

# **RULES ON MINIMUM QUALITY OF DELIVERY AND SUPPLY OF ELECTRICITY**

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# INTRODUCTION

Legal basis for the adoption of Rules on the minimum quality of delivery and supply of electricity is contained in Energy Law (Official Gazette Montenegro 5/2016), prescribing that the Regulator makes these Rules.

The Rules determine minimum level of indicators and performances of quality which the energy subject – service provider must fulfil.

The purpose of these Rules is stimulating TSO, DSO and Supplier to achieve and maintain the level of general and individual indicators of quality of electricity supply, set forth by these Rules.

For not achieving a certain level of quality of service there are financial penalties.

The Rules were issued in July 2017 (Official Gazette Montenegro 50/2017).

# I GENERAL PROVISIONS

**These Rules** closely **define minimum quality of delivery and supply of electricity** based on the following criteria:

- **Commercial (Service) quality**
- **Continuity of supply**
- **Voltage quality**

These Rules also:

- define the **indicators** of quality and methodology for which the TSO, DSO and Supplier **record and process data** important for monitoring minimum quality and the procedure for submission of such data to the Regulator.
- define **financial compensation** which the energy subjects are due to pay for non-compliance with the prescribed minimum quality.

# I GENERAL PROVISIONS

## Aspects of service quality



- **Commercial quality** covers the quality of services, such as the provision of a new connection, meter reading, billing, handling of customers' requests and complaints.
- **Technical aspects of service quality** generally refer to power quality issues which could be grouped in two main fields of power quality:
  - **Continuity of supply**, related to interruptions of supply (the number and duration of interruptions)
  - **Voltage quality** covers possible variation of supply voltage

# II INDIVIDUAL MINIMUM QUALITY STANDARDS

## INDIVIDUAL MINIMUM OF QUALITY

means providing services by system operators, which needs to be achieved for each individual customer or system user

### Restoration of power supply in distribution system

- **Is applied** to the DSO in case it is responsible for the interruption in supply
- **Is not applied** to the DSO in case DSO informed the customer on its intention to interrupt the supply and about the duration of interruption

The period in which DSO must restore power supply without penalties starts from the moment when:

- 1) ODS is notified by the customer about the interruption or
- 2) ODS registers interruption from SCADA or in another appropriate manner.

## Interruptions of supply

- **Measures are applied** to DSO when the supply is interrupted and when the customer isn't notified in following **24 hours** on the duration of interruption via public information media.
- **Measures are not applied** to DSO in cases when preventing or fixing malfunctions of the network is necessary to save human lives or properties

## Issuing approvals for connection

DSO issues approvals for connection within **15 days**, if the conditions are fulfilled

- **Measures are applied** to DSO in case the applicant submits regular request for issuing approval for connection to low-voltage network, and the DSO does not decide on it in the prescribed period.

## Connection of customer

Connection to the network **has to be done within 15 days** following the conclusion of supply contract and the fulfillment of the customer's obligations

## Reconnection of customer

**Measures are applied** to DSO if not performing connection of the customer within **20 hours** from the receiving the request of the supplier.

## Testing Energy Meters on customers' demand

- **Measure is applied** to DSO if it does not visit the facility of the customer on-site and does not give an official opinion within **5 days** after receiving the customer's request.

## On-site check of the customer's facility

- **Measure is applied** to DSO in case it does not perform on-site visit of the facility of the customer within **8 days** after the notice.
- **Measure is not applied** when:
  - DSO notifies the customer, at least **two work days in advance**, on his unavailability to visit in agreed period, or
  - the purpose of the on-site visit was disconnection of the customer's facility.



## Response on the complaint on voltage

DSO has 30 days from the receipt of the complaint, prior to providing the response to the customer, to decide by metering on the spot, or in some other suitable way, if the voltage is within the limits of permitted variations.

## Finding solutions for voltage variations

Indicator applied to DSO if it does not find solutions for voltage variations during the period which starts from the moment of submitting the customer's complaint, is defined as follows:

- If the problem can be solved by operational procedure, within **3 days** of giving the operator an answer
- If it is necessary to perform works and interventions on the network, without need for construction works, within **3 months** of giving the answer

# III GENERAL MINIMUM QUALITY

GENERAL MINIMUM OF QUALITY defines the obligatory level of quality of supply in a certain part of system or all customers in the system.

## Planned and unplanned interruptions

- the interruption in supply is an interruption if it lasts longer than **three minutes**.
- System operators must keep record on all interruptions of supply.

Planned interruption is the one which:

- Starts and ends within the announced period of interruption duration, and
- Occurs as a consequence of the market imbalance, as defined by the Law, if it is conducted per plan which is regularly announced

Unplanned intrruption is the one which is not announced as planned or planned interruption which happened outside the planned period

## Indicators of general minimum quality for DSO

On system level, most common indicators for measuring duration and frequency of continuity of supply are:

- **SAIFI** (System Average Interruption Frequency Index)
- **SAIDI** (System Average Interruption Duration Index)

The measurement of interruptions covers all network levels.

DSO must monitor and publish annually on its web site these indicators.

## V FINANCIAL COMPENSATION

If there is a non-compliance with the minimum quality from the Supplier, TSO or DSO, they must financially compensate the customer in period of **30 days** from the day of calculation, in the amounts defined in these Rules.

Financial compensation will start in **2019**.

**Initial values of financial compensations have already been defined and they can be subjected to change prior to their application (in 2019).**

# PREVIOUS ACTIVITIES

These Rules are the first document of its kind from the beginning of the work of the Energy Regulatory Agency

The Regulator has performed regular monitoring of service quality for over two years on quarterly basis

DSO began to submit to Regulator the first tabular reports, on monthly basis, two years before the approval of the rules by the Regulator

The forms for these reports have been changed several times

# FUTURE CHALLENGES

Regulation of the quality of delivery is a complex topic.

Selection of methodology for definition of quality needs to be introduced with caution and with consideration of all its positive effects and shortcomings

It takes significant time and effort both of the energy subjects and the regulator in order to establish the simplest regulatory mechanisms for defining quality

The regulator should prepare new requirements very carefully, with some stability, based on continuous consultation with ODS, suppliers and consumer representatives (“negotiation” is better than non-realistic requirements)!

It is necessary to make analyses of the similar experiences in the region (indicators and performances) in order to compare the results

**THANK YOU FOR YOUR ATTENTION!**