

# **Electricity market procedural instructions III**

**18 March 2009**

**Committee for Electricity Supply & Trading, Finnish Energy Industries  
Committee for Electric Networks, Finnish Energy Industries**

**FINNISH ENERGY INDUSTRIES**

**These instructions are a translation of the corresponding instructions in Finnish. In any cases of ambiguity in interpretation, the Finnish-language instructions shall be complied with.**

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## 1 Introduction

The purpose of these procedural instructions is to clarify operations and increase the functioning of competition in the open electricity market. The procedural instructions deal especially with the operating methods of the retail market for electricity. Originally, the instructions were created in 2002. They were revised in 2004 as a result of changes in legislation and other provisions.

The revision of the instructions, which was completed in 2008, is related to the specification of the contents of this document and the Message exchange procedural instructions, which provide a code of conduct for message exchange in the electricity retail trade. The objective is to increase harmonisation of procedures with respect to the actors taking part in the electricity retail sales processes. The changes in the Message exchange procedural instructions are based on the preparation for the PRODAT message exchange to become obligatory by virtue of a special provision. The operating principles complying with these instructions are based on the assumption that the PRODAT procedure is used by all actors. The majority of the changes that have now been made apply to the Message exchange procedural instructions.

The revisions of the procedural instructions are mainly prepared by the EDI user group of the Finnish Energy Industries.

The procedural instructions are based on the following provisions and contractual terms:

- Electricity Market Act (available on <http://www.energiamarkkinavirasto.fi>)
- Valtioneuvoston asetus sähkötoimitusten selvityksestä ja mittauksesta (government decree on the settlement and metering of electricity supply) (available on <http://www.energiamarkkinavirasto.fi>)
- Terms of Network Service (VPE10)
- Terms of Electricity Sales (SME10)
- Terms of Electricity Supply (STE10)  
(VPE10, SME10 and STE10 available on: <http://www.energia.fi/sahkomarkkinat/sahkoverkko/sopimusehdot-ja-liittymismaksut>)

The up-to-date instructions are available on the website: [www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset](http://www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset).

The instructions will be inspected regularly by the commissions appointed by the Committee for Electricity Supply & Trading and the Committee for Electric Networks to ensure that the instructions are updated as a result of any changes in the operating environment.

This update of the instructions, including the recommendations, has been approved by the Committee for Electricity Supply & Trading and the Committee for Electric Networks of the Finnish Energy Industries.

## 2 Terminology

### Open supplier

An open supplier is a supplier providing the customer with all the electricity it needs or balancing the differences between the customer's electricity generation and acquisition and between consumption and supply by supplying the missing amount of electricity or receiving the surplus electricity during each hour.

### EDIEL

The electricity industry's message and information interchange specification, developed by the Nordic Ediel Forum (<http://www.ediel.org>). Its operation is continued by ebIX (<http://www.ebix.org>).

### Distribution system operator, DSO

A body or establishment in possession of a distribution network and engaged in licensed operation thereof.

### Consumer

A household customer, a natural person who acquires electricity mainly for a purpose other than his business activity.

### Metering point ID

A code identifying the metering point. The ID is granted by the distribution system operator.

### Connection contract

A contract between the distribution system operator and the owner or occupier of the metering point (connecting party) on the connection of a metering point to the distribution network.

### Supplier

A person, corporation or establishment selling electricity

### Prodat messages

EDIFACT messages developed for submitting electricity companies' metering point information. PRODAT message (e.g. Z03[1]) consists of a certain message type (Z03) and a reason code ([1]) that expresses more detailed purpose of use.

### Metering point where the customer is moving to

A metering point where the new customer is moving to and for which he has signed a new sale and network contract. Used in the description of the moving process.

### Electricity user

The electricity user (user) buys electricity from the supplier and network service from the distribution system operator principally for his own use. The user may also be a connecting party purchasing electricity to be used by others via the connection point specified in his connection contract. Several users may undertake to become jointly responsible for a sale contract.

### Electricity sale contract, sale contract

An electricity sale contract is a contract between the supplier and the electricity user, concerning the electric energy needed by the user.

#### Electricity supply

Electricity supply carried out by the supplier to the customer by virtue of the electricity sale contract or electricity supply contract.

#### Contract for electricity supply, supply contract

A contract for electricity supply is concluded between the supplier and the electricity user, and by signing it, the supplier assumes responsibility also for the network service. The supplier shall, where needed, agree on the provision of network service with the distribution system operator. When a contract for electricity supply is in force, no separate network contract or sale contract shall be concluded for the metering point. Service conforming to the contract for electricity supply is called electricity supply (see Terms of Electricity Supply — STE05).

#### Power network service

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

#### Power network contract, network contract

A power network contract is concluded between the distribution system operator and the electricity user. The power network contract concerns the network service needed by the electricity user.

#### Balance energy forecast

A balance energy forecast is calculated with respect to type user group 2. With other type user groups (1 and 3), the balance energy forecast = annual consumption estimate. The balance energy forecast is a computationally adjusted annual consumption estimate, which balances out the systematic error due to the location (temperature difference) used in type curve calculation in curve 2 locations.

The balance energy forecast is obtained with respect to type user group 2 when the customer's annual consumption estimate is adjusted before the calculation of hourly energy to correspond with the basic temperature specified in Appendix 4 of government decree on the settlement and metering of electricity supply so that the annual consumption estimate is multiplied by the ratio of energies in the reference curve of the metering period and the temperature-adjusted reference curve.

#### Balance management

An operation used in advance or at a specific hour by the electricity trading party for establishing and influencing the power balance at a specific hour of use.

**Balance settlement**

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

**Balance responsible party**

An electricity market party who balances the difference between its electricity generation and acquisition and between its electricity use and supplies with balance power supplied by the balance power unit.

**Reconciliation**

A calculation to establish the difference between the energy entered in the electricity balance with the load curve method and with the metered energy. The distribution system operator is responsible for the implementation of the calculation and invoices or reimburses the supplier.

**Supplier with a delivery obligation, so-called local supplier**

If a supplier is in a dominant market position within the area of responsibility of the distribution system operator to which the metering point belongs, and the metering point is equipped with main fuses of 3x63 amperes at maximum or whose metering point receives no more than 100,000 kWh of electricity per annum, the supplier has a delivery obligation to the user in accordance with section 21 of the Electricity Market Act.

**Type load curve, load curve**

The annual electricity use of an average consumer in a certain group of customers with similar electricity use, presented hourly. Therefore, the type load curve is the annual time series for hourly energy of an average customer in the customer group in question.

**Local type load curve**

If the electricity use of a customer group within a certain distribution system operator's area considerably deviates from the time variation in the type load curve, the distribution system operator may introduce a local type load curve for the use of this customer group. The distribution system operator must report to the Energy Market Authority the principles for determining the load curve and the reasons for its necessity one month before the introduction of a local type load curve at the latest.

**Type load curve procedure, load curve procedure**

The type load curve procedure means a nationwide calculation model, which utilises the typical consumption of each user type. It is used for calculating the hourly energies of a small-scale user for the balance settlement using the annual consumption estimate based on the previous year's electricity use drawn up by the system operator.

**Metering point where the customer is moving out of**

A metering point where the customer is moving out of, the sale and network contracts of which are terminating. Used in the description of the moving process.

#### Annual consumption estimate

An estimate of the customer's future electricity use, normalised to the local average temperature or based on other more detailed information, founded on the customer's electricity use in the previous year. Other more detailed information may be, for example, customer's notification on changed habits in the use of electricity or new appliances.

### 3 Actions by parties, related to the conclusion and termination of contracts

#### 3.1 Prodat messages

Prodat message exchange is used for the information interchange concerning the customer, metering point and contract information between the electricity market parties. More detailed instructions on the messages to be used and time limits to be complied with are presented in the Message exchange procedural instructions. The Message exchange procedural instructions and the process diagrams on the information interchange are available on the website:

[www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset](http://www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset).

#### 3.2 Information interchange in exceptional circumstances

In situations where it is not possible to use Prodat messages, information interchange between parties shall be carried out using e-mail, telefax or other suitable media. This information includes changes in invoicing details.

- The table for the contact details of the parties is available on the website <http://www.energia.fi/sahkomarkkinat/sanomaliikenne/tiedonvaihdon-yhteystiedot>. The parties who have provided the information are responsible for keeping the information up-to-date.

The use of personal e-mail addresses should be avoided because an individual person may be unavailable for a considerable length of time. We recommend creating the following e-mail addresses:

- [myynti.tiedonvaihto@yhtiö.fi](mailto:myynti.tiedonvaihto@yhtiö.fi)
- [verkko.tiedonvaihto@yhtiö.fi](mailto:verkko.tiedonvaihto@yhtiö.fi)
- [tase@yhtiö.fi](mailto:tase@yhtiö.fi).

In cases where the end of the address is in the format @town.fi, the following naming method is recommended:

- [myynti.tiedonvaihto.opt@kaupunki.fi](mailto:myynti.tiedonvaihto.opt@kaupunki.fi)
- [verkko.tiedonvaihto.opt@kaupunki.fi](mailto:verkko.tiedonvaihto.opt@kaupunki.fi)
- [tase.opt@kaupunki.fi](mailto:tase.opt@kaupunki.fi)

in which the code of the concerned party, used on the website for the electricity market parties maintained by Fingrid, is entered in place of 'opt'.

#### 3.3 The process of concluding a contract for electricity sale or electricity supply

In addition to the electricity sale contract, the contract for electricity supply also includes an electricity network contract. When drawing up the contract, the processes for concluding an electricity sale contract and an electricity network contract are complied with.

The start and end of sale must be based on the procedure defined in the Message exchange procedural instructions. The distribution system operator may not make any changes without the customer's or supplier's assignment or notice.

The contract for electricity sales is valid until further notice or for a fixed term. A fixed-term contract with a consumer customer may be concluded for a maximum of two years. If a contract is drawn up for a longer period, the contract will change after two years to be valid until further notice.

A contract may be concluded when there is a valid connection contract for the metering point in question. Commencement of electricity sale also requires that there is a valid network contract for the metering point and that the customer has met the obligations laid down in the connection contract and network contract. However, it must also be noted that the distribution system operator may not refrain from concluding a network contract if the customer has not paid all the invoices for the metering point in question.

An electricity sale contract may be made in writing, verbally or electronically. If either of the contracting parties (supplier or customer) so demands, the sale contract must be made in writing. However, a verbal contract is quite as valid as a written contract.

The network and sales companies must approve customers' verbal contracts and not demand written contracts from one another. If the sales company itself wants to prepare itself with a written contract for any subsequent settlement, it may, of course, draw up a written contract if it so wishes. In cases of security, a written contract is necessary in any case. However, it is recommended that a written contract is not demanded from other companies as a condition for the commencement of electricity supply.

When concluding the contract, the purpose and discretion of the contracting parties (both the supplier and user) must be emphasised. This is particularly important when concluding verbal contracts.

When concluding a contract, the supplier will need the customer's metering point ID. The DSO must notify and maintain its up-to-date metering point information in the nationwide metering point register. If the information cannot be found in the register, it must be ensured that the company has an electronic mailbox for this purpose and for other urgent communications, which is read on a regular basis (see section 3.2 in the instruction). In such a case, the supplier may request for the metering point ID on the basis of the customer's name and address. This kind of enquiry concerning the metering point ID must be responded to without delay, however, not later than the next working day.

The system operators must generally use the term 'metering point ID'.

If it appears that the network contract (metering point) is under a different name than the one being used for concluding the contract for electricity sale, the supplier must find out the reason for the different name and to aim to conclude the contract with the same name in order to avoid any future problems. This kind of a situation may be typical, for example, with contracts being concluded with cohabiting partners. As cohabitants are only responsible for their own debts, it may be in the interests of the new supplier to conclude the sale contract for the metering point under the same name as the network contract for the metering point. On the other hand, it is recommended that both the network and sale contracts are concluded under the name of both cohabitants.

From time to time, there are mix-ups or a mix-up is suspected, e.g., in cases of customers with the same name. In situations, for example, where customers have the same name, the supplier must enquire, e.g. by e-mail, for further information from the distribution system operator.

A personal identity number is the clearest way to identify a person. It is sometimes needed, for example, to distinguish between people with the same name. In legal debt collection, the personal identity number is an absolute

prerequisite. The sale of both electric energy and network services is a credit purchase. In credit purchase, the party providing credit should acquire the personal identity number when concluding the contract. However, the personal identity number must not be passed on to third parties. The supplier may provide the system operator with the personal identity number when acting as the customer's agent when concluding the electricity network contract on his/her behalf and if the system operator requires this information. In terms of the person's data protection, it must be ensured that the personal identity number will not be accessed by unnecessary parties. A statutory register description must be drawn up of the maintained personal registers, stating the key storage and handling principles for the information entered in the register.

When forming a contractual relationship with a customer, it is recommended to request for the personal identity number as a prerequisite for the contractual relationship.

### **3.4 Termination of old contract for the supply/sale of electricity**

When the customer concludes a new sale contract, the old contract for electricity supply or sale must be terminated. If the old contract is valid until further notice, it is normally terminated after a two-week period of notice. A fixed-term sale contract terminates when the contract period has expired. However, unless otherwise agreed, a fixed-term sale contract will continue until further notice after the contract period has expired. When concluding a new sale contract, a contract valid until further notice will be terminated by either the customer himself or the new supplier on the customer's behalf.

If the new supplier terminates the contract, it must notify the distribution system operator of the contract immediately after the contract has been concluded. The distribution system operator further notifies the current supplier of the new contract. The notices must be made with Prodat messages, in which case a recorded document is produced on the termination of contract and the new sale contract.

The distribution system operators and suppliers must accept the new supplier's notice of the new contract (and the termination of the old contract at the same time) without demanding e.g. for the customer's letter of attorney or other notice given by the customer. In order to promote the reputation of the industry and the ease and favourable price of operations, it is important that all actors are aware of the significance of the notification of the start and end of supply made with PRODAT messages and the entry of tasks into various systems based on these messages. With these messages, the distribution system operators maintain the energy balances of each supplier.

In a situation where the same customer concludes several concurrent and fixed-term sale contracts for the same metering point, the contract that was first notified to the distribution system operator shall be complied with. If the customer in this kind of a situation is earnestly of the opinion that he has not concluded the contract that was first notified to the distribution system operator, the contract that the customer deems to have concluded shall be complied with.

Unclear situations such as these must be solved between the customer and the suppliers. Moreover, the customer must be aware in these situations that he may have to pay a contractual penalty or damages to the first supplier.

After receiving a notice of a new sale contract, the current supplier must respond immediately to the distribution system operator. A confirmation on the absence of grounds for disqualification of the contract or a notice of disqualification must be sent without delay, within 2 working days at the latest. If an impediment is established, the new supplier must agree with the customer whether the contract will enter into force immediately after the old contract has expired. If it is desired that the contract enters into force at a later date, the new supplier must notify the distribution system operator of this before the start of the contract in accordance with the Message exchange procedural instructions.

If the starting day of the new contract proposed by the new supplier and the day of termination of the current contract differ from one another by a maximum of 30 days, the current supplier shall send a negative response to the distribution system operator providing the first possible day of termination of the valid contract. The distribution system operator will forward this information to the new supplier without delay. This is in effort to avoid situations where the contract is prevented from becoming effective when the starting day agreed in the contract deviates from the day of termination of the current contract, for example, by one or two days. If the new supplier and customer have agreed on a certain day of starting the contract, the supplier must agree with the customer on a new day of starting the supply.

On the other hand, if the old sale contract is still valid for a year and the new supplier does not want to take a risk that the new contract agreed with the current terms will still be valid after a year, he may 'cancel' the contract because all of the terms related to the contract (the moment of entering into force) are not met in the way agreed with the supplier and customer. It may also be the case that after a year the customer no longer remembers concluding the contract and, therefore, if the contract remains valid, it is advisable to remind the customer of this closer to the moment of the contract entering into force.

If the contract's entry into force is postponed, for example, due to the customer's fixed-term contract, the distribution system operator must be notified of the new start of the contract in accordance with the Message exchange procedural instructions. However, for reasons of information systems, the notice should not be given earlier than three months before the start of the contract in accordance with the contract. The distribution system operator will further notify the current supplier of the start of the new contract.

### **3.5 Concluding a new network contract**

If the customer has had a previous electricity supply contract, he must also conclude a new network contract when concluding a new sale contract. In practice, the contract is concluded at the same time when the customer concludes the first competed sale contract. The customer may terminate the contract himself or the new supplier terminates it, authorised by the customer, and concludes the network contract with the distribution system operator on behalf of the customer. The distribution system operator sends the notice of confirmation on the new network contract to the customer's invoicing address. If it is required that the information is sent to another address instead of the invoicing address, this must be agreed on separately with the customer.

As with the situation of terminating the old sale contract, it is also recommended in these situations that the distribution system operators generally accept the new supplier's notification without demanding for a letter of attorney from the customer, or a written agreement.

The new supplier sends to the distribution system operator a notice of the new sale contract with a Prodat message, in which case the distribution system operator will have a proven document on the creation of the new sale contract and network contract.

The distribution system operator sends to the new supplier an acknowledgement of receipt of the notice of the new contract in accordance with the Message exchange procedural instructions. The distribution system operator notifies the new supplier of the meter reading at the start of supply and the annual consumption estimates and the previous supplier of the meter reading at the termination of supply.

- If the supply can be started in accordance with the notice, the new and previous supplier must have received the notice of the metering data by 10 working days of the start of new supply at the latest.
- If the supply cannot be started in accordance with the notice, the distribution system operator must notify the new supplier of this in accordance with the Message exchange procedural instructions by five working days after receiving the new supplier's notice of the new sale contract at the latest. This way, the new supplier may prevent unnecessary invoices concerning the metering point.

When concluding the new network contract, the distribution system operator must ensure that the customers are treated equally. This means that the system operator must conclude the contracts with the customer at a price corresponding to the electricity supply product previously used by the customer even when the contract has to be drawn up separately, requiring the termination of the old supply contract. Naturally, the customer may change the network product at a later date.

With respect to the network service products and total supply contracts, the system operator must have a plan regarding the method and schedule of terminating the application of products that are to be extinguished.

If there is no such plan, the system operator may not refuse to allow the customer to carry on using the extinguished network service product that has already been used by the customer or the extinguished network service product corresponding to the total supply contract in connection with supplier switching.

The actual termination of extinguished products is deemed necessary because in some situations the extinguished products result in impairment of competition. According to section 13.6 in the Terms of Electricity Supply STE 05, the supplier is entitled to change the terms of contract and prices if there is a special reason for it, e.g. a revision of outdated contractual or pricing arrangements. This section of the terms has been drawn up in order to make sure that the termination of an extinguished product is possible according to the contractual terms.

### **3.6 Continuation of a network contract that has already been concluded**

If the customer has already had a network contract before concluding the new sale contract, the old contract will continue regardless of the new sale contract. The new supplier will notify the distribution system operator that it is the supplier for the customer of the metering point, and the system operator will make the necessary changes to its own register, taking the above-mentioned aspects into account.

### 3.7 Termination of the sale contract

A fixed-term sale contract terminates when the contract period has expired or as a result of the revocation of the contract. Unless otherwise agreed when concluding the contract, a fixed-term contract will continue until further notice after the contract period has expired (section 10.2.1 of the Terms of Electricity Sales SME 99).

A consumer may terminate a sale contract valid until further notice, a fixed term sale contract covered by the supply obligation, and a fixed-term contract outside the supply obligation concluded for longer than two years (after being valid for two years) with a two weeks' notice. Moreover, the consumer may also terminate a fixed-term contract under certain conditions. Other user than the consumer may terminate a contract that is valid until further notice, which is covered or not covered by the supply obligation, with a two weeks' notice unless otherwise agreed in the bilateral contract.

As a rule, a fixed-term contract cannot be terminated by another user than the consumer during the contract period (with the exception of moving). The supplier may terminate contracts valid until further notice covered by the supply obligation only on certain conditions and contracts outside the supply obligation with a two weeks' notice. The supplier may not terminate fixed-term contracts in the middle of the contract period. On the other hand, the supplier is entitled to revoke the contract, e.g. if the user has essentially violated his obligations based on the sale contract.

If the contract is terminated, the current supplier must notify the distribution system operator of the termination at least 14 days before the termination of the contract at the latest.

The distribution system operator shall comply with the supplier's notification even if it was made some time ago. The supplier is responsible for cancelling the notice of termination if the contract continues (for example, the contract has become a contract that is valid until further notice or a new contract has been concluded).

### 3.8 Information interchange during the validity of the contract

The distribution system operator must report to the supplier the energy metering information of the metering point, as well as any changes in the metering point information in accordance with the Message exchange procedural instructions. The metering information is given in amounts of energy and meter readings. The metering information must be sent without delay, however so that the time limits stated in the Message exchange procedural instructions are not exceeded under any circumstance.

### 3.9 Conduct on customer moves

A move is a situation where several changes take place in the customer's contracts within a short period of time. New contracts may be concluded, existing contracts may be terminated or changes may be made to some existing contracts. These events are as described above, but the situation entails some special features. To reduce the workload caused by the situation, an operating model has been created for the purpose of moves. This enables management of the situation in a simple and easy way for the customer. The move situation is dealt with as quickly as possible by all parties. Retrospective moves are not accepted.

The customer must be able to manage the contractual actions related to the move with just one party. If he so wishes, the customer is, however, entitled to deal with all of the contractual parties one by one.

When a customer moves out of a metering point, the electricity sale contract concerning the metering point may be terminated even if it is made for a fixed term, unless otherwise has been agreed.

The customer's move is primarily managed as a service measure by the electricity supplier selected by the customer for the place he is moving into. This supplier will notify the distribution system operator of the metering point from where the customer is moving out of the termination of the contract in accordance with the Message exchange procedural instructions. The distribution system operator will pass on the information about the termination to the supplier of the metering point from where the customer is moving out. With this information, the distribution system operator and the supplier of the metering point from where the customer is moving out may terminate their contracts and send their final invoices to the customer.

The new supplier will start the supply to the metering point where the customer is moving into in the way described earlier, however, with the difference that the current supplier of the metering point where the customer is moving into may not refuse to terminate the previous customer's contract at the metering point where the customer is moving into. It is also essential that the distribution system operator ensures that the moving in takes place within the same period of time, regardless of whether the new supplier has a supply obligation to the site or not.

The readings of the metering points that the move applies to are needed in the move situation. It is not permitted to use estimated readings in a move situation. The customer may read the meter himself if he has an opportunity to do so. The reading submitted by the customer must be used unless there is reason to suspect that there has been a reading error. If the customer's reading is not used or the customer cannot read his meter, the distribution system operator must read the meter within five working days. The reading is recorded for the day of move. Electricity must also be connected to the metering point in connection with the reading at the latest.

If a remotely read metering device is used at the metering point, the reading of which can be obtained for the time of move, this reading must be used.

Electricity must be connected to the metering point the customer is moving into within 24 hours of the connection request if the customer so wishes. The supplier notifying of the move is responsible for the customer's solvency and correct details at the time of notification. This way, the connection can be made even if the distribution system operator needs more information about the customer. The supplier is obliged to tell the customer of any costs arising from the connection, which the distribution system operator will charge the customer for.

If the electricity supply has not been disconnected at the metering point where the customer is moving into, the distribution system operator must ensure that the supply for the customer moving in will not start until on the day specified by the customer. Any supply in the interim period, carried out after the supply for the outgoing customer has ended and before the supply for the incoming customer has started, is the responsibility of the distribution system operator.

Supply to the metering point may not be transferred to a supplier with a supply obligation or to any other supplier without the customer's agreement.

The information interchange in connection with the move is strongly based on the information interchange used in a normal situation. The greatest difference is the termination of supply to the metering point where the customer is moving out of, carried out by the supplier of the metering point where the customer is moving into. The move situation is identified with the reason code, which enables e.g. the exclusion of inspections of notices of termination carried out in normal situations. The information interchange is presented in further detail in the Message exchange procedural instructions and in the enclosed process diagram.

### **3.10 Annual consumption estimates and balance energy forecasts**

The distribution system operator reports to the supplier the annual consumption estimates and balance energy forecasts it has used, as well as any changes to the estimates, with Prodat messages. Changes to the balance energy forecasts always require meter readings.

In metering points where curve 2 is applied, the annual consumption estimate is normalised to the local average temperature (= the effect of cold/warm winter has been removed). The balance energy forecast is calculated from the annual consumption estimate by adjusting the annual consumption estimate to the basic temperature in accordance with the government decree on the settlement and metering of electricity supply (= the effect of cold/warm winter has been removed and the forecast adjusted to the average national temperature in accordance with Appendix 4 of the above-mentioned decree).

The supplier uses the annual consumption estimate as the basis for invoicing. With the balance energy forecast, the DSO determines the energy entered in the supplier's balances in the load curve procedure. If it so wishes, the supplier may revise the validity of the balance invoicing with the balance energy forecast and the official temperature data and/or weightings provided by the distribution system operator.

### **3.11 Disconnecting the electricity supply**

If the customer does not pay the sales invoice, the supplier shall send reminders and warnings to the customer in accordance with section 7.2 in the Terms of Electricity Sales. If the customer does not react to the sent reminders and warnings, i.e. further neglects the payment of the invoice, the supplier shall request the system operator to disconnect the customer's electricity supply. Before sending the request to disconnect the supply, the supplier must verify that the disconnection situation meets the requirements of the Electricity Market Act and the terms. The system operator no longer carries out these verifications, but it relies on the supplier's notification. The disconnection request must be sent by e-mail. If the request is made by telephone, the supplier must send a confirmation either by e-mail, fax or a Prodat message. The system operators must, on the other hand, make sure that there is an electronic mailbox for this purpose and for other urgent communications, which is read on a regular basis. See section 3.2 in the instruction.

The disconnection request must be sent one week before the day of disconnection, stating the customer's name and address, metering point ID, day of disconnection (starting from) and the contact details of the supplier company's person in charge.

After receiving the supplier's disconnection notification, the distribution system operator must disconnect the customer's electricity supply. The system operator's representatives do not negotiate with the customer on the disconnection.

The distribution system operator disconnects the electricity on the day presented in the disconnection request. Disconnection is not recommended to be carried out on a Friday or on the eves of religious holidays.

The distribution system operator invoices the supplier for the disconnection according to its price list. The supplier pays the invoice to the system operator and charges its own customer for a corresponding sum.

If the customer pays the supplier's receivables after receiving the disconnection warning but before the disconnection has taken place, the supplier shall immediately notify the system operator.

The supplier notifies the system operator by telephone of the payment it has received and after the telephone call confirms the disconnection in writing either by fax or e-mail.

If the electricity has already been disconnected and the customer then pays all of the outstanding invoices and other costs arisen from the disconnection, the supplier must notify the system operator that the reason for disconnection has been removed. After that, the distribution system operator reconnects the customer's electricity supply.

It is recommended that the supplier notifies the distribution system operator of the reconnection request by telephone, and after the telephone call confirms the reconnection in writing either by fax or e-mail. If the request is received by the system operator by 13.00 hours, it is recommended that the reconnection takes place on the same day. If the request takes place after 13.00, the reconnection must be made on the next working day at the latest. If the reconnection can be made outside actual working hours against extra payment, the supplier company must be informed of this opportunity, which in turn will notify its customer.

The distribution system operator invoices the supplier for the reconnection according to its price list. The supplier pays the invoice to the system operator and charges its own customer for a corresponding sum. The supplier must take into account already when sending the disconnection notice that the disconnection and reconnection prices must be the same as those used by the distribution system operator of the customer's area. If the supplier inadvertently quotes the customer with prices deviating from the actual disconnection and reconnection prices (another system operator's prices), the customer must be charged the lower prices.

If the electricity supply is disconnected as a result of the system operator's invoice, the system operator shall act according to chapter 8 in the Terms of Network Service VPE 05.

The system operator must notify the supplier of the disconnection with a Prodat message within one week at the latest of the moment when the customer's electricity supply has been disconnected when the customer's annual estimate is below 1 GWh and on the next working day at the latest when the customer in question uses 1 GWh or more per year.

### 3.12 Period when no contract is in force

If a situation arises where there is no contract in force, the distribution system operator must disconnect the supply to the metering point in question. The distribution system operator must ensure that the procedures are the same regardless of the electricity suppliers. However, in practice, before the electricity supply is disconnected, the distribution system operator must still be in contact with the customer if possible and explain to him the reason for disconnection.

Without an amendment to legislation, a default supplier cannot be imposed in a situation with no contract in force. This is because a sale contract relationship requires a contract. Without legislation obliging to this, the customer cannot be forced to enter into a customer relationship with any company or it cannot even be assumed that he wants to do so. After the sale contract has expired, the customer does not have a contract with any electricity supplier. An industry recommendation cannot oblige the customer to act in a certain way even if the default supplier principle is deemed to be in the interests of the customer.

The distribution system operator must reconnect the electricity to a metering point with no contract in force as quickly and on the same terms and using the same fees, regardless of the electricity supplier the customer will conclude the electricity sale contract and network contract with. Correspondingly, if it is the customer's first contract to a certain metering point, the contract must be made effective as quickly and on the same terms regardless of the electricity supplier.

## 4. Meter reading at load curve sites

### 4.1. Reading at the time of supplier switching

The reading is carried out within +/- 5 working days of the time of supplier switching. Then, the error in the energies is so small that there is no need for separate adjustment of readings.

The readings can be supplied by the customer or the system operator, or estimated readings can be used.

The reading information must be recorded for the time of switch because it is not advisable to record the new reading data for a metering point with an expired contract.

Otherwise the metering points will retain the regular meter reading times in accordance with their previous reading times. In metering points that the distribution system operator cannot read (e.g. holiday homes), estimated readings will be used for the time of switching. Errors arising from estimated readings are adjusted in reconciliation.

### 4.2. Meter reading fee

According to section 15 a of the Electricity Market Act (444/2003), customers are entitled to one supplier switch during a year for no separate fee.

A meter reading fee is not permitted if at least one year has elapsed from the previous supplier switch. This period is not tied to a calendar year. Therefore, it is possible to switch suppliers once a year without a meter reading fee.

### 4.3. Regular meter reading

The system operator must have a plan for the performance of regular meter reading and its schedule. The plan must state the area and time of meter reading.

According to the decree on the settlement and metering of electricity supply, other than equipment with hourly metering must be read at least three times a year by 2014 at the latest. Of these, at least one reading is the responsibility of the system operator. This means that if the customer will not provide the two other readings at the system operator's request, the system operator is not obliged to carry out a separate meter reading at the site.

The distribution system operator may carry out regular meter readings using the customer's self-reading card, or meter readings reported by the customer in another way, by using remote reading or entering the premises to read the meter (by itself or using a subcontractor).

### 4.4. Reconciliation

Reconciliation means an annual settlement carried out by the distribution system operator, in which the data on electricity use based on estimates on the metering points by the electricity suppliers in accordance with the load curve procedure in the area of the distribution system operator is compared with the data on electricity use obtained by metering. The difference is credited and/or charged between the electricity suppliers operating in the distribution system.

According to the decree on the settlement and metering of electricity supply, market prices are used in the reconciliation.

Reconciliation is carried out using metering point-specific and hourly calculation. In this method, for each metering point covered by a load curve procedure, the amounts of energy accounted for the balances of each hour in accordance with the balance energy forecasts are compared with the corresponding metered consumption of the metering point in question.

Metering point-specific credit or invoicing is obtained by adding up the plus or minus balances for the above-mentioned hours. Metering points on different load curve curves and different metering methods are not treated differently in this model. In this procedure, average prices are not used, but the area spot prices for Finland for each hour, determined by the electricity exchange, are entered in the system.

The prices are available on the Fingrid website: [www.fingrid.fi/portal/in\\_english](http://www.fingrid.fi/portal/in_english) > Electricity Market > Balance settlement

The metering point and hourly procedure is presented in further detail in Tasoituslaskennan perusteet ja määrittelyt (Principles and definitions of reconciliation), available on: [www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset](http://www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset)

#### **4.5. Sites of a maximum of 3x63A and hourly metering**

Taking the energy use into account in the balance of the supplier of the metering point and transmitting hourly-metered data can be carried out separately for each metering point in accordance with the hourly procedure or as a sum of the hourly data. If desired, the DSO may use the latter method until 31 December 2011 in the hourly-metered sites equipped with a main fuse of a maximum of 3x63 amperes where electricity is not purchased as an hourly priced electricity product.

The supplier of the metering point must be informed of the method to be used.

##### **4.5.1 Processing of metering information for each metering point in accordance with the hourly procedure**

According to the government decree, this is the primary procedure. It complies with the procedure presented in section 5.

##### **4.5.2 Processing of metering information notified as summed hourly information**

In balance notices, a summed profile, which is meant only for hourly metering, is created from the summed information of hourly-metered sites. The identifier of the separate profile is FI\_SUPPLIER\_DSO\_PROFILE\_M, and it is notified with an MSCONS message with product code 1080.

Alternatively, if separately agreed, the summed information can be grouped by user group (1, 2 and 3), in which case the profile identifier is FI\_SUPPLIER\_DSO\_PROFILE\_M1, FI\_SUPPLIER\_DSO\_PROFILE\_M2 and FI\_SUPPLIER\_DSO\_PROFILE\_M3.

The metering information (invoicing or intermediate meter stands) per metering point is transmitted once a month in accordance with the load curve procedure with PRODAT Z11 messages.

#### **4.6. Transmitting more frequent than two-rate metering information**

It is recommended that the transmission of more frequent than two-rate metering information should be abandoned in order to clarify operations. If more detailed metering information is required, hourly metering is recommended.

## 5. Reading and reporting of hourly-metered sites of more than 3x63 A

### 5.1. Reading of hourly-metered sites

The metering point, user and contract information of hourly-metered sites is sent in accordance with the Message exchange procedural instructions.

The reading of hourly-metered sites is carried out once every 24 hours.

The metering must be built in accordance with the recommendations of Sähkökaupan mittaustiedonvälitys (Metering and information interchange in the electricity trade). The recommendation is available on the EDI website:

[www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset](http://www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset)

### 5.2. Reporting of hourly information

The distribution system operator and any other body performing the metering must provide a preliminary report of the metering information required in the balance settlement and invoicing for each metering point and metering on the next working day following the electricity supply.

The balance power unit will be sent a preliminary report of the summed information of supplies from or to the network of the electricity market parties on the next working day following the electricity supply.

Correspondingly, a preliminary report of the supplies concerning the electricity market parties, calculated in connection with the balance settlement, must be sent to the electricity suppliers for meeting the balance responsibility and invoicing on the next working day following the electricity supply or within a time period agreed with the electricity supplier.

Final reports on electricity supplies must be given within 14 days of the day of supply. [The above-mentioned time limit must be complied with as from 1 January 2011 at the latest. According to the decree on message exchange, until now it has been possible to send the reports within one month of the day of supply at the latest.]

Ediel messages are used for reporting the metering information. More detailed instructions on the procedure are available in 'EDIEL sanomavälityksen yleiset sovellusohjeet'. The instruction is available on:

[www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset](http://www.energia.fi/sahkomarkkinat/sanomaliikenne/ohjeet-ja-suositukset).

## 6. Non-metered sites

In the area of various electricity companies, there are sites with no metering. These include distribution cabinets for cable-TV amplifiers, telephone kiosks, etc. Invoicing has been based on standard power and hours of consumption. The sites' connected load to the electricity network is very small, ranging from a few watts to about 1 kW.

According to the Electricity Market Act, balance settlement must be based on electricity metering or the combination of metering and the load curve curve, as well as on reports on supplies, as prescribed by the decree.

The customers of the sites usually have several similar consumption sites, as well as other metered sites. When the customer wishes to buy electricity from the same electricity supplier, the non-metered sites have proved to be problematic because they have no metering and their competitive bidding has not been possible. The customer has always had to one-sidedly purchase electricity from the supplier with a supply obligation and therefore receives an electricity bill from several electricity suppliers.

Removing the impediments to competition from non-metered sites

1. Metering is arranged for the sites and, once covered by competition, the site is transferred to the load curve procedure on type curve 3 in the same way as other sites. This is the most highly recommended way.
2. If it is technically impossible to arrange metering or the metering costs of the site is an expensive solution in view of the electricity consumption, with costs exceeding 10 years' electricity consumption of the site, it is possible to act with the sites as follows.

The sites meet the characteristics of hourly energy metering and registration referred to in chapter 6, sections 2 and 4 of the government decree on the settlement and metering of electricity supply if all of the following requirements are met:

1. The connected load can be determined in a reliable way
2. The hours of consumption can be determined in a reliable way
3. Energy consumption can be registered in a reliable way so that it is possible to carry out balance settlement in the way required by the electricity market legislation

Section 3 can be implemented so that the loads of the sites are added together and hourly loads are formed from the combined loads for each hour of consumption in the way corresponding with consumption. The summed curve will be used for creating one hourly-metered site with an identifier of e.g. FI\_KOK\_HKE000\_EIMITTAUS. This information will be sent in the same way as that of other hourly-metered sites in accordance with the general EDIEL instruction.

## 7. Letters of attorney

It is not necessary to send a letter of attorney to the DSO if the party is on the list of approved suppliers. The party IDs are granted by transmission system operator Fingrid, and they are found in the osapuolet.pdf document maintained by Fingrid on: [www.fingrid.fi](http://www.fingrid.fi) > Electricity market > Balance settlement.

The supplier shall have verbal or written authorisation from the customer if the supplier is carrying out the termination of the current contracts. Authorisation is needed if the supplier concludes a network contract on behalf of the user or wants information on the user's current contracts.

The parties are entitled to ask the supplier for proof of authorisation in unclear cases, e.g. the user 'does not remember concluding a contract with the supplier'.

When demanding for authorisation, the requirements of non-discrimination in the competition legislation must be taken into account.

## **8. Disclosure of information to third parties**

The system operator's metering, and the registration and reporting of metered information produce information to the system operator, balance settler, supplier and customer. If the customer or supplier wants an outside party, for example, a subcontractor or consultant, to be able to carry out remote reading and receive reports produced by the system operator (balance settler), this outside party is entitled to read or receive information in the same way as the concerned party itself. A customer or supplier handing over its right to receive information shall give the system operator (balance settler) clear authorisation in these matters according to the situation.

The customer or supplier may also authorise an outside party to read or receive the above information in addition to itself. The system operator (balance settler) may charge a fee for this.

## 9. Corrections in arrears

This chapter deals first with corrections made in invoicing between the electricity supplier or distribution system operator and the customer. This is based on the stipulations in the current contractual terms. The second subsection examines the corrections made between the electricity suppliers, making a recommendation for the procedure in this issue. There is no legislation or applicable contractual terms on the latter. It is also deemed important in the industry to gain generally acceptable procedures for revisions between suppliers.

### 9.1. Correction in arrears of erroneous meter reading, notification and invoicing with the customer

Due to an error in metering reading, notification or invoicing, invoicing may have to be corrected afterwards either to the advantage or disadvantage of the customer. There are instructions for these corrections in the general contract terms (Terms of Network Connection LE 05, section 7.8.5).

### 9.2. Compensation of errors remaining in the balances between electricity suppliers

According to the decree of the Ministry of Employment and the Economy on information interchange related to the settlement of electricity trades, the system operators must provide a final notification on the metering information to the balance power unit for forwarding to the balance providers within 14 days of the day of supply at the latest. [The above-mentioned time limit must be complied with as from 1 January 2011 at the latest. According to the decree, until now it has been possible to send the reports within one month of the day of supply at the latest.]

Further, according to the same decree, the balance power unit must provide a final notification of supply within one month of the final notifications by the system operator.

#### **General recommendation:**

Correction of errors detected after the closing of electricity balances is carried out between the parties with payments in money for a maximum period of three years for the time of impact of the error, calculated backwards from the moment the party who suffered from the error and the electricity market party who gained from the error learn of the error and its principal impact. The hourly area spot price for Finland shall be used in the calculation of the correction of errors.

#### **Recommendation for special situations:**

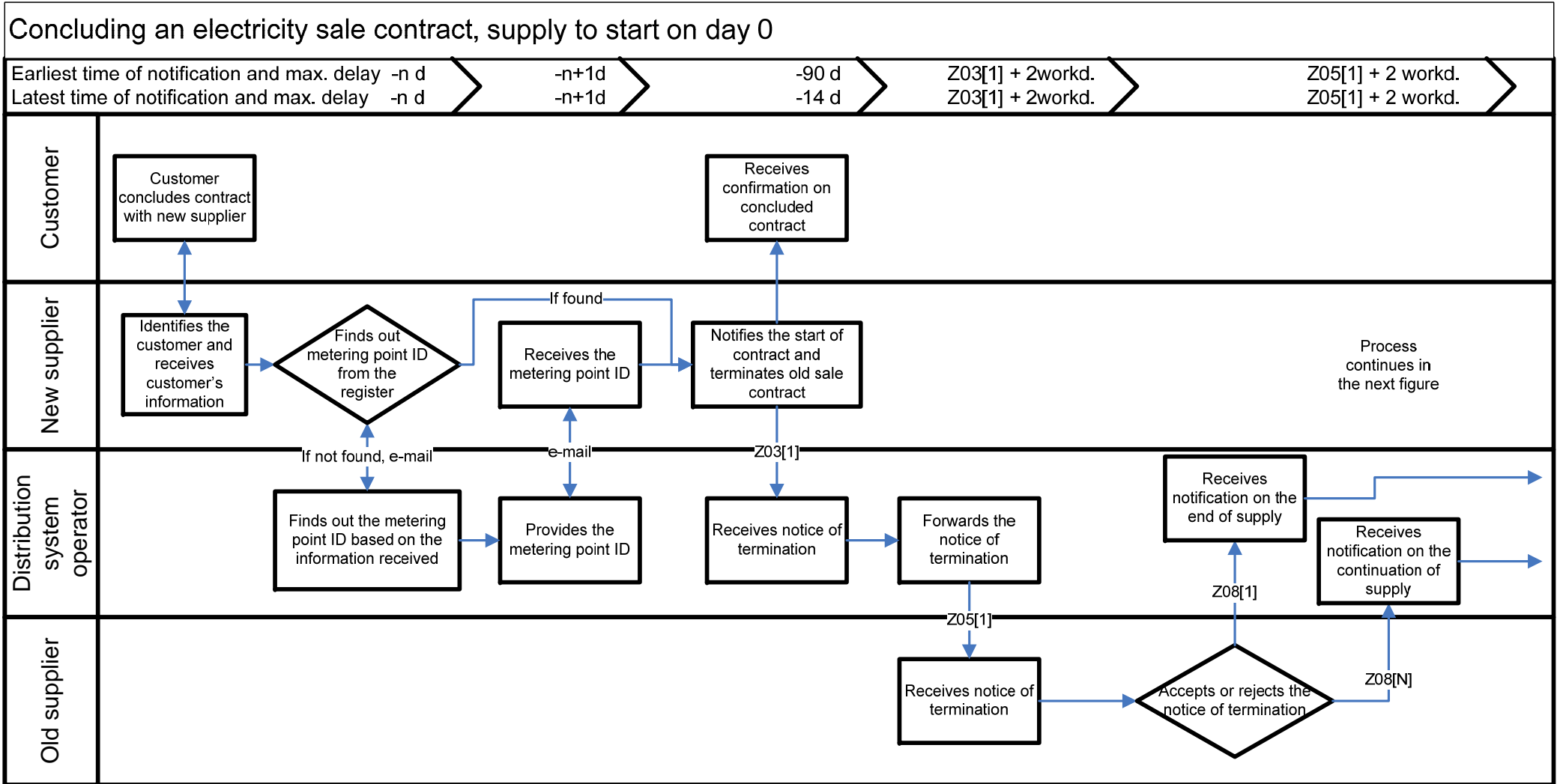
In special situations, the parties are advised to negotiate with one another on a just and reasonable revision of compensation.

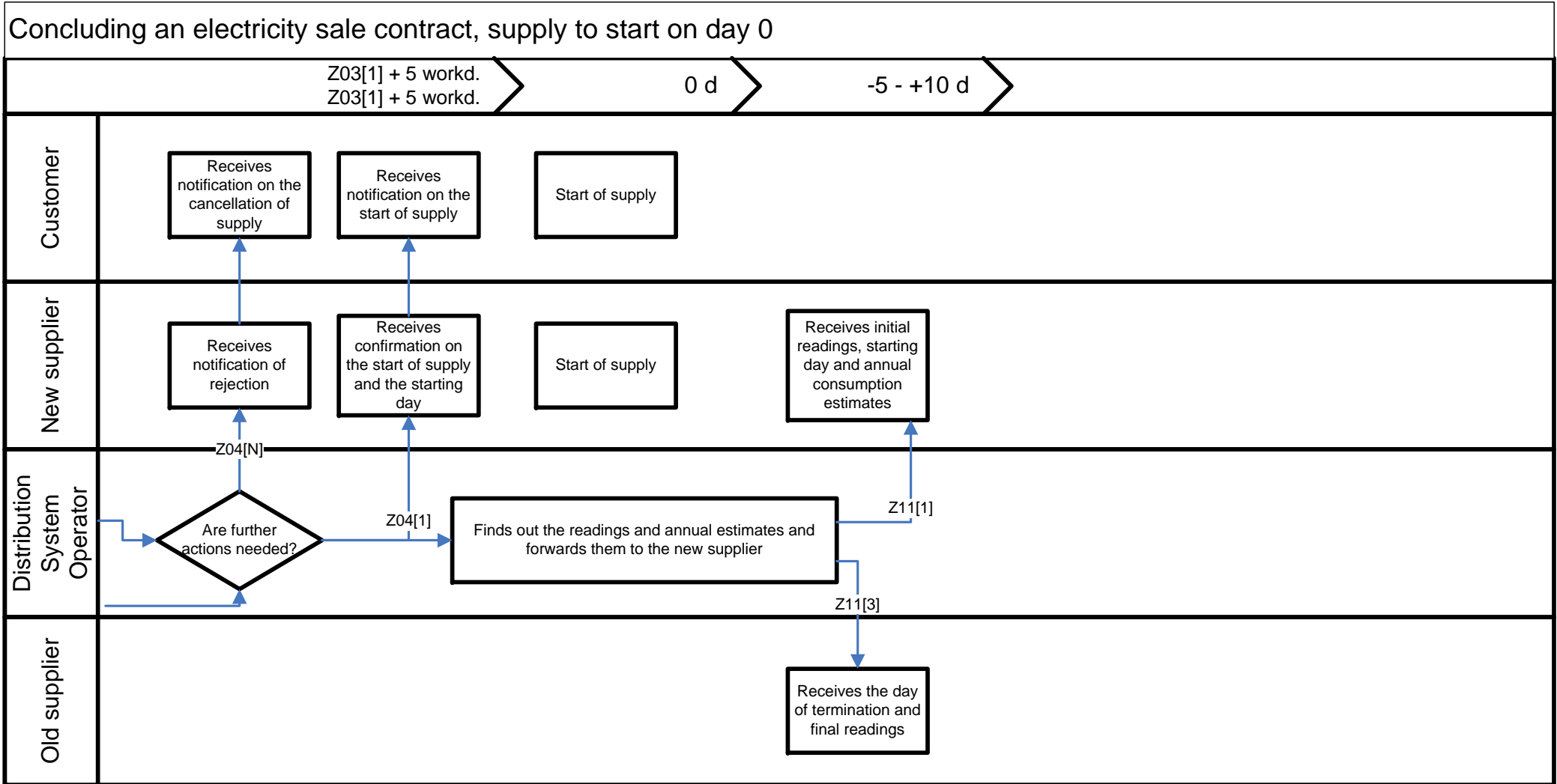
A special situation may arise, for example, if the volume concerned in the error is fairly high in relation to the extent of operations of at least one of the parties, and at the same time

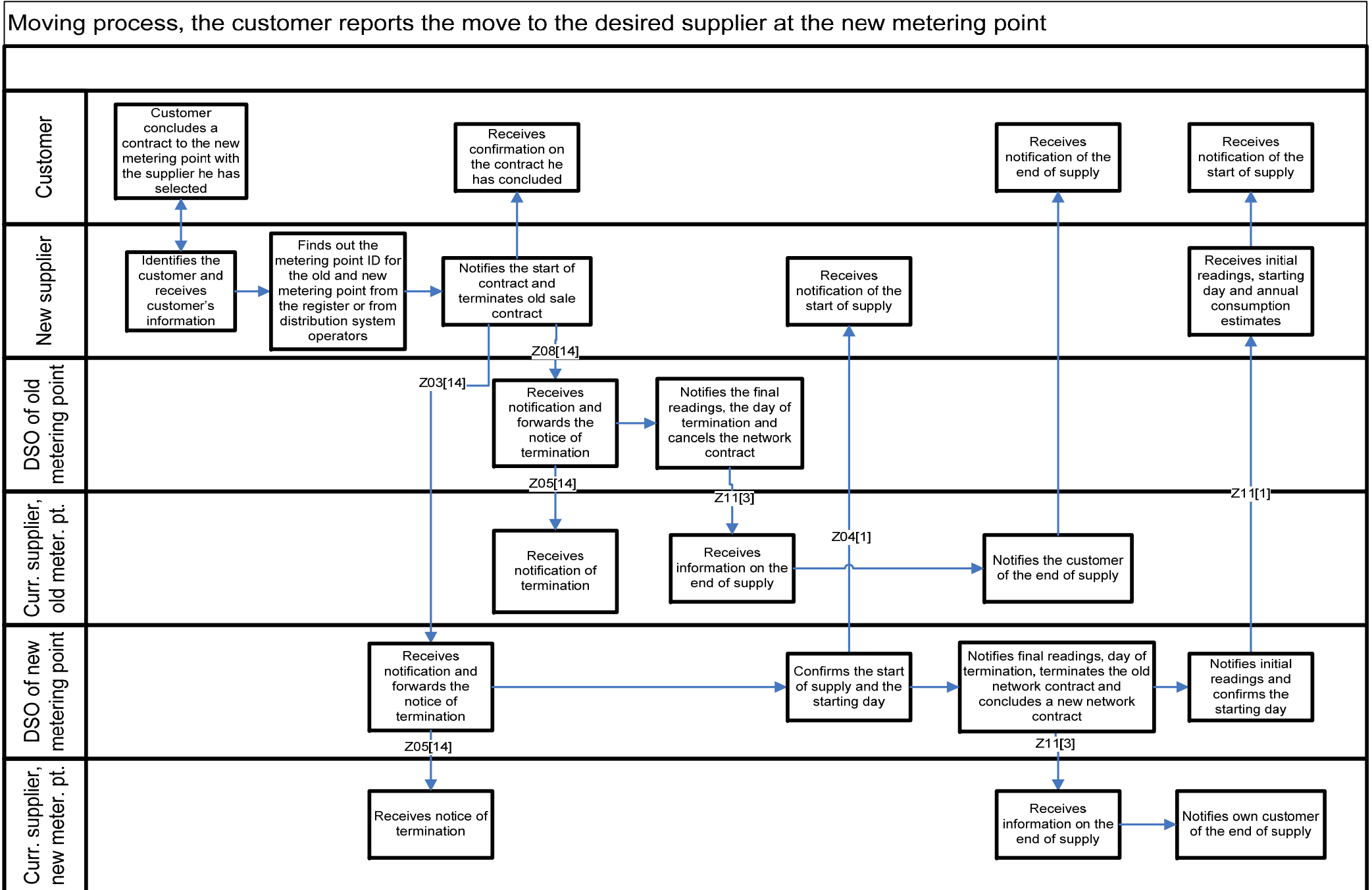
- the party within whose sphere of responsibility (incl. subcontractors) the error did not take place would have to suffer a loss due to the compensation compared to a situation where the error had not happened; or
- the party within whose sphere of responsibility (incl. subcontractors) the error took place would benefit from the error

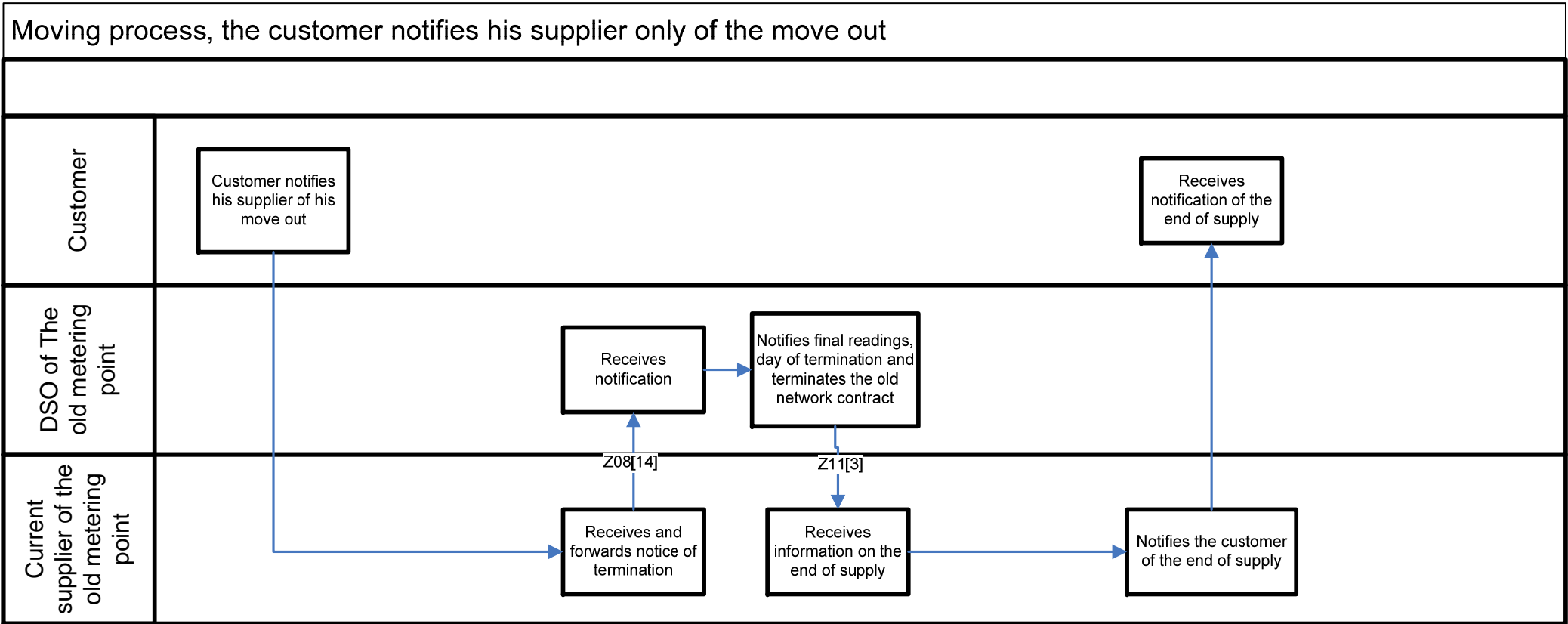
and compensation compared to a situation where the error had not happened; or

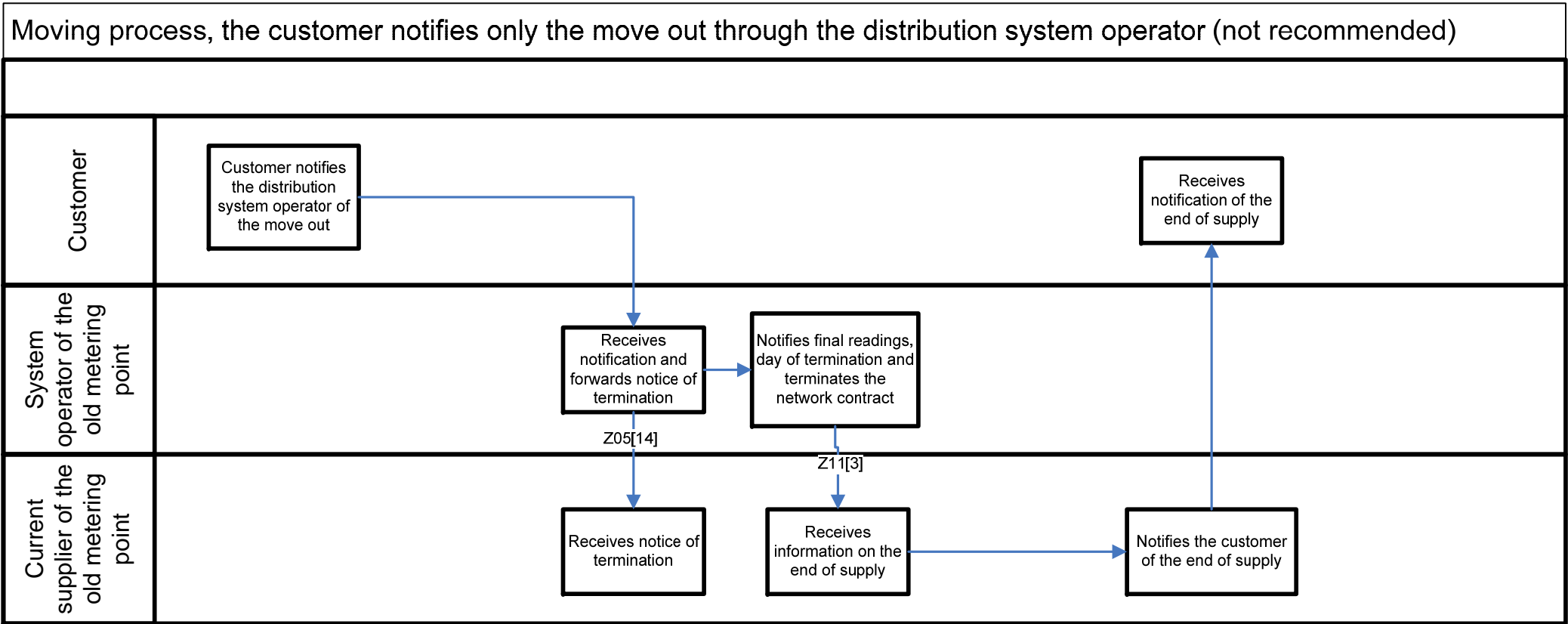
- the compensation arises from an event, which is the result of an offence of negligence by the party responsible for the error or its service provider.

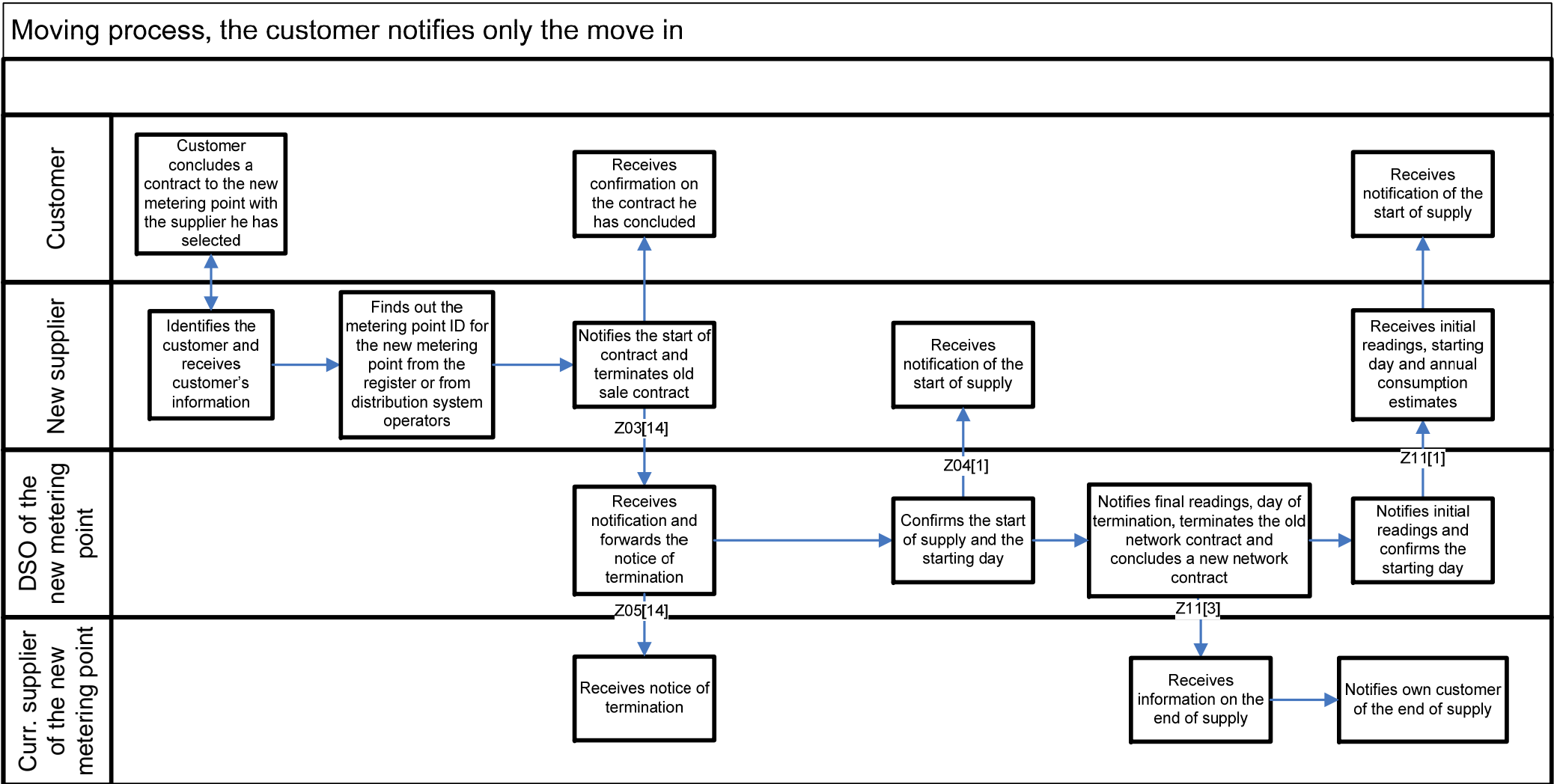




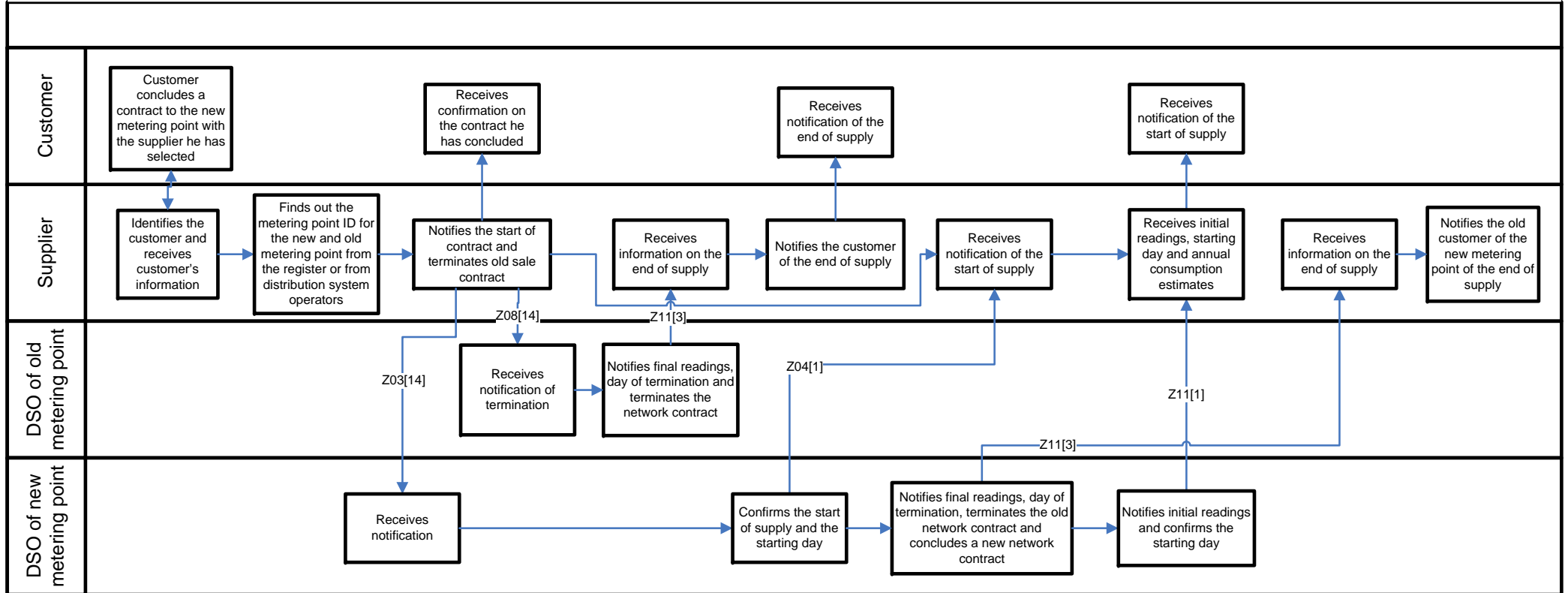








Moving process, the supplier selected by the customer is the same as the current supplier at the old and new metering points



Moving process, customer wants to keep current supplier when moving to new metering pt. with another current supplier

