

LEGAL ALERT



GAS SUPPLY AGREEMENT FROM OFFER TO EXECUTION

As of 1 July 2020, the prices for gas supply are no longer regulated by the National Energy Regulatory Agency (ANRE). The supply of gas is on a competitive basis, on a completely liberalized market, for the price and under the commercial terms negotiated between the consumers and the suppliers, the latter having the obligation to clearly and transparently provide information on the commercial terms for gas supply.

Thus, in order to give the consumers the possibility to opt for the appropriate commercial terms according to their own consumption habits, the suppliers have the obligation to prepare standard offers, which will be published on their websites, in a visible place, with a direct link, or which will be provided to the consumers free of charge in the unique contact points, in a printed form. The standard offers of several suppliers may be compared by the consumers using the price comparator provided for such purpose on the ANRE website.

In order to conclude a gas supply agreement, the consumers should either (i) accept one of the standard offers published by the supplier,

or (ii) negotiate the price and the commercial terms directly with the supplier.

After choosing the appropriate offer for the conclusion of the gas supply agreement, the consumer should provide the following documents to the supplier:

- Application to conclude the agreement, indicating the standard offer in case the consumer opted for such offer;
- Copy of the ID or registration certificate at the National Trade Registry Office;
- Copy of the ownership deed or another document attesting the right to use the premises. If the consumer does not have any of the above-mentioned documents, he/she may declare on his/her own liability that he/she uses such premises in a legal manner, as long as the consumption place is not claimed by another person, and the supplier may conclude a gas supply agreement for a limited period of time, of one year at the most, with the possibility to be extended;

- Affidavit on the destination of the premises representing the consumption place, as well as on the use of the gas in such premises only for carrying out household activities (only in case of household consumers).

Both the submission of the above-mentioned documents and the conclusion of the gas supply agreement can occur electronically, if the supplier offers this contracting possibility. Before the conclusion of an agreement or the confirmation of its conclusion, any consumer should receive a copy of the gas supply agreement free of charge, in printed form, or only if the consumer requests this, in electronic form.

There are a few mandatory elements which should be included in the gas supply agreement, listed below:

- The identity and address of the supplier;
- The services offered, the quality of the services offered, as well as the commencement deadline for the performance of the agreement, respectively the deadline provided for the commencement of the initial supply of gas, as the case may be;
- The types of maintenance services offered, as the case may be;
- The means for obtaining updated information on all applicable prices/tariffs, including the maintenance ones, as the case may be;
- The term of the agreement, the conditions for renewal/extension and termination of the services provision and of the agreement, indicating the terms and conditions for its unilateral termination;
- The potential compensations/indemnification and the repayment manner applicable in case of the non-compliance with the quality of the services provided in the agreement, including in case of inaccurate and/or late invoicing;
- The information on the rights of the end customers, including on the manner of complaint settlement;

- The manners to commence the dispute settlement procedures.

The gas supply agreement is concluded in writing, in a legible font, on paper or, only if the customer agrees, in electronic form or through remote means of communication. The agreement may be concluded in the commercial premises of the supplier, remotely or outside the commercial premises of the supplier.

The supplier has the obligation to notify the end customer on any intention to amend and/or supplement the contractual terms/clauses, as well as on any increase in the price/tariff charged, indicating the reasons, the terms and the extent of such increase, in a direct and timely manner, by mandatorily mentioning the customer's right to unilaterally terminate the agreement free of charge in case such customer does not accept the new conditions.

The consumers who have not concluded a new gas supply agreement on a competitive basis will be supplied with gas by the same suppliers with whom they had an agreement concluded before 1 July 2020.

Nevertheless, the price will be the one set in the offer delivered to the consumer by the supplier in May and June 2020, and the supply will continue until the conclusion by the consumer of a competitive agreement, but no later than 30 June 2021.

We will monitor and present the secondary regulations on other relevant matters of gas contracting, so that the consumers will be aware of the mechanisms of this market and the liberalization process.



Dana Dunel Stancu
Head of Energy practice
ddunel@birisgoran.ro



Radu Jianu
Associate
radu_jianu@birisgoran.ro



Anca Stănescu
Economist
astanescu@birisgoran.ro

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