

# General terms of agreement for the sale of electricity to consumers

GENERAL TERMS OF AGREEMENT drawn up by Svensk Energi by agreement with the Swedish Consumer Agency.

## 1 Introductory provisions

1.1 These general terms of agreement relate to the sale of electricity to consumers. Other terms and conditions apply to the sale of electricity to persons who conduct business activity or other similar activity.

1.2 These general terms of agreement apply until further notice. The party that has drawn up these general terms of agreement may amend the terms following consultation with the Swedish Consumer Agency. The electricity supplier has the right to implement such changes. When the electricity supplier implements such changes, the new terms may not be applied until at least two months after a special notification of the changes has been sent to the consumer.

1.3 The following definitions apply in these general terms of agreement:

- designated electricity supplier: the electricity supplier that sells electricity to a consumer who does not choose the electricity supplier themselves. The designated electricity supplier is designated by the electricity grid operator.
- balance responsible party: the party that, in an agreement with the system responsible authority, has undertaken the financial responsibility for ensuring that the electricity system is being supplied with as much electricity that is being withdrawn at the consumer's outtake point.

- electricity supplier (electricity supplier according to the Electricity Act (1997: 857)): the company that a consumer buys their electricity from.
- electricity grid operator (network concessionaire according to the Electricity Act): the company that, with the support of network concession, connects and transmits electricity to the consumer.
- consumer: a natural person to whom electricity is sold mainly for purposes that fall outside of the category of business activity.
- network concession: permission to route, use and maintain electricity lines in the area where the consumer's installation is located.
- system responsible authority: the authority, the public utility Svenska kraftnät, hereafter Svenska kraftnät, that has the overall responsibility for ensuring the balance of the country's production and consumption of electricity.
- outtake point: according to the Electricity Act, the point where a consumer, who has an agreement with an electricity grid operator, withdraws electricity for consumption.

1.4 Repealed by decision on 10/10/2018.

1.5 The party that has a claim against the other party is entitled to interest according to the Interest Act (1975:635).

## 2 Sale of electricity

Sales commitment – general

2.1 The electricity supplier undertakes to sell electricity to the consumer on the following terms.

2.2 If the electricity supplier or the consumer so desires, written notification must be made or a written agreement signed regarding the sale.

1. An agreement between a consumer and an electricity supplier is to contain information on
2. the electricity supplier's name, address, telephone number and website,
3. the electricity supplier's commitment in relation to the consumer,
4. when the agreement is reached and at what time the electricity supplier plans to take over the supply to the consumer,
5. where the consumer can find information about the electricity supplier's prices and other terms,
6. the terms for billing and payment,
7. the duration of the agreement or if it runs until further notice,
8. what applies to the extension of a fixed-term agreement,
9. the terms for terminating the agreement,
10. how the compensation is calculated in the event of early termination of a fixed-term agreement,
11. the conditions for compensation if the electricity supplier does not fulfil its obligation under the agreement, and
12. how the electricity supplier, on its website and upon request, otherwise provides the additional consumer-related information specified in Chapter 11, Section 18

of the Electricity Act. This information, as well as information on the terms of the agreement, must be provided to the consumer before the agreement is concluded or confirmed. If information according to the second paragraph has not been provided in writing or in some other permanent form, the electricity supplier must, within reasonable time after the agreement has been concluded, provide information in such form to the consumer. The information shall also contain information on comparative prices formulated in accordance with the Swedish Consumer Agency's regulation on price information.

### Remote sales and sales outside of business premises

2.2 A For agreements entered into remotely or outside of business premises, prior to entering into an agreement and in addition to what is stated in point 2.2, information shall be provided as stated in Chapter 2, Section 2 of the Act (2005:59) On Distance Contracts And Off-Premises Contracts (Distance Contracts Act) in the manner stated in Chapter 2, Sections 3 and 5 of the same Act. If the electricity supplier on its own initiative contacts the consumer by telephone in order to enter into a distance contract (direct telephone sales), the electricity supplier must also provide the information stated in Chapter 2, Section 3 a of the Distance Contracts Act before entering into an agreement.

In the case of direct telephone sales, the electricity supplier shall, in accordance with Chapter 2, Section 3 a of the Distance Contracts Act, confirm its offer in a document or other legible and

permanent form that is accessible to the consumer. In such telephone sales, an agreement is entered into by the consumer accepting the offer in writing after the call. The offer is accepted in the manner stated by the electricity supplier, for example by letter, e-mail or text message. If such written acceptance is not provided, the agreement is invalid. The electricity supplier's confirmation of the offer must state that agreements that have not been concluded in this way are invalid and that the consumer is consequently not obliged to pay for what is covered by the offer.

When a distance contract has been concluded, the electricity supplier must, within reasonable time, provide the consumer with a confirmation of the agreement. The confirmation shall be given in a document or in some other legible and permanent form that is accessible to the consumer and shall also contain the information specified in the second paragraph of point 2.2 and the first sentence of the first paragraph of 2.2 A, unless the information has already been provided in such a manner.

When an agreement has been concluded outside of business premises, the electricity supplier shall provide the consumer with a copy of the signed agreement or a confirmation of the agreement. The copy or confirmation shall be provided as a document or, if the consumer agrees to it, in another legible and permanent form accessible to the consumer.

### **Withdrawal period**

2.2 B In the case of agreements concluded remotely or outside of business premises, the consumer has the right to withdraw from the agreement (right of withdrawal) by submitting or sending notice to the electricity supplier

within a certain time frame (withdrawal period).

When a distance contract has been concluded, the withdrawal period is 14 days and begins on the day the agreement is entered into, provided that the consumer has received information about the right of withdrawal pursuant to Chapter 2, Section 2, first paragraph, point 9 of the Distance Contracts Act, in the manner specified in Chapter 2, Section 3 of the same Act.

When an agreement has been concluded outside of business premises, the withdrawal period is 14 days and begins on the day the agreement is entered into, provided that the consumer has received information about the right of withdrawal pursuant to Chapter 2, Section 2, first paragraph, point 9 of the Distance Contracts Act, in the manner specified in Chapter 2, Section 5 of the same Act. Such information shall be provided to the consumer in connection with the consumer receiving a copy of the signed agreement or in a confirmation of the agreement.

### **Sales commitment – other**

2.3 The electricity supplier shall, in accordance with statutes, inform the consumer regarding:

- each energy source's share of the average composition of energy sources used to produce the electricity that the electricity supplier sold during the preceding calendar year
- the impact on the environment in the form of carbon dioxide emissions and the amount of nuclear fuel waste that the production of the sold electricity has caused.

2.4 The electricity supplier is responsible for ensuring that a balance



responsible party is in place for the consumer's outtake point. According to the Electricity Act, the electricity supplier can only sell electricity at the outtake point if there is a balance responsible party for this. If, at any stage, the electricity supplier is unable to ensure that there is a balance responsible party in place, the company shall immediately inform the consumer and the electricity grid operator of this.

2.5 Switching of electricity suppliers shall be carried out without a separate cost to the consumer.

2.6 The electricity supplier must notify the electricity grid operator that it will start selling electricity at the consumer's outtake point and specify the party that has undertaken the balance responsibility for this. In order for the sale to begin on the day the electricity supplier and the consumer have agreed on, the notification must be submitted no later than 14 days before the sale commences.

#### **Consumer's commitments**

2.7 The consumer is obliged to have the requisite agreement with the electricity grid operator for the transmission of electricity.

2.8 Unless otherwise stated in these terms and conditions, the consumer shall pay for all electricity consumed at the outtake point. The obligation to pay also includes electricity that the consumer has not been able to utilise due to faults in its facility, or for other reasons that are not due to the electricity grid operator or the electricity supplier.

#### **Obstacles to the performance of the agreement**

2.9 A party is not obliged to fulfil the agreement if the performance is made

considerably more difficult as a result of obstacles beyond its control. Obstacles include war, authority decisions, disruptions in the public transport system, extreme weather conditions or other circumstances of an exceptional nature that significantly affect the performance of the Agreement and which the party could not have foreseen and the adverse impact of which the party could not have reasonably avoided.

#### **Compensation for damage etc.**

2.10 If a consumer alleges that a change of electricity supplier has not been carried out correctly or in due time, the electricity supplier that has notified the switch is responsible for the matter being investigated, following consultation with the consumer's electricity grid operator. The electricity supplier must also notify the consumer of what has caused the error. Unless there are special reasons, information must be provided to the consumer within fourteen days from the time the consumer has contacted the electricity supplier.

2.11 If the electricity supplier has not fulfilled its obligations in connection with the takeover or commencement of the electricity supply, and this is due to circumstances within the electricity supplier's control, the consumer is entitled to compensation from the electricity supplier for the damage thereby incurred.

If the consumer has proven it likely that it has incurred damage but the claim amount is less than SEK 100 per outtake point and incident, the consumer shall still receive compensation of SEK 100. In order to receive compensation in a higher amount, the consumer must prove the damage and its extent.

2.12 If the transfer has been cancelled due to the consumer's negligence but the



electricity supplier has not had a legal basis to request disconnection of the consumer's installation from the network, the consumer is entitled to compensation for damage from the electricity supplier.

2.13 If the electricity supplier does not fulfil the agreement with the consumer, the consumer is entitled to compensation for the damage they have suffered if the electricity supplier cannot show that the failure to fulfil the agreement is due to an obstacle outside the supplier's control which the company could not reasonably have expected and whose consequences could not reasonably have been avoided or overcome.

2.14 The right to compensation does not include damage attributable to business activity.

2.15 The injured party shall take reasonable measures to limit its damage. If the party neglects to do so, the compensation can be reduced correspondingly.

### **3 Measurement, collection and reporting of actual values and invoicing**

#### **Measurement**

3.1 The consumer's consumption is registered by the electricity grid operator's meter or by a meter approved by the electricity grid operator.

Regulations on measurement are contained in statutes and in the consumer's agreement with the electricity grid operator.

#### **Collection and reporting of actual values and invoicing**

3.2 The collection and reporting of actual values shall take place in

accordance with statutes or in the manner agreed by the parties.

3.3 Invoicing shall relate to the measured quantity of transmitted electricity. However, if the actual values collected are missing or incorrect and this is due to circumstances beyond the control of the electricity supplier and the consequences of this cannot reasonably be avoided or overcome by the supplier, invoicing may contain preliminary figures and be based on the estimated amount of electricity transmitted. The estimated amount of transmitted electricity must then be determined on the basis of the consumer's previously recorded consumption and other circumstances such as changes reported by the consumer that can be assumed to affect the amount of electricity transmitted. Invoicing shall be done at least every quarter. However, the consumer has the right to choose monthly invoicing. If the electricity supplier has not been entitled to preliminarily invoice the consumer according to the second paragraph, but does so nonetheless, the consumer is entitled to a cost-free and interest-free instalment plan for a reconciled amount where the number of instalments is in relation to the duration the error has lasted. If preliminary invoicing has been going on for more than eight months from the last invoice based on the actual values collected, the reconciliation invoice shall be reduced by 15 per cent of the difference between what has been finally and preliminarily invoiced respectively. Furthermore, the consumer is entitled to a cost-free and interest-free instalment plan for a reconciled amount where the number of instalments is in relation to the duration the error has lasted. If invoices have not been sent with the framework of the contracted invoicing and this is due to the electricity supplier, the consumer is entitled to a

cost-free and interest-free instalment plan where the number of instalments is related to the number of missing invoices. If the contracted invoicing has completely failed to materialise for a certain period and this is due to circumstances within the control of the electricity supplier, the electricity supplier is not entitled to demand payment for claims that are older than twelve months. When reconciling invoicing that has been based on estimated values (preliminary invoicing), the reconciliation following collection of actual values (final invoicing) shall take into account the different prices that have been applied for the period covered by the reconciliation. If there are no special reasons for using another basis for calculation, the estimate must be performed as if the consumer's consumption has followed the normal consumption pattern of the customer category. If there is cause to assume that the consumer in good faith has paid an invoice which can with good reason be perceived as final for a certain period of time, there is no further payment obligation for such a period. When the contractual relationship ceases, the consumer is to receive a final invoice within six weeks from the date the supply was terminated. After the electricity supplier has sent a final invoice, no further invoicing may be done. If there are no special reasons to the contrary, the final invoice shall be based on actual values collected.

3.4 After consultation with the consumer, the electricity provider must be given access to the measuring device available to the consumer.

3.5 If the measuring device does not work or if it has registered a value other than that of the actual consumption, or if there has been an error when collecting measurement values, the electricity grid

operator shall estimate the amount of electricity that has been transmitted following consultation with the consumer and the electricity supplier. The estimate is to form the basis for the electricity supplier's invoicing. If the consumption has been estimated in accordance with the previous paragraph, the electricity supplier shall provide notification of this at the latest in connection with invoicing.

3.6 Estimated consumption according to the terms in point 3.5 shall be determined on the basis of the consumer's previously recorded consumption at the outtake point and other circumstances that may have affected consumption.

3.7 If the estimated consumption in any of the above cases has been based on incorrect assumptions, the incorrectly invoiced amount shall be adjusted without delay after the error has been discovered. If the adjustment relates to a minor sum viewed in relation to the annual cost, this is normally done on the following invoice, unless the consumer requests that it be paid separately.

#### **4 Payment and collateral**

4.1 Payment must be received by the electricity supplier at the latest by the due date stated on the electricity supplier's invoice, which falls no earlier than 20 days after the electricity supplier has sent the invoice. As a general rule, the due date should be no earlier than the 28th day of the month.

4.2 An electricity supplier may not disadvantage a consumer based solely on the method of payment chosen by the consumer.

4.3 If payment is not made on time, the electricity supplier, unless otherwise agreed in writing, is entitled to demand

that the consumer, in addition to the invoice amount, pay interest according to the Interest Act from the due date stated in the invoice, and compensation for the costs associated with the delay. This also includes costs for written payment reminders and costs for enforcement of payment or other obligations.

4.4 If the electricity supplier, upon conclusion of the agreement, has reasonable cause to fear that the consumer will not fulfil their payment obligations, the electricity supplier has the right to request acceptable collateral for sales. Reasonable cause may be, for example, deficiencies or delays regarding previous payment obligations to the electricity supplier or knowledge that the consumer has incurred records of non-payment.

If the consumer has neglected their payment obligations to the electricity supplier during the contract period, the electricity supplier has the right to request acceptable collateral for continued delivery.

If the electricity supplier has the right to request collateral as per the first or second paragraph, the electricity supplier also has the right to demand monthly invoicing.

Collateral must not exceed larger amounts than the equivalent of four months' estimated fees for the delivery. If the consumer has fulfilled their payment obligations over a period of six months from the time the collateral was provided, the collateral must be returned.

If the consumer has provided collateral under this point, deposited funds shall be deposited in an interest-bearing account, separate from the electricity supplier's own assets.

## 5 Breach of contract

5.1 When it comes to the electricity supplier's right to cancel the supply of electricity due to the consumer's breach of contract, special provisions are provided in the Electricity Act.

The supply is shut down through the electricity grid operator disconnecting the consumer's facility from the network at the request of the electricity supplier.

5.2 The supply of electricity may be shut down if the consumer neglects their obligations and this neglect constitutes a significant breach of contract.

Before the supply of electricity may be shut down, the consumer shall be asked to remedy the situation within a reasonable time frame and, in cases other than those referred to in point 5.3 below, shall be informed that the supply of electricity may otherwise be shut down. If the situation is remedied, the supply may not be shut down. Once an agreement has been concluded, disconnection may not take place solely on the grounds that the consumer has not provided collateral. If the circumstances give reason to fear that the supply shutdown would result in significant personal injury or extensive material damage, the supply of electricity may not be shut down. However, this does not apply if the consumer acts improperly.

5.3 If the breach of contract consists of the consumer neglecting to pay for their consumption of electricity, in addition to what is stated in point 5.2, the consumer shall, after the time for remediation has elapsed, be asked to pay within three weeks from the date of notification thereof and the notification that the supply may otherwise be shut down. A notification of non-payment must simultaneously be submitted to the

social welfare committee in the municipality where the consumer receives the electricity. If payment is made or the claim is disputed, the supply must not be shut down. Furthermore, the supply of electricity may not be shut down if, within the time specified in the first paragraph, the social welfare committee has notified the party submitting the notification that the committee is assuming the liability for payment of the debt. In order for a claim to be considered as a dispute, the consumer must submit a legally relevant objection in the matter. Such a submission should be in writing.

If the claim is subject to dispute, the supply of electricity may not be shut down. This means that the consumer must pay the part of the claim that the consumer and the electricity supplier are agreed that the consumer is to pay. The part that is disputed does not need to be paid until the dispute is settled.

5.4 When the electricity supplier has the right to shut down the electricity supply according to points 5.2-5.3, the company is also entitled to terminate the agreement. If the electricity supplier terminates the agreement, it shall immediately inform the electricity grid operator.

5.5 If the consumer has entered into a fixed-term agreement and prematurely breaks this, without any grounds for cancellation as per point 5.6, by entering into a new agreement with another electricity supplier, the consumer shall compensate the former electricity supplier. This compensation may not exceed what the electricity supplier can prove has been lost during the remaining term of the agreement.

The calculation of such compensation shall be done in accordance with the principles that shall be stated in the electricity supplier's agreement with the consumer as per point 2.2.

5.6 If the electricity supplier neglects its obligations and the negligence entails a material breach of contract, the consumer is entitled to terminate the agreement. Before termination can take place, however, the electricity supplier must be given the opportunity to rectify the situation within a reasonable time. If the consumer terminates the agreement, the electricity supplier shall immediately inform the electricity grid operator of this.

## **6 Delivery obligation, validity, changes and additions**

6.1 Unless otherwise agreed, the agreement will be terminated no later than 14 days after the consumer has provided notice of termination. The consumer has the right to terminate the agreement either verbally or in writing. For the electricity supplier, delivery obligation applies to the consumer's outtake point according to the Electricity Act. The delivery obligation ceases if the consumer stops withdrawing electricity at the outtake point, if some other electricity supplier starts supplying electricity to the consumer at the outtake point, or if the consumer is guilty of such breach of contract that gives the electricity supplier the right to request that the electricity supply be shut down on the basis of the provisions in the Electricity Act.

If the electricity supplier and the consumer have entered into a fixed-term agreement for the supply of electricity, the electricity supplier shall, at the earliest 90 days and no later than 60 days prior to the expiry of the agreement, notify the consumer of the date of the





termination of the agreement and the consequences thereof.

6.2 An electricity supplier intending to change the terms of an agreement that is valid until further notice with a consumer shall notify the consumer of the change. Notification shall be made through special message to the consumer. The message shall state that the consumer has the right to terminate the agreement. If the consumer then decides to terminate the agreement, the notice period for the consumer is no more than one month. Such notice of termination shall be made no later than one month before the new terms enter into force.

The new terms must not be applied until at least two months after the message has been sent.

Such a change of terms also includes changes to the conditions for how the price is calculated or that the electricity suppliers is applying a larger surcharge than before.

When a price increase has taken place, the consumer shall be informed of this in the next invoice from the electricity supplier. It should be clear when the price change entered into force and how the price has changed.

6.3 In the event of a price change, the new price is applied on the basis of either the collected actual value, whether the collection takes place within a reasonable time from the date of the change, or on a reasonably estimated meter reading.

## **7 Information, guidance and dispute resolution**

7.1 The electricity supplier shall provide clear information on its website regarding

- consumer rights,
- the process for consumer complaints,

- which bodies the consumer can turn to for information or dispute resolution, and

- independent user advice, where consumers can get advice on available energy efficiency measures and comparative profiles.

At the consumer's request, this information must be provided in some other way.

The electricity supplier must, on or in connection with the invoice, refer to the fact that information under the first paragraph is available on the electricity supplier's website and that it can be provided in some other way upon request.

7.2 For information and guidance, the consumer can turn to the Swedish Consumer Energy Markets Bureau or to a consumer advisor.

7.3 Disputes regarding the validity, interpretation and application of these contractual terms shall primarily be settled through negotiations between the parties. If such negotiations do not lead to the dispute being settled, the dispute can be examined by the National Board for Consumer Disputes at the consumer's request. The dispute can also be examined by a general court or other competent authority under the law.

7.4 If a dispute is resolved in any of the aforementioned bodies, recovery of the debt to which the dispute relates does not take place until the dispute is finally settled.