Mitigating credit risk in the interest of electricity consumers

A EURELECTRIC paper

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We speak for more than 3,500 companies in power generation, distribution, and supply.

We Stand For:

***Carbon-neutral electricity** by 2050*

We have committed to making Europe's electricity cleaner. To deliver, we need to make use of **all low-carbon technologies**: more renewables, but also clean coal and gas, and nuclear. Efficient electric technologies in **transport and buildings**, combined with the development of smart grids and a major push in **energy efficiency** play a key role in reducing fossil fuel consumption and making our electricity more sustainable.

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We support well-functioning, distortion-free **energy and carbon markets as** the best way to produce electricity and reduce emissions cost-efficiently. Integrated EU-wide electricity and gas markets are also crucial to offer our customers the **full benefits of liberalisation**: they ensure the best use of generation resources, improve **security of supply**, allow full EU-wide competition, and increase **customer choice**.

***Continent-wide** electricity through a coherent European approach*

Europe's energy and climate challenges can only be solved by **European – or even global – policies,** not incoherent national measures. Such policies should complement, not contradict each other: coherent and integrated approaches reduce costs. This will encourage **effective investment to** ensure a sustainable and reliable electricity supply for Europe's businesses and consumers.

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As the electricity market moves towards greater sophistication, simplicity will be a key principle to promote and facilitate customer engagement. This should start by ensuring that customers have one main counterpart for all major commercial processes.

In line with this, a single bill model has been - or is being - implemented in the vast majority of Member States[1]. In practice, it means that customers receive only one bill from their supplier, covering the cost of the electricity they consume but also the costs of transmission and distribution grids as well as a number of government taxes, levies and policy support costs (i.e. VAT, funding of generation technologies and energy efficiency schemes, etc.) [2].

From a consumer point of view, this model is very convenient and EURELECTRIC supports it. However, because electricity is sold on credit – i.e. it is first consumed and then paid for – there is a potential downside for suppliers: they often have to pay network operators and national authorities irrespective of whether customers pay their bills or not.

Over the past few years, suppliers' exposure to missed or late payments has dramatically increased[3]; as a result, so have the costs of managing arrears. This is due to: i) the general increase of retail prices across Europe – a direct consequence of rising taxes, renewables support costs and other levies[4] and ii) the persistent economic downturn, which affects both individuals' incomes and companies' profitability.

One way for suppliers to cover the cost of managing arrears would be to make up for it by increasing the relative share of the energy component – i.e. the only component of the bill they can influence. This is however neither advisable nor possible in competitive markets, owing to aggressive price competition among suppliers.

While some Member States have introduced measures allowing suppliers to effectively manage arrears and the resulting risks associated with supplying electricity on credit, there is a significant degree of variation in practices across EU countries. For instance, in Portugal suppliers have to go to court to collect outstanding debts, a process that generally takes several months during which the debt can continue to mount. Also, in Belgium, suppliers have to follow lengthy procedures before customers with large arrears can get a prepayment meter or move to the social supplier.

EURELECTRIC calls on national governments and regulatory authorities to put in place effective policies to mitigate the risks and costs associated with the single bill model and ensure that it remains sustainable.

[1] In Finland, whilst suppliers are customers' main point of contact for switching and moving, a dual billing model is in place: customers receive one bill from their supplier for the electricity consumed and another one from their distribution network operator for the grid charges.
[2] In several countries, governments use the electricity bill to collect taxes which are completely unrelated to electricity, e.g. audio-visual tax in Italy, Portugal and Greece.
[3] In Italy, the cost of arrears borne by electricity retailers has been estimated to be higher than € 370 million per year (source: AEEGSI). In Belgium, unrecoverable network charges amounted to no less than € 37.2 million in 2013 (source: FEBEG)
[4] "*In the recent period, electricity retail prices have experienced an increase compared to wholesale prices. This divergence is the result of the increase of renewable capacity and of public support, which has been mostly financed by consumers through levies on electricity retail prices*." European Commission, Investment perspectives in electricity markets: http://ec.europa.eu/economy_finance/publications/eeip/ip003_en.htm.
On the other hand, the energy component has been decreasing, so that today it represents less than half of the average EU household electricity bill: http://www.eurelectric.org/media/158515/bill_infografic-2014-2500-0008-01-e.pdf

This is in the interest of all, including electricity consumers, since it ensures:

- **Affordability**: The cost of unpaid bills can have a knock-on impact on final prices to the detriment of all customers, including those with low incomes and yet a good payment record.
- **Transparency**: Covering the cost of managing arrears by increasing the relative share of the energy component would limit the transparency of prices and bills, thus endangering customer trust.
- **Choice**: A high credit risk impacts the financial stability of suppliers and inflates the cost of supply activities, thus creating a market entry barrier, reducing competition and market dynamism.

A sound regulatory framework should aim at protecting customers (e.g. by avoiding the accumulation of debt) while enabling suppliers to cover their costs. This is not to say that suppliers should not assist customers who are struggling with managing their electricity usage and bills through e.g. energy advice, payment arrangements and/or appropriate debt management processes.

Finally, Member States should ensure that specific measures exist to protect the most financially vulnerable. As customers with an energy debt are likely to have other debts (e.g. rent, water, tax, credit cards), assistance will generally be best delivered by state-funded social policy and independent free-to-client debt/money advice aiming to address customers' financial wellbeing as a whole.

A series of possible solutions in place in various Members States are listed in Annex[5]. If needed and depending on national circumstances, some of them could be considered in other Member States.

[5] This Annex summarises the different practices and measures that exist across 19 EU countries to manage credit risk (EURELECTRIC internal survey).

Overview of existing measures in EU Member States to mitigate credit risk

Main findings:

- In most countries with a single bill model, suppliers have to pay transmission and distribution charges to network operators irrespective of whether customers pay their energy bills or not. France is the only exception to this rule as suppliers pay grid fees ex-ante but can claim them back when bills are not paid.

- As for taxes and levies, suppliers have to pay them to national authorities, except – under well-defined circumstances - for VAT in a few countries (Luxembourg, Belgium and France) and for all taxes in the Netherlands.

- The conditions under which a supplier is entitled to stop supplying a customer with large arrears differ significantly between Member States, especially in terms of process length, e.g. 1 month in Austria, 45 days in Poland, 2 months in Hungary. In some cases, disconnection is not possible at all, e.g. in Belgium (Brussels region) and France. Customers defined as vulnerable can generally not be disconnected.

- In most EU countries, some kinds of credit information registers exist. A few countries (e.g. Austria, Czech Republic, Denmark, Norway and Spain) have a centralised database.

- Suppliers are entitled to install prepayment meters (PPM) to customers with arrears only in a few countries such as Austria, Belgium (Wallonia), Hungary, Ireland, Poland and Great-Britain. Some other countries (e.g. France, Spain) made some trials with PPM which were not really conclusive.

- In most countries, suppliers are entitled – under well-defined circumstances - to ask for guarantee deposits to those customers with a bad credit history. In a few countries such as Belgium this is not allowed and in Poland suppliers can ask deposits to commercial customers only.

- In most countries, suppliers are entitled to charge an interest rate on outstanding debt at credit recovery. This is not possible in Austria, Ireland, Spain (for customers still supplied from the regulated market) and Great-Britain.

- In most countries, the arrears a customer accumulated with a supplier will remain with that given supplier if the customer switches to another one. A noteworthy exception is Italy where part of the arrears will move to the new supplier (so-called 'Indemnity System'). Also, in Great-Britain ('Debt Assignment Protocol') and in Ireland (to be implemented), the arrears of a PPM customer are transferred to the new supplier in case of switch.

- In most countries, the new supplier is not entitled to charge a customer for the arrears accumulated with the old supplier. This is however possible in Italy and in Great-Britain where the new supplier buys the debt from the old supplier for 90% of the transferred debt's amount.

- In most countries, a customer who accumulated arrears with a given supplier can switch to another supplier, leaving the arrears behind. Only in Great-Britain and in Bulgaria (until the customer signs a payment deferral protocol), a supplier can object to a customer switching away from them if they are currently in debt.

- In most countries, suppliers propose debt recovery programs to customers who struggle with the payment of their bills – e.g. payment deferral. This is also a way to prevent disconnection.

- In most EU countries, specific treatments exist for vulnerable customers. Some Member States do not yet have a definition for vulnerable customers, which does not mean that specific measures do not exist for "protected" customers (e.g. Denmark, Finland, Germany, Sweden).

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Existing measures to mitigate credit risk

Contract termination and disconnection

Country	YES	NO	Comments
AUSTRIA	X		Contract termination is possible. In case of breach of contract, the disconnection is done by the DSO. The dunning procedure is done by the DSO for the grid fees and by the supplier for the energy price.
BELGIUM	X		In Flanders, suppliers can cancel the contract of a non-paying client after a lengthy dunning procedure. The client is then transferred to the DSO servicing the customer's area in question. In Wallonia, after lengthy procedures, a prepayment meter is installed but the client remains in the portfolio of the supplier (only protected clients are transferred to the DSO). In Brussels, non-paying clients remain in the supplier's portfolio and get a power limiter installed.
BULGARIA	X	X	Suppliers on the open market are entitled to terminate a contract in case of outstanding receivables. However, contract termination for customers on the regulated market is not possible. Both customers on the regulated and the open market can be disconnected if they fail to comply with the payment. The disconnection is handled by the DSO.
CZECH REP	X		When a customer repeatedly fails to fulfil his contractual payment obligations, the supplier is legally entitled to ask the DSO to disconnect him.
DENMARK	X		Suppliers are allowed to terminate a contract if a customer doesn't pay his invoices. If this customer is not able to find another supplier on the market, a supplier of last resort is obliged to supply him. The supplier of last resort is not allowed to stop power supply due to a failure of payment for the power already delivered (historic power consumption), meaning the supplier cannot cut off power supply if the customer owes him money. However the supplier of last resort can cut off power supply if the customer does not pay for future power delivery. In that case, the customer is disconnected (except if there are children or livestock in the house).

FINLAND	X		Suppliers are entitled to terminate a contract in the following instances: if a customer has not paid the bill; has breached the contract; has stolen electricity; has intentionally damaged DSO's or supplier's equipment. A supply contract can also be terminated if the DSO revokes the network contract.
FRANCE	X	X	Contract termination is possible for both offers available on the open market and on the regulated market.
GERMANY	X	X	Suppliers are allowed to end a contract. If a contract is terminated, then the customer falls back on the basic supply contract with the supplier of last resort. Such a contract cannot be terminated.
GREAT BRITAIN	X		In Great-Britain, electricity suppliers have the right to disconnect a customer on the grounds of debt. There are, however, restrictions to this, for example: - Suppliers must first have tried to collect the debt via all other means (i.e. a repayment plan, a Prepayment meter, deductions from state benefits) - Suppliers cannot disconnect an elderly household during winter (October – March) - The six largest suppliers have voluntarily agreed to never disconnect a vulnerable customer at any time of year (the Energy UK Safety Net).
HUNGARY	X		Commercial customers can be cut-off after 30 days and residential customers after 60 days. Vulnerable customers cannot be cut-off but they get a prepaid meter instead.
IRELAND	X		Contracts can be terminated through disconnection after agreed industry procedures have been applied. However, suppliers are under pressure from the National Regulatory Authority to reduce the volume of disconnections.
ITALY	X	X	Suppliers can only terminate a contract for customers in the free market and after giving notice to the customer. In the regulated market, suppliers can ask for disconnection only in case of bad payment.
LUXEMBOURG	X		Contract termination is possible for commercial customers. There is a possibility to suspend supply in case the customer does not pay.
NETHERLANDS	X		A supplier has the right to end supply. The customer has a window of 20 days to find another supplier. If the customer doesn't find a supplier in time, disconnection by the DSO follows. Before doing so and in case there is a debt, suppliers should inform and direct the customer to debt support schemes run by the local administration. If a customer refuses to

			enter such a scheme, the supplier may end the contract.
NORWAY	X		Suppliers have the right to stop the electricity supply in case of persistent non-payment.
POLAND	X	X	A supplier has the right to end a contract if the customer fails to comply with payment: - for commercial customers, at least 30 days from due date. - for households, a reminder letter must be sent requesting payment of the accounts no later than within 14 days after the period of 30 days has gone past. However, a default supplier cannot terminate the contract with household customers.
PORTUGAL	X		Failure to pay within the prescribed period allows the interruption of power supply - the supplier needs to send a reminder 20 calendar days before cutting-off a customer. However, the supplier needs to go to court to recover the money.
SPAIN	X		A supplier has the right to include in the terms of contract a provision stating that if the customer does not pay, the contract can be ended. This applies to customers in both the open and regulated markets. Suppliers can ask the DSO to disconnect the customer when invoices are not paid. The contract ends 5 days after the supplier asked for disconnection. If the DSO cannot disconnect on time, then supply is the DSO's responsibility, and so are the incurred losses.
SWEDEN	X		A supplier can ask the DSO to disconnect customers who do not pay their invoices. The supplier has to send reminders and when several bills or a large amount is not paid (considered as a "serious breach of contract"), the supplier may ask the customer to take corrective action within 2 weeks. If the customer does not react, the supplier sends a last call to the customer (and also the municipality's social welfare board) giving the customer another 3 weeks' notice. After that, the supplier may ask the grid owner to disconnect the customer.

Refusal right for supplier

Country	YES	NO	Comments
AUSTRIA	X		A supplier has the freedom to contract and can check the customer´s ability to pay before he concludes the contract.
BELGIUM	X	X	A supplier can refuse to sign a contract with a customer only in a very limited number of cases, e.g. when the customer still has a debt with the supplier or in case the supplier only supplies in certain regions of the country or to certain business segments.
BULGARIA	X	X	On the open market, a supplier is entitled to refuse supplying a customer due to outstanding receivables. This is however not possible on the regulated market.
CZECH REP	X		A supplier is not obliged to conclude a contract and does not need to provide any justification.
DENMARK	X		A supplier can refuse to sign a contract with a customer if this customer owes him money or if the customer is registered at a credit rating bureau (e.g. www.experian.com, the general register of bad payers).
FINLAND	X	X	In principle, a supplier has the right to refuse offering a contract unless it has an obligation to supply. The obligation to supply means that a supplier with a major market position in certain DSO network areas is obliged to deliver electricity at reasonable prices to customers whose homes are equipped with main fuses of 3x63 amperes maximum or who receive annually less than 100,000 kWh of electricity. If a supplier is obliged to propose a contract, it has the right to ask a collateral in certain situations.
FRANCE	X	X	Under the national energy code and the concession specifications document, a supplier is not entitled to refuse a customer to conclude an end-user regulated tariff contract even if the latter is in debt (e.g. it is a sort of supplier of last resort for electricity). On the open market, there is no obligation for the supplier to conclude a contract with a customer if legitimate reasons are provided.
GERMANY	X	X	Suppliers have the right to refuse customers. A supplier of last resort can however not.
GREAT BRITAIN		X	Suppliers have a duty to offer all customers terms should they request the supply of electricity (expect in a very small number of exceptions, e.g. where it would not be safe to do so).

HUNGARY	X	X	Suppliers on the open market have the right to select their customers (no obligation to offer), while universal suppliers are obliged to accept customers in their respective territory. No credit check is applied.
IRELAND	X		Suppliers have a refusal right to take on a customer if that customer is debt flagged (i.e. industry processes highlight that this customer is in debt to their current supplier).
ITALY	X	X	Suppliers have a refusal right in the free market. A household customer in the regulated market can be prevented to go back to the regulated supplier but only if he has left unpaid bills with that regulated supplier.
LUXEMBOURG	X	X	Suppliers have a refusal right. Customers are supplied by the default supplier for a period of up to 6 months.
NETHERLANDS	X	X	Suppliers may not refuse a customer. However, they have the possibility to ask guarantee deposits in advance from a customer if they know that this customer may pose a financial risk. If a customer does not pay the guarantee, the supplier can refuse to supply this customer. The customer then has to find another supplier and if not successful will be disconnected.
NORWAY	X		Suppliers have no obligation to accept a customer.
POLAND	X	X	A supplier can refuse to supply a customer except if he is a default supplier and the customer is a household.
PORTUGAL		X	A supplier cannot refuse a customer. Only the last resort supplier can block switching in case of debt.
SPAIN	X	X	A supplier can refuse to supply a customer except if he is a last resort supplier. Only if the termination of the contract with the previous supplier was due to non-paid invoices can the last resort supplier refuse to supply.
SWEDEN	X	X	A supplier can refuse to sign a contract with a customer if he knows that the customer is a bad payer. However, the supplier of last resort cannot refuse to sign a customer.

Centralised energy bad payers register ("black list")

Country	YES	NO	Comments
AUSTRIA		X	There is no special register for energy bad payers, but there is a general official database for bad payers (for all payment matters: Kreditschutzverband von 1870: https://www.ksv.at/welcome-ksv1870-group).
BELGIUM		X	An energy bad payers' register is not allowed.
BULGARIA		X	There is no bad payers' register at national level.
CZECH REP		X	There is no energy specific register, but a centralised bad payers' register exists.
DENMARK		X	There is no energy specific bad payers' register. General, commercial registers are used instead: (1) www.rki.dk/www.experian.com and (2) www.debitorregistret.dk
FINLAND		X	Commercial credit information registers are available, but there is no official centralised register.
FRANCE		X	
GERMANY		X	There is no centralised register but energy suppliers rely on commercially available general credit information services.
GREAT BRITAIN		X	
HUNGARY		X	No centralised database exists in the energy market. Banks do operate such systems but energy market players have no access to this information.
IRELAND		X	External credit check facility is available but for business customers only.
ITALY		X	The National Regulatory Authority is in favour of such a register. Specific proposals are expected soon. Meanwhile, the National Regulatory Authority has authorised the new suppliers in case of switching to get more information on the customer, such as: 1) supply switching and suspension in the last 12 months and 2) the accessibility of the meter for disconnection.

LUXEMBOURG	X	
NETHERLANDS	X	There used to be an energy specific register but it is not available anymore.
NORWAY	X	There is no energy specific register for bad payers. However a general register exists for both companies and individuals (Bisnode and Experian). The debt collection agencies are trying to establish a specific bad payer register for households and have started discussions with the authorities.
POLAND	X	There are several registers of bad payers at country level but they are not energy specific.
PORTUGAL	X	There is no centralised register but energy suppliers rely on commercially available general credit information services.
SPAIN	X	There is a register which is common with other services such as telecoms, banks, etc.
SWEDEN	X	

Prepayment meters (PPM)

Country	YES	NO	Comments
AUSTRIA	X		PPMs include a guarantee deposit for the supplier. It is configured to allow payment for both the grid fees and energy.
BELGIUM	X		In all three Belgian regions, suppliers have to follow lengthy dunning procedures (which typically take several months) before a PPM - or in the Brussels region a power limiter - is installed. While in Wallonia and Brussels clients with PPM stay in the portfolio of the supplier, in Flanders non-paying customers are transferred to the DSO.
BULGARIA		X	The current legislation does not allow for the installation of PPM.
CZECH REP		X	
DENMARK		X	
FINLAND		X	
FRANCE		X	A few years ago, several pilot projects took place in France on PPM but they were not conclusive. An amendment to introduce PPM was tabled during the debate on the French energy law (“Loi Brottes”) in 2013 but it was eventually rejected.
GERMANY	X		Some suppliers offer prepayment meters and payment systems; however it is only on a small scale. In any case, PPM are not just for bad payers and bad payers are not obliged to get a PP meter.
GREAT BRITAIN	X		Suppliers can install a PPM if a customer is in debt, so long as it is ‘safe and practicable’ to do so and all other options have been exhausted.
HUNGARY	X		PPMs are a mandatory option for USP suppliers. Some suppliers also propose prepayment solutions.
IRELAND	X		Pay as you go (PAYG) meters are on offer with a 4% discount.
ITALY		X	

LUXEMBOURG	X		A smart meter platform is to be deployed and will allow for prepayment.
NETHERLANDS		X	PPMs are not available. In addition, distant disconnection (or lowering of contracted capacity) is now forbidden. Non-smart meter run prepaid is possible, with external features or semi-prepaid by paying in advance and getting an SMS when you have to pay again (there is one new supplier active with this concept; but it is not really a solution for bad debt).
NORWAY		X	PPMs are not available.
POLAND	X		PPMs are available.
PORTUGAL		X	
SPAIN		X	Only some experimentations/pilot projects exist.
SWEDEN		X	

Guarantee deposits

Country	YES	NO	Comments
AUSTRIA	X		Suppliers can ask for advanced payments or guarantee deposits.
BELGIUM		X	
BULGARIA	X		Guarantee deposits are allowed in the national legislation and are working well in case of small debt.
CZECH REP	X		Guarantee deposits exist for customers who have bad scoring and want to open a new account.
DENMARK	X		Suppliers can invoice in advance, but only some of them are doing it in practice. Suppliers can estimate the consumption level based on information from the data hub on consumption in previous years. A supplier of last resort is – in special circumstances – allowed to ask for a guarantee deposit to customers who owe money or are deemed to be bad payers.
FINLAND	X		According to the general terms of electricity sales, a supplier is entitled to ask collaterals in limited circumstances.
FRANCE	X		Only one supplier mentions guarantee deposits in its general terms and conditions: guarantee deposits are not an issue in case of regulated tariff contracts.
GERMANY	X		Suppliers can ask guarantee deposits/ upfront payments (4 weeks in advance) if a customer is repeatedly late with his payments.
GREAT BRITAIN	X		In certain circumstances (as set out in suppliers' licence conditions and Ofgem guidance), a supplier can also request a security deposit before providing/reconnecting a supply of electricity.
HUNGARY	X	X	Guarantee deposits are technically possible in some cases but are in practice not applied.
IRELAND			

ITALY	X	Guarantee deposit are allowed, calculated as hedging equivalent to ~1 month of supply (differentiated per contracted capacity and type of customer) paid usually with the first bill. This value is doubled in case clients have left unpaid bills in the last 12 months. They are a possible option for free market operators while regulated market operators are obliged to make use of them. The National Regulatory Authority has recently introduced the possibility for suppliers to ask for disconnection also in case of non–payment of the sole guarantee deposit.
LUXEMBOURG	X	Some suppliers ask guarantee deposits.
NETHERLANDS	X	Suppliers have the possibility to ask guarantee deposits in advance to those customers who may pose a financial risk. If a customer does not pay the guarantee deposit, the supplier can refuse to supply him.
NORWAY	X	Suppliers are free to request guarantee deposits if a customer has a bad credit rating or is repeatedly late with his payments.
POLAND	X	Guarantee deposits are possible only for commercial customers.
PORTUGAL	X	In certain situations, it is possible to require a guarantee deposit. The value of the collateral shall be the billing of a period of 75 days consumption, considering the customer’s standard load profile.
SPAIN	X	Suppliers in the free market can request a guarantee deposit. However, this is not allowed in the regulated market.
SWEDEN	X	Suppliers can ask bad payers for guarantee deposits. If the customer does not pay the guarantee deposit, the supplier can refuse to sign a contract with this customer. However, if the supplier is a supplier of last resort, it can then not refuse a customer.

Distribution tariff not due by supplier in case of unpaid bill

Country	YES	NO	Comments
AUSTRIA	X	X	Two separate billing systems exist: either a system whereby energy is billed by the supplier and distribution charges are billed by the DSO or a system of combined bill covering both energy and grid and charged by the supplier. In the latter case, the supplier has to pay the network charges to system operators irrespective of whether customers pay their bill.
BELGIUM		X	A supplier needs to pay 100% of the grid costs to the DSO, no matter whether clients pay their bills or not. Discussions are ongoing on how to compensate the supplier for the risk and administrative costs related to his responsibility for collecting also grid fees, taxes and charges (which should be seen as a service and thus be remunerated).
BULGARIA		X	Distribution charges always have to be paid by the suppliers to DSOs.
CZECH REP		X	If a customer has a contract with his supplier on bundled electricity supply services (i.e. the contract also involves the distribution services), then the supplier assumes all credit risks.
DENMARK	X		Suppliers only invoice the costs of energy + VAT (app. 20% of total costs). The DSOs invoice DSO tariffs, TSO tariffs, public service obligations, energy tax + VAT (app. 80% of total cost).
FINLAND	X		Combined billing does not exist. Those customers who never switched (only households and small customers who are still buying electricity from their local supplier at a regulated tariff) receive one a unique supplier's bill, while customers who did switch receive two separate ones. The supplier bills energy, while the DSO bills distribution charges and electricity taxes. In that case, suppliers and DSOs have a separate contractual relationship with their customers, bearing their credit risk independently, having the right to ask collaterals from the customer etc. Suppliers can also offer one single bill if the DSO agrees. The process however is not very effective, but mostly manual.
FRANCE	X		In case of unpaid debts, suppliers are entitled to charge back the distribution tariff to the DSO since the 22 October 2010 CoRDiS decision (Committee to settle disputes and apply sanctions).
GERMANY		X	Suppliers have to pay all fees and taxes even when customers do not pay their bills.
GREAT BRITAIN		X	

HUNGARY		X	Customers can request separate invoices from the supplier and the DSO, but if the network fees are invoiced by the supplier, they bear a credit risk also when customers do not pay their bill.
IRELAND		X	
ITALY		X	This measure does not exist. However, the National Regulatory Authority has recently introduced the possibility for the supplier to suspend the payment of distribution charges. Once suspension is completed, the supplier pays 50% of the distribution charges due in the period after the suspension request.
LUXEMBOURG		X	Grid costs always have to be paid.
NETHERLANDS		X	
NORWAY	X		Distribution companies bear credit risk on their own.
POLAND		X	
PORTUGAL		X	The supplier assumes the risk of collecting all taxes and levies (also radio/ TV charges) and does not receive any fee for collecting that money for third parties.
SPAIN		X	A supplier needs to pay 100% of the grid costs and levies to the DSO, no matter whether clients pay their bills or not.
SWEDEN	X		DSOs separately collect distribution tariffs; hence they bear all related credit risk.

Taxes not due by supplier in case of unpaid bill

Country	YES	NO	Comments
AUSTRIA		X	
BELGIUM	X	X	In case of unrecoverable money, suppliers can only be compensated for VAT and one specific tax (federal contribution).
BULGARIA		X	
CZECH REP		X	
DENMARK		X	
FINLAND		X	DSOs are liable for electricity taxes (including VAT). Suppliers are only liable for VAT. In case of unpaid bills, taxes still need to be paid to the authorities.
FRANCE	X	X	In case of unpaid debts, suppliers still have to pay taxes to the various competent authorities (VAT to the tax administration, CTA to the CNIEG, TICFE to the Customs, TLCFE to the local authorities and CSPE to ERDF and the Caisse des Dépôts et Consignations). However, if the situation of bad debt is definitive, only the TICFE and the TLCFE represent a final tax burden for the supplier.
GERMANY		X	
GREAT BRITAIN		X	
HUNGARY		X	
IRELAND		X	
ITALY			
LUXEMBOURG	X	X	Feed-in fees and taxes always have to be paid. VAT can be recovered upon demand at the administration.

NETHERLANDS	X		Taxes and levies not paid to suppliers will not have to be transferred (or are reconciled in time).
NORWAY		X	VAT is due by the supplier.
POLAND		X	Excise tax and VAT are due by the supplier.
PORTUGAL		X	
SPAIN		X	
SWEDEN		X	

DSO is default supplier if suspension attempt fails

Country	YES	NO	Comments
AUSTRIA		X	The default supplier is not the DSO but the supplier. All suppliers supplying households have to offer and publish a general tariff for this universal service. This general tariff is not allowed to be higher than the tariff the supplier proposes to its biggest group of customers.
BELGIUM	X	X	In Flanders, a customer who does not pay the bill will be dropped to the DSO after a lengthy dunning procedure of several months. In Wallonia and Brussels, non-paying clients stay in the portfolio of the supplier and get, also after a lengthy dunning procedure, a prepayment meter or a power limiter installed. Only protected clients are dropped to the DSO.
BULGARIA		X	DSOs are not allowed to take over the supplier role. There are five licenced suppliers of last resort which can perform last resort functions. Among them are the public suppliers which are responsible for the customers of the respective licenced territory.
CZECH REP		X	DSO cannot have a license for electricity supply. There are three suppliers of last resort. They are designated by the market operator in a defined distribution area. A supplier of last resort delivers electricity or gas to customers whose supplier has lost its authorisation or possibility to supply electricity or gas.
DENMARK		X	DSOs cannot be power suppliers. However, suppliers within the same parent company of the DSO have traditionally had the ‘obligation to supply’ (supplier of last resort). Since 2012, the supplier of last resort is designated through a tendering process.
FINLAND		X	The DSO is responsible for delivering electricity (if the disconnection fails), but cannot charge the customer for it. This electricity is then accounted for losses and socialised like any other losses. However, this situation is very rare.
FRANCE	X	X	Whilst the DSO can be considered as a default supplier, consumers will be advised to contact the incumbent in order to benefit from the regulated tariff. Indeed, customers will pay much more if they stay with the DSO as their default supplier than if they contract with the former incumbent.
GERMANY		X	There is always a supplier of last resort - usually a municipality - but it can also be a supply company.

GREAT BRITAIN		X	All suppliers in Great-Britain have a duty to customers' terms for the supply of electricity.
HUNGARY	X	X	If the supplier's contract is suspended or cancelled and the DSO fails to disconnect the customer (e.g. for technical difficulties), the DSO has to cover the consumption from its network losses and it is then entitled to bill it at acknowledged network loss costs plus 10%. It rarely gets to this point however (integrated companies do not push the cost from one subsidiary to another).
IRELAND		X	The customer is disconnected until he finds a new supplier or a payment plan is agreed.
ITALY		X	Generally speaking, suppliers are responsible for energy supply.
LUXEMBOURG		X	
NETHERLANDS		X	There is no default supplier in the Netherlands. If a customer does not find a supplier, the DSO has the obligation to disconnect him (any consumption will be accounted for as network losses on the account of the DSO).
NORWAY	X		If the supplier stops the supply, the DSO is responsible for the delivery of electricity.
POLAND		X	There is a last resort supplier designated by the National Regulatory Authority, but it is not the DSO.
PORTUGAL		X	The DSO is not the last resort supplier. An independent entity – EDP Serviço Universal – has been created to act as a last resort supplier which operates under a public concession.
SPAIN	X	X	A contract ends 5 days after the supplier asks for it. If the DSO cannot disconnect the supply on time, the energy is accounted for as network losses. The supplier of last resort is the former incumbent.
SWEDEN		X	The DSO is not the default supplier; however DSOs are responsible to assign customers to a default supplier. Each grid owner has only one corresponding supplier of last resort.

Interest rate due at credit recovery

Country	YES	NO	Comments
AUSTRIA		X	
BELGIUM	X		Interest rates can be charged on outstanding debt.
BULGARIA	X		Interest rates can be charged by suppliers in case of overdue receivables.
CZECH REP	X		The amount of interest on late payments is set by Government regulation.
DENMARK	X		Interest rates can be charged at a relatively low, regulated level.
FINLAND	X		The current interest rate on arrears is of 7.5 %. This rate is compulsory for domestic customers.
FRANCE	X		Practices differ from a supplier to another but a minimum interest rate may be applied.
GERMANY	X		For household customers, the interest rate is part of the demand note. For B2B customers with interest payments of more than €50, the interest rate is separately stated.
GREAT BRITAIN		X	Suppliers do not charge interest on debt accrued by customers.
HUNGARY	X		
IRELAND		X	No interest on outstanding bills is charged by any supplier.
ITALY	X		The legal framework provides the right for suppliers to apply an interest rate due at credit recovery.
LUXEMBOURG	X		Interest rates for late payments can be applied based on the nationally transposed EU directive 2011/7/UE.
NETHERLANDS	X		Interest rates due for credit recovery are in place as part of general debt collection mechanisms.
NORWAY	X		The interest rate is set by the government twice a year, in January and July. The interest rate for late payment is for the moment of 9,25% p.a.

POLAND	X		Customers can be charged with statutory interest.
PORTUGAL	X		Unpaid bills within the stipulated time force the consumer to pay a default interest at the statutory interest rate (Euribor+2%).
SPAIN	X	X	In the regulated market, interest rates due for reasons of credit recovery are only for administration consumers (public service). In the free market, interest rates can be set in the contract conditions.
SWEDEN	X		Suppliers have the right to charge an interest if the bill is not paid on time.

Existing measures to recover arrears

Supply suspension / limitation - procedure

Country	YES	NO	Comments
AUSTRIA	X		Dunning procedure: two reminders, giving each two weeks for the customer to react must be sent before the contract is suspended.
BELGIUM	X		Flanders In case of non-payment, the supplier must first send a reminder letter (minimum 15 days after reception of the invoice); then a proof of default letter (min 15 days after the reminder) and finally, a letter to cancel the contract (min 15 days after the proof of default) with a transfer of the customer to the DSO 60 days later. This means that the customer remains 60 days in the supplier's portfolio after cancellation. After that, the DSO becomes the (social) supplier of the client and installs a prepayment meter (i.e. supply is suspended if prepayment meter is not paid). Wallonia In case of non-payment, the supplier must first send a reminder letter (after due date of the invoice), then a proof of default letter (after the reminder). 15 days later, the supplier, for non-protected customers, can ask the DSO to install a prepayment meter (the customer remains in the portfolio of the supplier), i.e. supply is suspended if the prepayment meter is not paid. Protected clients are transferred to the DSO who offers a social tariff and can only stop supplying with the approval of a special commission. Brussels In case of non-payment, the supplier must first send a reminder letter (within 15 days after due date of the invoice), then a proof of default letter (in a period within 15 and 30 days after the reminder). Protected clients are supplied by the DSO. 7 days after the proof of default, the supplier must propose a payment plan and can ask the DSO to install a power limiter which allows the customer to continue consuming, although at a lower level. Disconnection is only possible after a judicial decision and a further delay of 30 days.

BULGARIA	X	X	Clearly-defined and well-functioning processes with respect to communication with the customers and customer notification regarding the disconnection of power supply. Information about the payment period and the period of possible disconnection is provided to customers with the invoice. Existing notification methods before disconnecting are phone calls, SMS, emails, letters.
CZECH REP	X		
DENMARK	X		Suppliers are allowed to terminate a contract if the customer doesn't pay the invoices. If this customer is not able to find another supplier on the market, a supplier of last resort is obliged to supply him. The supplier of last resort is not allowed to stop power supply due to a failure of pay for the power already delivered (historic power consumption). However, the supplier of last resort can cut-off the power supply if the customer does not pay for future power delivery. In that case, the customer is disconnected (except if there are children or livestock).
FINLAND	X		The supplier has the right to interrupt the supply in certain situations.
FRANCE	X		A national decree defines a procedure which has to be strictly respected by the supplier in case of unpaid debts (more favourable rules apply to vulnerable consumers with regard to the delays). If the electricity bill is not paid within 14 days from its issuance, the supplier notifies the customer by letter that if not paying in the following 15 days, the electricity supply can be reduced or interrupted. If no agreement is reached between the customer and the supplier on the terms of payment within these 15 days, the supplier may proceed to a supply limitation or interruption and has to inform the customer about it in a second letter 20 days before doing so. The letter also gives details about the possibility for the customer to refer to the social services. Moreover, the French national law (loi "Brottes") on energy – which entered into force in April 2013 – established a winter break (from 1 November until 31 March) during which the supplier cannot disconnect a customer even in case of unpaid bills: the supplier may limit the consumer's power to 3 kVa, except for those benefitting from social tariffs and from the 'Fonds de Solidarité Logement' in the last 12 months.
GERMANY	X		It is possible to suspend supply.
GREAT BRITAIN	X	X	'Load limiting' is currently not allowed by Ofgem. Electricity suppliers do however have the right to disconnect a customer or install a prepayment meter on the grounds of debt.
HUNGARY	X		For unpaid energy bills, suppliers can cut-off business customers after a 30-day notice, residential customers after a 60-day notice. Exception: vulnerable customers are offered prepaid meters and a schedule to pay old debt. Some customers cannot be cut-off (life saving devices, police, prisons etc.), others are practically (almost) never cut-off (schools, hospitals,

		municipalities).
IRELAND	X	Contracts can be terminated through disconnection after agreed industry procedures have been applied. Suppliers are under pressure from the National Regulatory Authority to reduce volume of disconnections. Debt hopping is common and this cost is spread over all customers in the form of higher tariffs.
ITALY	X	Generally speaking, it is possible to suspend customers, and for customers equipped with smart meters an even faster disconnection is possible. In case of non-accessible meters and failure of suspension, the supplier can ask for interruption paying an extra-fee to the DSO.
LUXEMBOURG	X	If invoices are not paid on time, the energy supplier can suspend supply until complete payment of the outstanding items. In case of non-payment, the supplier must first send a reminder letter within 15 days after the due date of the invoice. Then, if the customer does not pay, the supplier has to inform the customer in writing that he intends to cut-off supply within 30 days. For residential customers, a copy of this letter needs to be communicated to the assigned regional social office (which could react to cover the depth in case the customer is considered as being in a vulnerable situation).
NETHERLANDS	X	A supplier has the right to execute the ‘end of supply’. The customer has a window of 20 days to find another supplier. When the customer doesn’t find a supplier in time, disconnection follows by the DSO. Before doing so and in case of a debt, suppliers should inform and direct the customer to debt support schemes run by the local administration. If a customer refuses to enter such a scheme, the supplier may end the contract.
NORWAY	X	Most suppliers cooperate with a debt collection agency. They are handling the collection for them from the due date until the payment is made. The standard procedure is as follows: the supplier sends a reminder to the customer 14 days after due date and asks him to pay. The customer receives a new reminder 14 days later and if he still does not pay, legal action starts. About 60 days after due date, business customers register in an overdue payment register handled by credit rating agencies (Experian and Bisnode). The procedure is similar for households, but it takes about 120 days after due date before he is registered in the overdue payment register. In parallel, the collection company tries to contact the customer via email, telephone etc. and to find the right solution with him to recover the debt. If the customer still does not pay, different actions can be used to try to recover the debt. Ultimately, the supplier has the right to go to court to recover the debt.
POLAND	X	The suspension is only possible if the customer has not paid his bill 30 days after due date. For households, a letter must be sent requesting payment no later than within 14 additional days (on top of the 30 days period).

PORTUGAL	X	Failure to pay within the prescribed period of the amount due allows the supplier to interrupt power supply. The supplier needs to send a reminder 20 calendar days before cutting-off the customer. The supplier can also terminate the contract but he will need to go to court to recover the money.
SPAIN	X	In the regulated market, there is a regulated procedure for disconnection in case of unpaid bills and for the subsequent contract termination. In the free market, this procedure should be included in the contract to be used. The contract end 5 days after the supplier has asked for disconnection. If the DSO cannot disconnect on time, then the energy is the DSO responsibility (losses).
SWEDEN	X	A supplier can ask the grid owner to disconnect customers who do not pay their invoices. The supplier has to send reminders and when several bills or a large amount is not paid (classified as a “serious breach of contract”), the supplier may ask the customer to “take corrective action” within 2 weeks. If the customer does not react, the supplier sends a last “call” to the customer (and also the municipality’s social welfare board) giving the customer another 3 weeks’ notice. After that, the supplier may ask the grid owner to disconnect the customer.

Credit transfer in favour of former supplier in case of a switch

Country	YES	NO	Comments
AUSTRIA		X	
BELGIUM		X	The open credit remains with the previous supplier. But this supplier can refuse the customer in case he wants to come back and there is still an open outstanding debt.
BULGARIA		X	In case of switch, the supplier is entitled to institute legal proceedings before the court against the customers due to outstanding receivables, which is often a lengthy and costly process.
CZECH REP		X	
DENMARK		X	
FINLAND		X	
FRANCE		X	
GERMANY		X	
GREAT BRITAIN	X		Credit transfers take place, but only for prepayment customers. If a prepayment meter (PPM) customer is currently repaying a debt of £500 or less per fuel he can switch supplier by transferring this debt to their new supplier. The process is known as the Debt Assignment Protocol.
HUNGARY	X	X	Credit transfers are technically possible but they were practically never used so far.
IRELAND	X	X	Credit transfers are not in place in the credit market. However, this is to be implemented in the pay as you go segment.
ITALY	X		Credit transfers are in place for both electricity & gas in case of switching from last resort services to the free market and only for debts related to the last 2 bills before the switch.
LUXEMBOURG		X	

NETHERLANDS	X
NORWAY	X
POLAND	X
PORTUGAL	X
SPAIN	X
SWEDEN	X

Block of switching

Country	YES	NO	Comments
AUSTRIA		X	The old supplier is not able to block the switch, even if the customer still owes money.
BELGIUM		X	It is not possible to block a switch. The customer can leave the supplier at any time without any cost for breaking his contract. The customer only has to respect a 1 month notice.
BULGARIA	X		In case of outstanding receivables, the block of switching is allowed. However, the law allows customers to conclude a payment deferral protocol with their current supplier when switching. After such a protocol has been concluded and the first instalment of the protocol has been paid, the customer is allowed to switch supplier. Thus, it may happen that the customer does not pay the rest of the instalments and the whole debt is not recovered.
CZECH REP		X	A supplier cannot stop switching because a customer is in debt. A supplier may submit a request for stopping a switch only if the customer has breached the contract's terms (e.g. length of contract).
DENMARK		X	
FINLAND		X	A supplier can stop a switch only if he has a fixed term contract with the customer and the customer did not wait until the end of the contract to switch.
FRANCE		X	
GERMANY	X	X	The situation with the blocking of switching depends on the type of supplier / contract (supplier of last resort with basic supply contract or "normal" supplier with non-standard contract).
GREAT BRITAIN	X		A supplier can object to a customer switching away from them if they are currently in debt. Ofgem is currently reviewing suppliers' ability to 'debt block' as part of its transition to 24hr switching.
HUNGARY	X	X	Take or pay clauses may apply, in other cases the debt must be paid.

IRELAND		X	Blocking switching is not possible. Only debt flagging is in place.
ITALY		X	
LUXEMBOURG		X	
NETHERLANDS		X	
NORWAY		X	
POLAND		X	
PORTUGAL	X	X	Only the last resort supplier can block switching in case of debt.
SPAIN		X	Blocking the switching is not possible at the moment, though being the subject of recurring discussion.
SWEDEN		X	

Indemnity system, i.e. on top of normal bill amount, the new supplier charges the customer for the arrears accumulated with the old supplier

Country	YES	NO	Comments
AUSTRIA		X	
BELGIUM		X	
BULGARIA		X	Indemnity charges do not exist and the arrears remain with the old supplier. However, the supplier is entitled to institute legal proceedings before the court against a customer due to outstanding receivables.
CZECH REP		X	
DENMARK		X	
FINLAND		X	
FRANCE		X	
GERMANY		X	
GREAT BRITAIN	X	X	Indemnity charges do not exist, but a prepayment meter (PPM) customer who is currently repaying a debt of £500 or less per fuel can switch supplier by transferring this debt to their new supplier. The debt is then collected by the new supplier. The process is known as the Debt Assignment Protocol.
HUNGARY		X	
IRELAND		X	
ITALY	X		The indemnity system can be activated upon supplier's request if a customer has switched leaving unpaid bills, equivalent to ~2 month of supply.

LUXEMBOURG	X	
NETHERLANDS	X	
NORWAY	X	
POLAND	X	
PORTUGAL	X	Indemnity charges do not exist yet. However, this option has been suggested by the National Regulatory Authority in a public consultation.
SPAIN	X	
SWEDEN	X	

Debt recovery programs to prevent disconnection

Country	YES	NO	Comments
AUSTRIA	X		Suppliers propose debt recovery programmes to customers having problems paying their bills, especially deferred payments.
BELGIUM	X		Customers can opt for a payment plan or seek help from the CPAS ('Centre public d'action sociale') or from the centre for debt mediation.
BULGARIA	X		Some suppliers offer customers a possibility of deferment or instalment of payments.
CZECH REP	X	X	A customer may request a repayment schedule but there is no specific regulation encouraging bad payers to seek help/enter into debt recovery programs to prevent disconnection.
DENMARK		X	
FINLAND	X		Payment deferrals and other payment agreements are possible. Many companies offer them to customers who have trouble paying their bills. A general finance and debt advice system (Guarantee Foundation) is in place, free of charge. Guarantee Foundation is a national social organisation which assists households in solving their debt and payment problems (http://www.takuu-saatio.fi/en/). There is a strong legal framework for debt restructuring, in which debts of excessively indebted private customers may be reduced by a certain percentage.
FRANCE	X		The unpaid debts' decree provides for a certain number of time periods in which customers can seek to find solutions. Social tariffs are available via all suppliers for electricity and gas and will be extended to 4 million households (pursuant to the decree published in November 2013). Regarding social measures, there is a partnership with a number of local actors (e.g. social services) and public authorities, and the "Fonds de Solidarité Logement" offers a range of social measures to help and prevent households from falling into energy poverty at local level. Some suppliers have put in place dedicated programs to tackle fuel poverty (contact and payment terms verification; payment term; link with social workers; local partnerships with social mediation structures; partnerships with NGOs) and to improve the housing stock (house refurbishment, energy efficiency schemes, advice on energy savings).
GERMANY	X		Suppliers can propose payment plans, advice etc. to their customers. Customers can also get help from social services

			under certain circumstances. Suppliers then receive temporary and/ or partial payment from the social services.
GREAT BRITAIN	X		Suppliers have licence conditions in place which require them to take into consideration the customer's ability to pay when setting debt recovery rates and repayment plans. The National Regulatory Authority (Ofgem) has provided detailed guidance on how suppliers should seek to do this and conducts regular reviews to ensure suppliers are complying with the guidance and their licence conditions. Via a third party deduction scheme, customers can also agree that a direct payment is made to their energy supplier to cover a basic debt recovery rate and their ongoing consumption directly from qualifying state welfare/benefit payments.
HUNGARY	X		At the discretion of the supplier, debt recovery programmes can be put in place. Those are however mandatory for residential customers (once a year) and vulnerable customers (anytime, with prepaid meters).
IRELAND	X		Suppliers developed a code of practice in May 2014 called the Energy Engage Code which states that customers who engage with their suppliers in trying to address their arrears will not be disconnected.
ITALY	X		Both in the electricity and the gas sectors, it is mandatory for suppliers to offer debt recovery programmes to domestic customers supplied under regulated tariffs and under specific circumstances. Suppliers on the free market are however free to choose whether they want to offer such recovery programmes (or not) and under which circumstances.
LUXEMBOURG	X		Before any residential customers supply is cut-off, the assigned social office needs to be informed at least 30 days prior to execution. Social offices normally check if financial aid is possible and react accordingly.
NETHERLANDS	X		Before doing so and in case there is a debt, suppliers should inform and direct the customer to debt support schemes run by the local administration. If a customer refuses to enter such a scheme, the supplier may end the contract.
NORWAY	X	X	Debt recovery is a possibility networks companies have, but not retail companies. When networks companies take steps to disconnect a customer, very often the customer starts talking to the local social office for help.
POLAND	X	X	Debt recovery is proposed to business customers but not households.
PORTUGAL		X	Debt recovery is a commercial option of suppliers. There is no public program or legal obligation.
SPAIN	X	X	Private payments insurances can be contracted by customers. Suppliers also offer some.

SWEDEN	X	X	DSOs may not disconnect a bad payer without contacting the municipality and giving them the possibility to step in.

General

Specific treatment for Vulnerable customers				
Country	YES	NO	Other	Comments
AUSTRIA		X		There is no definition of vulnerable customers in Austria yet. The National Regulatory Authority (E-Control) proposed one last year, but it was not well received by consumer organisations.
BELGIUM			X	There is a special status for "protected customers": they have the right to receive a social tariff and can benefit from other financial advantages (e.g. no cost for a reminder letter). The criteria for protected customers are broader in Wallonia and Brussels compared to Flanders. In Wallonia and Brussels, only protected clients are supplied by the DSO in case of unpaid invoices. In Flanders, every residential client can be transferred to the DSO.
BULGARIA			X	A definition is given in the Bulgaria's energy act whereby vulnerable customers are household customers receiving earmarked aid for electricity, heat or natural gas in accordance with the social assistance act.
CZECH REP		X		There is no definition anymore.
DENMARK			X	There is no official definition on what a vulnerable customer is. However, it is not allowed to disconnect a household customer with children and/or livestock. These customers can get some sort of help to pay energy bills from the social authorities.
FINLAND			X	There is no general classification of vulnerable customers. However the general terms of contract stipulate that some special cases could be assimilated to vulnerability ("severe illness, unemployment or some other special cause"). In Finland, strong social policies are in place. Electricity bills and possible collateral/security are included in the range of expenses covered by "last resort" social benefits. The customer has to apply for these benefits.
FRANCE	X			A definition of vulnerable customers is given in Art. 4 of the Grenelle II law (12 July 2010), whereby a person is considered to be fuel poor if facing particular difficulties for having the necessary energy supply to satisfy his basic needs in their housing because of the inadequacy of resources or living conditions. The rules/timeframe that apply in case of unpaid bills are less strict for vulnerable consumers (see above debt recovery programs, supply

				suspension).
GERMANY			X	In Germany, there is no definition but customers can get help from social services under certain circumstances. Suppliers then receive temporary and/ or partial payment from the social services.
GREAT BRITAIN	X			The National Regulatory Authority (Ofgem) defines vulnerability as when a consumer’s personal circumstances and characteristics combine with aspects of the market to create situations where he or she is: - significantly less able than a typical consumer to protect or represent his or her interests in the energy market; - and/or significantly more likely than a typical consumer to suffer detriment, or that detriment is likely to be more substantial. Suppliers have licence conditions in place which require them to take into consideration all customers’ ability to pay when setting debt recovery rates and repayment plans.
HUNGARY	X			Vulnerable customers are considered to be those with health or financial difficulties, based on official records.
IRELAND	X			A definition of vulnerable customers exist in the Supplier Handbook (regulatory enforced) and the Energy Engage Code (suppliers’ voluntary code).
ITALY				There is no real definition of vulnerable customers in the electricity sector. However, there is a list of customers that cannot be cut-off. They are, among others, customers with physical diseases and delivery points identified by the DSO as providers of public utility services (e.g. hospitals).In addition, there is a specific social bonus for clients identified on the basis of low income and physical disease.
LUXEMBOURG	X			The law defines that vulnerable customers can get financial support in case of emergency and for a limited time period. Under such circumstances, the consumer has the right to have access to a minimum of energy and water supply (law from 30/6/2013 Section III).
NETHERLANDS		X		No definition of vulnerable consumer exists. Those with a doctor’s declaration and/or electrical life support cannot be disconnected.
NORWAY			X	There is no definition of vulnerable customers. However, customers who are not able to pay their bills have the

			possibility to seek social help.
POLAND	X		A definition of vulnerable customers exists in the law.
PORTUGAL	X		There is a special status for “protected customers”: they have the right to receive a social tariff and they are also entitled to a longer period for payment of their invoices and to a longer period after the notice of cutting off the supply due to the situation of non-payment.
SPAIN	X		In some regions, special conditions are given to vulnerable customers.
SWEDEN		X	There is no definition of vulnerable customers. However, social policies define when customers are entitled to help.

EURELECTRIC pursues in all its activities the application of the following sustainable development values:

Economic Development

- Growth, added-value, efficiency

Environmental Leadership

- Commitment, innovation, pro-activeness

Social Responsibility

- Transparency, ethics, accountability

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