

**REPUBLIC OF ARMENIA
RETAIL ELECTRICITY MARKET
TRADING RULES AND CONTRACTS**

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REPUBLIC OF ARMENIA RETAIL ELECTRICITY MARKET TRADING RULES

SECTION I. GENERAL PROVISIONS

CHAPTER I. SUBJECT AND DEFINITIONS

1. The Retail Electricity Market Trading Rules (hereinafter, the REM Rules) shall define the principles of the Retail Electricity Market (hereinafter, the REM) operation, the rules of trading on the REM, the requirements of electricity supply and universal supply, the requirements for the Distribution Licensees, the Customer Supplier switching procedure, the consumed electricity metering and payment procedure, the Supplier-Customer relationship during commercial meter accuracy testing and disclosure of inaccuracies, the requirements for storage and transparency of REM data, as well as other necessary regulations and procedures to increase the efficiency of REM operation.
2. The main definitions used in these Rules are as follows:
 - 1) **Commercial Metering device** A metering device for commercial measurement of electricity specified in the Contract or in the Registration Card.
 - 2) **Failure of Commercial Metering device** Failures of or damages to components of Commercial Metering devices verified by the expert opinion of the Metrology and Calibration body; or the absence of, tampering with, or damage to the seals of Commercial Metering devices (including modification of parameters or connection schemes of current and voltage metering transformers) or other interference with commercial metering device operation.
 - 3) **Distributor** An entity holding an electricity (capacity) distribution license.

- 4) **Confidential Information** Information or data on the financial status and commercial secrets of the Distributor, Universal Supplier, or Supplier, the publication of which may harm any of these, as well as Customer-related information available to the Distributor, Universal Supplier, Supplier.
- 5) **Sub-Consumer** A Customer who receives electricity supply through the consumption system of the other Customer and has an Electricity Supply Contract with the Universal Supplier (the Supplier) signed in the defined procedures.
- 6) **Universal Supplier** An entity holding a license for universal supply of electricity.
- 7) **Distribution Network Code** “Distribution Network Code of the Republic of Armenia Electricity Market,” approved by the Commission.
- 8) **Wholesale Electricity Market Rules** Wholesale electricity market trading rules approved by the Commission
- 9) **Autonomous Power Producer (APP)** A consumer that produces electricity for own needs using renewable energy sources who has signed the power flow contract with the Universal Supplier and not deemed to be a generation licensee in relation to the given autonomous power production facility. For this Point, own needs is the electricity consumption of autonomous power producer or in case of the autonomous group of all members of the group, regardless of the purpose of its use (household, industrial, etc.).
- 10) **Autonomous Group** A group of an autonomous power producer or of an autonomous power producer (producers) and a consumer (consumers).
- 11) **Vulnerable Consumer** A household customer, who has been granted a vulnerable customer status per regulations established by the Government of the Republic of Armenia (RoA) due to being socially vulnerable or having a special status.
- 12) **Electricity System Operator (ESO)** An entity holding a license for Electricity System Operator services.

13) Commission	The Public Services Regulatory Commission of the Republic of Armenia.
14) Settlement Period	A period that comes into effect at 00:00 of the first day of a calendar month and ends at 23:59 of the last day of the same month.
15) Metering Device	An electricity meter or a metering complex with all connections to/from a meter; current and voltage transformers that has passed a meter calibration by the Metrology and Calibration Body.
16) REM Participants	The Supplier, Universal Supplier, Customers (except for Qualified Customers), and Autonomous Power Producers.
17) Supplier	An entity holding a license for electricity supply.
18) Supply Contract	A contract signed (to be signed) between the Supplier and the Customer that establishes the terms and conditions of electricity supply.
19) Electricity Market Operator (EMO)	An entity holding a license for Electricity Market Operator services.
20) Metrology and Calibration Body	An organization implementing state metrological supervision defined by the RoA Law on Uniformity of Measurements.
21) Contract	A contract on the provision of electricity distribution services and universal supply of electricity and/or on connection of the Consumption System to the electric network, distribution, and universal supply of electricity, according to the model form approved by the Commission.
22) Tariff	The maximum price or charge set by the Commission according to the Law for the sale of one unit of electricity and for the provision of services by Energy Sector Licensees.
23) Boundary Point	The border of balance ownership of electric facilities of REM Participants and the Distributor.

24) Customer	An entity in demand of electricity that has signed or is in the process of signing an electricity supply contract with an Electricity Supply Licensee (including a Universal Supply Licensee).
25) Consumption System of the Customer	The Customer's complex of electric installations.
26) Control Metering Device	A metering device for control measurement of electricity as stated in the Contract or in the Registration Card.
27) Power Flow Contract	A power flow contract signed between the Autonomous Power Producer and the Universal Supplier, in compliance with the model form approved by the Commission.

CHAPTER 2. PRINCIPLES AND OBJECTIVES OF REM OPERATION

3. The objectives of the REM Rules shall be targeted to ensure transparent and competitive conditions of REM operation, promote access for new Suppliers to the network, and guarantee protection of Customer rights.
4. REM operation is based on the following principles:
 - 1) Supply of electricity to Customers, including Vulnerable Customers by the Universal Supplier at regulated prices;
 - 2) Supply of electricity to Customers by Suppliers at non-regulated prices;
 - 3) Supplier selection and supplier switching opportunities for Customers (excluding Vulnerable Customers, APPs and Autonomous Group members);
 - 4) Protection of rights of Vulnerable Customers by applying differentiated rates;
 - 5) Determination of Distributor's responsibility for violation of electricity service quality indicators;

- 6) Obligation of the Universal Supplier, Suppliers, and Distributor to ensure Customer access to the information defined by the REM Rules.

CHAPTER 3. REPORTING AND DOCUMENTATION

5. Sharing of information between the REM participants, the REM Participants, and the Distributor, as well as submission of documents shall be performed in an appropriate manner.
6. Sharing of information between the REM participants and the Distributor, as well as submission of documents within the framework of these Rules, shall be deemed appropriately performed if the information has been delivered with a signed receipt or sent through an electronic data sharing platform (if such is available to the recipient of information), or by a registered letter (including with a notice of delivery), or by electronic communication systems (including to the email address specified by the Customer), or by other means of communication securing the integrity of the message (including sending a message to a phone number specified by the Customer), which allow confirmation of the fact of receipt or, in cases defined by legislation, of appropriate notification of the receipt of the correspondence by the recipient, unless otherwise specified in these Rules.
7. The Customer shall be required to immediately inform the Distributor about any change of data regarding its address, email, or other means of communication. If such a notice is not sent, the information and the documents shall be provided to the recipient's last known address and the recipient shall bear all the risks associated with the adverse consequences of not providing the information.
8. If the recipient refuses to receive the correspondence or to sign the mail delivery confirmation (if it was sent via postal delivery), or if documentation sent by a registered letter is returned, the

documentation shall be deemed appropriately delivered to the recipient by the sender on the 3rd day from the next day the documentation is available on its official website and on <http://www.azdarar.am> and the latest announcement on the opportunity for the recipient to become aware of the content thereof is published.

9. The Distributor (Universal Supplier) and the Supplier shall provide a written answer to a written inquiry and a verbal answer to a verbal inquiry of a Customer or an applicant, and in case of an electronic mail, the answer shall be provided by email within 10 business days after the receipt of the inquiry (except for a verbal inquiry) unless otherwise provided by REM rules. The answer to a verbal inquiry shall be provided verbally immediately after the inquiry is received or in the shortest possible time.
10. The REM Participants and the Distributor shall be responsible for the reliability of information (documents) provided.
11. Where errors have been revealed in the data and documents shared among the REM Participants or between the REM Participants and the Distributor, the data shall be corrected within 3 business days after the error is revealed and a corresponding notification is sent, unless otherwise defined in the REM Rules.
12. Information (documents) shared among the REM Participants, shared between the REM Participants and the Distributor, as well as submitted by the REM Participants and the Distributor to the Commission shall be open to the public if not deemed confidential according to the Law.
13. Information (documents) specified in Provision 12 of the REM Rules may be published in legally defined procedures. The entity that published the information shall bear responsibility for violations of legally defined requirements on publication of such information (documents).
14. Any document or information provided in these Rules shall be preserved for at least a 5-year period unless a longer period is

defined by the REM Rules or the RoA legislation for storage of that type of documentation.

CHAPTER 4. RESPONSIBILITIES OF REM PARTICIPANTS, DISPUTE (DISAGREEMENT) RESOLUTION

15. For non-compliance or inadequate compliance with the provisions of the Rules, the REM Participant and the Distributor shall bear responsibility under procedures defined by RoA Legislation, the REM Rules, and the Contract.
16. The REM Participant and the Distributor shall not be responsible for violations defined in these Rules if they happened due to force majeure circumstances.
17. Under the REM Rules, any circumstance or event (or after-effect of that event) that led (or leads) to non-fulfillment or inadequate fulfillment of obligations defined by REM Rules and at the same time is characterized by the features stated below is considered a force majeure situation:
 - 1) The circumstance or event is out of the control of the party affected by a force majeure situation;
 - 2) The party affected by force majeure situation undertook all possible actions and efforts (including precautional, alternative, legally defined) to prevent, weaken, eliminate, or avoid the influence of those circumstances (after-effects).
18. Under the REM Rules, the following situations in particular are considered force majeure:
 - 1) Natural and man-made calamities; epidemics; acts of God (including floods, earthquakes, hurricanes, tornados, thunderstorms, heavy rains with lightning, snowstorms, and landslides); nuclear, chemical or biological contamination; strikes; and public disorders;
 - 2) Rebellions, terroristic acts, wars, invasions, armed conflict, actions of foreign enemies, and blockades that take place on or

involve the territory of the RoA and could not be reasonably predicted;

- 3) An act, activity, or inactivity of a state or municipal agency or other authorized body, due to which no permission or right was issued or extended to facilitate the fulfillment of obligations stated in this License, or due to which fulfillment of obligations was hindered, on condition that the REM Participant and Distributor acted in compliance with RoA legislation.
19. If a force majeure situation occurs, the affected party shall notify the other party about such circumstances within 10 days after hearing of or being impacted by those circumstances. The party that failed to notify the other party shall bear the risks associated with negative impacts of non-notification.
 20. Provision 18 of the REM Rules shall not restrict the right of the REM Participant and the Distributor to apply to the Commission in extraordinary and unavoidable situations other than those described above to acknowledge those as force majeure, if requirements of this Chapter are satisfied.
 21. Disputable issues arising between the REM Participants and the Distributor shall be solved through negotiations.
 22. If a dispute (disagreement) is not settled by the parties, any party to a dispute (disagreement) may apply to the Commission requesting that it resolve the dispute within its jurisdiction, or may file a suit at a competent court, if the parties fail to agree on solving the issue by arbitration.

SECTION 2. RULES FOR ORGANIZING TRADE IN THE REM

CHAPTER 5. GENERAL PROVISIONS

23. The Customers may purchase electricity in the REM from the Universal Supplier or the Suppliers at their discretion, except for Vulnerable Consumers, APPs and Autonomous Group members, which may purchase electricity from the Universal Supplier only.
24. Distribution and universal supply of electricity by the Universal Supplier (Distributor) shall be implemented based on the Contract, whereas the supply of electricity by the Supplier shall be based on the Electricity Supply Contract.
25. Switching from the Universal Supplier to another Supplier or switching between Suppliers upon the initiative of a Customer shall be carried out based on the REM Rules, not exceeding 4 times per calendar year. Supplier of Universal Supplier switching shall be registered by the Distributor by making a corresponding record in the individual registration card activated for the given Customer (hereinafter, the Registration Card).
26. In cases when more than one consumption system belongs to the given Customer (regardless of their location and the number of connection points), the latter shall have the right to conclude one unified Contract for all of them or separate Contracts for each of them.
27. The Distributor (Universal Supplier) shall not be allowed to request that the Customers make payments or compensations, provide information or documents, or to burden them with obligations if this is not required by the REM Rules, the Contract, or other standard legal acts.
28. Transmission of electricity by the Customer through its electric facilities to feed the Sub-Customer's networks or other networks

of the Distributor as required by the Law shall be implemented in compliance with Annex I of the REM Rules.

29. Regulation of relationships within the context of providing compensation for electricity supplied by the APP and the Universal Supplier shall comply with procedures defined in Chapter 15.1. of the REM Rules.
- 29.1. Regulations of the REM Rules regarding the Customers shall be equally applied towards the APPs, unless otherwise specified in the REM Rules.

CHAPTER 6. UNIVERSAL SUPPLIER REQUIREMENTS

30. In compliance with the Law, the License, the REM Rules, the Contract and the Power Flow Contract, the Universal Supplier shall:
 - 1) Supply electricity to each Customer who does not have a Supply Contract signed with another Supplier for the given period;
 - 2) Supply electricity to Vulnerable Customers;
 - 3) Ensure power flow exchange between the APP and the Autonomous Group member;
 - 4) Fulfill other functions associated with the universal supply of electricity.

CHAPTER 7. ELECTRICITY DISTRIBUTOR REQUIREMENTS

31. In compliance with the Law, the License, the REM Rules, and the Contract, the Distributor shall:
 - 1) Provide electricity distribution services on a non-discriminatory basis;
 - 2) Register the Customer's Commercial metering data and, in case of violation, perform recalculation;
 - 3) Pay a penalty to the Customer in case of violation of service quality indicators;

- 4) Provide information free of charge to the Supplier on the quantity and prices of electricity supplied to the Customer who has signed a contract with the latter;
- 5) Provide an invoice to the Customer on the quantity and cost of electricity supplied and, in case of the APP and Autonomous Group Member, on the quantity and cost of the distribution service rendered;
- 6) Ensure the availability of a 24-hour telephone line through which, by informing the Customer in advance about recording the phone call, the Distributor shall provide information or clarification to the Customer regarding the following:
 - a) Procedures for the conclusion of the Contract and relevant documentation;
 - b) Reasons for the interruption, suspension of, and deadlines for restoration of electricity supply;
 - c) The quantity, tariff, and cost of electricity supplied, and in case of the Supplier's Customer, the quantity, tariff, and cost of the distribution service rendered, as well as payment deadlines and penalties for violation of payment deadlines;
 - d) Cases of payment of penalties by the Distributor;
 - e) Procedures on submission of claims and applications by Customers and responses by the Distributor;
 - f) Other issues associated with the provision of services by the Distributor.
- 7) At service centers and on its official website, provide the model forms of the Contact and make available the information specified in sub-Provision 6 of this Provision;
- 8) Maintain the Electronic Registry that includes all Customer Registration Cards and protect it from unauthorized access in accordance with the requirements of ISO/IEC 27001 and ISO/IEC 27002;
- 9) Implement other functions resulting from the provision of distribution services

32. The Customer's Registration Card shall include the following information:
- 1) The Contract, the Power Flow Contract concluded with the Customer and bases for the conclusion thereof;
 - 2) Data on Commercial meters and acts (protocols, conclusions) on their dismantling, testing, replacement, or installation;
 - 3) Information on Points of Connection to the Customer's consumption and, if available, generation systems and Boundary points;
 - 4) In cases defined in the EDN Code, the description, capacity, and operation hours of the Customer's consumption and, if available, generation system;
 - 5) Monthly values of technological losses of electricity that occur between the point of installation of the Commercial Meter and the Boundary Point;
 - 6) Duration of the minimum load period, values of aggregate loads connected during that period, and the procedure on calculation of that loads;
 - 7) Data specified in Provision 84 of the REM Rules;
 - 8) Documents and data on recalculations performed;
 - 9) Information on monthly consumption of electricity, monthly supply of autonomously produced electricity, accumulated surplus of electricity, payments of the Customers, payments to be paid to the APP or the APP that established an Autonomous Group and penalties paid by the Distributor;
 - 10) Annual electricity demand applications of the Customer (if available);
 - 11) In case of the conclusion of a Supply Contract with another Supplier, the name of the Supplier and the supplier switching date;
 - 12) In case of fixed technological or emergency capacities reserved by the Customer, also: emergency and technological capacities, duration of the technological process (cycle)

required to provide emergency capacity, capacity not subject to disconnection until the end of the period needed to ensure technological process and provide emergency capacity, feeding center, feeding line, and the maximum capability of the feeding line;

- 13) Information on changes in the Registration Card records and on the person who made the changes.
33. The Distributor shall ensure access to the data recorded in the Customer's Registration Card during the entire period of validity of the Contract, then archive and store the data for at least 10 years after termination of the Contract.
34. If requested by the Customer, the Distributor shall provide to the latter the printed version of the data specified in the Registration Card.
35. If an error is revealed in the Registration Card, the Customer and the Distributor shall be guided by procedures described in the REM Rules on making corrections in invoices.
36. The Customer shall be given the right of access to the electronic registry to obtain information about itself from the electronic register.

CHAPTER 8. SUPPLIER REQUIREMENTS

37. In compliance with the Law, the License, the REM Rules, and the Contract, the Supplier shall:
 - 1) Supply electricity at non-regulated prices pursuant to the requirements of the Supply Contract;
 - 2) Provide an invoice to the Customer on the quantity and cost of electricity supplied;
 - 3) Have a service center and a website where the Customer may get information and clarifications on the following:
 - a) Procedures and relevant documentation for the conclusion of the Supply Contract;

- b) The quantity and cost of electricity supplied, deadlines for payments, and consequences of violations thereof;
 - c) Procedures on submission of claims and inquiries by Customers and provision of responses by the Supplier;
 - d) Other issues related to the provision of services by the Supplier;
- 4) Ensure availability of the model form of the Contact at the service center and on its official website.

CHAPTER 9. CONCLUSION OF CONTRACT

38. The Contract shall be open to the public and concluded by the Customer based on the Acceptance submitted pursuant to the model form defined by the Commission and shall become effective from the moment of approval of the Acceptance by the Distributor, except for the contract on connection of the consumption system to the electric network, distribution, and universal supply of electricity, which shall be concluded in procedures defined by the EDN Code.
39. The Customer shall submit the Acceptance to the Distributor in writing or in the form of a printed document (with a handwritten signature of the Customer), or by electronic means allowing the Distributor to confirm its authenticity and to decide that the Acceptance is sent by the Customer, including sending the Acceptance with an electronic digital signature of the Customer or sending it from the preliminary provided email address to the Distributor's official email address, whether or not there is an electronic digital signature.
40. In addition to the Acceptance, the Customer, if it is a Residential Customer, shall also submit the copy of a document confirming its identity, the copy of a document certifying (confirming) the rights or acquisition of the rights of the Customer to the premises receiving electricity supply (building, construction), and, in the case

of a legal entity, the document certifying the rights of the latter to the premises receiving electricity supply (building, construction). In case of connection to a 6(10) kV network, the Customer shall present the copy of the decision (permit) for commissioning of the electric installations issued by the State Technical Supervisory Authority and information on the operative personnel (persons in charge of the electric facility) defined pursuant to the technical regulation approved by the RoA Government.

41. Where the rights of Residential Customers (including ownership or use) to the premises receiving electricity supply (building, construction site) are not registered in procedures defined by the RoA legislation, whereas a reference is available provided by a competent authority verifying the fact of inhabitancy (and if it is a garage, the fact of occupancy of the premises receiving electricity supply), the Distributor shall assess the feasibility of electricity supply to the Customer and associated risks and only then be eligible to sign a contract.
42. Where the Acceptance does not comply with the model form or the electricity supply to the Customer does not comply with the requirements of legal normative acts, the Distributor, within 1 business day after receipt of the Acceptance, except for the case specified in Provision 44 of the REM Rules, shall return it to the Customer supported by the corresponding justification. In case of absence of justification for returning the Acceptance as defined in this Provision, the Distributor shall, within the same period, approve the Acceptance and notify the Customer of the conclusion of the Contract.
43. Immediately after the conclusion of the Contract, the Distributor shall open and maintain a Registration Card for the given Customer with its registration number and share that number with the Customer along with the login and password to its personal page, thus giving the Customer access to the relevant information.

44. In cases when the Customer does not have rights or documents certifying the acquisition of rights to the premises receiving electricity supply (building, construction site) as prescribed by the REM Rules, and when the Acceptance is submitted in compliance with the REM Rules by a person who has such rights to the premises receiving electricity supply (building, construction site), the Distributor shall approve the Acceptance pursuant to the REM Rules within 1 business day after termination of the Contract.
45. The Contract shall be signed for an uncertain period, the following cases excluded:
 - 1) Temporary connection in procedures defined by the Distribution Network Code, when the Contract is signed for the period of effectiveness of that connection;
 - 2) The case specified in Provision 41 of the REM Rules, when the Contract is concluded for 1 year maximum;
 - 3) The case specified in Provision 54 of the REM Rules, when the Contract is concluded until the dispute is ultimately solved in legally defined procedures.
46. If a specific case provided for in the REM Rules requires the conclusion of a temporary Contract, then 1 month before the completion of the effectiveness of that Contract, each party to the Contract may notify the other party of the termination of the Contract. If, upon completion of the effectiveness of the Contract, the Customer keeps consuming electricity in the absence of a notification by the Distributor, the Contract shall be deemed extended on the same conditions and for the same period, except for the case defined in sub-Provision 1 of Provision 45 of these Rules, when the Contract could not be extended.
47. Within a maximum of 3 business days after the conclusion of the Electricity Distribution and Universal Supply Contract, and in case of connection of the consumption system to the electric network and signing of the Electricity Distribution and Universal Supply Contract, after the completion of connection works, the

Distributor shall be obliged to ensure provision (possibility) of electricity supply to the Customer.

CHAPTER 10. MODIFICATION, SUSPENSION, AND TERMINATION OF CONTRACT

48. The Contracts concluded as a result of the approval of the new model form or modification of the Contract by the Commission shall be deemed concluded or modified according to the Contract in compliance with the new or modified form, starting the date that the corresponding legal act of the Commission enters into force.
49. The Distributor shall notify the Customers of the approval of the new form of the Contract or modification therein as prescribed in Provision 48 of the REM Rules in terms and procedures defined by the Commission.
50. Upon agreement between the parties, modifications to the Contract and the Acceptance may be done in writing on the condition that they do not contradict the acting model form approved by the Commission and other acts of the Commission.
51. In case of switching from the Universal Supplier to another Supplier, provision of electricity universal supply service under the Contract shall be terminated, not relieving the Customer from fulfillment of its contractual obligations, and in case of a violation thereof, from the defined responsibilities.
52. The Contract may be terminated in the following cases:
 - 1) Upon mutual agreement of the parties;
 - 2) Unilaterally, by the Customer on condition that the latter duly informed the Distributor and completely paid for electricity supplied and, and in case of APPs and Autonomous Group member, when electricity is being generated at one or more points and being consumed at different points of the electricity system, also for distribution services rendered,

and in case of the Supplier's Customer, for distribution services rendered.

- 3) Unilaterally, by the Distributor:
 - a) In case the Contract signed for a certain period in accordance with Provision 45 of the REM Rules is expired, on the condition the Customer was duly notified of that fact 1 month prior to the expiration date,
 - b) In the case that the entity having the rights to the premises receiving electricity supply (building, construction site) has submitted a written request, if the Customer does not have a document verifying his eligibility or acquisition of rights to the premises (building, construction site) as prescribed by the REM Rules, on condition that the Customer has been informed in advance, except for the case specified in Provision 53 of the REM Rules;
 - c) Upon the death of a residential Customer or liquidation of a legal entity;
 - d) In the event that the justification for returning the Acceptance specified in the REM Rules, or rejecting the Application for the Contract specified in the EDN Code, are revealed, on condition that the Customer has been notified in advance;
 - e) In case of obtaining Qualified Customer status in compliance with the WEM Rules;
 - f) In other cases, prescribed by the Law, REM Rules, Contract, and other legal acts of the Commission, on condition that the Customer has been notified in advance.
53. Where the rights to the premises (building, construction site) receiving electricity supply are disputable, then according to point (b) of sub-Provision 3 of Provision 52 of the REM Rules, the issue of termination of the Contract shall be resolved after the settlement of the dispute in procedures defined by RoA Legislation.
54. Where the dispute regarding the rights to the premises (building,

construction site) receiving electricity supply occurred or the Distributor has been informed about the dispute after the termination of the Contract as specified in point (b) of sub-Provision 3 of Provision 52 of the REM Rules and the conclusion of the Contract with the new rights holder, within 1 business day from the day the Distributor was notified about the dispute, the effectiveness of the newly signed Contract shall be deemed suspended and a temporary Contract with the previous Customer under the previous conditions shall be deemed effective until the dispute is ultimately resolved in legally defined procedures, of which the Distributor shall, within the same period, inform the parties.

55. Modification to or termination of the Contract shall not relieve the parties from the fulfillment of accepted and outstanding obligations under the Contract.

CHAPTER 11. SUPPLIER (UNIVERSAL SUPPLIER) SWITCHING AND CONCLUSION OF ELECTRICITY SUPPLY CONTRACT

56. The Customer shall be eligible to switch to another Supplier instead of the Universal Supplier or to replace the selected Supplier with another Supplier by initiating a procedure for conclusion of a Supply Contract, on condition that:
- 1) The Customer has a contract with the Distributor;
 - 2) The metering device of the Customer meets the requirements of the Distribution Network Code and is included in the automated system of electricity metering and control (ASEMC);
 - 3) The Customer does not appear to be a Vulnerable Customer, APP or Autonomous Group member
 - 4) The Customer did not exceed the number of Supplier switches stated in Provision 25 of the REM Rules.

57. The Supply Contract shall contain at least the following information:
 - 1) Cost or charge for electricity to be supplied;
 - 2) Payment procedures and consequences of violation;
 - 3) The effective period of the Contract;
 - 4) The Contract termination procedure.
58. No service fee shall be charged to the Customer for the conclusion of a Supply Contract.
59. The unsatisfied liabilities toward the Current Supplier or Distributor (Universal Supplier) shall not deprive the Customer of its right to sign a Contract with another Supplier.
60. At least 10 business days prior to the date requested by the Customer for the conclusion of the Contract, the latter shall submit an application to the new Supplier enclosing thereto the copy of the document verifying its identity (copy of the state registration certificate).
61. Within 1 business day after receiving the Customer's application, if it has no intention to sign the Contract with the Customer, the Supplier shall inform the latter of that fact; if it does intend to sign, it shall:
 - 1) Inform the Customer of the duration and conditions of the Supplier Switching Procedure;
 - 2) Provide a sample of the Supply Contract;
 - 3) Notify the Customer about the termination of the universal supply according to Provision 51 of the REM Rules.
62. In case of disagreement with the Contract conditions proposed by the Supplier, the Customer may cancel its application before signing the Contract.
63. If it intends to sign a Supply Contract with the Customer, the Supplier, within 1 business day after receiving the application referred to in Provision 60 of the REM Rules, shall send the application to the Distributor.
64. Once the application is received as prescribed in Provision 63 of the REM Rules, the Distributor shall, within 1 business day, check

its compliance with the requirements defined in Provision 56 of the REM Rules:

- 1) If compliance is confirmed, the Distributor informs the Supplier;
 - 2) If incompliance is revealed, the Distributor sends to the Supplier a notification on rejection, specifying grounds for the rejection.
65. Where the Customer is in more than one Supplier Switching process, the Distributor shall take as a basis the Customer's latest request for Supplier Switching.
66. If the Customer complies with Provision 64 of the REM Rules, the Supplier shall sign a Contract with or notify the latter about the rejection.
67. Within 1 business day after the signing of the Contract, the Supplier shall inform the Distributor, which in turn shall register the Supplier Switching by making a corresponding record in the Customer's Registration Card and providing access for the Supplier and EMO to the information regarding the connection facilities, Commercial meter identification, and previous consumption volumes of the Customer in the ASEMC.

CHAPTER 12. TERMINATION OF SUPPLY CONTRACT

68. The Supply Contract shall be terminated:
- 1) Upon mutual agreement of the parties;
 - 2) Upon the initiative of the Consumer, notifying the Supplier at least 10 business days before the termination date;
 - 3) Upon the initiative of the Supplier, in procedures defined by the Supply Contract or the Law by notifying the Customer and the Distributor at least 10 business days before the termination date;
 - 4) In case of terminating the Contract with the Distributor.
69. Within 1 business day from the receipt of the notification referred

to in sub-Provision 2 of Provision 68 of the Rules, the Supplier shall notify the Distributor and the EMO. Once the notification by the Supplier is received, the parties shall be guided by the REM Rules.

70. Termination of the Supply Contract shall not relieve the parties from the fulfillment of liabilities under that Contract.

SECTION 3. METERING AND BILLING PROCEDURES FOR ELECTRICITY SUPPLIED AND DISTRIBUTION SERVICES RENDERED

CHAPTER 13. GENERAL PROVISIONS

71. Electricity metering requirements shall aim to ensure the integrity, uninterruptedness, transparency, and unity of the Commercial metering.
72. The data on the Commercial Metering device and Control Metering device shall be stated in the Registration Card.

CHAPTER 14. PROCEDURE FOR MEASURING THE QUANTITY OF SUPPLIED (DISTRIBUTED) ELECTRICITY

73. The quantity of electricity supplied shall be computed by the difference of the Customer's Commercial Meter readings taken in the Settlement month or by multiplying that difference by the transformation ratio (current and voltage transformer ratios). If the Commercial Meter immediately registers the quantity of electricity as supplied during the settlement month, then this quantity shall be accepted. In case the APP generates electricity at one or more points and consumes electricity at different points of the electricity system and the difference between the amounts of electricity generated at all generation points and consumed at all consumption points is negative, the quantity of electricity supplied shall be defined by allocating the absolute value of that negative difference among the generation and consumption points in proportion to the volumes consumed. If the Commercial Meter is located beyond the boundary point, then the amount of technological losses that occurred at electric installations between the point of location of the meter and the boundary point shall be subtracted from or added to the quantity of electricity registered

by the Commercial Meter, and this calculation approach shall be stated in the Registration Card. Where sub-Customers or other networks of the Distributor have been connected to the Customer's electric installations, only technical losses corresponding to the load of that Customer shall be calculated. In case of violations of the integrity of the Commercial meter, the quantity of electricity consumed shall be determined according to the requirements of Chapter 17 of the REM Rules.

74. For Customers of 0.4 kV voltage and above (except for residential Customers), where the normal operation of Commercial Meters in minimum load regimes is technically unfeasible, the quantity of electricity supplied shall be calculated based on the capacity of actually connected electricity-consuming devices throughout the entire period of minimum load and added to the quantity of electricity calculated based on the readings of the Commercial (Control) meter. The duration of minimum load periods and the aggregate load connected during those periods and data on the procedure for their calculation shall be stated in the Registration Card and may be revised upon the written request of one of the parties in case the minimum load is changed.
75. The readings of the Commercial (Control) Meter shall be recorded by the Distributor within the first 3 days of the month following the given Settlement month. If electricity supplied is being metered by a multi-tariff electronic meter (hereinafter, the e-meter), the Distributor shall register the consumption of the Customer during the previous Settlement month (by time frames), which is automatically displayed on the Commercial Meter data panel, instead of recording the Commercial (Control) Meter reading.
76. The Distributor shall be required to record readings of the Customer's Commercial Metering device (except for residential Customers) in the presence of its representative if the latter applied with such a request in writing. In such a case, the Distributor shall record the Commercial Meter data jointly with the Customer

- within the period defined in Provision 75 of the REM Rules and agreed upon with the Customer. The Distributor shall have the right to take the meter reading unilaterally if the Customer's representative fails to show up at the mutually agreed time.
77. If the Commercial (Control) Meter is included in the ASEMC, the Distributor shall be obliged to record the Commercial Meter readings by means of ASEMC by collecting all the recorded data of the Commercial Meter as well.
 78. If electricity delivered to the Customers is metered by a meter included in the ASEMC, then in case of a written request of the latter, not later than 5 business days from receipt of the request, the Distributor shall be obliged to provide access to the ASEMC for the given Customer, and if necessary, for its Supplier as well for the entire data related to that Customer for the monitoring purposes.
 79. For a Supplier's Customer, the Distributor shall provide to the Supplier all readings of Commercial Meters related to the Supplier's Customers not later than the 5th day of the month following the Settlement month.

CHAPTER 15. PROCEDURE ON CALCULATION AND PAYMENT OF THE COST OF ELECTRICITY SUPPLIED AND DISTRIBUTION SERVICES PROVIDED

80. The cost of electricity supplied to the Customer during the settlement month shall be computed as a product of the Tariffs set forth by the Commission for the given voltage level and the given timeframe (if the Commercial Meter is capable of differentiated calculation) and the energy quantities supplied, except for cases defined in Provision 82 of the REM Rules.
81. In case of a Supplier's Customer, the cost of electricity supplied to the Customer within the Settlement month shall be determined according to the Supply Contract between them, and the cost of

distribution services rendered shall be determined as a product of the distribution service tariff set forth by the Commission for the given voltage level and the quantity of distributed electricity.

- 81.1 For APPs and Autonomous Group members, when electricity is being generated at one or more points and being consumed at different points of the electricity system, the cost of the distribution service shall be determined as a product of the distribution service tariff set by the Commission for the given voltage level at the consumption point and the quantity of distributed (offset) electricity, and the payment liability for the distribution service shall be formalized in the Registration Card of the given point of consumption.
82. To restore the Customer's electricity supply from the Universal Supplier in cases prescribed by the REM Rules, as well as in cases when no status of Qualified Customer is obtained or no Supplier is selected in terms and procedures defined by the REM Rules and WEM Rules approved by the Commission, the cost of electricity supplied to the Customer by the Universal Supplier within the Settlement month shall be calculated as a product of the tariff set forth by the Commission for the given Customer group and the quantity of electricity supplied.
83. The Distributor (Universal Supplier) shall be required to do the following before the 12th day of each month:
 - 1) Twice a day from 18:00 to 20:00 and from 20:00 to 23:00 through at least 1 public television channel, inform the Customers about the day of placing the information specified in sub-Provision 2 of this Provision;
 - 2) Make available at the corresponding service outlets of the RoA operating banks, payment terminal networks, and postal departments that have signed a contract with the Distributor (Universal Supplier) the information on the quantities and cost of electricity supplied by the Distributor (Universal Supplier) to the Customers during the previous month, and

in case of APPs and Autonomous Group members also on the quantity and cost of distribution services rendered, and in case of Supplier's Customers, on the quantity and cost of distribution services rendered.

84. In the bill provided by the Distributor (Universal Supplier) to the Customer for the quantity and cost of electricity supplied and in the case of Supplier's Customer, for the quantity and cost of distribution services rendered in the Settlement month, the following information shall be reflected:

- 1) First name, last name, title of the Customer, location (residence address), Registration card number, Settlement month, the previous and latest readings of the Commercial Meter (in case of e-meters, the quantity of electricity supply by timeframes), the day of registration of the previous and latest readings of the Commercial Meter, the quantity of electricity supplied during the Settlement month (in kWh, and if e-meters are available, also the quantity of electricity supply by timeframes) and the cost of electricity (in AMD, including VAT), the quantity of electricity supplied during the same month of the previous year (in kWh, and if e-meters are available, also the quantity of electricity supply by timeframes), remaining debt at the beginning and the end of the Settlement month (in AMD, including VAT), and the payment date;
- 2) In case of APPs, also the quantities of electricity supplied within the framework of autonomous production to the Universal Supplier during the Settlement month, as well as quantities (in kWh, by periods defined for the day-time and night-time tariff) accumulated in the end of the Settlement month as a result of power flow exchange, the quantity and cost of distribution services rendered (in AMD, including VAT);
- 3) In case of the Supplier's Customer, first name, last name of the Customer, location (residence address), Registration card number, Settlement month, the previous and latest readings of

the Commercial Meter, the day of registration of the previous and latest readings of the Commercial Meter, quantity and cost of distribution services rendered, remaining debt at the beginning and the end of the Settlement month (in AMD, including VAT), and the payment date.

85. In case of a written request by the Customer, each month starting the month following the receipt of the request, within the period specified in Provision 83 of the REM Rules, the Distributor (Universal Supplier) shall notify the Customer in a way chosen by the latter (by post or email) about all indicators that were used to calculate the quantity and cost of electricity supplied and, in case of APPs and Autonomous Group members also the quantities of electricity supplied within the framework of autonomous production to the Universal Supplier during the Settlement month, as well as accumulated in the end of the Settlement month as a result of power flow exchange and the quantity and cost of distribution services rendered, and in case of the Supplier's Customer, quantity and cost of distribution services rendered during the previous Settlement month. If the notification is delivered via the post office, then the associated charges should be covered by the Customer; if it is sent via email, the service should be free of charge. The charges for postal delivery shall be included in the bill as a separate line.
86. The Customer shall be obliged to pay the cost of electricity supplied and, in case of APPs and Autonomous Group members, when electricity is being generated at one or more points and being consumed at different points of the electricity system, also the cost of distribution service rendered, and in case of the Supplier's Customer, the cost of distribution services rendered in terms and procedures defined in Provision 83 of the REM Rules within 7 days of receipt of the bill from the Distributor (Universal Supplier) or after being notified.
87. In case of violation by the Customer (Residential Customer

excepted) of the period of payment for electricity supplied, in case of APPs and Autonomous Group members, when electricity is being generated at one or more points and being consumed at different points of the electricity system, also the cost of distribution service rendered, and in case of the Supplier's Customer, the cost of distribution services rendered, as defined in Provision 86 of the REM Rules, the Distributor (Universal Supplier) shall be eligible:

- 1) To calculate a penalty for each day of delinquency for the amount stated in the Contract. The penalty shall be calculated not earlier than 7 days after being duly notified in procedures defined in Provision 83 of the Rules;
 - 2) In cases of recurrent violations during the 12 months following the first violation, within the 3 successive months of the last violation, to claim an advance payment from the Customer or any other acceptable payment guarantee, the size of which cannot exceed 50 percent of the average monthly cost of electricity consumed by the Customer during the previous year. If the Customer refuses to provide an advance payment or any other payment guarantees acceptable for the Universal Supplier (Distributor), then the Universal Supplier (Distributor) shall have the right to suspend the Customer's supply after duly notifying the Customer 3 business days in advance. If the Customer has a contractually specified emergency or technological capacity, then the Supplier shall have the right to suspend the service only after completing all the procedures described in EDN Code.
88. In case of violation of the period defined by Provision 86 of the REM Rules for payment of the charge for electricity supplied, in case of APPs and Autonomous Group members, when electricity is being generated at one or more points and being consumed at different points of the electricity system, also the cost of distribution service rendered, and in case of the Supplier's Customer, for distribution

services rendered, except for cases specified in the EDN Code, the Distributor shall be eligible to terminate the Customer's electricity supply under the EDN code.

CHAPTER 15.1. ORGANIZING AUTONOMOUS PRODUCTION AND PROVIDING COMPENSATIONS

88.1 The Customer intending to get an APP status, shall:

- 1) Apply to the Distributor to ensure connection of its energy facility to the distribution network in procedures described in the EDN Code;
- 2) Sign a power flow contract with the Universal Supplier in accordance with the REM Rules.

88.2 The installed capacity of energy facilities of the Autonomous Power Producer shall not exceed the maximum allowed capacity stated in the contract signed by the latter as a consumer with the Universal Supplier for each of its connection points with the distribution network, not exceeding 150 kW. For the APPs involved in the Autonomous Group, the total installed capacity of their energy facilities shall not exceed 1050 kW.

88.3 In case of having more than one energy production facility the APP is entitled to sign one joint Power Flow Contract or to sign separate Power Flow Contracts for each of its production facilities (regardless of the location and the number of connection points).

88.4 To sign a Power Flow Contract, the Customer shall submit an application to the Universal Supplier providing attached the following data:

- 1) Registration Card number;
- 2) Installed capacity of the energy production facility;
- 3) In case of producing electricity in one or more points and consuming it at different points of the electricity system, the numbers of Registration Cards of all generating and consuming points;

- 4) In case of creating an Autonomous Group:
 - a) Number of the Registration Card of the Customer intending to become an Autonomous Group member,
 - b) A written consent of the Customer mentioned in sub-provision (a) above to the creation of an Autonomous Group.
- 88.5 Upon conclusion of the Power Flow Contract the APP has the right to:
- 1) To generate electricity at one or more points and to consume it at different points of the electricity system, to add a new point of electricity generation or electricity consumption, ensuring the information mentioned in Provision 88.4 sub-provision 3) is attached to the application submitted to the Universal Supplier for this purpose;
 - 2) To create an Autonomous Group or to include a new member in the group, ensuring the information mentioned in Provision 88.4 sub-provision 4) is attached to the application submitted to the Universal Supplier for this purpose,
 - 3) To terminate the activity of the Autonomous Group by sending a proper notification to the Universal Supplier. The activity shall be deemed terminated within 5 business days after getting the notification.
- 88.6 Within 5 business days after the receipt of applications mentioned in Provisions 88.4 and 88.5 the Universal Supplier shall:
- 1) Check the availability of a reversible meter at the point of autonomous electricity generation and the compliance of capacity of the electricity generation facility with the requirements of Provision 88.2 of the REM Rules,
 - 2) Check the compliance of submitted documents with the requirements of Provisions 88.4 and 88.5,
 - 3) In case of compliance with the requirements mentioned in sub-provisions 1 and 2 of this provision, propose concluding a Power Flow Contract to the applicant in cases described in Provision 88.4, or propose signing an agreement on

making amendments to the Power Flow Contract in cases described in Provision 88.5 by providing two copies of the Contract (Agreement) signed by him, and in case of revealing incompliances, reject the applications specifying the grounds for the rejection.

- 88.7 Within 3 days from the moment of receiving the proposal mentioned in sub-provision 3) of Provision 88.6 of the REM Rules the applicant, in case of accepting the proposal, shall provide one copy of the signed Contract (Agreement) to the Universal Supplier. Non-provision of the signed copy of the Contract (Agreement) to the Universal Supplier within a 10-day period after the receipt of the proposal mentioned in this provision shall be considered as a rejection of the application defined in Provisions 88.4 and 88.5 of the REM Rules by the applicant.
- 88.8 In case of generating electricity at one or more points and consuming electricity at different points of the electricity system, the quantity of electricity consumed at all points of generation and consumption of the APP shall be considered consumed by the APP, and the quantity of electricity supplied from all points of generation shall be considered supplied by the APP.
- 88.9 In case of autonomous production of electricity within the Autonomous Group the quantity of electricity consumed by all members of the Autonomous Group shall be deemed consumed by the Autonomous Group, and the quantity of electricity supplied by all APPs of the Autonomous Group shall be deemed supplied by the Autonomous Group.
- 88.10 In case of getting a member of the Autonomous Group the rights of the APP defined in the sub-provision 2 of Provision 88.5 of the REM Rules shall be terminated and the activity of the Autonomous Group created by the latter shall be deemed terminated.
- 88.11 An APP shall create an Autonomous Group.
- 88.12 The relations of the Autonomous Group members are not regulated.

- 88.13 For each of its connection points the Customer may be involved only in one Autonomous Group.
- 88.14 Changes of the members in the Autonomous Group shall be carried out not more than once per year and enter into force in the beginning of the Settlement month following the conclusion by the given APP of the Agreement on making amendments to the Power Flow Contract defined in Provision 88.7 of the REM Rules.
- 88.15 In case of a negative difference between the electricity supplied to the Universal Supplier and the electricity consumed by the Autonomous Group within the framework of autonomous production, that electricity shall be allocated among the members on a monthly basis in proportion to the consumption volumes of the Autonomous Group members.
- 88.16 In the context of this Chapter the period from May 1 of each calendar year to April 30 inclusive of the following calendar year shall be deemed a Settlement year.
- 88.17 The Universal Supplier shall calculate the following on a monthly basis:
- 1) The electricity supplied by the APP or Autonomous Group (including the positive power flow accumulated from the previous months) based on the data obtained for the periods defined by the Commission for differentiation of daytime and nighttime tariffs;
 - 2) The electricity consumed by the APP or the Autonomous Group of APPs within the periods defined by the Commission for differentiation of daytime and nighttime tariffs;
 - 3) The difference between the electricity supplied and electricity consumed by the APP or the Autonomous Group within the periods defined by the Commission for the daytime (hereinafter, the daytime flow) tariff and the nighttime (the nighttime flow) tariff, and the total sum thereof (power flow exchange). In case the daytime flow exchange or the nighttime flow exchange is negative, the positive flow exchange

accumulated from the previous months shall be offset with the daytime flow exchange firstly and then with the nighttime flow exchange.

- 88.18 If the power flow exchange value is positive this quantity of electricity shall be reflected in the Registration Card of the APP and in case of an Autonomous Group, in the Registration Card of the APP that created the group and shall be added to the quantity of electricity supplied by the APP or the APP that created the Autonomous Group.
- 88.19 If the power flow exchange value is negative, the APP or in case of an Autonomous Group, the member of that group shall pay for the electricity to the Universal Supplier at a tariff set forth by the Commission for the given customer group, in procedures defined in Provision 88.21 of the REM Rules.
- 88.20 If the negative value of the power flow exchange is to be compensated by the Autonomous Group member, that negative value shall be calculated based on the principle defined in Provision 88.15 of the REM Rules.
- 88.21 In case of a negative value of the power flow exchange, the amount to be paid by the APP or the Autonomous Group member shall be calculated:
- 1) As a product of the daytime tariff and the absolute value of the negative power flow exchange, if the daytime flow is negative and the nighttime flow is positive;
 - 2) As a product of the nighttime tariff and the absolute value of the negative power flow exchange, if the daytime flow is positive and the nighttime flow is negative;
 - 3) As a product of the daytime tariff and the absolute value of the negative daytime power flow exchange and as a product of the nighttime tariff and the absolute value of the negative nighttime power flow exchange if both the daytime and nighttime flows are negative.
- 88.22 In cases specified in Provisions 88.8 and 88.9 of the REM Rules

the electricity distribution services shall be paid for in procedures described in Provision 81.1 of the REM Rules, irrespective of the fact whether the power flow exchange registered in the Settlement month is negative or positive.

88.23 The value of the positive power flow exchange for the first month of the Settlement year that has been accumulated from the previous months, mentioned in Provision 88.17 of the REM Rules, shall be accepted to be zero.

88.24 For the positive difference of power flows occurred as of the last month of the Settlement year (including accumulated from the previous months), the Universal Supplier shall pay to the APP or in case of the Autonomous Group to the APP that created the group, a compensation at the minimum annual price for sale of electricity on the balancing market resulted from imbalances caused by the wholesale electricity market participants.

88.25 Upon completion of the Settlement year to receive the compensation mentioned in Provision 88.24 of the REM Rules, the APP or the APP that created the Autonomous Group and the Universal Supplier shall develop a payment document, in procedures defined by law. The amount subject to compensation based on the payment document shall be transferred to the bank account of the APP or the APP that created the Autonomous Group stated in the Power Flow Contract until July 1 of the following year.

CHAPTER 16. PROCEDURE FOR SETTLEMENT OF ERRORS IN PAYMENT DOCUMENTS

89. Where errors are revealed in the payment documents or bills for electricity supplied and, in case of APPs and Autonomous Group members generating electricity at one or more generation points and consuming electricity at different consumption points of the electricity system also for distribution services rendered, and in case of Supplier's Customer, for distribution services rendered,

the Customer shall apply to the Distributor in writing to request elimination of errors. Within 5 business days from the receipt of the Customer's application, and in 10 business days if an additional inspection is needed, the Distributor shall discuss the Customer's application and inform the Customer about the results.

90. If the Distributor reveals errors in the payment document or bill, it shall inform the Customer in writing.
91. If the fact of error is confirmed or the error is revealed by the Distributor, then the correction shall be considered in the bill of the Customer for the current month.
92. If the electricity supply of the Customer is provided by the Supplier, then if errors are revealed in payment documents, the Parties shall be guided by conditions of the Supply Contract.

SECTION 4. RECALCULATION OF ELECTRICITY CONSUMPTION IN CASE OF IMPROPER OPERATION OF COMMERCIAL METERING DEVICES

CHAPTER 17. PROCEDURE ON RECALCULATION OF ELECTRICITY SUPPLIED IN CASE OF IMPROPER OPERATION OF A COMMERCIAL METERING DEVICE

93. In case of improper operation of a Commercial Metering device, the Distributor shall recalculate the quantity and the cost of electricity supplied.
94. In case of improper operation of a Commercial Meter, where the improper operation is not associated with the failure of voltage or current transformers and
 - 1) If according to Provision 72 of these Rules, there is a Control Meter available, then recalculation of the quantity of electricity consumed shall be performed based on the control meter readings for the period starting the day of dismantling the Commercial Meter until the second to last reading of that meter. The recalculated quantity of electricity shall be determined by the following formula:

$$REq = ConMEq + TL - ComMDEq$$

where:

REq – the quantity of electricity recalculated for the period of improper operation of the Commercial Metering device (kWh),

ConMEq – the quantity of electricity metered by the Control meter starting the day of the second to last reading of the control meter until the day of the dismantling of the Commercial Metering device (kWh),

TL – the amount of technological losses at electric installations located between the Commercial and Control meters for the

period from the second to last reading of the Control meter until the day of the dismantling of the Commercial Metering device (kWh),

ComMEq – the quantity of electricity metered by the Commercial Meter from the moment of registration of the second to last reading of the Commercial Meter to the day of dismantling the Commercial Meter, and in case of sub-Customers, the portion of metered electricity attributed to the given sub-Customer (kWh).

- 2) If no Control meter is available there, but the quantity of electricity is metered by electronic meter and, as a result of calibration of the Commercial meter, a failure of the information display has been revealed, but the meter was operating within the range of errors and it was possible to derive data from the meter memory, then the quantity of electricity shall be determined by using data derived from the electronic meter memory and corresponding data registered as a result of the expert conclusion of the Metrology and Calibration Body.
- 3) If there is no control meter and, as a result of calibration of the Commercial Meter, it was impossible to derive data from the electronic meter memory, and if the Customer's meter is included in the electricity automated metering and control system and for monitoring purposes the Customer has been awarded the right of access to the memory platform of that system or the Customer was properly informed about such a right, then the recalculation shall be done as follows:

$$R_{Eq} = (Bd1 * Adc1 + NBd2 * Adc2) - ComMEq1$$

where:

Bd1 – the number of business days within the period of improper operation of the Commercial Metering device.

Adc1 – the average daily consumption of electricity over the 5

days preceding the failure of the Commercial Metering device.
NBd2 – the number of non-business days within the period of improper operation of the Commercial Metering device.

Adc2 – the average daily consumption of electricity of 2 non-business days preceding the failure of the Commercial Metering device.

ComMEq1 – the quantity of electricity (in kWh) recorded by the Commercial Metering device during improper operation, and in case of sub-Customers, the portion attributed to the given sub-Customer out of the total metered electricity.

The recalculated quantity, if it is a positive number, shall be added to and if it is a negative number, shall be subtracted from the quantity of electricity registered by the meter. If the period of improper operation exceeds 20 days, the recalculation shall be performed for 20 days starting at the moment of the discovery of the failure.

- 4) If there is no bi-directional (reversible) control meter and, as a result of calibration of the Commercial reversible meter, it was impossible to derive data from the electronic meter memory, and if the Customer's meter is included in the electricity automated metering and control system, and for monitoring purposes the Customer has been awarded the right of access to the memory platform of that system or the Customer was properly informed about such a right, then

- a) The recalculation of electricity injected into the network of the APP shall be done as follows:

$$R_{eqAPP1} = (Bd1 * Adc3 + NBd2 * Adc4) - ComMEq3$$

where:

Adc3 – the average daily volume of electricity delivered to the APP network and consumed by the APP over the 5-day period preceding the failure of the Commercial Metering device.

Adc4 – the average daily volume of electricity delivered to the APP network and consumed by the APP over the 2 non-business days preceding the failure of the Commercial Metering.

ComMEq3 – the quantity of electricity (in kWh) recorded by the Commercial Meter during improper operation of the meter as consumption attributed to the given APP.

The recalculated quantity, if it is a positive number, shall be added to and if it is a negative number, shall be subtracted from the quantity of electricity registered by the meter.

b) The recalculation of electricity injected by the APP into the electricity system shall be calculated as follows:

$$R_{eqAPP2} = (Bd1 * Adc5 + NBd2 * Adc6) - ComMEq4$$

where:

Adc5-the average daily volume of electricity injected into electricity system (including delivered to other Customers) over the 5 days preceding the failure of the Commercial Meter.

Adc6- the average daily volume of electricity injected into the electricity system (including delivered to other Customers) over 2 non-business days preceding the failure of the Commercial Meter.

ComMEq4-the quantity of electricity (in kWh) injected into the electricity system (including that delivered to other Customers) during improper operation of the meter and registered based on the Commercial Meter readings.

The recalculated quantity, if it is a positive number, shall be added to and if it is a negative number, shall be subtracted from the quantity of electricity registered by the meter.

If the period of improper operation exceeds 20 days, the recalculation shall be performed for 20 days starting from the moment of the discovery of the failure.

If the improper operation of the Commercial Meter took

place within 7 days after the date the Power Flow Contract entered into force, then the average daily quantity of electricity injected into the APP's network and the electricity system shall be calculated based on the corresponding records on consumption and/or delivery of electricity during the 7 days following the restoration of the meter.

- 5) If there is no control meter and, as a result of calibration of the Commercial meter, it is impossible to derive data from the electronic meter memory, and if the Customer's Commercial Meter is not included in the automated metering and control system, but following the expert conclusion of the Metrology and Calibration Body, it is possible to determine the percentage of registration error of the Commercial Meter, then the recalculation shall be done as follows:

$$REq = \frac{ComMEq2 \cdot E\%C}{100\%}$$

for cases when the Commercial Metering device operated slower than its permissible range of error, and

$$REq = - \frac{ComMEq2 \cdot E\%C}{100\% + E\%C}$$

for cases when the Commercial Meter operated faster than its permissible range of error, where:

ComMEq2 – the quantity of electricity metered by the Commercial Meter from the moment the second to last reading is recorded until the day the Commercial meter is dismantled (kWh),

E%C – the percentage of the error exceeding the permissible range of metering error of the Commercial Meter stated in the expert conclusion of the Metrology and Calibration Body, which most accurately describes the value of the power factor ($\cos \phi$) and of the current load of the Customer's consumption

system over the month preceding the disclosure of improper operation.

- 6) If there is no control meter and, as a result of calibration of the Commercial Meter, it was impossible to derive data from the electronic meter memory, and if the Customer's meter is not included in the automated metering and control system, and at the same time metrology and calibration body concluded that the meter was not subject to inspection or it was impossible to determine the percentage of registration error of the Commercial Meter, then the recalculation shall be done as follows:

$$RE_q = Com_{Pd} \cdot P_{adc} - ComM_{Eq}$$

where:

P_{adc} – the average daily consumption of the same month of the year preceding the dismantling of the Commercial Metering device multiplied by the quotient of the consumption for 3 months preceding the improper operation and the consumption of the same period of the previous year. Where the Customer did not consume electricity in any month throughout the 3 months before improper operation and the same period of the previous year, then the value of P_{adc} shall be accepted as equal to the average daily consumption of the same month of the year preceding the year of improper operation of the Commercial Meter. Where the Customer did not consume electricity during the same month of the previous year, then the average daily consumption shall be accepted as equal to the average daily consumption of the first month in which the Customer consumed electricity following the restoration of Commercial Meter operation.

Com_{Pd} – the period between the day of recording the second to last reading of the Commercial Meter and the day of dismantling of the Commercial Meter, in a number of days

that shall be accepted as equal to 60 if the period exceeded 60 days; this does not restrict the Distributor's right to apply a shorter period if proper justifications are available.

- 7) If there is no bi-directional (reversible) control meter and, as a result of calibration of the Commercial reversible meter, it is impossible to derive data from the electronic meter memory and at the same time the Metrology and Calibration Body concluded that the meter was not subject to inspection or that it was impossible to determine the percentage of registration error of the Commercial Meter, then the recalculation shall be done as follows:

$$RE_{eq} = P_{adp} \cdot Com_{dr} - ComMr,$$

where:

RE_{eq} – quantity of electricity (power flow exchange) recalculated for the period of improper operation of the Commercial Reversible Meter of the APP (kWh), which is calculated separately for daytime and nighttime power flows and is considered in the act on electricity subject to compensation (payment).

P_{adp} – the average daily difference of power flows exchanged based on the results of the Distributor and the APP for the same month of the previous year, which shall be positive if the APP's consumption exceeds the electricity delivered to the Distributor and shall be negative if electricity delivered to the Distributor exceeds the consumption of the APP.

Com_{dr} – the period between the day of recording the second to last reading of the Commercial Reversible Meter and the day of the dismantling of that meter, in days, which shall be accepted equal to 33, if the period exceeded 33 days.

$ComMr$ – the difference between power flows recorded based on the readings of the Commercial Reversible Meter (daytime, nighttime) over the period

of improper operation of the meter, and in case of sub-Customers available, the portion of metered electricity attributed to the given sub-Customer.

Where the APP did not consume or deliver electricity during the same month of the previous year, then the average daily difference of power flow exchange shall be accepted as equal to the average daily consumption of the month in which the APP consumed or delivered electricity for the first time after the restoration of the Commercial Meter operation.

95. In case of failure of a Commercial Metering device, when the failure is conditioned by improper operation of the current or voltage transformers and there is a control meter available, then electricity shall be recalculated according to sub-Provision 1) of Provision 94 of the REM Rules. If there is no control meter and if the Commercial Metering device:

- 1) Recorded an erroneous quantity of consumed electricity due to the failure of the voltage transformer, and the Commercial Metering device attributed to the given Customer is included in the automated metering and control system and for monitoring purposes the Customer has been awarded the right of access to the memory platform of that system or the Customer was properly informed about such a right, then the recalculation shall be done according to sub-Provision 3 of Provision 94 of these Rules. In instances when the Commercial Metering device is not included in the automated metering and control system, the recalculation shall be performed according to sub-Provision 6 of Provision 94 of these Rules.
- 2) Recorded an erroneous quantity of consumed electricity due to the failure of the current transformer, then for each current transformer, the following formulas shall be used when the current transformation error is beyond the negative permissible range:

$$REq = \frac{ComMEq \cdot E\%CT}{n100\%}$$

For cases when the current transformation error is beyond the positive permissible range:

$$REq = - \frac{ComMEq \cdot E\%CT}{n \cdot 100\% + E\%CT}$$

where:

E%CT – the percentage value of the error exceeding the permissible range of error of the current transformer of the Commercial Metering device specified in the expert conclusion provided by the Metrology and Calibration Body, which most accurately describes the current load over the month preceding the disclosure of improper operation.

n – the number of current transformers involved in the metering process. The aggregate quantity of recalculated electricity consumption shall be accepted as equal to the sum of recalculation results for all current transformers.

96. In case of failure of APPs' reversible commercial metering devices, if the failure is caused by the malfunction of the current or voltage transformers, the recalculation shall be performed in accordance with sub-provision 7 of the Provision 94 of the REM Rules.
97. In cases of failure of a Commercial Meter, the recalculated cost of electricity shall be determined as a product of recalculated quantities differentiated by day and night and the appropriate tariff for the month when the Commercial Meter failure was revealed. If differentiation of electricity by day and night is not possible, then the cost of recalculated electricity shall be determined as a product of recalculated electricity and average weighted tariff formed in the month preceding the disclosure of improper operation.

- 97.1. The results of recalculation for APPs or Autonomous Groups implemented according to the requirements of Chapter 17 of the REM Rules shall be reflected in calculation of compensations to be provided within the framework of autonomous production relations defined in Chapter 15.1.
98. In the case of revealing the fact of failure of a Commercial Metering device, when the Distributor has well-grounded proofs that the failure has been caused by a Customer's actions (including, but not restricted to cases when the seals of Commercial Metering devices are removed, tampered with, or damaged or another interference is disclosed), the Distributor shall have the right to request that the Customer pay a penalty of 5 times the cost of the recalculated electricity. If there is no objection by the Customer as to the requirement of the Distributor to pay the penalty, the Distributor shall include the calculated amount of penalty in the Customer's bill for the next Settlement month following the fulfillment of recalculated liabilities. In case of objections, the Customer shall solve the issue in court. The Distributor shall not suspend the Customer's electricity supply for non-payment of its debts until the final resolution of the issue.
99. In case of a failure of a Commercial Metering device, when the Customer has well-grounded proofs that the failure has been caused by the Distributor's actions (including, but not restricted to cases when the seals of Commercial Metering devices are removed, tampered with, or damaged or another interference is disclosed), the Customer shall have the right to request that the Distributor pay a penalty at 5 times the cost of the recalculated electricity. If there is no objection by the Distributor to the Customer's requirement to pay the penalty, the Distributor shall include the calculated amount of penalty in the Customer's bill for the next Settlement month following the fulfillment of recalculated liabilities. In case of an objection, the Customer shall resolve the issue in court.

100. In case of complaints by the Customer concerning the results of recalculation, within 7 business days of receiving the complaints, the Distributor shall be obliged to discuss the complaints and inform the Customer in writing about the disputable issues and their grounds. Where inaccuracies are revealed in the recalculations, the Distributor shall be obliged to correct the cost of the recalculated electricity. Where the results of recalculation create disagreement between the Customer and the Distributor, the Customer, along with the cost of electricity for the next Settlement month from the recalculation, shall also pay for the part of electricity that it considers non-disputable. In such instances, the Distributor shall not be eligible to suspend the Customer's service until the final resolution of the dispute under procedures defined by the REM Rules.
101. To balance the interests of the Customer and the Distributor, the Commission, in certain individual cases stipulated by consumption specifics, may make individual decisions on the recalculation of outstanding liabilities based on the application of the Supplier or the other applicant (with corresponding argumentation attached).
102. Damages associated with improper operation of Commercial Metering devices shall be regulated in legally defined procedures.

SECTION 5. PENALTIES IMPOSED ON THE DISTRIBUTOR

CHAPTER 18. PENALTIES IMPOSED ON THE DISTRIBUTOR FOR VIOLATION OF REQUIREMENTS OF THE RULES

103. The Distributor shall pay a penalty to the Customer:
- 1) If it is confirmed that in the Customer's payment document the specified quantity of electricity exceeds the Customer's actual consumption;
 - 2) For each case of violation of procedures specified in the REM Rules on correction of errors in the payment documents;
 - 3) For each case of violation of procedures or the period specified in the REM Rules for recalculation of electricity consumed;
 - 4) For each case of violation of procedures or the period defined in the REM Rules for the conclusion, modification, or termination of the Contract;
 - 5) For each case of violation of procedures or the period defined by the REM Rules for answering the Customer's complaint.
104. In cases mentioned in Provision 103 of the REM Rules, the Distributor shall pay a penalty in the amount of 50 percent of the average monthly cost of electricity consumed, not exceeding 2,500 AMD, and in case of zero consumption, it should be 2,500 AMD.
- 104.1. The monthly average cost of electricity consumed by the Customer shall be accepted equal to the quotient from the cost of electricity consumed by the Customer in 12 calendar months preceding the disclosure of a violation specified in this chapter and the number of months of the same period, when there was consumption of electricity, and if no consumption is recorded for the given period, then it should be equal to the cost of electricity consumed in the Settlement month preceding the violation, when consumption has been recorded.

105. The estimated penalty shall be considered by the Distributor in the calculation of the Customer's bill for the current month. The estimated penalty shall be recorded in the bill as a separate line and be subtracted from the cost of electricity supplied, and in the case of a Supplier's Customer, from the cost of distribution services.
106. The Distributor shall not be charged a penalty for the violations specified in Provision 103 of the REM Rules if those are affected by a force majeure situation.

SECTION 6. TRANSITIONAL PROVISIONS

107. Those Customers (except for Residential customers) that hold electricity Supply Contracts with the Universal Supplier shall acquire Qualified Customer status in accordance with the REM Rules or choose a Supplier (if available) in accordance with the REM Rules within the following timeframes:
- 1) Customers connected to the Transmission Network or Generator, as well as 110 kV and higher voltage Customers that in the previous calendar year had 1 million kWh or more consumption recorded through all their Commercial Metering devices – before February 1, 2023;
 - 2) 35 kV voltage Customers that in the previous calendar year, across all their Commercial Metering devices, had annual consumption of 1 million kWh or more – before February 1, 2024;
 - 3) 6(10) kV voltage Customers that in the previous calendar year, across all their Metering points, had annual consumption of 1 million kWh or more – before February 1, 2025;
 - 4) Customers that in the previous calendar year, across all their Metering points, regardless of the voltage level, had annual consumption of 1 million kWh or more – before February 1, 2025.
108. In cases when a Supplier is not chosen or a Qualified Customer's status is not obtained in accordance with the timeframes specified in Provision 107 of the REM Rules, such Customers shall pay the Universal Supplier for electricity consumed at the tariff set by the Commission in accordance with Provision 82 of the REM Rules.
109. The requirements of Provision 107 of the REM Rules shall not restrict the Customers' right to obtain Qualified Customer status as prescribed by WEM Rules or to choose a Supplier as prescribed by the REM Rules starting February 1, 2022.

**PROCEDURE ON THE TRANSFER OF ELECTRICITY
THROUGH ELECTRIC INSTALLATIONS OF THE
CUSTOMER TO FEED THE NETWORKS OF
SUB-CUSTOMERS OR OTHER NETWORKS
OF THE DISTRIBUTOR**

1. This procedure shall regulate the relationship within the framework of transferring electricity through electric installations of the Customer to feed the networks of Sub-Customers or other networks of the Distributor, as well as calculating the cost of service provided by the Customer through its electric installations to feed the networks of Sub-Customers and other networks of the Distributor.
2. The Customer shall be obliged to transfer electricity through its electric installations to feed the networks of Sub-Customers and other networks of the Distributor.
3. The relationship between Customers, Sub-Customers, and the Distributor shall be regulated by the Energy Law, these Procedures, rules for supply and use of electricity, the Contract signed between the Customer and the Distributor (hereinafter, refer to as the Compensation Contract), and other legal acts.
4. The Customer shall be responsible for keeping its electric installations in proper condition, to carry out renovation at its own expense, and to bear the maintenance costs.
5. The Customer shall have the right to transfer its own electricity to another entity if such a transfer is not a separate type of entrepreneurship and proceeds from the specifics of the Customer activity (provision of commercial, industrial, and residential spaces for utilization).
6. The Compensation Contract shall be concluded in a written form and for an uncertain period.
7. The data on a Sub-Customer that is connected to the energy

- installations of the Customer (name, surname, location (residence), location of the consumption system, manufacturer number and technical indicators of Commercial and Control Meters, and the maximum allowed electric capacity) shall be specified in or attached to the Compensation Contract.
8. According to the Compensation Contract, the Distributor shall be required to pay the monthly amount of service charges of the Customer calculated as defined in this Procedure (hereinafter, referred to as the Service Charge).
 9. In case of a requirement to alienate the energy facilities of the Customer having been used for electricity supply of the Sub-Customer or other networks of the Distributor, the Customer shall inform the Distributor 3 months in advance.
 10. In case of modifying the parameters of or changing the location of its energy installations, the Customer shall be required to inform the Distributor 3 months in advance. The planned changes shall comply with the requirements of technical regulations.
 11. In cases requiring notification and/or submission of documents defined in this Procedure, the notification and/or submission shall be performed in an appropriate manner.
 12. Notification and submission of documents shall be deemed appropriately performed if the information has been sent by registered letter with a notice of delivery or other means securing the integrity of the message (including sending a message to a phone number specified by the applicant), or by electronic communication systems (including to the email address specified by the applicant), as well as through other electronic communication means defined by legislation, or it has been handed over with a mail delivery confirmation, unless otherwise specifically mentioned in these Rules.
 13. The charge for services rendered by the Customer to feed the networks of the Sub-Customer or other networks of the Distributor shall be calculated by the following formula:

$$C=A+K$$

where:

C – the service charge (AMD/month without VAT),

A – the amount of additional costs necessary to maintain the energy installations of the Customer that are used to feed the Sub-Customers or other networks of the Distributor (AMD/month)

K – the monthly amount of compensation for the losses occurring in the transformer and lines of the Customer while feeding the Sub-Customers or other networks of the Distributor.

14. The amount of additional costs of maintenance of energy installations of the Customer that are used to feed the Sub-Customers and other networks of the Distributor shall be calculated by the following formula:

$$A = a_1 (n_1 + n_2/2) + a_2(n_3 + n_4/2) + W_{\text{sub}}(a_3 + a_4 + a_5 + a_6 + a_7)$$

where:

a_1 – the service charge for the use of one cell with the purpose of its operation, to be paid to the Customer,

n_1 – the total number of cells at 110 kV, 35 kV and 6(10) kV voltage substations, used to ensure electricity supply of other Customers only,

n_2 – the total number of cells at 110 kV, 35 kV and 6(10) kV voltage substations jointly used to ensure electricity supply of the Customer, Sub-Customer or other networks of the Distributor,

a_2 - the service charge to be paid to the Customer for the use of one connection point with the purpose of its operation,

n_3 – the number of connection points out of 0.4 (0.23) kV connection points, which are used to ensure electricity supply only for Sub-Customers or other networks of the Distributor,

n_4 – the number of connection points out of 0.4 (0.23) kV connection points, which are jointly used to ensure electricity

supply of the Customer, Sub-Customer or other networks of the Distributor;

W_{Sub} – the monthly amount of electricity (kWh) transferred by the Customer to Sub-Customers or other networks of the Distributor metered by Commercial metering devices of the Sub-Customer or Customer;

a_3 - the service charge for transformation of 1 kWh of energy at 110 kV substations aimed at operation of the Customers' transformers,

a_4 - the service charge for transformation of 1 kWh of energy at 35 kV substations aimed at operation of the Customers' transformers,

a_5 - the service charge for transformation of 1 kWh of energy at 6 (10) kV substations, aimed at operation of the Customers' transformers,

a_6 - the service charge for transfer of 1 kWh aimed at operation of 6(10) kV transmission lines of the Customer;

a_7 - the service charge for transfer of 1 kWh aimed at operation of 35 kV and 110 kV transmission lines of the Customer.

- 14.1 The amounts of service charges from a_1 to a_7 specified in Provision 14 of this Procedure shall be equal to the values stated in Table 1 of this Provision:

Table N I
AMD/month (without VAT)

N	VALUE	SERVICE CHARGE
1.	a1	8 636 AMD/month
2.	a2	468 AMD/month
3.	a3	0,867 AMD/month
4.	a4	1,553 AMD/month
5.	a5	1,745 AMD/month
6.	a6	0,836 AMD/month
7.	a7	1,484 AMD/month

15. If more than one substation or transmission line is utilized to supply electricity to Sub-Customers or other networks of the Distributor through the energy installations of the Customer, the value “A” specified in this Procedure shall be calculated separately for each substation or each transmission line, and if this value exceeds the marginal values specified in Table I of this Provision, then it is accepted as equal to the values stated in Table I of this Provision.

Table N I
AMD/month (without VAT)

	VOLTAGE OF CUSTOMER'S CONSUMPTION SYSTEM	MARGINAL VALUES OF COSTS OF OPERATION OF THE CUSTOMER'S SUBSTATIONS SUBJECT TO COMPENSATION	MARGINAL VALUES OF COSTS OF OPERATION OF THE CUSTOMER'S TRANSMISSION LINES SUBJECT TO COMPENSATION
1.	6(10) kV	97 157	17 993
2.	35 kV	388 628	30 587
3.	110 kV	777 257	32 385

17. The amount to compensate the losses that occur at transformers and electricity transmission lines as a result of providing electricity supply to Sub-Customers or other networks of the Distributor,

$$K = W_{\text{SUB}} T (a_8 + a_9) / (100 - a_8 - a_9)$$

where:

T – the electricity tariff for the Customer (daytime, AMD/kWh, without VAT).

a_8 – losses at the transformers (in percentage terms), which are accepted as equal to 1.3 if the Customer is supplied from the 6 kV and over network.

a_9 – losses at the transmission lines (in percentage terms), which are accepted as equal to 1 if Sub-Customers or other networks of the Distributor are supplied from 6 kV and over networks, and equal to 3 if Sub-Customers or other networks of the Distributor are supplied from 0.4 and lower networks.

18. Each year before December 1, the Commission shall review the monetary values mentioned in this Procedure, applying the Customer price indexes for September of the current year towards the indexes for the same month of the previous year. The values determined as a result of the revision shall become effective from January 1 of the year after the current year.

**PROCEDURE ON PROVIDING REIMBURSEMENT FOR
ELECTRICITY SUPPLIED BY THE DISTRIBUTION
LICENSEE AND AUTONOMOUS POWER PRODUCERS
USING RENEWABLE ENERGY RESOURCES**

(The Annex is repealed)

REPUBLIC OF ARMENIA RETAIL ELECTRICITY MARKET CONTRACTS

Annex N I
To the RoA Public Services Regulatory
Commission Resolution N 519 N
Adopted on December 25, 2019

MODEL CONTRACT ON CONNECTION OF CONSUMPTION SYSTEM TO ELECTRIC NETWORK, DISTRIBUTION OF ELECTRICITY AND UNIVERSAL SUPPLY OF ELECTRICITY

_____ 20_____
(Location)

Distributor (Universal Supplier) _____
(name)

represented by _____,
(name, surname, position, letter of authorization data)

on the one hand,

and Customer _____
(name, surname, passport or ID number, in case of a legal
entity - company or organization name, name and surname
and position of the representative, in case of an authorized
person – the authorization data)

on the other hand, collectively known as the Parties, being guided by the
Energy Law and other laws, the Electricity Retail Market Trading Rules
(hereinafter, referred to as REM Rules), and the Electricity Distribution

Network Code (hereinafter, referred to as EDN Code) approved by the RoA Public Services Regulatory Commission (hereinafter, the Commission), as well as the other legal acts, have concluded this Contract (hereinafter, the Contract) on the following:

I. SUBJECT OF THE CONTRACT

1. Under this Contract, the Distributor shall connect the newly constructed or reconstructed consumption system of the Customer for purposes, located at _____

household

non-household

(hereinafter, the Consumption System) to the electric network (hereinafter, the Connection) and provide to the Customer distribution service of electricity purchased by the latter from the Supplier; it shall also provide universal supply of electricity, whereas the Customer shall pay for the Connection (except for the cases defined in the EDN Code), the electricity distribution services provided to him/her, and universal supply.

2. ELECTRIC NETWORK CONNECTION PROCEDURE

2. The Connection Charge for connecting the Customer's Consumption System (hereinafter, the Connection Charge) shall amount to ____AMD including VAT, as outlined in Annex I to this Contract.
3. Within 24 months from the conclusion of this Contract, the Customer shall transfer 50 percent of the Connection Charge (hereinafter, the Advance Amount) to the Distributor's bank account identified for payment of the Connection Charge specified in the prerequisites of this Contract.
4. The Distributor shall ensure implementation of the connection to the electric network within _____ days following the payment

- of the Advance Amount or, in case of a simplified connection procedure, as defined in the EDN Code for 0.22 kV or 0.4 kV Customers within _____ days (these periods shall not exceed the periods defined in the EDN Code).
5. In the case of a complex connection procedure, as defined in EDN Code, the connection shall be carried out based on Technical Conditions specified in Annex 2 of this Contract and/or according to a single line electricity supply diagram defined in Annex 3 of this Contract.
 6. The difference between the entire amount of the Connection Charge and the prepaid Advance Amount shall be paid by the Customer to the Distributor during the month following the connection within the period defined by the REM Rules for payment of charges for electricity consumed, based on the payment document issued by the Distributor for the purposes of connection.
 7. Where the Customer fails to fulfill its payment obligation per Provision 6, the Customer's electricity supply may be suspended in procedures defined by the REM Rules.

3. BASIC RIGHTS AND OBLIGATIONS OF PARTIES IN THE CONTEXT OF ELECTRIC NETWORK CONNECTION RELATIONSHIPS

8. Distributor's obligations:
 - 1) To ensure the connection of the Customer's consumption system to the electric network according to Provisions 4 and 5;
 - 2) If the Customer did not ensure receipt of electricity according to Provision 10(2) of the Contract, to connect the consumption system of the Customer to the electric network within 3 business days after having been informed of the readiness of the Customer to receive electricity;
 - 3) In cases and procedures provided for by Provision 11(1) of

this Contract and by the EDN Code, to return the Advance Amount to the Customer in the form preferred by the latter (cash or non-cash);

- 4) In case of changes in the connection dates, to inform the Customer in a transparent manner within 3 business days after the Distributor becomes aware of the change;
 - 5) To pay a penalty to the Customer for violation of connection periods defined in this Contract pursuant to Provision 31 of this Contract.
9. Distributor's rights:
- 1) To demand that the Customer pay the difference between the Connection Charge and the Advance Amount within the period defined in Provision 6 of this Contract;
 - 2) Where the Customer violates the obligation defined in Provision 6 of this Contract, to suspend the universal supply of the Customer in procedures defined by the EDN Code or to calculate the penalty in accordance with Provision 32 of this Contract and the EDN Code.
10. Customer shall be obliged:
- 1) To pay the Advance Amount, as well as the difference between the Connection Charge and the Advance Amount according to Provision 6 of the Contract, except for the cases defined in the EDN Code,
 - 2) To enable the receipt of services within the period defined in Provision 4 of the Contract, and where this period is not adhered to, to inform the Distributor about the date of Customer readiness to receive electricity.
11. Customer shall be eligible:
- 1) To request in written form that the Distributor return the Advance Amount in 5 business days after the payment is made. Once the period is expired, the Advance Amount shall be subject to return only on condition that the actual expenses incurred by the Distributor for implementation of

works on the connection of the Customer's consumption system to the electric network according to this Contract will be compensated within 5 business days upon submission of the request for return;

- 2) Where the dates specified in this Contract are violated, to impose a penalty on the Distributor in procedures defined by Provision 31 of the Contract.

4. BASIC RIGHTS AND OBLIGATIONS OF PARTIES IN THE CONTEXT OF ELECTRICITY DISTRIBUTION AND UNIVERSAL SUPPLIER RELATIONSHIPS

12. According to this Contract, the Parties shall have all the rights and obligations that are defined in the REM Rules and EDN Code.

5. PRICE, QUANTITY, AND COST CALCULATION, PAYMENT PROCEDURE FOR DISTRIBUTION SERVICES PROVIDED AND ELECTRICITY SUPPLIED

13. The quantity of electricity consumed during the Settlement month shall be calculated in procedures defined by the REM Rules.
14. The price of electricity consumed by the Customer during the settlement month shall be calculated as the product of the tariff defined by the Commission and the quantity of electricity consumed, except for the cases specified in Provision 15 of this Contract. Where the tariff is changed by the Commission, the new tariff shall become effective from the day defined by the Commission. The cost of electricity supplied to the Customer during the settlement month shall be computed as a product of the Tariffs set forth by the Commission for the given voltage level and the given timeframe (if the Commercial Meter is capable of differentiated calculation) and the energy quantity supplied, except for cases defined in Provision 15 of this Contract, and in the case of

- the Supplier's Customer, the cost of distribution services rendered shall be determined as a product of the distribution service tariff set forth by the Commission for the given voltage level and the quantity of distributed electricity.
15. To restore the Customer's electricity supply by the Universal Supplier in cases prescribed by the REM Rules, as well as in cases when no Qualified Customer status is obtained or no Supplier is selected in terms and procedures defined by the REM Rules and WEM Rules approved by the Commission, the cost of electricity supplied to the Customer by the Universal Supplier within the Settlement month shall be calculated as a product of the tariff set forth by the Commission for the given Customer group and the quantity of electricity supplied.
 16. In case of a change in the electricity tariff set forth by the Commission, the new tariff shall become effective from the date defined by the Commission.
 17. The Customer shall, according to the REM Rules, pay the cost of electricity supplied or, in the case of the Supplier's Customer, the cost of distribution services provided during the previous month to the bank account of the Distributor mentioned in the Contract prerequisites once the billing document is submitted by the Distributor (personally or by authorized representative) in terms and procedures defined in the REM Rules.
 18. Where errors have been discovered in the billing document, the party that discovered the error shall inform the other party. In case of disagreement, the relevant party shall provide clarifications supported by appropriate justifications in writing within timeframes defined by the REM Rules. Once the fact of erroneous calculation is confirmed, the Distributor shall consider the recalculated amount in the payment document for the next month.
 19. In case of calculation of penalties in compliance with the REM Rules, the Distributor shall first redeem the cost of electricity supplied or, in the case of the Supplier's Customer, the cost of

distribution service rendered starting from the previously incurred indebtedness and only then shall cover financial liabilities under the calculated penalties.

20. If there are outstanding financial liabilities, the Distributor shall not suspend the Customer's electricity supply on condition that the latter presents payment guarantees acceptable to the Distributor or develops with the Distributor a debt repayment schedule. This Provision shall not restrict the Distributor's right to suspend the Customer's supply in case of violation of the repayment schedule, ensuring compliance with the procedures on suspension of electricity supply of the given Customer as prescribed in the REM Rules and EDN Code.
21. If there are no outstanding liabilities to the Distributor, payments by the Customer shall be used as deposit amounts to cover future liabilities if the Customer did not demand the amounts back.

6. VALIDITY OF CONTRACT

22. Provisions defined in this Contract with respect to connection to the electric network shall enter into force from the moment of signing this Contract and shall be valid until all obligations of parties associated with the connection of the consumption system to the electric network stated in Provision I of this Contract are completely fulfilled.
23. Provisions of this Contract with respect to distribution and/or universal supply of electricity shall enter into effect from the moment of the first actual connection of the Customer to the electric network, and for the reconstructed consumption system, from the moment of signing the Contract, and shall remain in effect for _____.
24. The Contract shall be signed for an uncertain period, except for the cases defined in the REM Rules. Where the given case requires concluding a temporary contract according to the REM Rules, I

month before the expiration of the temporary contract's validity period, each party to the contract may notify the other party of the termination of the contract. If, after the expiration of the validity period, the Distributor has not provided a notification and the Customer continues consuming electricity, the Contract validity period shall be considered extended on the same terms and for the same period as the original temporary contract, except in cases prescribed by the REM Rules.

25. In cases when the Commission approves a new model form of the Contract on connecting the consumption system to the electric network or providing electricity distribution services and electricity universal supply, or introduces amendments or supplements thereto, the signed contracts shall be deemed new or shall be deemed signed or modified in compliance with the introduced changes starting on the date of effectiveness of the corresponding legal act.
26. The universal supply of electricity may be terminated based on the Customer's application in procedures defined by the REM Rules.
27. The Contract may also be terminated:
 - 1) Upon mutual consent of the Parties;
 - 2) Upon the unilateral initiative of the Customer, on condition that the Distributor has been duly notified and electricity supplied, or in the case of the Supplier's Customer, the distribution services provided have been completely paid for;
 - 3) Upon the unilateral initiative of the Distributor:
 - a) In case of failure of the Customer to pay the advance amount within the period defined in Provision 3 of this Contract or if the Customer requested that the Distributor return the Advance Amount per Provision 11(1) of the Contract, as well as in other cases provided for in this Contract, laws, REM Rules, and EDN Code, on condition that the Customer has been notified in advance;
 - b) If the Contract that was concluded for a certain period

- pursuant to the REM Rules is expired and the Customer has been duly notified 1 month prior to the expiration date;
- c) In the case where the entity with rights to the premises receiving electricity supply (building, construction site) has submitted a written request, if the Customer does not have a document verifying their eligibility for the premises (building, construction site) as prescribed by the REM Rules, on condition that the Customer has been informed in advance, except for the cases specified in the REM Rules;
 - d) Upon the death of the Residential Customer or upon the liquidation of the legal entity;
 - e) In case of obtaining Qualified Customer status pursuant to the REM Rules;
 - f) In other cases, prescribed by the Law, REM Rules, Contract, and other legal acts of the Commission, on condition that the Customer has been notified in advance.
28. Amendments to this Contract upon agreement of the Parties shall be made in writing on condition that they do not contradict the currently effective model form of the Contract approved by the Commission and other normative documents of the Commission.
29. Amendments to or termination of this Contract shall not relieve the Parties from obligations undertaken and not fulfilled before the change of the Contract.

7. RESPONSIBILITIES OF PARTIES

30. Where one party fails to comply with or inadequately complies with undertaken obligations arising from this Contract, it shall bear responsibility under the Law, REM Rules, and EDN Code in cases and procedures defined in this Contract.
31. Where the periods defined in this Contract are violated, the

Customer shall have the right to impose a penalty on the Distributor for each delinquent day in the amount of 0.1 percent of the Connection Charge, not exceeding the entire amount of the Connection Charge, and in cases defined in the EDN Code, in amounts and procedures specified by the EDN Code.

32. Where the period for payment of the difference between the Connection Charge and the Advance Amount defined in Provision 6 of the Contract is violated, the Distributor shall be eligible to impose a penalty on the Customer for each delinquent day equal to 0.1 percent of the difference, but not exceeding the entire amount of the difference.
33. Where the service quality requirements are violated, the Distributor shall be required to pay a penalty to the Customer in procedures established by the REM Rules and EDN Code.
34. For distribution of electricity with violations of quality indicators, the Distributor shall compensate the damages borne by the Customer in legally defined procedures.
35. Where the Customer (except for residential customers) violates the payment schedule defined in the Contract, the Distributor may impose a penalty on the Customer for each delinquent day equal to 0.1 percent of the amount due, not to exceed 10 percent of the entire debt. The penalty may be calculated from the 20th day of the month following the Settlement month, if the Distributor (according to procedures defined by the REM Rules) notified the Customer 7 days prior about the quantity and price of electricity supplied and, in the case of the Supplier's Customer, about the quantity and price of distribution services rendered. Otherwise, the penalty shall be calculated not later than 7 days after the notification according to procedures specified in the REM Rules.
36. Where the Customer consumes electricity by bypassing the commercial metering device, the quantity of electricity consumed shall be determined in procedures defined in the RoA Government decision.

37. The party to the Contract shall not bear responsibility for the violation of it, if the violation is caused by a force majeure situation. The cases deemed to be force majeure and the associated procedures shall be defined in the REM Rules.

8. OTHER REQUIREMENTS

38. The concepts used in this Contract shall have the definitions stated in the Energy Law, REM Rules, and EDN Code unless otherwise expressly defined in the Contract.
39. According to the Contract, the Customer shall agree to disclose the personal data they submitted in compliance with the REM Rules and EDN Code to make the information on electricity supplied (distributed) in accordance with the REM Rules available for other entities (including banks as well as payment and settlement organizations), and to enable the Distributor to fulfill its obligations under the Law and this Contract.
40. Disputes (disagreements) between the parties shall be settled through negotiations.
41. If a dispute (disagreement) is not settled by the parties, any party to a dispute (disagreement) may apply to the Commission requesting that it resolve the dispute within its jurisdiction, or may file a suit at a competent court if the parties fail to agree on resolving the issue through arbitration.
42. This Contract is signed on two legally equal copies, one for each party.

9. LIST OF ANNEXES THAT MAKE AN INTEGRAL PART OF THE CONTRACT

43. The following annexes are made an integral part of the Contract:
 - 1) Annex I: Calculation of the Consumption system connection charge;

- 2) Annex 2: Technical Conditions for connection of the consumption system to the electric network (for a complex connection procedure defined in the EDN Code);
- 3) Annex 3: Single line electricity supply diagram (for a complex connection procedure defined in the EDN Code);
- 4) Annex 4: Data of Commercial (Control) metering devices of the Customer (sub-Customer);
- 5) Annex 5: Direction, voltage, maximum permissible capacity of the Customer's (sub-Customer's) feeder;
- 6) Annex 6: Boundary point between the electric network of the Distributor and the Consumption system of the Customer and on separation of responsibility for the operation of electric installations;
- 7) Annex 7: Technological and/or emergency capacities;
- 8) Annex 8: Additional conditions for Customers of 0.4 kV and higher voltage network (except for residential customers).

10. DETAILS OF PARTIES

Distributor _____

Consumer _____

Location (Residential Address)

Location _____

Phone

Address for Notifications

Email _____

Email _____

Taxpayer Number

Connection Charge

Account _____

Account for Payment against

Electricity consumed _____

Bank _____

License No. _____

(Signature, Name, Surname)

Phone

Taxpayer Number (for legal entities)

Bank _____

Account Number _____

(Signature, Name, Surname)

Seal

(if available)

Annex N I
To Contract on Connection of
Consumption System to Electric
Network, Distribution of Electricity
and Universal Supply of Electricity

CALCULATION OF THE CONSUMPTION SYSTEM
CONNECTION CHARGE

1. The Connection Charge (CC) amount is _____, from which the Advance amount is _____.
2. The Connection Charge has been calculated according to the EDN Code as follows: $CC = Cst + Cadd + Creserve$
Cst – description of the value, calculation (formula), respective components. Cadd – description of the value, respective components.
Creserve – description of the value, respective components.

Distributor

Customer

(Name, Surname, Position)

(Name, Surname, Position)

(Signature)

(Signature)

Annex N 2
To Contract on Connection of
Consumption System to Electric
Network, Distribution of Electricity
and Universal Supply of Electricity

TECHNICAL CONDITIONS FOR CONNECTION
OF THE CONSUMPTION SYSTEM TO THE
ELECTRIC NETWORK

TECHNICAL CONDITIONS FOR TEMPORARY CONNECTION
OF THE CONSUMPTION SYSTEM TO THE ELECTRIC NETWORK

Distributor

Customer

(Name, Surname, Position)

(Name, Surname, Position)

(Signature)

(Signature)

Annex N 3
To Contract on Connection of
Consumption System to Electric
Network, Distribution of Electricity
and Universal Supply of Electricity

SINGLE LINE ELECTRICITY SUPPLY DIAGRAM

Distributor

(Name, Surname, Position)

(Signature)

Customer

(Name, Surname, Position)

(Signature)

Annex N 4
To Contract on Connection of
Consumption System to Electric
Network, Distribution of Electricity and
Universal Supply of Electricity

DATA OF COMMERCIAL (CONTROL) METERING
DEVICES OF THE CUSTOMER (SUB-CUSTOMER)

Location of the metering device	COMMERCIAL (CONTROL) METERING DEVICE											
	METER				CURRENT TRANSFORMER			TRANSFORMER				
	Type, nameplate, type and number of the seal	Permissible current(A)	Nominal Voltage(V)	Month and year of the next meter calibration	Type, nameplate, type and number of the Customer seal	Accuracy class	Transformation ratio	Type, nameplate, type and number of the seal	Accuracy class	Transformation ratio	Party responsible for integrity of commercial meters, metering transformers on the territory being the property of or controlled by the customer	
1	2	3	4	5	6	7	8	9	10	11		12

Distributor

Customer

 (Name, Surname, Position)

 (Name, Surname, Position)

 (Signature)

 (Signature)

Annex N 5
To Contract on Connection of
Consumption System
to Electric Network, Distribution
of Electricity and Universal Supply
of Electricity

DIRECTION, VOLTAGE, MAXIMUM PERMISSIBLE
CAPACITY OF THE CUSTOMER (SUB-CUSTOMER)
FEEDER

N	FEEDER DIRECTION NAME	ADDRESS	ELECTRIC LOAD CATEGORY (I, II, III)	VOLTAGE AT BOUNDARY POINT (KV)	MAXIMUM PERMISSIBLE CAPACITY (KW)	NUMBER OF WORKING DAYS AND HOURS (HOURS)	MAXIMUM DEMAND LOAD FOR WORKING AND NON- WORKING HOURS (KW)
1	2	3	4	5	6	7	8
1							
2							
3							

- I. Column 6 of the above table shall be filled in according to the Technical Conditions provided to the Customer. Where Technical Conditions are not provided, Column 6 shall be filled in as follows:
 - 1) For Customers using a 0.22 kV voltage network, it is the product of the permissible current of the meter and nominal voltage;
 - 2) For Customers using a 0.4 kV network, it is the product of

- permissible current, nominal volume, and transformation ratio of the current transformer;
- 3) For Customers using a 6(10) kV network, it is the product of permissible current, nominal volume, transformation ratio of the current transformer, and transformation ratio of the voltage transformer.
2. Column 4 of the above table shall be filled in according to the categories of electric loads defined in technical requirements for the equipment at electric installations established by the RoA Government Resolution No. 1943-N of December 21, 2006.

Distributor

Customer

(Name, Surname, Position)

(Name, Surname, Position)

(Signature)

(Signature)

Annex N 6
To Contract on Connection of
Consumption System to Electric
Network, Distribution of Electricity
and Universal Supply of Electricity

ACT ON BOUNDARY POINT BETWEEN THE ELECTRIC
NETWORK OF THE DISTRIBUTOR AND CONSUMPTION
SYSTEM OF THE CUSTOMER AND ON SEPARATION
OF RESPONSIBILITY FOR ELECTRIC INSTALLATIONS
OPERATION

1. The Boundary Point of the Parties is _____

2. The point of separation of the operational responsibility is _____

3. The Boundary Point between the electric installations of the
Customer and Sub-Customer is _____

Distributor

(Name, Surname, Position)

(Signature)

Customer

(Name, Surname, Position)

(Signature)

Annex N 7
To Contract on Connection of
Consumption System to Electric
Network, Distribution of Electricity
and Universal Supply of Electricity

ACT ON TECHNOLOGICAL AND/OR
EMERGENCY CAPACITIES

MAXIMUM PERMISSIBLE CAPACITY	TECHNOLOGICAL CAPACITY	EMERGENCY CAPACITY	DURATION OF TECHNOLOGICAL PROCESS (CYCLE)	PERIOD REQUIRED TO PROVIDE EMERGENCY CAPACITY
KW	KW	KW	KW	KW

1. Emergency and/or technological capacity

NO.	2	3	4	5	6	7	8	9	10	11	12	13	14	
	FEEDING CENTER	FEEDING LINE	FEEDING LINE LOAD, KW	POWER RECEIVERS, POWER SUPPLY RESTRICTION OF WHICH CAN RESULT IN REAL AND THE INEVITABLE DANGER TO HUMAN LIFE AND THE ENVIRONMENT	FEEDING LINE EMERGENCY CAPACITY, KW	FEEDING LINE ON WHICH EMERGENCY CAPACITY IS TRANSFERRED	POWER RECEIVERS, POWER SUPPLY RESTRICTION OF WHICH CAN RESULT IN REAL AND THE INEVITABLE DANGER TO HUMAN LIFE AND THE ENVIRONMENT	FEEDING LINE TECHNOLOGICAL CAPACITY, KW	FEEDING LINE ON WHICH CAPACITY IS TRANSFERRED	OTHER CAPACITIES				SUB-CUSTOMER
											CAPACITY KW	TOTAL LOAD, KW	FIXED TECHNOLOGICAL AND EMERGENCY CAPACITIES, KW	
											DAILY ELECTRICITY CONSUMPTION, KWH			
1														
Total														

2. Capacity subject to disconnection

Z	FEEDING CENTER	FEEDING LINE	FEEDING LINE LOAD, KW	SUM OF FIXED TECHNOLOGICAL AND EMERGENCY CAPACITIES ON THE FEEDING LINE, KW	FEEDING LINE ON WHICH FIXED CAPACITY IS TRANSFERRED	CAPACITY SUBJECT TO DISCONNECTION, KW	NOTES
1	2	3	4	5	6	7	8
Tot.							

3. Capacity that is not subject to disconnection until the end of the technological process and of the period required for enabling the emergency capacity

Z	FEEDING CENTER	FEEDING LINE	MAXIMUM CAPACITY ON THE FEEDING LINE, KW	FIXED EMERGENCY CAPACITY, KW	FIXED TECHNOLOGICAL CAPACITY, KW	NOTES
1	2	3	4	5	6	7
Tot.						

Annex N 8
To Contract on Connection of
Consumption System to Electric
Network, Distribution of Electricity and
Universal Supply of Electricity

ADDITIONAL CONDITIONS FOR CUSTOMERS OF
0.4 KV AND OVER VOLTAGE NETWORK
(EXCEPT FOR RESIDENTIAL)

1. In cases provided for by the RoA standard legal acts, the Parties shall be obliged to attach to this Contract the Act on fixing the technological and/or emergency capacities to be developed in accordance with the EDN Code.
2. Where the normal operation of commercial metering devices is technically impossible to ensure under the minimum load regimes, the quantity of electricity consumed shall be calculated based on the capacity of electric receivers that have been actually connected to the network during the entire period of minimum load and be added to the quantity calculated based on the commercial meter readings in procedures defined by the EDN Code.
3. Either the Distributor or the Customer may install devices to record and memorize electricity quality indicators at boundary points, in regard to which a bilateral act shall be developed and attached to this Contract.
4. If the electricity quality indicators defined by the RoA Legislation are breached, the reasons and the period when electricity was being supplied with violations of quality indicators shall be determined by the records of metering devices of the Distributor (Universal Supplier) or Customer, and if those are absent, by corresponding calculations using the records in operational documents of the Distributor (Universal Supplier) or Customer, in regard of which the Distributor (Universal Supplier) and Customer shall develop a bilateral act.

5. The Distributor (Universal Supplier) shall compensate the damages incurred by the Customer due to distribution of electricity with violation of quality indicators in procedures defined by the RoA Law.
6. In the event that the equipment, relay protection and automation devices of the Customer (except for residential) are transferred under the Distributor's operational supervision, the Parties shall be required to do so in procedures defined by the EDN Code.
7. The Customer shall be obliged:
 - 1) To ensure 24-hour free access for the operational staff of the Distributor authorized to carry out switching to the premises under its control to fulfill their obligations within the scope of their authorities;
 - 2) To immediately inform the Distributor about deficiencies and failures revealed on the equipment and relay protection and automation devices under its operational supervision, at the phone number:_____.
 - 3) To not exceed the maximum permissible capacity specified in Annex 5 to this Contract and to agree with the Distributor (Universal Supplier) on any change to the maximum permissible capacity.
8. The Distributor (Universal Supplier) shall not bear responsibility for the supply of electricity with violations of quality indicators for the period in which the Customer exceeds the defined maximum permissible capacity.

OTHER CONDITIONS (TO BE FILLED IN BY PARTIES)

9. _____

10. _____

Annex N 2
To the RoA Public Services
Regulatory Commission
Resolution N 519 N
Adopted on December 25, 2019

ELECTRICITY DISTRIBUTION SERVICES AND
ELECTRICITY UNIVERSAL SUPPLY CONTRACT
(PUBLIC CONTRACT)

The Distributor _____
(Universal Supplier) (name)

represented by _____.
(name, surname, position, letter of authorization data)

and the Customer, collectively known as the Parties, hereby submit their Acceptance in accordance with the model form approved by the Public Services Regulatory Commission of the Republic of Armenia (RoA) (hereinafter, the Acceptance), being guided by the Energy Law and other laws of the RoA, Retail Electricity Market Trading Rules (hereinafter, REM Rules), Electricity Distribution Network Code (hereinafter, the EDN Code) approved by the RoA Public Services Regulatory Commission (hereinafter, the Commission) and other legal acts, have jointly concluded this contract (hereinafter, the Contract), which is public and is based on conditions presented below and data included in the Acceptance submitted by the Customer.

I. SUBJECT OF THE CONTRACT

- I. By this Contract, the Distributor shall provide to the Customer distribution service of electricity purchased from the Supplier or shall perform universal supply of electricity, and the Customer shall pay for the Distribution Service and the Universal Supply provided.

2. RIGHTS AND OBLIGATIONS OF PARTIES

2. According to the Contract, the Parties shall have all those rights and obligations that are prescribed by the REM Rules and EDN Code.

3. PRICE, QUANTITY, AND COST CALCULATION AND PAYMENT PROCEDURES FOR DISTRIBUTION SERVICE PROVIDED AND ELECTRICITY SUPPLIED

3. The quantity of electricity supplied in the Settlement month shall be determined according to the procedure defined in the REM Rules.
4. The price of electricity supplied to the Customer within the Settlement month, except for the cases specified in Provision 5 of this Contract, shall be calculated as a product of the tariff set forth by the Commission for the given voltage level and timeframe (if the Commercial metering device can perform differentiated metering) and the quantity of electricity supplied, whereas, in the case of the Supplier's Customer, the price of distribution service provided shall be calculated as a product of the distribution service tariff set by the Commission for the given voltage level and the quantity of electricity distributed.
5. In cases defined by the REM Rules, for the Universal Supplier to restart the Customer's supply of electricity, as well as in cases when the Customer did not obtain Qualified Customer status or did not select a Supplier in terms and procedures defined by the REM Rules and by the Wholesale Electricity Market Trading Rules approved by the Commission, the cost of electricity supplied by the Universal Supplier to the Customer within the Settlement month shall be calculated as a product of the tariff set forth by the Commission for the given Customer group and the quantity of electricity supplied.
6. Where the tariff is changed by the Commission, the new tariff shall

- become effective from the day it is defined by the Commission.
7. The Customer shall, according to the REM Rules, pay the cost of electricity supplied or, in the case of the Supplier's Customer, the cost of distribution services provided during the previous month to the bank account of the Distributor mentioned in the Contract prerequisites once the billing document is submitted by the Distributor (personally or by authorized representative) in terms and procedures defined in the REM Rules.
 8. In case of calculation of penalties in compliance with the REM Rules, the Distributor shall first redeem the cost of electricity supplied or, in the case of the Supplier's Customer, the cost of distribution service rendered starting from the previously incurred indebtedness and only then shall cover financial liabilities under the calculated penalties.
 9. If there are outstanding financial liabilities, the Distributor shall not suspend the Customer's electricity supply on condition that the latter presents payment guarantees acceptable for the Distributor or develops with the Distributor a debt repayment schedule. This Provision shall not restrict the Distributor's right to suspend the Customer's supply in case of violation of the repayment schedule, ensuring compliance with the procedures on suspension of electricity supply of the given Customer as prescribed in the REM Rules and EDN Code.
 10. If there are no outstanding liabilities to the Distributor (Universal Supplier), payments of the Customer shall be used as deposit amounts to cover future liabilities, unless the Customer has requested that the Distributor refund these deposit amounts.

4. VALIDITY OF CONTRACT

11. The Contract shall come into force from the moment the Acceptance is approved by the Distributor.
12. In cases when the Commission approves a new model form or

- introduces amendments or supplements thereto, the signed contracts shall be deemed new or shall be deemed signed and modified in compliance with the introduced changes starting on the date of effectiveness of the corresponding legal act.
13. The Contract is concluded for an indefinite period, except for the cases defined in REM Rules. Where the given case requires concluding a temporary contract according to REM Rules, 1 month prior to the expiration of the temporary contract's validity period, each party to the contract may notify the other party of the termination of the contract. If, after the expiration of the validity period, the Distributor has not sent a notification and the Customer continues consuming electricity, the Contract validity shall be considered extended under the same conditions and for the same period, except for the cases defined in the REM Rules.
 14. The universal supply of electricity may be terminated based on the Customer's application under procedures defined by the REM Rules.
 15. The Contract shall be terminated:
 - 1) Upon mutual consent of the Parties;
 - 2) Unilaterally by the Customer on condition that the latter duly informed the Distributor of the termination and completely paid for electricity supplied, and in case of the Supplier's Customer, for the distribution services rendered;
 - 3) Upon the unilateral initiative of the Distributor;
 - a) If the Contract that was concluded for a certain period pursuant to the REM Rules is expired and the Customer has been duly notified 1 month prior to the expiration date;
 - b) If the entity with the rights to the premises receiving electricity supply (building, construction site) has submitted a written request and if the Customer does not have a document verifying their eligibility for the premises (building, construction site) as prescribed by the REM

- Rules, on condition that the Customer has been informed in advance, except for the cases specified in the REM Rules,
- c) Upon the death of the Residential Customer or upon the liquidation of the legal entity,
 - d) In case of obtaining Qualified Customer status pursuant to the REM Rules,
 - e) In other cases, prescribed by the Law, REM Rules, Contract, and other legal acts of the Commission, on condition that the Customer has been notified in advance,
16. Amendments to this Contract upon mutual agreement of the Parties shall be made in writing on condition that they do not contradict the model form approved by the Commission and currently effective and other legal acts of the Commission.
17. Amendments to or termination of the Contract shall not relieve the Parties from obligations undertaken and not fulfilled prior to the change of the Contract.

5. RESPONSIBILITIES OF PARTIES

18. If the parties fail to comply with or inadequately comply with undertaken obligations arising from the Contract, they shall bear responsibility in procedures and cases defined by the Law, REM Rules, EDN Code, and the Contract.
19. If the Distributor violates distribution service quality requirements, it shall be required to pay a penalty to the Customer in procedures established by the REM Rules and EDN Code.
20. For the provision of distribution services with violations of quality indicators, the Distributor shall compensate the damages borne by the Customer in legally defined procedures.
21. If the Customer (except for residential customers) violates the payment schedule defined in the Contract, the Distributor may impose a penalty on the Customer for each delinquent day equal to 0.1 percent of the amount due, not to exceed 10 percent of

the entire debt. The penalty may be calculated from the 20th day of the month following the Settlement month if the Distributor has notified the Customer 7 days prior in procedures defined by the REM Rules about the quantity and price of electricity supplied and, in the case of the Supplier's Customer, about the quantity and price of distribution services rendered. Otherwise, the penalty shall be calculated not later than 7 days after the notification in procedures specified in the REM Rules.

22. Where the Customer consumes electricity by bypassing the commercial metering device, the quantity of electricity consumed shall be determined in procedures defined in the RoA Government decision.
23. The party to the Contract shall not bear responsibility for the violation of the Contract if the violation is caused by a force majeure situation. The cases considered force majeure, as well as procedures thereon, shall be defined by the REM Rules.

6. OTHER REQUIREMENTS

24. The concepts used in the Contract shall have the definitions stated in the Energy Law, REM Rules, and EDN Code, unless otherwise defined in the Contract.
25. According to the Contract, the Customer shall agree to disclose the personal data submitted by them in compliance with the REM Rules and EDN Code, to make the information on electricity supplied (distributed) in accordance with the REM Rules available for other entities (including banks as well as payment and settlement organizations), and to enable the Distributor to fulfill its obligations under the Law and this Contract.
26. Disputes (disagreements) between the parties shall be settled through negotiations.
27. If a dispute (disagreement) is not settled by the parties, any party to a dispute (disagreement) may apply to the Commission requesting

that it resolve the dispute within its jurisdiction, or may file a suit at a competent court if the parties fail to agree on resolving the issue through arbitration.

7. DISTRIBUTOR DETAILS

Title _____

Location _____

Phone _____

Email _____

Taxpayer Number _____

Account number _____

Bank _____

License No. _____

Annex N I
To the Electricity Distribution
Services and Electricity Universal
Supply Contract (Public Contract)

ACCEPTANCE OF THE ELECTRICITY DISTRIBUTION
SERVICES AND ELECTRICITY UNIVERSAL SUPPLY
CONTRACT (PUBLIC CONTRACT)

1. By this Acceptance, the Customer _____

(Customer name, title)

shall completely and unconditionally accept all terms and conditions defined by the model form of the Public Contract on provision of electricity distribution services and electricity universal supply by declaring its willingness to sign a Contract with the Distributor for

(Customer system location)

household

non-household

type of consumption at the premises where the consumption system is installed

2. Other details of the Customer:

Details and the copy of the document verifying the identity (State registration number): _____

Social security number (Tax identification number): _____

Residence address _____

Details for notification

Postal address: _____

Email address: _____

Phone: _____

Bank details

Bank: _____

Account number: _____

Usable capacity _____

Voltage of the electricity supply network _____ Phase _____ Volt

3. A document verifying (certifying) the rights or acquisition of rights towards the premises where the consumption system is located (building, construction site), or, in the case of a legal entity, a document verifying (certifying) the rights to the premises where the consumption system is located (building, construction site).

4. Other details _____

Customer _____

/Signature/

**CONNECTION OF CONSUMPTION SYSTEMS OF
MULTI-APARTMENT BUILDINGS UNDER
CONSTRUCTION OR NEWLY DEVELOPING AREAS TO
THE ELECTRIC NETWORK CONTRACT**

_____ 20_____
(Location)

Distributor _____
(name, location)

represented by _____
(name, surname, position, letter of authorization data)

acting on the basis of _____, as the First Party,
(document regulating the activity)

and the entity that applied for connection of consumption systems of a
multiapartment building under construction or newly developing area to
the electric network (hereinafter, Developer)

_____,
(name, surname, passport or ID number, in case of a legal entity - company or
organization name, name and surname and position of the representative; in case of an
authorized person – the letter of authorization)

as the Second Party, collectively known as the Parties, being guided by
the Energy Law and other laws, Electricity Retail Market Trading Rules
(hereinafter, Trading Rules), Electricity Distribution Network Code
(hereinafter, the Network Code) approved by the RoA Public Services

Regulatory Commission (hereinafter, the Commission), this Contract, and other legal acts, have concluded this Contract.

I. SUBJECT OF THE CONTRACT

1. Under this Contract, the Distributor shall undertake to connect the consumption system for _____
_____ (domestic for residential customers, non-domestic for other customers) purposes located at _____ (hereinafter, the Consumption System) to the electric networks and the Developer shall undertake to pay for the Connection.

2. ELECTRIC NETWORK CONNECTION PROCEDURE

2. The Connection Charge for connecting the Customer's Consumption System (hereinafter, Connection Charge) shall amount to _____AMD including VAT, as outlined in Annex 1 to this Contract.
3. Within 24 months starting from the conclusion of this Contract, the Developer shall transfer the Connection Charge to the Distributor's bank account specified in the Details of the Parties.
4. The Distributor shall ensure implementation of the connection to the electric network within _____days following the payment of the Connection Charge, not exceeding the dates defined in the Network Code, to be carried out based on Technical Conditions specified in Annex 2 of this Contract and/or according to a single line electricity supply diagram defined in Annex 3 of this Contract.
5. Where the Developer failed to fulfill its payment obligation per Provision 3, the Contract shall be terminated according to Provision 16(3) of this Contract.

3. BASIC RIGHTS AND OBLIGATIONS OF PARTIES

6. Distributor's obligations:
 - 1) To ensure connection of the consumption system to the electric network according to Provision 4 without energizing the connection;
 - 2) If the Developer did not accomplish necessary works according to Provision 9(2) of the Contract, to connect the consumption system to the electric network within 3 business days after having been informed about the accomplishment of the required works;
 - 3) Before the 10th day of the month following the connection, to provide to the Developer the
 - 4) Connection Charge calculations;
 - 5) In cases provided for in Provision 12 of this Contract, to duly inform the Developer about the changes in the connection dates not later than in 3 business days;
 - 6) To pay a penalty to the Developer for violation of dates defined in this Contract pursuant to Provision 11 of this Contract.
7. Distributor's rights:
 - 1) Where the Developer violates its obligation per Provision 3 of this Contract, to terminate the Contract based on Provision 16(3).
8. Developer's obligations:
 - 1) To pay the Connection Charge according to Provision 3 of the Contract;
 - 2) To implement necessary works for connection of the consumption system to the electric network and, in case of violation of that obligation, to inform the Distributor about the date the works are accomplished.
9. Developer's rights:
 - 1) To request the Distributor in written form that to return the Connection Charge within 5 business days after the payment is made. Once the period is expired, the Connection Charge

shall be subject to return only on the condition that the Distributor's actual expenses for activities on connection of the consumption system to the electric network are compensated within 5 business days after the claim is made.

- 2) Where the dates specified in this Contract are violated, to impose a penalty on the Distributor in procedures defined by Provision 11 of the Contract.

4. RESPONSIBILITIES OF PARTIES

10. Where a Party fails to comply with or inadequately complies with undertaken obligations arising from this Contract, it shall bear responsibility in procedures defined by RoA Legislation, Trading Rules, the Network Code, and this Contract.
11. Where the periods defined in this Contract are violated, the Developer shall have the right to impose a penalty on the Distributor for each delinquent day in the amount of 0.1 percent of the electric network Connection Charge, not exceeding the entire amount of the Connection Charge; in cases defined by the EDN Code, it shall be paid in the amount and procedures set forth in the EDN Code.
12. A party to the Contract shall not bear responsibility for violation of contractual obligations if it is caused by consequences of force majeure situations. Cases deemed to be force majeure situations, as well as their application procedures, shall be defined in the EDN Code.

5. DISPUTE RESOLUTION

13. All disputes and disagreements arising from this Contract shall be resolved through negotiations, and in case of a written application by one of the Parties, through the Commission's mediation.
14. Provision 13 of the Contract shall not restrict the right of the

Parties to resolve the dispute in court unless the parties agreed to pass the issue to arbitration.

6. ENTRY INTO FORCE, MODIFICATION AND TERMINATION PROCEDURE, VALIDITY OF CONTRACT

15. This Contract shall come into force at the moment of signing and shall be valid until all obligations of Parties associated with the connection of the consumption system to the electric network stated in Chapter 3 of the Contract are completely fulfilled.
16. The Contract shall be terminated:
 - 1) Upon mutual consent of the Parties;
 - 2) Upon the unilateral initiative of the Developer, on condition that the Distributor has been duly notified;
 - 3) Upon the unilateral initiative of the Distributor in case of failure of the Developer to pay the Connection Charge according to Provision 3 of this Contract or if the Customer requested the Distributor to return the Connection Charge according to Provision 9(1) of the Contract, as well as in cases specified by the Laws, Trading Rules, Network Code, and this Contract, on condition that the Developer has been notified in advance.
17. In cases when the Commission approves a new model form or introduces amendments or supplements thereto, the signed contracts shall be deemed new or shall be deemed signed and modified in compliance with the introduced changes starting on the date of effectiveness of the corresponding legal act.
18. Amendments to this Contract shall be made in writing upon mutual agreement of the Parties, on condition that they do not contradict the existing model form approved by the Commission, Trading Rules, Network Code, legal acts approved by the Commission, and other normative documents.
19. Amendments to or termination of this Contract shall not relieve

the Parties from obligations that were undertaken and not fulfilled before the change of the Contract.

20. This Contract shall be signed in two legally valid and equal copies, one for each Party.

7. AVAILABILITY AND CONFIDENTIALITY OF INFORMATION

21. Any and all data subject to exchange between the parties shall be submitted (published) in procedures defined in the Trading Rules and Network Code.
22. In the case of failure to submit, delay in submission, or submission of false or deficient information, any party shall bear responsibility for damages caused thereby.
23. Information that the parties became aware of shall be used by them exclusively for the purposes of this Contract.
24. Sharing of information between the parties to this Contract shall be in the public domain unless it is considered and marked as “Confidential” by the Law or by the entity that submitted the information. While receiving and then using confidential information, the relevant entity shall ensure confidentiality and be responsible for illegal publication thereof.
25. In cases and procedures defined in the Law, the Retail Market Participants and the Distributor shall be eligible to disclose confidential information.

8. LIST OF ANNEXES THAT ARE AN INTEGRAL PART OF THE CONTRACT

26. The following annexes form an integral part of the Contract:
 - 1) Annex 1 on Consumption System Connection Charge;
 - 2) Annex 2 on Technical Conditions for Connection of the Consumption System to the Electric Network;

3) Annex 3 on Single Line Electricity Supply Diagram of the Developer.

9. DETAILS OF PARTIES

Distributor _____

Developer _____

Location

Location (Residential Address)

Phone

Address for Notifications

Email _____

Taxpayer Number _____

Email _____

Connection Charge

Phone

Account _____

Account for Payment against

Taxpayer Number
(for legal entities)

Electricity consumed _____

Bank _____

Bank _____

License N _____

Account Number _____

(signature, name, surname)

(signature, name, surname)

Seal

(if available)

Annex N I
Connection of Consumption Systems
of Multi-Apartment Buildings under
Construction or Newly Developing
Areas to the Electric Network
Contract

CONSUMPTION SYSTEM CONNECTION CHARGE

1. The Connection Charge (CC) amount is _____.
2. The Connection Charge has been calculated according to the Network Codes _____ (exact reference).

$$CC = Cst + Cadd + Creserve$$

Cst – description of the value, calculation (formula), respective components.

Cadd – description of the value, respective components.

Creserve – description of the value, respective components.

Distributor

Developer

(Name, Surname, Position)

(Name, Surname, Position)

(Signature)

(Signature)

Annex N 2
Connection of Consumption
Systems of Multi-Apartment
Buildings under Construction or
Newly Developing
Areas to the Electric Network
Contract

TECHNICAL CONDITIONS FOR CONNECTION
OF THE CONSUMPTION SYSTEM TO THE
ELECTRIC NETWORK

Distributor

Developer

(Name, Surname, Position)

(Name, Surname, Position)

(Signature)

(Signature)

Annex N 3
Connection of Consumption Systems
of Multi-Apartment Buildings under
Construction or Newly Developing
Areas to the Electric Network
Contract

DEVELOPER ELECTRICITY SUPPLY SINGLE LINE
DIAGRAM

Distributor

(Name, Surname, Position)

(Signature)

Developer

(Name, Surname, Position)

(Signature)

ACRONYMS

APP	Autonomous Power Producer
ASEMC	Automated System of Electricity Metering and Control
EDN Code	Republic of Armenia Electricity Market Distribution Network Code approved by the Commission
EMO	Electricity Market Operator
ESO	Electricity System Operator
REM Rules	Republic of Armenia Retail Electricity Market Trading Rules approved by the Commission
REM Participants	Universal Supplier, Suppliers, Customers (except for Qualified Customers), and Autonomous Power Producers
TL	Transmission Line
WEM Rules	Wholesale Electricity Market Trading Rules of the Republic of Armenia

REPUBLIC OF ARMENIA RETAIL ELECTRICITY MARKET TRADING RULES AND CONTRACTS

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