party's request to limit the customer's network service or interrupt it entirely.
  - 5.2.9. The customer shall report to system responsible party or shall require the electricity producer to report to the system responsible party any disturbance situations in power plant units that have a power rating of more than 50 MW and which are connected directly or indirectly to the customer's electricity network. Such situations shall be reported within ten minutes from the start of the disturbance. The system responsible party also has a right, upon separate request, to obtain information about smaller power plant units in maintenance and disturbance situations. The customer shall, at the earliest opportunity, give a more specific estimated duration of the production interruption.
- 5.3. Maintenance, repairs and modifications of a high-voltage distribution network
- 5.3.1. The contracting parties shall plan distribution outage arrangements together and attend to the implementation of the measures. The goal is for the distribution outages to cause as little disturbance as possible to the contracting parties. The contracting parties shall provide one another with a distribution outage plan and the contact details of the switching directors. Each contracting party shall be responsible for its own distribution outage costs.
  - 5.3.2. The contracting parties shall report to one another the preliminary distribution outage needs and exceptional operating situations in their electricity network with a rated voltage of at least 110 kV, where such outage needs and operating situations have an impact on the operation of the electricity network in accordance with the agreed schedule. The contracting parties shall inform each other immediately of any known changes to distribution outages and extraordinary operating situations.
  - 5.3.3. The customer shall report to system responsible party or shall require the electricity producer to report to the system responsible party any maintenance periods for power plant units that have a power rating of more than 50 MW and which are connected directly

or indirectly to the customer's electricity network. The system responsible party also has a right, upon separate request, to obtain information about smaller power plant units. The customer shall notify immediately of any changes to the maintenance times they have notified. Upon separate request, the customer must inform the system responsible party of the production plans of power plants that are directly or indirectly connected to its electricity network

- 5.3.4. The DSO has the right to restrict or interrupt the network service due to maintenance, repairs, modification, inspection, testing or other similar work to its electricity network. In such cases, the DSO shall take into account the customer's needs when determining the schedule of the interruption and aim to plan supplementary outage arrangements for network service where possible.
- 5.3.5. In addition to aforementioned schedules, European legislation and network codes may affect the planning of certain distribution outages. If the legislation or network codes require planning that deviates from what has been laid down above, the legislation or network codes shall take precedence.

#### 5.4. Limiting or interrupting the network service

- 5.4.1. The DSO is entitled to interrupt contractual network service if the customer materially neglects its payment obligations or otherwise fails to meet its contractual obligations despite written reminders, if the customer is declared bankrupt or the authority has found the customer to be insolvent. However, the interruption is not enforced if the customer provides the network company with a sufficient security.
- 5.4.2. The DSO is entitled to interrupt the network service with immediate effect if the customer's contract concerning open supply is terminated without having a new contract on open supply that becomes effective simultaneously.
- 5.4.3. If it is necessary to temporarily disconnect the electrical installations of the customer or DSO from the electricity network due to maintenance, repair, modification work, inspection or other similar measure and the measure will have an impact on the operation of the other party, the distribution outage shall be negotiated on in advance between the customer and the DSO.
- 5.4.4. The customer and the DSO shall plan their arrangements, schedules and measures related to distribution outages so that the distribution outage will not be unnecessarily long. Each party is responsible for its own costs unless otherwise agreed between the customer and the DSO.
- 5.4.5. The DSO is entitled to limit the network service or interrupt it without prior warning in the event of a fault or disruption in the electricity network if it is necessary due to fault clearing or repair measures. Both contracting parties shall take immediate measures at their own expense in order to remove the disruption.
- 5.4.6. The DSO is entitled to limit or interrupt the network service if the customer's electrical installation has faults or defects that impair the operation of the network and cause disruption exceeding the generally accepted limits and their removal is materially delayed.
- 5.4.7. In the case of force majeure, the DSO is entitled to restrict the customer's network service or to interrupt it completely.
  - 5.4.7.1. Cases of force majeure are deemed to cover any events which the DSO could not have prevented or could not have prepared for through reasonable caution and which makes it impossible to provide the network service in accordance with the DSO's contract or materially impedes it or makes it financially or otherwise unreasonable
  - 5.4.7.2. Cases of force majeure include war, the country's internal unrest, sabotage, explosion, fire, exceptional or unpredictable weather conditions, general interruption in traffic or data communications, strike or stoppage by a key

employee group, lock-out ordered by an employer organisation, measures by authorities, insufficient production capacity, or other similar reason with as significant and unusual consequences. Force majeure is also considered to cover interruption in power production or such damage in the power production or power transmission system caused by the above causes which could not have been prepared for with principles generally applied to European power systems or legislative or official requirements.

5.4.7.3. The DSO shall inform the customer of the occurrence of force majeure as well as of its end without delay.

5.4.8. If the DSO can only provide a limited network service due to reasons stated in the above sections, the DSO is entitled to ration the customers' direct or indirect electricity use by taking into account the vital needs of society, any regulations imposed by the authorities, the effective plans and obligations concerning the management of power shortages and the clearing of serious disruptions, and the prevailing conditions.

5.4.9. The customer is entitled to disconnect its electrical equipment from the electricity network or disconnect itself from the high-voltage distribution network to island operation without prior warning in order to prevent a disruption or hazardous situation or in cases of fault or disruption in the electricity network. In island operation, one or several power plants will remain part of an electricity network separated from the high-voltage distribution network. Moving to island operation must not disturb the possibility for other parties to use network connections or disconnect the distribution connections in the network. The customer and the DSO shall agree in advance of the arrangements related to island operation. The customer is responsible for the costs of implementing island operation.

5.5. Information exchange required for maintaining operational security

5.5.1. The contracting parties shall deliver to each other information required in maintaining operational security. The amount of information to be exchanged and the technical details of information exchange shall be agreed separately.

5.5.2. The customer shall notify the DSO of any disruptions and maintenance times in its own production plants and in those connected to its network either directly or indirectly in accordance with the principles set by the system responsible party.

## 6. Fault in network service

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

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

6.3. Unless otherwise agreed, the network service is faulty if there have been continuous or repeated interruptions in the network service and these interruptions cannot be considered minor in view of their reason and circumstances. The faults caused by an interruption in the network service shall be evaluated as a whole, taking into account, e.g. the items presented in sections 5.2, 5.3 and 5.4.

6.4. The network service is not faulty if the customer or their customer can have been expected to prepare themselves for the prevention or limitation of damage caused by the interruption or disruption with a protective device, instructions or with other arrangements.

6.5. The contracting party must, without delay, notify the other contracting party of any fault or an imminent fault they have detected in the network service, or the fact that as far as they understand there is a fault in the network service. The notification is not necessary if it is obvious that the other contracting party is otherwise aware of the fault or an imminent fault.

- 6.6. The contracting parties are obliged to provide on request the necessary information to the other contracting party with regard to the fault suspected by the other contracting party and to its reasons.
- 6.7. The contracting parties must, without delay after being notified of a fault or when they have otherwise become aware of it, diagnose the fault and repair it.

## **7. Damages**

- 7.1. The DSO shall compensate the customer for the damage caused by a fault in the network service as specified in these terms, in accordance with the reasons and limitations laid down in this chapter.
- 7.2. The DSO shall be liable to the customer for direct damage caused by greater than slight negligence by the DSO or a person employed by the DSO if the damage was caused by a fault in the network service.
- 7.3. The DSO's liability does not apply to indirect damage in any other cases than those referred to in section 7.5.
- 7.4. In these terms, indirect damage means:
  - 7.4.1. loss of earnings incurred by the customer because of the delay or error or the consequent actions;
  - 7.4.2. damage caused by an obligation, which is based on some other agreement;
  - 7.4.3. major loss of utility at the place of electricity use when this loss does not result in direct financial damage, and other comparable substantial impairment;
  - 7.4.4. damage caused to property by a functional disturbance in or stopping of the customer's equipment or installation as a result of a fault in the network service or by an interruption to the customer's activity, or consequential financial damage or loss attributable to the same reason; and
  - 7.4.5. other damage of similar nature that is difficult to foresee.
- 7.5. The DSO shall pay the customer the damages that the customer has compensated to its customer in connection with a loss event in accordance with section 7.2 if the damages are based on compelling legislation. If the customer's customer is connected to the distribution network, the terms of network service generally used in the distribution network operations valid at any given time shall be applied as a ground for compensation in accordance with section 7.2. The DSO's liability for damages does not apply to standard compensation for power cuts.
- 7.6. The precondition for the payment of compensation by virtue of this section is that the customer has notified the DSO of the occurrence of damage without delay and agreed on the grounds for and the amount of compensation before payment with the DSO.
- 7.7. If the damage referred to in this section is suffered by an electricity user whose electricity distribution is the responsibility of some other than a customer that has directly connected to the high-voltage distribution network, the principles described in these terms shall be complied with where applicable.
- 7.8. It is possible to agree separately on the maximum and minimum amounts of compensation for each customer and loss event.
- 7.9. In order to prevent damage, when damage occurs or is imminent, the parties to the contract shall take all measures for the prevention or limitation of damage that can be reasonably required or expected of them. If the damage is caused by the customer's own activity, the DSO is not required to pay compensation for it. Compensation shall be paid for the damage that has been caused to a contracting party by the limitation of the damage for which compensation shall be paid in accordance with these terms.
- 7.10. The customer is liable to the DSO for direct damage caused by greater than slight negligence by the customer or a party who is the customer's responsibility. However, there shall be no liability if the DSO can have been expected to prepare itself for the prevention or limitation of damage caused by the interruption or disruption with a protective device, instructions or with other arrangements.



- 7.11. The customer is liable to the DSO for compensation that the DSO has to pay to third parties by virtue of legislation or regulations if the damage resulting in compensation was caused by greater than slight negligence or fault by the customer. However, there shall be no liability if the DSO can have been expected to prepare itself for the prevention or limitation of damage caused by the interruption or disruption with a protective device, instructions or with other arrangements.

## **8. Metering**

### 8.1. Metering of electricity

- 8.1.1. The DSO is responsible for arranging metering required for the metering of energy transmitted through the point of connection and for maintaining the measurements unless otherwise agreed.
- 8.1.2. The metering is located at the point of connection. The metering may be located elsewhere in the customer's or DSO's network if the metering cannot within reason be arranged at the point of connection.
- 8.1.3. If the metering is located in the customer's network elsewhere than at the point of connection, the hourly transmission and transformer losses between the point of connection and the metering location are included in the DSO's power balance. If the metering is located in the DSO's network, the losses shall be included in the customer's power balance. The DSO shall calculate the hourly losses between the point of connection and the metering point. The DSO shall invoice or credit the customer in accordance with the calculated energy losses in the way agreed in the network contract.
- 8.1.4. The contracting parties shall allow the installation of equipment required for metering and transfer of metering data in their premises, as well as their storage, maintenance and any reading in the premises.
- 8.1.5. If the metering equipment is located elsewhere than in the DSO's premises, the customer shall reserve a sufficient space at its own substations or substations of third parties connected to its network for the instruments metering the electric energy transmitted at the point of connection. The customer shall arrange the instrument transformers with wiring and necessary connection and secured auxiliary power supply and local cabling required for the communication connection.
- 8.1.6. The customer must arrange access for the DSO to the metering equipment located in the customer's network.
- 8.1.7. The customer shall notify the DSO without delay of construction projects, changes or faults in the network or the production plant that require a change in the metering, correction of meter readings or the formation of calculated meter readings.
- 8.1.8. The contracting parties shall allow the use of metering data and the transmission of data in accordance with the regulations and provisions concerning electricity trade and the practices generally observed in the field in the way required by balance settlement and management. The DSO shall transmit the metering data onward in accordance with the effective provisions and instructions.

### 8.2. Quality requirements in metering

- 8.2.1. The structure and accuracy of the metering equipment shall be in accordance with standards and general practice, as well as meet the requirements set in the legislation concerning the electricity market.
- 8.2.2. The contracting parties are obliged to notify each other without delay of any faults they detect in the metering devices and of other metering errors exceeding the values specified in relevant standards and to take immediate action so as to remove the detected faults and errors.

- 8.2.3. If the metering equipment is found to have caused an error rate higher than +/-2%, the contracting party that has suffered from the error is entitled to demand adjustment to invoicing in accordance with section 9.2. If the error rate is higher than stated above, the party responsible for the metering equipment shall be liable for inspection costs incurred. Otherwise, the party who has required an inspection shall be liable for the costs incurred.

## **9. Invoicing and payment process**

- 9.1. The DSO will invoice the customer for the use of the network service in accordance with the network contract and the price lists valid at any given time.
- 9.2. Due to an invoicing and metering error and a meter reading error, the contracting parties are entitled to additional charge and compensation in accordance with the following sections:
- 9.2.1. If the metering error is found to be higher than is acceptable in accordance with section 8.2.3, the party that has suffered from the error is entitled to demand adjustment to be made. The amount of adjustment shall be determined by using the available metering data and, if necessary, with the help of an outside expert.
- 9.2.2. Neither party is obliged to compensate to the other party for any damage caused by the metering or invoicing error other than the amount of incorrect invoicing for the network service, unless otherwise agreed.
- 9.2.3. Adjustments based on errors referred to in section 9.2 shall not be made without a justified reason for a period longer than six months. The period of six months shall be calculated from the time of notifying the other contracting party of the error.
- 9.2.4. With regard to the period of interest accrual, no interest shall be paid on the additional charge or compensation determined on the grounds of the previous sections.
- 9.3. The customer is also obliged to pay for the metered or verified network service that has resulted from faults in electrical installations or electrical devices that the customer is responsible for.
- 9.4. The customer is obliged to notify the DSO in writing which electricity tax class the customer's consumption in the metering point falls under. For electricity supply under tax class II, the customer must provide the DSO with a written assurance of belonging to the tax class in question.

## **10. Security and advance payment**

- 10.1. At the time of drawing up the network contract, the DSO is entitled to require a security or advance payment from the customer concerning the payment of receivables based on the network contract or the compensation of any damage. The security or advance payment can be requested for justified reasons also after the network service has started.
- 10.2. The DSO is entitled to use the security or advance payment as a payment for their outstanding receivables based on the network service, accrued interest for late payment and reasonable collection charges or to compensate for costs caused by damage. If the DSO uses a security or advance payment or a part thereof as a payment for their receivables and costs, the DSO is entitled to request the customer to supplement the security or advance payment to the agreed sum if the contractual relationship continues.
- 10.3. The DSO shall not pay interest on the security or advance payment.
- 10.4. The DSO shall return the security with immediate effect upon termination of the network contract once the final invoice has been paid and any other obligations of the customer has been fulfilled.
- 10.5. A written contract shall be concluded on the lodging of a security.
- 10.6. The DSO is entitled to realise the security lodged in the way it considers most appropriate in order to pay its outstanding receivables or compensate for damage.

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

11.1. The contracting parties may jointly agree to make changes to the individual network contract.

11.2. The DSO has:

- the right to change the prices and other terms of contract if the change is based on a change in legislation, a decision by the authorities, a change in the terms imposed by the system responsible party, or if principles or operating models requiring a change in the terms of service or payments are generally adopted in the European internal market for electricity and which the DSO could not have taken into account at the time of drawing up the network contract; and
- right to change the terms of the network contract and prices, if the reason for the change is a change in the level of capital costs related to network service, such as a change in interest expenses, investment requirements related to the development of the network, or a change in the depreciation or payback periods of the capital tied to the network, which is not attributable to the DSO; and
- the right to change the terms of a network contract and prices, if the reason for the change is changes in the cost of network construction or maintenance, changes in the charges that the DSO shall pay to other DSOs, changes in the acquisition cost of grid losses, changes in the labour or other operating costs related to network service, other than the costs related to network construction or maintenance, changes in the costs of providing other services required by the provision of network service, or changes in obligations affecting network service; and
- the right to change the prices of a network contract so that even after the change the pricing corresponds with the requirements of reasonable pricing by virtue of section 24, subsection 2 of the Electricity Market Act.

11.3. If reasons beyond the contracting parties lead to an evident disparity in the performance of contractual obligations, the contracting parties shall negotiate on the adjustment of the fees or other terms of this contract in order to eliminate the disparity. Such reasons may include changes in financial or commercial circumstances or other reasons that could not have reasonably been taken into account when drawing up the contract.

11.4. Changes that unexpectedly and materially diminish the DSO's financial operating preconditions and which cannot have been taken into account within reason when drawing up the contract shall be taken into account as a factor that increases the prices in accordance with their impacts. This kind of change may include an energy crisis or a reason that is equally significant and unusual in terms of its impacts. If the impact of the change proves to be temporary, the prices shall be reduced with the corresponding amount after the impact that increased the prices has ended.

11.5. In accordance with the Electricity Market Act, the DSO shall send the customer a notification of how and from which date the prices or other contract terms will change and the reason for the change.

11.6. If the change is based on an amendment to legislation or a decision of the authorities, the DSO is entitled to implement the change as of the date when the change or decision took effect.

## **12. Transfer and termination of network contract**

12.1. The transfer of contract to a third party requires a written consent by the contracting party.

12.2. Upon termination of the connection contract, the network contracts concerning the place of electricity use in accordance with the connection contract are also terminated.

12.3. The network contract will expire as a result of termination or revoking.

12.3.1. The customer is entitled to terminate the network contract with a period of notice of one month.

12.3.2. Without prejudice to the DSO's obligations by virtue of the Electricity Market Act, the DSO is entitled to terminate the contract with a period of notice of twelve months if the material changes that have taken place after the network contract was drawn up require a change in the network contracts or the network contract otherwise no longer corresponds to the new circumstances.

12.4. The contracting party is entitled to revoke the contract if the other party is in material breach of the contract.

### **13. Settlement of disputes**

13.1. Any disputes arising from the network contract shall be settled primarily in the district court of the customer's place of domicile unless otherwise agreed.