



PROJECTS AND ENERGY

Coronavirus: Extraordinary measures in the energy sector

On 17 March, the Energy Services Regulator (“ERSE”) approved Regulation 255-A/2020 and it was published in the official gazette, Diário da República, on 18 March 2020. The Regulation establishes extraordinary measures in the energy sector due to the health crisis caused by the spread of COVID-19

Inês Pinto
da Costa

Nuno
Serrão Faria

Joana
Brandão

Rui Vasconcelos
Pinto

In particular, the Regulation establishes that:

- o Customers will have an additional period of 30 days before the supply of electricity or natural gas can be cut off for reasons attributable to the customer. This extension also applies, with the necessary adaptations, to the supply of piped LPG intended for domestic consumption.

"In response to the crisis caused by the spread of COVID-19, Regulation 255-A/2020 has established extraordinary measures in the energy sector, in particular, in relation to the conditions for providing energy supply services."

In fact, the supply of low voltage electricity and low pressure natural gas with an annual consumption of no more than 10,000 m³ (n) can only be cut off due to the events attributable to the customer (in particular, lack of payment) after 30 additional days have passed on top of the default period already foreseen in the applicable regulations. Depending on how the circumstances relating to the spread of COVID-19 develop, this additional period could be extended by the ERSE¹.

During this additional period of 30 days, no default interest may be charged on the amounts billed to end customers. If consumers run up debts as a result of this situation, they have the right, upon request to the supplier, to pay the amounts billed in instalments.

- o Any debts they run up, exclusively in the additional period of 30 days, are temporarily borne by the distribution network operators, and by the overall system management operators and the overall technical system management operators, respectively.
- o The network operators must, as a priority and as a mandatory obligation, act to guarantee supplies to priority facilities. These facilities include, in particular, hospitals and other health care facilities, including additional facilities that are mobilised under the exceptional rules. They also include any public safety and civil protection facilities.
- o The time limits provided for in the following provisions of the Quality of Service Procedures Manual are extended: (i) Procedure 4(4) on the final report to be sent to the ERSE in the event of incidents of great impact, and (ii) Procedure 4(5) on the application for classification as an exceptional event. These time limits are extended to 20 days and 30 days, respectively, after the incident/event.

¹ Without prejudice, under article 2(3) of Regulation 255-A/2020, to cuts in supply intended to protect people and property

- o Regulation 255-A/2020 also establishes that – except for situations of proven urgency and priority clients, including restoration of supply – distribution system operators, suppliers of last resort, and suppliers must avoid actions that involve travel and direct contact with customers in their homes. These agents should strengthen their remote means to communicate meter readings, to deal with customers’ questions, and to establish payment plans².
- o Finally, except for situations of proven urgency and priority clients, the statutory periods to which distribution network operators, suppliers of last resort, and suppliers are subject in their relationships with their customers, are extended by half of the regular period³.
- o The rules laid down in Regulation 255-A/2020 of 18 March came into force on 19 March (i.e., on the day following its publication) and they took effect retrospectively from 13 March 2020. ■

"Actions that involve travel and direct contact with customers in their homes must be avoided. Remote means to communicate meter readings, to deal with customers’ questions, and to establish payment plans should be strengthened."

2 In addition, pursuant to article 11 of Regulation 255-A/2020, distribution network operators, suppliers of last resort, and suppliers must keep the ERSE informed of their contingency plans.

3 Under article 10(2) of Regulation 255-A/2020, this extension of time limits does not apply to other legal or regulatory time limits, in particular, those for giving information and reporting to the ERSE, except in the cases expressly provided for in this Regulation.