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Natural Gas Act¹

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Amended by the following acts

Passed	Published	Entry into force
10.03.2004	RT I 2004, 18, 131	15.04.2004
16.11.2005	RT I 2005, 64, 483	11.12.2005
07.12.2006	RT I 2006, 58, 439	01.01.2007
07.02.2007	RT I 2007, 17, 80	09.03.2007
22.11.2007	RT I 2007, 66, 408	01.01.2008
10.06.2009	RT I 2009, 34, 225	06.07.2009
15.06.2009	RT I 2009, 39, 262	24.07.2009
27.01.2010	RT I 2010, 9, 41	08.03.2010
22.04.2010	RT I 2010, 22, 108	01.01.2011 enters into force on the day determined by the decision of the Council of the European Union concerning repeal of the derogation established in respect of the Republic of Estonia on the basis of Article 140 (2) of the Treaty on the Functioning of the European Union, Decision No. 2010/416/EU of the Council of the European Union (OJ L 196, 28.07.2010, pp. 24–26).
10.06.2010	RT I 2010, 41, 241	01.08.2010
23.02.2011	RT I, 25.03.2011, 1	01.01.2014; amended date of entry into force to 01.07.2014 [RT I, 22.12.2013]
06.06.2012	RT I, 28.06.2012, 2	08.07.2012, partially 01.11.2012, 01.01.2013, 01.01.2014 and 01.01.2015
05.12.2013	RT I, 22.12.2013, 1	01.01.2014
19.02.2014	RT I, 13.03.2014, 4	01.07.2014
26.03.2014	RT I, 09.04.2014, 6	10.04.2014, partially 01.01.2015
17.04.2014	RT I, 06.05.2014, 2	07.05.2014
05.06.2014	RT I, 29.06.2014, 1	01.07.2014
19.06.2014	RT I, 12.07.2014, 1	01.01.2015
19.06.2014	RT I, 29.06.2014, 109	01.07.2014, official titles of ministers replaced in accordance with s. 107 ³ (4) of the Government of the Republic Act
09.12.2015	RT I, 30.12.2015, 5	01.01.2016
08.02.2017	RT I, 03.03.2017, 1	01.07.2017
31.05.2017	RT I, 16.06.2017, 1	01.07.2017
14.06.2017	RT I, 30.06.2017, 2	01.07.2017, partially 10.07.2017 and 01.01.2020
06.06.2018	RT I, 29.06.2018, 1	01.07.2018

06.06.2018	RT I, 29.06.2018, 2	09.07.2018
21.11.2018	RT I, 12.12.2018, 3	01.01.2019
20.02.2019	RT I, 13.03.2019, 2	15.03.2019
01.10.2020	RT I, 09.10.2020, 2	19.10.2020
17.12.2020	RT I, 31.12.2020, 1	10.01.2021
08.12.2021	RT I, 30.12.2021, 1	01.01.2022
23.02.2022	RT I, 15.03.2022, 2	25.03.2022
04.05.2022	RT I, 18.05.2022, 1	28.05.2022
19.07.2022	RT I, 09.08.2022, 1	19.08.2022, in part 01.05.2023

Chapter 1 GENERAL PROVISION

§ 1. Scope of application of this Act

(1) This Act governs activities related to the import, transmission, distribution and sale of natural gas (hereinafter, 'gas') through the gas network (hereinafter, 'network'), and connection to the network.

(1¹) The requirements established in this Act with respect to gas, including liquefied natural gas (hereinafter, 'LNG'), also apply to biomethane, to the gas obtained from biomass and to other types of gas, provided these meet the quality requirements for gas and can technically and safely be introduced into and transmitted via the gas network.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(2) The activities mentioned in subsection 1 of this section must be co-ordinated and conform to the principles of objectivity, equal treatment and transparency in order to guarantee a secure, reliable and effective gas supply at a justified price in compliance with environmental requirements and the needs of the consumers.

(2¹) An undertaking pays a regulatory enforcement fee on the grounds and in accordance with the rules provided by the Competition Act.

[RT I, 30.12.2021, 1 – entry into force 01.01.2022]

(3) The provisions of the Administrative Procedure Act apply to administrative proceedings provided in this Act without prejudice to the rules specific to this Act.

[RT I 2005, 64, 483 – entry into force 11.12.2005]

§ 2. Definitions

The terms in this Act are defined as follows:

1) 'network' means a fixed operational assembly which consists of gas pipelines and any construction works connected to those pipelines, and which is necessary for the transmission and distribution of gas; consumer or producer installations and equipment are not deemed to be part of the network;

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

2) [repealed – RT I 2005, 64, 483 – entry into force 11.12.2005]

3) 'consumer installation' means an interconnected operational assembly of gas pipelines which is intended for supplying the consumer with gas and which is located on one or several registered immovables, in construction works or in a complex of construction works that are functionally interconnected and constitute a single economic unit, including the land necessary for servicing those registered immovables, construction works or complex of construction works;

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

4) 'network area' means the area in which a network that is owned by or that is in the possession of a single network operator is located and developed;

5) 'licensed territory' means the area, defined in a network operator's authorisation, in which the network operator operates;

6) 'supply point' means the point of connection between the network and the consumer's or producer's installation, or the point of connection between the network and another network operator's network;

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

7) 'service boundary of the network' means the boundary within which the network operator maintains the network on a contract basis;

8) 'consumer' means a party who purchases gas distributed through the network for that party's own use;

9) 'network operator' means an undertaking engaged in the provision of network services;

10) 'seller' means an undertaking engaged in the sale of gas;

11) 'security of supply' means the capability of the gas system to guarantee that consumers enjoy a due supply of gas, considering existing demand and estimated future demand;

[RT I 2007, 17, 80 – entry into force 09.03.2007]

12) 'supply disruption' means a reduction or interruption in the supply of gas through at least one interconnector that crosses the national border, which results in endangering the due operation of the internal gas market and the supply of gas to consumers;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

13) 'LNG terminal' means a civil engineering work, together with the related ancillary services, which is used for liquefying gas or for importing, offloading and regasification of LNG. Gas storage facilities are not part of an LNG terminal;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

14) 'ancillary services' means the services required for the operation of and access to networks or LNG terminals and gas storage facilities, including load balancing, blending and injection of inert gases. Services which are necessary for fulfilling the obligations of the system operator are not part of ancillary services;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

15) 'gas storage facility' means a facility owned or operated by a gas undertaking and used for the storage of gas, including the part of an LNG terminal used for the storage of LNG. A gas storage facility does not include the part of an LNG terminal which is used for production operations, or the part of a civil engineering work used for performing the duties of the system operator;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

16) 'gas transmission network' means an operational assembly which is necessary for the transmission of gas and for the creation of connections, for transmission or transit purposes, with the network of Estonia or of another Member State of the European Union or of a third country up to the external border of the territory, or the external boundary of the territorial sea, of Estonia or of another Member State of the European Union, and which consists of gas pipelines whose operating pressure exceeds 16 bar and of any construction works connected to those pipelines in a fixed manner, as well as of the control, protection, communication and metering systems necessary for the operation, maintenance and development of the transmission system;

[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

17) 'storage network operator' means a person who performs the task of storing gas and is responsible for ensuring that gas storage facilities are used in compliance with the requirements;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

18) 'operator of an LNG terminal' means a person who performs the tasks of liquefying gas, importing gas, reloading gas and regasification of LNG and is responsible for ensuring that the gas liquefaction plant is used in compliance with the requirements;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

19) 'vertically integrated undertaking' means a gas undertaking which is or gas undertakings which are controlled within the meaning of the Competition Act by one person or several persons and at least one of the tasks of which is the transmission, distribution, liquefaction or storage of natural gas and the other task is the production or sale of natural gas;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

20) 'unprotected consumer' means a household consumer who has been granted a subsistence benefit in accordance with subsections 2 and 3 of § 131 of the Social Welfare Act;

[RT I, 30.12.2015, 1 – entry into force 01.01.2016]

21) 'distribution network operator' means a network operator who is engaged in the provision of network service in a network whose operating pressure is less than 16 bar.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

22) 'stand-alone network' means a gas distribution pipeline that does not have a connection to a distribution network or the transmission network and that is intended to transport gas to persons not connected to a distribution network or the transmission network;

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

23) 'biomethane' means a gaseous-form substance that conforms to the quality requirements for natural gas, that is produced from biodegradable waste, sewage and sewage residue, from agricultural-origin waste and from biomass derived from various sources;

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

24) 'producer installation' means a fixed operational assembly consisting of devices used to produce gas.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

Chapter 2

OPERATION OF GAS MARKET

Division 1

Gas Market Participants

§ 3. Market participants

'Market participants' means gas undertakings and consumers.

§ 4. Gas undertaking

A gas undertaking is an undertaking which operates in at least one of the activity areas of production, import, transmission, distribution, storage and sale of gas, and which is responsible for attending to commercial or maintenance issues related to the corresponding activity.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 5. Eligible consumer

- (1) An eligible consumer is a market participant who is not a household consumer.
- (2) Eligible consumers have a right to purchase gas from any seller within the technical limits of the network.
[RT I 2005, 64, 483 – entry into force 11.12.2005]

§ 6. Household consumer

- (1) A household consumer is a consumer who purchases natural gas for their own household consumption.
- (2) Until 1 July 2007, household consumers purchase gas from the network operator to whose network their consumer installations are connected or from a seller designated by the network operator.
- (3) As of 1 July 2007, household consumers have the right to purchase gas from any seller within the technical limits of the network.
[RT I 2005, 64, 483 – entry into force 11.12.2005]

Division 2 Operation of the Gas Market

§ 6¹. Organisation of the gas market

- (1) In an emergency-level crisis (hereinafter, ‘emergency’) mentioned in Article 11 of Regulation (EU) 2017/1938 of the European Parliament and of the Council concerning measures to safeguard the security of gas supply and Repealing Regulation (EU) No 994/2010 (OJ L 280, 28.10.2017, pp. 1–56), the seller of gas and the distribution network operator ensure a continued supply of gas to groups of consumers in the following order:
 - 1) household consumers;
 - 2) other protected consumers within the meaning of clause 2 of subsection 2 of § 26¹ of this Act;
 - 3) emergency reserve power stations within the meaning of the Electricity Market Act;
 - 4) consumers who provide essential services for the society and whose continued operation depends on the presence of gas supply;
 - 5) other consumers in whose case the expected interruption of the supply of gas is up to six hours;
 - 6) other consumers in whose case the interruption of the supply of gas exceeds six hours.
- (2) To assign a consumer to a group provided for by subsection 1 of this section, the network operator makes a note in the data exchange platform mentioned in § 10² of this Act.
- (3) The principles for assigning consumers to the groups mentioned in subsection 1 of this section are enacted by a regulation of the Minister in charge of the policy sector based on the principles provided by Regulation (EU) 2017/1938 of the European Parliament and of the Council.
[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

§ 7. Import, transmission, distribution and sale of gas

- (1) ‘Import of gas’ means the application, to gas, of the customs procedure ‘release for free circulation’ as defined in Regulation (EU) No. 952/2013 of the European Parliament and of the Council laying down the Union Customs Code (OJ L 269, 10.10.2013, pp. 1–101).
[RT I, 16.06.2017, 1 – entry into force 01.07.2017]
- (2) For the purposes of this Act, ‘transmission of gas’ means the transport of gas through a transmission pipeline to an agreed supply point or from the supply point to the transmission pipeline. The use of an upstream pipeline network or of a part of the transmission network for local distribution of gas is not regarded as transmission of gas.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]
- (3) For the purposes of this Act, ‘distribution of gas’ means the transport of gas through regional or distribution pipeline systems to consumer installations or agreed supply points, or from the supply point to the distribution pipeline system, including the part of the transmission network used for local distribution of gas.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]
- (4) For the purposes of this Act, ‘sale of gas’ means the transfer of gas to a person for a charge.
[RT I 2005, 64, 483 – entry into force 11.12.2005]

§ 8. Obligations of a gas undertaking

(1) A gas undertaking must ensure that consumers are supplied with gas in accordance with this Act, any ancillary conditions of the undertaking's authorisation and the relevant contracts.
[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

(2) A gas undertaking must, in its internal accounting rules, establish principles which require the accounts for transmission, distribution and sale of gas and for any activity area unrelated to these activities to be kept in the manner that separate undertakings operating in these areas of activity would be obligated to.
[RT I 2007, 17, 80 – entry into force 09.03.2007]

(2¹) [Repealed – RT I, 09.10.2020, 2 – entry into force 19.10.2020]

(2²) A gas undertaking must establish accounting rules regarding the classification of assets and liabilities and of items of revenue and expenditure, to be followed in keeping the accounts of the activity areas mentioned in subsection 2 of this section.

(3) A gas undertaking must make it possible for the Competition Authority to audit its accounts and shall provide any necessary explanations concerning its economic activities.
[RT I 2007, 66, 408 – entry into force 01.01.2008]

(4) A gas undertaking submits information concerning the formation of the price of gas and of the price of network services to Statistics Estonia under the rules provided in the Official Statistics Act.
[RT I 2010, 41, 241 – entry into force 01.08.2010]

(4¹) A gas undertaking who is not obligated to publish its annual accounts keeps a copy thereof at its seat of business and make it available to members of the public.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(4²) A gas undertaking preserves the information regarding gas transactions for five years and transmits the information, if this is needed, to the Competition Authority and to the European Commission. The information includes the following particulars:

[RT I, 13.03.2019, 2 – entry into force 15.03.2019]

- 1) term of the transaction and terms and conditions concerning delivery and payment;
- 2) volume of the transaction;
- 3) date and time of fulfilling the transaction by trading period;
- 4) price of the transaction;
- 5) particulars of the seller;
- 6) details of uncompleted supply contracts.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(4³) The information mentioned in subsection 4² of this section is deleted after the lapsing of five years.
[RT I, 13.03.2019, 2 – entry into force 15.03.2019]

(5) A gas undertaking publishes the approved prices, ceiling rates, methods, standard terms and conditions, as well as information regarding the rights of the consumer and the possible ways of resolving disputes on its website and shall provide information regarding these to any person who requests such information.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5¹) When this is requested by the consumer, a gas undertaking provides to the consumer information regarding the consumer's consumption according to the relevant form. No additional fee is charged for the provision of consumption information.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(5²) A consumption information form mentioned in subsection 51 of this section is enacted by the Minister in charge of the policy sector by a regulation.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(6) A gas undertaking arranges the preparation, submission and publication of its annual report in accordance with the Accounting Act. If auditing is compulsory, the sworn auditor's report must, among other matters, include an assessment regarding compliance of the gas undertaking's annual report and of its annexes with the provisions of this Act.
[RT I 2010, 9, 41 – entry into force 08.03.2010]

(7) At the request of the Competition Authority, a gas undertaking provides the Competition Authority with the information necessary for performance of the duties of the competent authority as stipulated in Regulation (EU)

No 994/2010 of the European Parliament and of the Council concerning measures to safeguard security of gas supply and repealing Council Directive 2004/67/EC (OJ L 295, 12.11.2010, pp. 1–21).
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 8¹. Unbundling of activities

(1) The network operator who provides transmission services may concurrently engage in the provision of distribution services but may not at the same time be a seller, except in the case mentioned in subsection 1 of § 26⁵ of this Act.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(2) A network operator who has more than 100,000 consumers connected to its distribution network and who does not provide transmission services unbundles its gas distribution and sales activities and establishes, starting 1 July 2007, separate companies for the distribution and sale of gas. Where a network operator's number of connected consumers exceeds the ceiling value of 100,000 after this date, the operator must bring its activities into conformity with the requirements of this section within six months.

(3) A network operator who has less than 100,000 consumers connected to its distribution network and who does not concurrently provide transmission services may at the same time be a seller.

(4) [Repealed – RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5) Where the number of consumers connected to the network of a distribution network operator equals or exceeds 100,000, the trademark of the distribution network operator must be clearly distinguishable from the trademark of an undertaking that belongs to the same group and that is engaged in the production or sale of gas.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 9. Sale of gas

(1) A seller of gas who has the greatest market share within a network area is obligated to sell gas within the technical limits of the network to any household consumer who has a network connection and who is located within the network area if the consumer wishes to purchase gas.
[RT I 2007, 17, 80 – entry into force 09.03.2007]

(1¹) An amount of gas that is sold is simultaneously expressed in kilowatt hours and in cubic metres.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(2) The selling price of gas does not include the price of the network service, with the exception of the transmission tariff mentioned in Commission Regulation (EU) No. 2017/460 establishing a network code on harmonized transmission tariff structures for gas (OJ L 72, 17.03.2017, pp. 29–56).
[RT I, 29.06.2018, 2 – entry into force 09.07.2018]

(3) [Repealed – RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3¹) [Repealed – RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3²) [Repealed – RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3³) [Repealed – RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(4) As of 1 July 2007, gas undertakings must submit separate invoices for the sale of gas and for the provision of network services, or to distinguish such activities as separate items of a single invoice.

(5) The gas undertaking presents an invoice for the natural gas consumed by and for the network service provided to the consumer at least once a month, unless agreed otherwise with the consumer. No additional fee is charged for the presentation of the invoice.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(6) In the case of a change of seller, the seller presents its final invoice to the consumer within six weeks as of the termination of the contract for the sale of gas.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(7) The seller has a right to request from the network operator the meter readings of the consumer, provided the consumer has given its consent in a form that allows reproduction in writing. No additional fee is charged for the presentation of meter readings to the seller.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 9¹. Gas undertaking in dominant position on the market

[Repealed – RT I, 09.10.2020, 2 – entry into force 19.10.2020]

§ 10. Selling price of gas for household consumers

[Repealed – RT I, 09.10.2020, 2 – entry into force 19.10.2020]

§ 10¹. Terms and conditions of contract

(1) Prior to concluding a connection contract, network contract or a contract for the sale of gas, the party to the contract who is a consumer and a natural person must be provided with information concerning the material terms and conditions of the contract and any possible alternatives in terms of its content.

(2) The connection contract, network contract or contract for the sale of gas that is executed in a written or an electronic form or in a form that allows for written reproduction or in any other form subject to stricter formal requirements, or the standard terms and conditions of such a contract, set out the following information:

1) in the case of the network or connection contract, the name of the network operator, in the case of a contract for the sale of gas, the name and registration number in the Commercial Register of the network operator or the seller, as well as the address and other contact details of the network operator and the seller;

2) a description of the services provided on the basis of the network or connection contract and the date on which the provision of services commences or the principal parameters of the natural gas sold under the contract for the sale of gas;

3) the principal quality parameters of the services provided on the basis of the network or connection contract or a reference to a document which is accessible and which sets out such parameters;

4) the time of initial connection to the network in accordance with the connection contract entered into for connection to the network or for amendment of the consumption or production conditions;

5) a description of the maintenance services provided;

6) the manner of obtaining relevant information concerning the charges payable under the contract;

7) the conditions for amendment of the contract and the conditions for cancellation of the contract, including cancellation without charge;

8) information concerning the conditions under which the consumer may obtain a refund or a money or other compensation if the services provided under the network or connection contract or the a contract for the sale of gas do not conform to the terms and conditions of the corresponding contract;

9) information concerning the rules for dealing with complaints;

10) in the case of a network contract or a contract for the sale of gas, the term of the contract and the conditions for renewal and termination of the contract;

11) the rules for estimating the amount of consumed gas by the network operator in the case that the consumer has not provided that information;

12) the options of payment for the services.

(3) The contract may not include restrictions concerning entry into contracts for the sale of gas with more than one seller.

(4) The seller of gas must, on its website, make accessible to the public the standard terms and conditions of contracts for the sale of gas to household consumers which, among other things, provide the following:

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

1) the name, registration number in the Commercial Register, address and other contact details of the seller;

2) a description of the services provided;

3) the principal quality parameters of the services provided or a reference to a document which is accessible and which sets out such parameters;

4) the rules for notifying consumers of the charges applied;

5) the term of the contract, conditions for renewal, amendment and termination of the contract;

6) conditions for cancellation of the contract without charge;

7) the options of payment for the service.

(5) The Competition Authority does not approve the standard terms and conditions if a standard term contravenes this Act or if the content or manner of expression or of presentation of the term is unusual or difficult to understand within the meaning of subsection 3 of § 37 of the Law of Obligations Act, or if the term is unfairly prejudicial to the other party within the meaning of § 42 of the Law of Obligations Act, and is therefore void.

(6) The contract for the sale of gas sets out, among other matters, the category of supply.

(7) The contract for the sale of gas to a household consumer may also include provisions of the contract for network services which deal with the provision of the network services necessary for the distribution of the gas to be sold.

(8) Where the consumer switches to another seller, their seller of gas must make it possible, within 14 days starting from the presentation of the corresponding application by the consumer, to terminate the contract for the sale of gas concluded for an unspecified period, provided the obligations arising from the contract to be terminated have been performed. The new contract takes effect at the turn of the calendar month.

[RT I, 15.03.2022, 2 – entry into force 25.03.2022]

(9) At least 30 days prior to amending the terms and conditions of a contract, including prices and tariffs, the network operator or the seller transmits to the consumer the corresponding notice. The notice sets out the envisaged amendments, the basis for those amendments and the date on which they are intended to take effect, as well as information concerning the fact that the consumer is entitled to cancel the contract if they do not agree to the amendments.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(10) The seller may charge a fee for the premature termination of a contract concluded for a specified period, provided such a fee is stipulated in the contract concluded with the consumer and has been explicitly notified to the consumer prior to the conclusion of the contract. The fee must be justified.

[RT I, 15.03.2022, 2 – entry into force 25.03.2022]

§ 10². Data exchange in the gas market

(1) For the efficient operation of the gas market, for facilitating competition between the sellers and for changing the open supplier, the system operator creates a digital environment (hereinafter, 'data exchange platform'), and makes it possible, on an equal footing, for market participants who have the corresponding statutory duty and the corresponding statutory right to submit and to receive data. The submission and receiving of data is free of charge.

(2) The network operator submits the following data to the data exchange platform:

- 1) the market participant's identifier;
- 2) the metering point's identifier;
- 3) the particulars of the metering point;
- 4) metering data by metering point;
- 5) the period of validity of the market participant's network contract;
- 5¹) the market participant's assignment to a group of consumers provided for by subsection 1 of § 6¹ of this Act;

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

- 6) other particulars that are necessary for achieving the aims set out in subsection 1 of this section.

(3) An open supplier transmits to the data exchange platform the period of validity of the market participant's sales contract and the particulars of the open supplier.

(4) The data entered in the data exchange platform are preserved for five years.

(5) The system operator publishes on its website the technical guidelines for the use of and registration on the platform.

(6) The rules for submitting data to the data exchange platform, for use of the data and for data exchange between market participants, as well as a list of particulars mentioned in clauses 1–3 and 6 of subsection 2 and in subsection 3 of this section are enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market which is to be enacted under subsection 7 of this section.

(7) The Minister in charge of the policy sector enacts, by regulation, the network code governing the operation of the gas market.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 10³. Certificate of origin

(1) A certificate of origin is an electronic document which the system operator issues to the producer on the basis of the producer's request and which certifies that the producer has produced biomethane.

(2) The standard energy unit of the certificate of origin is one megawatt-hour. For each produced megawatt-hour of biomethane, one certificate of origin is issued.

(3) Only certificates of origin that are in conformity with the requirements provided in this section may be used to prove that the biomethane that has been consumed originates from a renewable energy source.

(4) The certificate of origin may be used within the 12 months following the production of the corresponding energy unit. The validity of the certificate expires when the certificate has been used. If the certificate is used in the calendar year in which the energy unit was produced or by 31 March of the calendar year following that year, the certificate is accounted as having been used in the calendar year in which the energy unit was produced. If the certificate is used after 31 March of the calendar year following the production of the energy unit, it is accounted as having been used in the calendar year following the production of the energy unit.

(5) The system operator elaborates and publishes on its website the conditions and rules for the issue and use of certificates of origin, and the price list of services developed to cover justified costs of administrating

the certificates. The system operator has a right to charge a justified fee for operations carried out concerning certificates of origin.

(6) The system operator creates an electronic database for the administration of certificates of origin and publishes information concerning the certificates of origin that have been issued on its website. Information concerning the issue of a certificate of origin is published on the system operator's website at the latest within the business day following the issue of the certificate.

(7) The list of particulars to be shown on the certificate of origin is enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market.

(8) When the certificate of origin is alienated, it is transferred to the other party through the electronic database of certificates of origin.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

Division 3

Balance Responsibility

§ 11. Definitions related to balance responsibility

(1) For the purposes of this Act, 'balance' means equivalence between the quantity of gas for a market participant agreed upon for the balance period and the quantity of gas supplied to the market participant during the balance period.

(2) 'Balance period' means the 24-hour period that starts at 7 a.m. in the morning and ends at 7 a.m. in the morning of the following day.

(3) 'Balance portfolio' means the area of balance responsibility of the balance provider, which is determined by the metering points of the market participants whose balance is ensured by the balance provider.

(4) 'Balance provider' means a market participant who supplies gas to the transmission network or to whom gas is supplied from the transmission network through the relevant connection points, and who has entered into a balance contract with the system operator. The balance provider of household consumers is their seller, or the seller designated by the network operator, if the household consumer does not have an open supply contract.

(5) 'Open supply' means the sale of gas during the balance period to a market participant on the basis of metering data, or in the event of an imbalance, the sale of the missing quantity or the purchase of the surplus quantity of gas.

(6) 'Open supplier' means the system operator, seller of gas or, in the event of an interruption of the open supply contract, the seller to whose network the consumer's gas installation is connected and who has been designated by the network operator, where the system operator, seller of gas or seller designated by the network operator provides an open supply.

(7) 'Balance contract' means the open supply contract entered into by the system operator and the balance provider under which the balance provider undertakes to ensure the balance. Standard terms and conditions of that contract, which set out the rights and the obligations of the system operator and of the balance provider in ensuring the balance responsibility, constitute an integral part of the contract.

(8) 'Fixed supply' means supply, to the market participant, of the quantity of gas agreed with him for the balance period.

(9) 'Balance responsibility' means the market participant's obligation to ensure the balance for each balance period.

(10) 'Balance gas' means gas which the system operator sells to the balance provider or purchases from the balance provider to cover the imbalance that has arisen during the balance period within the balance portfolio of the balance provider.

(11) 'Balancing gas' means gas which, during the balance period, has been introduced into the transmission network or released from that network and which is purchased or sold by the system operator for the purpose of maintaining the operational capacity of the network. The quantity of the balancing gas purchased or sold during the balance period is calculated in energy units as the difference between the quantities of gas that have been introduced into and released from the transmission network during the balance period.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 12. Balance responsibility arrangements

(1) In order to supply gas through the transmission network, a market participant concludes a balance contract with the system operator, except where the market participant has delegated its balance responsibility to another balance provider that has concluded a balance contract with the system operator.

(2) The supply of the cross-border trade in gas of the Estonian state must be reflected in the balance settlement of the balance provider.

(3) Each market participant has one open supplier. In order to purchase the gas used to provide network services, the network operator must have one open supplier for the network boundary points. The consumer and the producer each have one open supplier per metering point.

(4) The system operator elaborates the standard terms and conditions for balance contracts and the methodology for determining the price of balance gas, and obtains approval concerning those terms and conditions and methodology from the Competition Authority. The Competition Authority does not approve the methodology if that methodology does not conform to the requirements provided in this Act or the legislation made under it.

(5) If, as a result of balance settlement, a balance provider's balance turns out to be negative, it is deemed that the system operator has, during that period, sold to the balance provider the quantity of balance gas that is necessary for maintaining the balance provider's balance. If, as a result of balance settlement, a balance provider's balance turns out to be positive, it is deemed that the balance provider has, during that period, sold to the system operator the quantity of balance gas that is necessary for maintaining the balance provider's balance.

(6) The price of balance gas is determined by the system operator in accordance with this Act and with the balance contract after the end of the balance period.

(7) The system operator sets the price of balance gas such that that price makes it possible for the system operator:

- 1) to cover the justified costs laid out in order to balance the system;
- 2) to cover the justified costs related to the purchase and sale of balance gas;
- 3) ensure justified profitability.

(8) When elaborating the standard terms and conditions of balance contracts and setting the price of balance gas, the system operator has regard to the principles of equal treatment and of transparency.

(9) The system operator publishes the methodology for setting the price of balance gas and the standard terms and conditions of balance contracts, which have been approved by the Competition Authority, on its website at least 30 calendar days before their application.

(10) Unless agreed otherwise, the calculation period which is the basis for money payments related to the balance is the calendar month.

(11) The Minister in charge of the policy sector may, in the network code governing the operation of the gas market, enact requirements regarding the exchange of information relating to balance responsibility.

(12) The rules concerning balance responsibility are enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market.

(13) The rules for changing the open supplier are enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 12¹. Rights and obligations of a balance provider

(1) For any balance gas that a balance provider sells to the system operator, the provider has a right to receive payment in accordance with this Act and the balance contract.

(2) For any balance gas sold to a balance provider by the system operator, the provider pays in accordance with this Act and the balance contract.

(3) If a balance provider is off-balance, the provider is obligated, if the system operator requires this, to demonstrate, without delay, how it intends to ensure the balance. When the system operator requires this, the balance provider must commence activities that lead to the restoration of balance.

(4) A balance provider must conclude gas supply contracts on such terms that make it possible for the provider to ensure its balance at any time.

(5) A balance provider determines the rules that are to be followed when the provider is notified of any fixed supply to a market participant whose balance is maintained by that provider in accordance with this Act.

(6) A balance provider publishes on its website the conditions for maintaining balance responsibility and the methods for determining the fee charged for balance deviations and provides information concerning those conditions and methods to anyone who requests it.
[RT I 2007, 17, 80 – entry into force 09.03.2007]

§ 12². Balance provider's guarantees

(1) When concluding the balance contract, a balance provider presents to the system operator guarantees corresponding to international investment grade credit rating which are issued by an Estonian bank or a bank in a country that is a member of the European Union or the European Economic Area and which provide assurance that the balance provider will unconditionally perform its obligations to the system operator. The aforementioned guarantees are a permanent guarantee and a variable guarantee.

(2) The amount of a balance provider's variable guarantee is determined by the system operator.

(3) The amount of a balance provider's permanent guarantee and the conditions for the presentation of guarantees and for the determination of their amount are enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

Division 4 Gas System and System Responsibility

§ 13. Gas system

For the purposes of this Act, 'gas system' means a technical system which comprises the gas transmission network located in the Estonian territory together with the relevant control, protection, communication and metering systems, the distribution networks connected to the transmission network together with the relevant control, protection, communication and metering systems, as well as the consumers, producers, liquefied gas terminals and gas storage facilities connected to the distribution and the transmission network.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 14. System responsibility

'System responsibility' means the obligation of the system operator to ensure, at all times, the security of supply for and the balance of the gas system in accordance with the contracts entered into.

§ 15. System operator

(1) For the purposes of this Act, 'system operator' means a network operator who provides transmission services and who owns or operates metering systems on the national border.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(1¹) The system operator provides gas transmission services or, concurrently, gas transmission and distribution services.
[RT I, 28.06.2012, 2 – entry into force 01.01.2015]

(2) The system operator must exercise the rights and perform the obligations arising from this Chapter in compliance with the principles of impartiality and equal treatment with respect to other gas undertakings and consumers in the gas network.
[RT I 2005, 64, 483 – entry into force 11.12.2005]

§ 15¹. Ensuring independence of the system operator

(1) The person in charge of managing the system operator may not at the same time be a member of the management board of another gas undertaking or be otherwise in charge of the everyday economic activities of another gas undertaking.

(2) The system operator must have in its possession the resources required for the preservation and development of the network, including technical, physical, financial and human resources. This does not prevent the parent company from carrying out economic and management oversight of the subsidiary, which primarily includes the right to approve the annual financing plan of the system operator and the ceiling limit for the debt of the subsidiary. The parent company may not intervene in the everyday economic activities of the subsidiary or in the decisions concerning the construction or upgrades of the network, provided these decisions do not exceed the limits of the approved financing plan.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3) [Repealed – RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(4) [Repealed – RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(5) The system operator who owns the gas transmission system and the subsidiaries of that operator may not use shared services, except for management or information technology services.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(6) Where an undertaking engaged in the provision of the gas transmission service is split off from a vertically integrated undertaking, the undertaking engaged in the provision of the gas transmission service may not convey the business secrets in its possession to an undertaking engaged in production or sale and the employees of the undertaking engaged in the provision of the gas transmission service may not, in the course of the split, accept employment positions with an undertaking engaged in production or sale.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 16. Obligations of the system operator

(1) In order to perform the obligations provided in § 14 of this Act, the system operator:

1) ensures the security of supply for the gas system;

1¹) creates, in cooperation with market participants, the capability of receiving liquefied natural gas in Estonia, should this be needed in order to improve the security of supply of the gas system;
[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

2) plans and supervises the supply of gas in the gas system, the distribution of gas in the network, and the consumption of gas, taking into account the technical limitations of the gas system;

2¹) complies with the requirements established for transmission system operators with respect to capacity allocation, congestion management, balancing, capacity trade, transparency and record keeping in Regulation (EC) No 715/2009 of the European Parliament and of the Council on conditions for access to the natural gas transmission networks and repealing Regulation (EC) No 1775/2005 (OJ L 221, 14.08.2009, pp. 36–54);
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

2²) ensures access to the transmission network for third parties pursuant to requirements established in Regulation (EC) No 715/2009 of the European Parliament and of the Council;
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

2³) complies with the requirements established for transmission system operators in Regulation (EU) No 2017/1938 of the European Parliament and of the Council;
[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

2⁴) cooperates within the European Network of Transmission System Operators for Gas both at regional and EU level in order to ensure efficient functioning of the market pursuant to the requirements established in Regulation (EC) No 715/2009 of the European Parliament and of the Council;
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

2⁵) presents to the Competition Authority a plan of investments to implement the measures required for ensuring the infrastructure standard provided by Article 6 of Regulation (EC) No 2017/1938 of the European Parliament and of the Council as of 3 December 2014, or demonstrate by means of relevant market measures that the infrastructure standard has been met;
[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

2⁶) presents to the Competition Authority every second year the information mentioned in Article 3 of Council Regulation (EU, Euratom) No 617/2010 concerning the notification to the Commission of investment projects in energy infrastructure within the European Union and repealing Regulation (EC) No 736/96 (OJ L 180, 15.07.2010, pp. 7–13) using the form given in Commission Regulation (EU, Euratom) No 833/2010 implementing Council Regulation (EU, Euratom) No 617/2010 (OJ L 248, 22.09.2010, pp. 36–56);
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

3) ensures cooperation with the gas systems of neighbouring states, taking into account the technical limitations of such systems in real time;

4) settles, in accordance with this Act, the legislation enacted under it and agreements entered into by the system operator and balance provider, the balance of the gas system and the balance of the balance providers on the basis of information submitted to the system operator and purchase and sell balance gas with the aim of ensuring the effective functioning of the gas market and the equitable division between the balance providers of expenses incurred in order to ensure the balance of the gas system;
[RT I 2007, 17, 80 – entry into force 09.03.2007]

4¹) based on data relating to balance settlement and on other relevant data, presents invoices to a balance provider for each calculation period regarding the charges payable for balance gas purchased by the balance provider and any other charges payable to the system operator by virtue of legislation or contract, and collects the sums payable by the balance provider on the basis of invoices;
[RT I 2007, 17, 80 – entry into force 09.03.2007]

4²) based on data relating to balance settlement and on other relevant data, calculates the amounts of balance gas sold by a balance provider to the system operator during each calculation period and pays the balance provider for such amounts;
[RT I 2007, 17, 80 – entry into force 09.03.2007]

5) concludes balance contracts;

6) performs other duties arising from this Act.

(2) When purchasing services needed to perform its obligations, the system operator must employ transparent rules and conditions which do not discriminate between gas undertakings and which do not contain unjustified restrictions.

(3) The system operator may not disclose confidential information received in the course of performing its obligations to third persons, unless the disclosure of such information is prescribed by law or the communication of the information is necessary order to perform obligations arising from this Act.
[RT I 2007, 17, 80 – entry into force 09.03.2007]

(3¹) The system operator must inform the Competition Authority of every planned transaction which may give rise to the need to review the undertaking's conformity to the requirements listed in § 29¹ of this Act, or of any circumstances under which a person from a country other than a Member State of the European Union (hereinafter 'third country') may acquire control of the transmission network or of the system operator.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(4) The system operator must submit to the Competition Authority the information required for the preparation of reports on security of supply.
[RT I 2007, 66, 408 – entry into force 01.01.2008]

(5) The obligations of the system operator relating to provision of gas transmission services and determination of the fee charged for those transmission services are provided in Regulation (EC) No 715/2009 of the European Parliament and of the Council.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(6) The system operator must ensure that commercially advantageous information regarding its own activities is used in accordance with the principle of equal treatment.
[RT I 2007, 17, 80 – entry into force 09.03.2007]

(7) The system operator discloses the information required for effective competition and for effective functioning of the market, except for business secrets.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(8) The system operator may not convey a business secret to a gas undertaking engaged in production or sale.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(9) The system operator may not misuse a business secret it has obtained through an undertaking that it controls within the meaning of the Competition Act from a third party in the course of arranging access to the network.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(10) The system operator ensures capacity allocation and scrutiny of the security of the network by means of an integrated system in cooperation with the transmission system operators of other Member States.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 17. Rights of the system operator

(1) In order to perform its obligations, the system operator has a right to demand that a balance provider increase or reduce gas supply in accordance with the balance contract concluded with that provider.
[RT I 2007, 17, 80 – entry into force 09.03.2007]

(2) The system operator has a right to issue mandatory orders to market participants to limit or suspend the consumption of gas by consumers if this is required to mitigate the effects of a supply disruption. The basis for such orders must be the contract concluded with the consumer in which provision is made for limiting or suspending the consumption of gas, or a resolution of the Government of the Republic mentioned in subsection 2² of § 26² of this Act.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(3) In order to fulfil its system responsibility, the system operator has a right to impose technical restrictions on the use of gas systems.

(4) The system operator has a right to request information required for the performance of its obligations from all market participants and local authorities.

(5) The system operator has a right to demand that the balance provider comply with the requirements and perform the obligations provided in legislation or contracts and, in the event that such requirements are not complied with or such obligations are violated, the system operator has the right to refuse to conclude

the contract with the balance provider or to terminate the contract or have recourse to other legal remedies prescribed by legislation or the contract.

(6) The system operator has a right to require that the balance provider cover the costs related to balance settlement.

(6¹) The system operator has a right to purchase and sell balancing gas. The system operator is not required to hold an authorisation for the import and sale of balance gas and of balancing gas.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(7) The system operator does not compensate any damage or reimburse any expenses incurred as a result of the performance of orders mentioned in subsections 1–3 and 5 of this section, except if the actions or orders of the system operator have been unlawful.
[RT I 2007, 17, 80 – entry into force 09.03.2007]

(8) The rights of the system operator relating to the provision of gas transmission services and the determination of the fee charged for the transmission services are provided in Regulation (EC) No. 715/2009 of the European Parliament and of the Council.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 17¹. Tasks of an LNG terminal operator

(1) A gas undertaking who owns an LNG terminal appoints an LNG terminal operator. An undertaking who owns an LNG terminal may appoint itself or another undertaking to act as the terminal operator. The owner of an LNG terminal informs the Competition Authority of the appointment of an LNG terminal operator.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(2) The terminal operator fulfils the following duties:

- 1) maintaining and developing the LNG terminal in order to meet its service obligations;
- 2) ensuring third parties' access to the terminal pursuant to requirements established in Regulation (EC) No 715/2009 of the European Parliament and of the Council;
- 3) complying with the requirements established for terminal operators with respect to capacity allocation, congestion management, balancing, capacity trade, transparency and record keeping in Regulation (EC) No 715/2009 of the European Parliament and of the Council;
- 4) observing the principle of equal treatment of market participants;
- 5) providing the system operator, any other terminal operator and any other network operator with sufficient information to ensure that the transmission of gas takes place in a manner compatible with the secure and efficient operation of the interconnected system.

(2¹) The terminal operator is provider of a vital service mentioned in clause 2 of subsection 1 of § 36 of the Emergency Act.
[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(3) The terminal operator may not disclose to third parties any business secrets to which it has become privy in the course of performing its tasks, except where such disclosure is required in order to perform obligations arising from legislation.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(4) The terminal operator obtains approval from the Competition Authority for standard terms and conditions of agreements on the use of the terminal and for the methodology for the calculation of tariffs.

(5) The tariffs for the use of the terminal are set such that they ensure:

- 1) coverage of the necessary operating expenses;
- 2) the making of investments in order to perform operational and development obligations;
- 3) compliance with environmental requirements;
- 4) compliance with quality and safety requirements;
- 5) justified profitability.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 17². Duties of a storage network operator

(1) A gas undertaking who owns a gas storage facility appoints a storage network operator. An undertaking who owns a gas storage facility may appoint itself or another undertaking to act as the storage network operator. The owner of a gas storage facility informs the Competition Authority of the appointment of a storage network operator.

(2) A storage network operator performs the following duties:

- 1) maintains and develops the network of storage facilities in order to meet gas storage service obligations;
- 2) ensures third parties' access to the storage facilities following the requirements established in Regulation (EC) No 715/2009 of the European Parliament and of the Council;

3) performs the obligations of a storage system operator as established in Regulation (EC) No 715/2009 of the European Parliament and of the Council;

4) observes the principle of equal treatment with regard to all market participants;

5) provides the system operator, network operator, other storage system operators and LNG terminal operators with sufficient information to ensure that the transportation and storage of gas takes place in a manner compatible with the secure and efficient operation of the interconnected system;

6) discloses the information required for effective competition and for effective functioning of the market, except for business secrets.

(3) A storage network operator may not disclose to third parties any business secrets to which it has become privy in the course of performing its duties, except where such disclosure is required in order to perform obligations arising from legislation.

(4) A storage network operator obtains the approval of the Competition Authority for standard terms and conditions of agreements on the use of the storage facility and for the methodology for calculating tariffs.

(5) Before approving the methodology for calculating tariffs for storage facilities, the Competition Authority consults with users of the network.

(6) The tariffs for the use of a gas storage facility are set such that they ensure:

- 1) coverage of the necessary operating expenses;
- 2) investments for performing operational and development obligations;
- 3) compliance with environmental requirements;
- 4) compliance with quality and safety requirements;
- 5) justified profitability.

(7) The standard terms and conditions and the tariffs for the use of a storage facility are published on the website of the storage network operator.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 17³. Quality requirements for gas and for biomethane

(1) The quality requirements for gas and for biomethane provide the limit values of the physical and chemical characteristics and composition of the gas and biomethane that are introduced into, and transported through, the transmission network operated by the system operator.

(2) The quality requirements for gas and for biomethane are enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market.

(3) When establishing the quality requirements, the Minister in charge of the policy sector has regard to the quality requirements of gas applicable to the gas systems connected to Estonia's gas system, the technical requirements for gas installations and the technical requirements for gas systems.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

Chapter 3 FUNCTIONING OF THE NETWORK

§ 18. Connection to the network

(1) For the purposes of this Act, 'connection to the network' means the connection to the network of a consumer installation, a gas production facility, a network belonging to another network operator or of an LNG terminal.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(2) Within the technical limits of the network, a network operator is required to provide a network connection for all persons located within its network area who apply for a connection (hereinafter 'connectee') unless this threatens the security of supply of earlier connectees.

(3) A network operator must provide reasons to any refusal of an application from a connectee in writing within thirty days as of the receipt of the application.

(4) On a corresponding application of a connectee, the network operator issues the conditions for connection to the network (hereinafter 'conditions of connection').

(5) The conditions of connection must:

- 1) be transparent and unambiguous;

- 2) comply with the principle of equal treatment of similar connectees;
- 3) take into consideration the technical and economic conditions of each particular connection;
- 4) take into consideration the interests of network development and stability;
- 5) take into consideration the technical capacity of the network.

(6) The conditions of connection determine:

- 1) the supply point;
 - 1¹) gas consumption regime at the point of supply;
- 2) location of the metering system and type of metering instruments;
- 3) the service boundary of the network;
- 4) the obligations of the connectee and the network operator;
- 5) an estimate of the connection fee;
- 6) the term of validity of the conditions of connection;
- 7) any other special conditions.

(7) No connection fee is charged when replacing a consumer installation connected to a network or when the consumer installation passes to another owner, provided the following conditions are met concurrently:

- 1) connection to the existing consumer installation occurs such that the supply point remains unchanged;
- 2) no application is made for a change in the combined usage capacity or consumption regime set out in the contract entered into by the former consumer;
- 3) technical conditions for connecting the connectee's consumer installation continue to exist.

[RT I 2005, 64, 483 – entry into force 11.12.2005]

§ 18¹. Gas pipeline crossing the national border

(1) Building a gas pipeline crossing the national border (hereinafter 'interconnector') is permitted only with the authorisation of the Government of the Republic.

(2) An application for an authorisation mentioned in subsection 1 of this section must set out the following:

- 1) the name and address of the applicant;
- 2) information regarding the location of the interconnector;
- 3) technical parameters of the interconnector (pressure, capacity, diameter, length, etc.);
- 4) planned time of construction;
- 5) estimated cost of construction;
- 6) reasons explaining the necessity of the interconnector;
- 7) the results of environmental impact assessment.

[RT I 2005, 64, 483 – entry into force 11.12.2005]

§ 18². Access of a third party to the network

(1) On the basis of the corresponding application, the Competition Authority may grant a temporary derogation regarding the access of a third party to a new interconnector which crosses the national border, including access to significantly increased capacity, or a part of such capacity, of an existing interconnector, or to an LNG terminal or a gas storage facility, in which case the application of the provisions of ss. 18, 23, 23², 29¹, 29³, 29⁴ and 37(3)(20) of this Act may be forgone in respect of the gas undertaking or terminal operator.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(2) For the purposes of this Act, 'access to network by third parties' means the right of a market participant to connect to the network or to use network services.

(3) For the purposes of this Act, 'new interconnector' means an interconnector for the construction of which the authorisation mentioned in § 18¹ of this Act has been granted after 15 July 2003.

(4) The Minister in charge of the policy sector enacts the list of particulars to be included in applications for a derogation and in the corresponding decisions of the Competition Authority.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(5) The Competition Authority transmits a copy of an application for derogation and of a decision made concerning the application to the European Commission immediately after receiving the application and making the decision. The decision is published on the website of the Competition Authority.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(6) The Competition Authority complies with the decision of the European Commission to amend or set aside a decision granting a derogation within one month and notifies the European Commission of the new decision.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 18³. Conditions for granting a temporary derogation

(1) A temporary derogation may be applied for if the new interconnector complies with the following requirements:

1) the investment must increase competition in the area of gas supply and improve the reliability of supply;
2) in consideration of the risk level related to the investment, the investment would not be made if the derogation was not granted;
3) the owner of the interconnector must be a natural or legal person who operates, at least in terms of legal status, as an entity separate from the network operators to whose networks the interconnector is to be connected;
4) fees are to be charged to the users of the interconnector;
5) the temporary derogation does not restrict competition, effective operation of the internal gas market, the security of gas supply of the European Union or the operation of a regulated network to which the interconnector is connected.
[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

(2) Upon application for temporary derogation in the case of a significant increase in the capacity of an existing interconnector, the conditions mentioned in subsection 1 of this section must be observed and the increase in capacity must make it possible to utilize new sources of supply.
[RT I 2005, 64, 483 – entry into force 11.12.2005]

(3) When granting a temporary derogation, each application shall be considered separately in terms of whether additional conditions should be established concerning the duration of the derogation and to ensure a non-discriminatory access to the interconnector. When deciding on such conditions, consideration shall be first and foremost given to the additional capacity that is under construction and changes in the existing capacity, the term of the project and the prevailing conditions of the gas market in the Member State.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3¹) Before granting the derogation mentioned in subsection 1 of § 18² of this Act, the Competition Authority consults with:
1) the regulatory authority of the Member State of the European Union the operation of whose gas market will be subject to an impact from the interconnector and
2) the relevant authority of a third country, where a temporary derogation is granted for the construction or modification, of a transmission network between the Republic of Estonia and a third country.
[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

(3²) By means of the consultations mentioned in subsection 3¹ of this section, the Competition Authority ascertains the possibilities of applying, in respect of the gas connection, the requirements of this Act.
[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

(3³) The Competition Authority accords the authority mentioned in clause 2 of subsection 3¹ a period of at least three months from receipt of its consultation communication for responding to that communication.
[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

(4) If the interconnector mentioned in subsection 1 of § 18² of this Act is located on the territory of more than one Member State, the Competition Authority may, within two months after receiving, from the relevant regulatory authority of the Member State, an application for a derogation mentioned in subsection 1 of this section, transmit to that authority its advisory opinion.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(5) Within six months following the date on which it received, from the last relevant regulatory authority, an application for a derogation, the Competition Authority notifies the Agency for the Cooperation of Energy Regulators of the decision reached concerning the application. In justified cases, the Competition Authority may request from the Agency for the Cooperation of Energy Regulators an extension of the time limit for notification by three months.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(6) The Competition Authority makes a decision mentioned in subsection 1 of § 18² of this Act only after the applicant for the derogation has ascertained the potential interest of users of the new interconnector, of the significantly increased capacity or of a part of such capacity.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 19. Conclusion of contract for connection to the network

(1) In order to connect to the network, the owner of the consumer or producer installation to be connected to the network or an authorised representative of such an owner concludes a written contract with the network operator.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(2) Among other things, the contract determines:
1) the supply point;
1¹) gas consumption or production regime at the supply point;

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

- 2) location of metering system and type of metering instruments;
- 3) the service boundary of the network;
- 4) the connection fee;
- 5) [Repealed – RT I 2005, 64, 483 – entry into force 11.12.2005]
- 6) the term for performance of the contract.

(2¹) The particulars mentioned in clauses 1#3 of subsection 2 of this section are deemed to constitute the technical conditions for connection.

(3) The Competition Authority has a right to scrutinize the justification of any refusal to provide a connection, any connection fee and the terms and conditions of connection contracts.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

§ 20. Calculation of connection fees

(1) A network operator has a right to charge connectees a justified connection fee.

(2) When calculating the connection fee, the basis for the calculation is the need to ensure that the justified expenses for the particular connection are covered, among other things:

- 1) investments, including the construction of the metering system;
- 2) compliance with environmental requirements;
- 3) compliance with quality and safety requirements.

(3) The connection fee is calculated by the network operator based on the methodology for calculating connection fees.

(3¹) A network operator obtains the approval of the Competition Authority for the methodology of calculating connection fees.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(4) If the technical conditions of the connection at the supply point are modified on the initiative of the network operator, the costs involved are borne by that network operator.

(5) A network operator may charge a justified fee for modification of the technical conditions of gas consumption or production if the modification is initiated by the consumer or producer or another gas undertaking.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 21. Licensed territory of network operators

(1) The network operator defines its network area.

(2) The network operator may have several network areas which together constitute the licensed territory mentioned in the authorisation held by that operator.

(3) The licensed territories of different network operators may overlap.

(4) When several network operators agree to make reciprocal changes to their respective licensed territories, the whole area in which the operators operate must remain covered by their licensed territories after the changes.

(5) Network operators must notify the Competition Authority of making reciprocal changes to their respective licensed territories in accordance with subsection 4 of this section and annex to the notice the agreement they have concluded concerning the division of their activities and obligations.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

§ 21¹. Planning and construction of networks

The requirements for the planning and building of construction works apply to the planning and building of networks.

[RT I 2007, 17, 80 – entry into force 09.03.2007]

§ 21². Network development plan

(1) After consulting with market participants, the system operator prepares a ten-year plan for network development (hereinafter ‘network development plan’) and presents it to the Competition Authority.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(2) When preparing the network development plan, the system operator has regard to existing and estimated future demand, considering investment plans for regional and Europe-wide networks, as well as investment plans for LNG terminals.

(3) The network development plan contains measures in order to guarantee the adequacy of the system and the security of supply for the next ten years. The development plan sets out, in particular:

- 1) the plan for building or upgrading principal transmission infrastructure;
- 2) the technical parameters of planned investment projects;
- 3) a time frame for the investment projects.

(4) The system operator submits to the Competition Authority a report on the progress made in implementing the network development plan and on eventual changes in the plan by 3 March each year, amending the development plan with particulars in respect of the investments to be made during the following three years.

(5) The system operator publishes the network development plan on its website.

(6) The Competition Authority monitors and assesses the investments made in order to implement a network development plan as regards their consistency with the Europe-wide network development plan and presents its assessment regarding the investment plans of the system operator in its annual report. Such assessment may include recommendations to amend those investment plans.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 22. Rights and obligations of a network operator

[RT I 2007, 17, 80 – entry into force 09.03.2007]

(1) A network operator is obligated to ensure that any person who has a network connection is supplied with gas in accordance with this Act, any ancillary conditions of its authorisation and the contract concluded with that person.

[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

(1¹) If a network operator itself is not a seller, the operator designates a seller in its network area, provided there are no other sellers of gas in the area from whom consumers could purchase gas.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(2) A network operator is responsible for the functioning and maintenance of the network which it owns or operates.

(3) A network operator is required to develop the network in a manner which ensures that all consumer installations located within its network area are connected to the network.

(4) [Repealed – RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(4¹) A network operator publishes on its website the quality parameters of gas, including the higher and lower calorific value of gas.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5) A network operator is required to provide other network operators with the necessary information to ensure the distribution and sale of gas in a manner which enables interconnected networks to be used securely and effectively.

(5¹) A network operator does not disclose confidential information received in the course of performing its obligations to third parties, unless disclosure of such information is prescribed by law or the communication of the information is necessary in order to perform obligations arising from this Act.

[RT I 2007, 17, 80 – entry into force 09.03.2007]

(6) A network operator may terminate its activities only if it transfers to another network operator the obligations incumbent upon itself by virtue of this section.

(7) A network operator must give the Competition Authority at least a twelve months' written notice regarding termination of its activities, specifying the date and schedule for termination, and provide a sufficiently detailed overview of the circumstances that guarantee that the requirements provided in this section are met.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(8) A network operator mentioned in subsection 8¹(2) of this Act is obligated to comply with the requirements provided in § 15¹.

(9) When providing network services, a network operator observes the principle of equal treatment of market participants.

(10) A network operator has a right to refuse to provide network services if:

- 1) the gas installation of the user of network services does not conform to the requirements mentioned in legislation or to the technical conditions established by the network operator for connecting to the network;
 - 2) the network lacks the capacity necessary for the provision of network services.
- [RT I 2007, 17, 80 – entry into force 09.03.2007]

(11) A network operator provides reasons for any refusal to provide network services. A legal basis of the refusal has to be cited in the reasons for the refusal. A network operator notifies the Competition Authority of its refusal to provide network services on the basis of clause 2 of subsection 10 of this section.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(12) The network operator publishes on its website the services offered by the operator together with the conditions of their provision and the fees charged for each service or the methodology for calculating the fees.

[RT I 2007, 17, 80 – entry into force 09.03.2007]

(13) A network operator is obligated to present the metering data required for balance settlement to the balance provider and the system operator.

[RT I 2007, 17, 80 – entry into force 09.03.2007]

(14) A network operator must ensure that any commercially advantageous information regarding its own activities is used in accordance with the principle of equal treatment.

[RT I 2007, 17, 80 – entry into force 09.03.2007]

(15) The provider of the vital service mentioned in in clause 2 of subsection 1 of § 36 of the Emergency Act is:

- 1) an undertaking that provides transmission services in the gas network;
- 2) an undertaking that has more than 10,000 consumers connected to its distribution network.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(15¹) A network operator submits to the Competition Authority the conditions for access to cross-border infrastructure and the methods for allocation of capacity and for dealing with congestion. At the reasoned proposal of the Competition Authority, the network operator amends such conditions and methodology.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(16) A network operator is provider of a service of general interest within the meaning of the General Part of the Economic Activities Code Act.

[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

§ 23. Network services and their price

(1) For the purposes of this Act, ‘network services’ means the provision of the gas transmission service or the gas distribution service through a gas network.

(2) The prices for network services must ensure a smooth supply of gas to consumers and be justified accordingly on the basis of expenditure required for the operation and development of the network, the reliability of the network and the security of supply, the metering of the gas distributed through the network, the calculation and communication of meter readings and the return of justified profit.

(3) The price of network services has to be established such that it ensures:

- 1) coverage of the necessary operating expenses are covered;
 - 2) the making of investments to ensure security of supply and to fulfil operational and development obligations;
- [RT I, 09.08.2022, 1 – entry into force 19.08.2022]
- 3) compliance with environmental requirements;
 - 4) compliance with quality and safety requirements;
 - 5) the return of a justified profit on the capital invested by the undertaking;
- [RT I, 28.06.2012, 2 – entry into force 08.07.2012]
- 6) the price of the network service must cover the justified costs of purchasing the gas used to provide that network service.
- [RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(3¹) The justified profitability mentioned in clause 5 of subsection 5 of this section is calculated based on the capital invested by the undertaking and the weighted average cost of capital.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(3²) The price of the network service must make it possible for the system operator to operate, and to develop, in fulfilment of the obligations flowing from the law, the data exchange platform mentioned in § 10² of this Act and the database of electronic certificates of origin mentioned in § 10³ of the same Act.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(4) A network operator must submit the prices of network services and the grounds for the setting of such prices to the Competition Authority for approval and, if the Competition Authority requires this, state the reasons for the formation of those prices.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(4¹) The Competition Authority develops uniform methods for calculating the prices of network services, taking account of the requirements set out in §§ 23 and 23² of this Act.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(4²) The Competition Authority publishes uniform methods for calculating the prices of network services and relies on such methods when approving the price of a network service.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5) The Competition Authority decides on the approval provided for in subsection 4 of this section within 30 days following the filing of an application that meets the requirements. Where consideration of an application requires a significant amount of work, the Competition Authority may extend this time limit to 60 days, notifying the extension to the applicant before the lapsing of the initial time limit.

[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

(5¹) Where the subject matter of the application is a change of the price of the network service on account of a change, for the network operator, in the price of the transmission or distribution services related to the gas purchased, the Competition Authority decides on approving the price of the network service within ten business days following the filing of an application that meets the requirements.

[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

(5²) The running of the time limit for considering an application mentioned in subsections 5 and 5¹ of this section is suspended if information whose presentation the Competition Authority has required and which is necessary for making a decision concerning approval of the application is not presented to the Authority.

[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

(6) A network operator who provides a transmission service publishes the approved prices of the network service on its website and informs the consumers and distribution network operators of new prices at least three months in advance of the date on which such prices come into effect. A distribution network operator publishes the approved prices of the network service on its website and informs the consumers of new prices at least two months in advance of the date on which such prices come into effect.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 23¹. Contract for provision of network services

(1) To provide network services, a network operator concludes a contract for the provision of network services (hereinafter 'network contract') with the market participant who applied for use of the network.

(2) A network operator may conclude separate network contracts with a market participant in order to provide different network services.

(3) A network operator obtains the approval of the Competition Authority for standard terms and conditions of network contracts.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(4) The Competition Authority does not grant its approval to standard terms and conditions of a network contract if the content of such terms and conditions does not correspond to the balance of rights and obligations of the user of the network service on based on which the Competition Authority granted its approval of the price of the network service.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(5) The parties may agree to derogate from the standard terms and conditions of network contracts.

[RT I 2007, 17, 80 – entry into force 09.03.2007]

§ 23². Principles for calculating the price of a network service

(1) The calculation of the price of a network service are based on the average (arithmetic mean) amount of sales during the last three calendar years. Where necessary, further analysis is conducted in order to determine the amount of sales.

(2) The price does not include the following expense items:

- 1) expenses related to claims unlikely to be collected;
- 2) sponsorships, gifts and donations;
- 3) expenses unrelated to principal activities;
- 4) fines and late interest charged on the basis of legislation;

- 5) finance expenses;
- 6) expenses related to income tax charged on dividend payments;
- 7) other expenses not required for the performance of duties imposed on the undertaking by law.

(3) The expenses included in the price must be justified, and must be based on cost efficiency and allow the undertaking to carry out the duties prescribed by law. The following principles are observed in assessing justified operational expenses:

- 1) observation of the dynamic of expenses in time and its comparison with the dynamics of the consumer price index;
- 2) detailed analysis (including expert assessments) of the justifiability of different expense components;
- 3) comparison of the undertaking's expenses and of the statistical parameters calculated on their basis with the expenses of other similar undertakings.

(4) The calculation of justified profitability and depreciation of fixed assets included in the price calculation is based on the fixed assets required for the provision of network service.

(5) Fixed assets are deemed not to include:

- 1) long-term financial investments;
- 2) intangible assets, except for software licences;
- 3) fixed assets acquired with grant aid (including targeted funding);
- 4) fixed assets acquired with funds obtained from connection fees;
- 5) fixed assets which the undertaking does not use for the purpose of providing network service.

(6) The value of fixed assets is accounted on a continuing basis and continues to be accounted also when ownership of the undertaking or of the assets changes.

(7) The calculation of justified profitability is based on the principle according to which the value of the fixed assets required for the provision of network service, plus the amount of working capital, is multiplied by the weighted average cost of capital.

(8) The amount of the working capital mentioned in subsection 7 of this section is five percent of the average (arithmetic mean) turnover of the last three calendar years. If necessary, a further analysis is performed in order to determine the amount of the working capital.

(9) The calculation of the depreciation charge for fixed assets is based on the value of the fixed assets required for the provision of network service and the rate of depreciation which corresponds to the technical useful life of the fixed assets.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 24. Metering and installation of metering systems

(1) A network operator ensures the metering of any quantities of gas consumed from the network and the collection and processing of meter readings, and keeps the corresponding accounts.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(1¹) A network operator converts metered amounts of gas into units of energy. The energy units to be used are kilowatt hours (kWh).

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(1²) The methodology for converting metered amounts of gas into units of energy is enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(1³) A network operator must ensure that any metering point through which a quantity of at least 750 cubic metres of gas is consumed from its network in a year is equipped with a metering system which, when measuring the quantity of gas, takes into account the temperature of gas in the metering system, and allows for remote reading of metering data.

[RT I, 30.06.2017, 2 – entry into force 01.01.2020]

(1⁴) When gas is consumed at a pressure that exceeds 20 millibar, the metering system, when measuring the gas, must take into account pressure and temperature and allow for remote reading of metering data.

[RT I, 30.06.2017, 2 – entry into force 01.01.2020]

(2) [Repealed – RT I 2005, 64, 483 – entry into force 11.12.2005]

(3) Metering systems in a network which is in the possession of a network operator are installed by that network operator at its own expense, unless otherwise stipulated in the contract, and those metering systems conform to design documentation, be as close as possible to the point of consumption of gas and be supplemented with the necessary auxiliary equipment.

(4) If the consumer's existing metering system does not comply with the technical requirements established, the network operator replaces such a system at its own expense, unless otherwise stipulated in the contract.

(5) If the consumer or producer wishes to change the capacity of the consumer or producer installation, the network operator replaces or resets the metering system and any equipment which limits consumption or production capacity. The consumer or producer who requested the resetting covers the expenses that it involves.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(6) The obligation, time limit and rules for the transition to remote reading of the metering systems are enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(7) In establishing the principles mentioned in subsection 6 of this section, the Minister in charge of the policy sector takes their decision on the basis of the business case for the use of remote reading devices.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 25. Illegal use

(1) The use of gas or network services is illegal when there is no legal basis for such use or if requirements arising from this Act are being infringed, in particular if:

- 1) the actual amount that has been consumed is concealed or reduced by damaging the metering equipment, tampering with readings, or damaging the metering systems, any part of such systems or stop valves;
- 2) consumption takes place through an unmetred connection without the permission of the gas undertaking;
- 3) consumption takes place without a valid written contract.

(2) Where a gas undertaking and a consumer have not entered into a written contract, yet the gas undertaking regularly presents invoices to the consumer for gas consumed and the consumer pays those invoices in a timely manner, this cannot be deemed a case of illegal use mentioned in clause 3 of subsection 1 of this section.

(3) In addition to the cost of illegally used gas and network services, a market participant compensates to the network operator and to the seller any harm caused by the illegal use of gas and network services and reimburses them for any reasonable expenses incurred in order to determine the extent of such harm.

(4) The principles for determining the amounts of gas and network services used illegally and the cost of such amounts and services are enacted by the Minister in charge of the policy sector.
[RT I 2007, 17, 80 – entry into force 09.03.2007]

§ 26. Interruption and resumption of gas supply

(1) If there is danger to the life, health or property of persons or to the environment, the network operator has a right to interrupt a network connection without giving any advance notice to the consumer.

(2) The network operator has a right to interrupt, without delay, the network connection:

- 1) of a market participant who is using gas illegally;
- 2) – in an emergency – of a market participant that does not have an open supply contract, with the exception of consumers mentioned in clauses 1–3 of subsection 1 of § 6¹ of this Act;
- 3) of a market participant that has violated a measure – established in an emergency – of compulsory reduction of gas demand.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(3) A network operator has a right to interrupt the supply of gas, having given at least seven days' notice, in the following situations:

- 1) the consumer or producer installation adversely affects the supply of gas to another consumer or the technical parameters of the network;

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

- 2) the network operator is prevented from accessing a metering system located on premises owned or occupied by the consumer or producer in order to inspect or replace the system or to perform any work which is necessary for operating the consumer or producer installation;

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

- 3) a contract concluded under this Act has or the terms and conditions provided for by this Act have been infringed.

(3¹) If a household consumer has failed to pay the amount payable according to the contract entered into with the seller and the household consumer uses gas for heating a dwelling used as permanent residence, the supply of gas may be interrupted during the period from 1 October to 30 April only after 90 days have passed after receipt of the notice mentioned in subsection 4 of this section.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(4) Before the supply of gas is interrupted in the situations provided for in subsection 3 of this section, a network operator is obligated to give the consumer or producer reasonable time to cure the defects and to notify the consumer of the pending interruption in writing. The notice must set out:

- 1) the reason for the interruption;
 - 2) the time limit for curing the defect.
- [RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(5) A network connection and gas supply that have been interrupted for the reasons provided in subsection 3 of this section are restored after the consumer or producer has paid the justified costs of interruption and reconnection, provided the contract has not been terminated.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 26¹. Minimum requirements for security of supply

(1) When ensuring the security of supply in the case of a supply disruption, the requirements established in Regulation (EU) 2017/1938 of the European Parliament and of the Council must be observed.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(2) Protected consumers in whose respect the standard of supply provided for by Article 8 of Regulation (EU) 2017/1938 of the European Parliament and of the Council applies include: [RT I, 09.08.2022, 1 – entry into force 19.08.2022]

- 1) household consumers whose consumer installation is connected to a gas distribution network;
- 2) undertakings which use civil engineering works that serve district heating purposes to produce heat for the heating of dwellings and for whom it not possible to use any fuel other than gas and – for the district heating network that the undertaking owns or possesses, and uses for heat distribution – heat cannot be produced by a civil engineering work that serves district heating purposes and that uses a fuel other than gas.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(3) [Repealed – RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(4) [Repealed – RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5) The consecutive duration of an interruption of gas supply caused by failures may not exceed 72 hours and the total duration of interruptions per year may not exceed 130 hours. The network operator keeps an account of the duration of interruptions.

[RT I 2007, 17, 80 – entry into force 09.03.2007]

§ 26². Ensuring security of supply in an emergency

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(1) If the system operator has reliable information that an event may take place which may result in an emergency, the operator notifies the Ministry of Economic Affairs and Communications and the Competition Authority of the event and of the market measures it plans to implement.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(2) Together with the Competition Authority, the Ministry of Economic Affairs and Communications analyses the information that has been received and the market measures that have been implemented. Should the analysis reveal that in order to ensure the security of supply it is necessary to implement any of the measures of compulsory reduction of gas demand listed in subsection 3 of this section, the Government of the Republic, at the proposal of the Ministry of Economic Affairs and Communications, adopts a decision on the implementation of the measures mentioned in subsection 3 of this section based on the plan mentioned in subsection 1 of § 26³ of this Act. The maximum extent of the measures is determined by the Minister in charge of the policy sector at the proposal of the system operator according to the current situation in the gas system. Any instructions or orders issued for the purpose of reducing consumption directly by the system operator or through the seller or the distribution network operator are mandatory to the market participant.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(2¹) If the European Commission decides to implement measures to ensure the security of supply in the entire European Union or in a specific region of the European Union, the Ministry of Economic Affairs and Communications communicates this to the Crisis Committee of the Government of the Republic and, if this is necessary, makes a proposal to the Government of the Republic to allow the implementation of measures of compulsory reduction of gas demand.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(2²) The resolution of the Government of the Republic must set out:

- 1) the reason for implementing the measures;
- 2) the expected duration in days of implementing the measures;
- 3) a list of the measures to be implemented.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(3) In a situation mentioned in subsection 2 of this section, among other things, the following measures may be implemented:

- 1) reduction of the supply of gas to and consumption of the same by persons who use gas for purposes other than the production of heat;
 - 2) reduction of the supply of gas to undertakings producing heat;
 - 3) reduction of the temperature of water released for the heating of residential buildings;
 - 4) obligating the undertakings that produce heat to use a reserve fuel as the fuel;
 - 5) authorise, for sales of gas to consumers mentioned in clauses 4–6 of subsection 1 of § 6¹ of this Act, the application of a temporary price determined by the seller, in which case a disagreeing consumer has a right to cancel the sales contract by giving three business days' notice of the cancellation.
- [RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(4) The Competition Authority informs the European Commission without delay of any situation mentioned in subsection 1 of this section and of the measures implemented to resolve the situation.

[RT I, 28.06.2012, 2 - entry into force 08.07.2012]

(4¹) When the security of supply has been reestablished, the system operator notifies this to the Ministry of Economic Affairs and Communications and the Competition Authority. The Ministry notifies the situation to the Government of the Republic and its Crisis Committee.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5) [Repealed – RT I 2009, 39, 262 – entry into force 24.07.2009]

(6) [Repealed – RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(7) Regulatory enforcement of ensuring the security of supply is performed by the Competition Authority, who prepares and publishes a report on the situation of security of supply each year.

[RT I 2007, 66, 408 - entry into force 01.01.2008]

(8) Where the extent of the emergency does not allow the gas demand of all consumers to be satisfied and the Government of the Republic has, under subsection 3 of this section, authorised a reduction of the supply of gas, the seller reduces – based on the principle stated in subsection 1 of § 6¹ of this Act and on the measures mentioned in subsection 2 of § 26² – the supply of gas to consumers within its portfolio that are mentioned in clauses 4–6 of subsection 1 of § 6¹.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(9) In an emergency, a seller has a right to acquire gas from strategic stocks of gas constituted within the State's operating stocks on the basis of subsection 3 of § 18¹ of the Emergency Act (hereinafter, 'strategic stocks') under rules provided by the regulation enacted under subsection 4 of § 18³ of that Act. The seller sells the gas which it acquired to the consumer at the acquisition price.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(10) In an emergency, a consumer who is subject to a measure of compulsory reduction of gas demand is obligated to reduce their consumption of gas in observance of the measures mentioned in subsection 2 of this section. If the consumer does not do so, the seller notifies this to the network operator, who interrupts that consumer's network connection.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(11) The system operator establishes, and publishes on its website, the requirements that apply to the pricing of balancing gas in an emergency. When establishing those requirements, the operator observes Commission Regulation (EU) No 312/2014 establishing a network code for gas balancing of transmission networks (OJ L 91, 27.03.2014, pp. 15–35).

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(12) The requirements for notifying sellers, distribution network operators and consumers of an emergency and of measures to reduce the consumption of gas in the emergency are established, and published on its website, by the system operator.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

§ 26³. Plans for ensuring security of supply

(1) The Competition Authority presents to the Ministry of Economic Affairs and Communications a preventive action plan for mitigating the risks that affect the security of gas supply that complies with Regulation (EU) 2017/1938 of the European Parliament and of the Council and a plan for coping with supply disruptions.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(2) The Minister in charge for the policy sector, by ministerial decree, approves the plan mentioned in subsection 1 of this section and transmits it to the Crisis Committee of the Government of the Republic for information purposes.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3) The Competition Authority publishes, on its website, the plans mentioned in subsection 1 of this section to an extent that ensures preservation of the confidentiality of sensitive business secrets.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 26⁴. Stocks of gas

(1) For each calendar month, stocks of gas (hereinafter, ‘stocks’) must be maintained in a quantity that ensures the supply of gas to protected consumers in accordance with Regulation (EU) 2017/1938 of the European Parliament and of the Council.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(2) The stocks are constituted and administered by the system operator and their keeping is organised in a manner that ensures their availability in the event of a supply disruption.

(3) The system operator may store the stocks in a Member State of the European Union.

(4) The system operator may keep the stocks itself or delegate their keeping to another legal person in accordance with a corresponding agreement entered into with that person.

(5) The Competition Authority has a right to verify the existence of the stocks, their keeping, replenishment and conformity to requirements concerning the quality of gas established under § 17³ of this Act.

(6) Justified costs that are incurred on account of administration of the stocks are borne by the users of network services through the price of those services.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 26⁵. Use of stocks

(1) In the event of a supply disruption, the stocks are used to ensure the security of supply for protected consumers when strategic stocks have been used up. When stocks are released for use, the system operator is not subject to the requirements established in this Act with respect to the sale of gas and to sellers of gas.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(2) After the application of a gas demand reduction measure mentioned in subsection 3 of § 26² of this Act, the system operator analyses the security of supply of protected consumers. If it turns out that the security of supply for protected consumers is not guaranteed, the system operator authorises the use of stocks. The system operator notifies the decision to authorise the use of stocks to the Competition Authority at the first opportunity, and publishes such a decision on its website on the day on which it is adopted.

(3) The decision to authorise the use of stocks must contain:

- 1) the reason for authorising the use;
- 2) the estimated duration, in calendar days, of the disruption of supply during which the stocks whose use is being authorised are to be used;
- 3) a description of the operations required to replenish the stocks;
- 4) the quantity of stocks authorised for use.

(4) The system operator sells gas from the stocks to sellers at the stocks’ average weighted acquisition price to which the costs of storing, managing and transit have been added. The seller sells the gas that it acquired from the stocks to the consumer at the price at which it acquired that gas from the system operator.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

§ 26⁶. Sale of stocks during periods of no supply interruptions

(1) The system operator has a right to sell stocks in order to reduce their quantity when that quantity exceeds the mandatory quantity by at least five percent. To reduce the quantity of stocks, excess stocks may be sold at the market price.

(2) When reducing the quantity of stocks, it must be ensured that the obligation to maintain the stocks is fulfilled at all times.

(3) ‘Reduction of the stocks’ refers to a situation in which, when a decision is made to sell a quantity of stocks by which the stocks exceed the mandatory quantity, there is no intention of replenishing the stocks. Reduction of the stocks is not deemed to occur when, at the time of deciding on the sale of stocks exceeding the mandatory quantity, a decision is made to replenish the stocks, and where, when selling and purchasing stocks, the price risk of gas is hedged against.

(4) At a time of supply interruption, the sale of stocks for the purpose provided for in subsection 1 of this section is not permitted.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

Chapter 4

THE OBLIGATION OF UNDERTAKINGS TO NOTIFY AND TO OBTAIN AUTHORIZATION

[RT I, 30.06.2017, 2 - entry into force 10.07.2017]

§ 26⁷. Obligation to notify

For operating as a seller of gas, the undertaking must present a corresponding notice of economic activity to the Competition Authority.

[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 27. Obligation to hold authorisation

[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013, 1)]

(1) An undertaking is required to hold the corresponding authorisation for operating in the following areas of activity:

- 1) [repealed – RT I, 30.06.2017, 2 – entry into force 10.07.2017];
- 2) provision of gas transmission services;
- 3) provision of gas distribution services;
- 4) import of gas;
- 5) operation of an LNG terminal;

[RT I, 29.06.2014, 1 – entry into force 01.07.2014]

- 6) provision of gas storage services.

[RT I, 29.06.2014, 1 – entry into force 01.07.2014]

(2) Any person who sells gas solely to its members or its commercial lessees or tenants is not subject to the obligation to hold the corresponding authorisation, provided that the sale of gas is not the person's principal activity and that the sale occurs within a single immovable, or within a construction work which is a movable or within the land necessary for servicing that construction work.

[RT I, 29.06.2014, 1 – entry into force 01.07.2014]

§ 28. Application for authorisation

[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

(1) An application for authorisation is decided on by the Competition Authority.

[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

(2) In addition to the information required under the General Part of the Economic Activities Code Act, an application for authorisation sets out the following information and annexes the following documents:

- 1) the licensed territory applied for, except for the areas of activity of the sale of gas or import of gas;
- 2) [Repealed – RT I, 09.08.2022, 1 – entry into force 19.08.2022];
- 3) layout plans and description of the networks located within the licensed territory, except for the activities mentioned in clause 1 and clause 4 of subsection 1 of § 27 of this Act.

[RT I, 29.06.2014, 1 – entry into force 01.07.2014]

§ 29. Granting an authorisation: subject matter of scrutiny

[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date entry into force – RT I, 22.12.2013)]

An undertaking is granted the authorisation provided:

- 1) it possesses the technical capability and employs personnel with the requisite skills for operating in the area of activity stated in the application;
- 2) it has the required economic and organisational prerequisites and conditions to engage in the activity in respect of which it seeks an authorisation;
- 3) the share capital of a distribution network operator is at least 31,950 euros;
- 4) the share capital of an undertaking that provides gas transmission services is at least 128,000 euros;
- 5) the share capital of an undertaking that provides the service of operating an LNG terminal is at least 128,000 euros;
- 6) the share capital of an undertaking that provides gas storage services is at least 128,000 euros.

[RT I, 29.06.2014, 1 – entry into force 01.07.2014]

§ 29¹. Management of an undertaking that provides gas transmission services

(1) A person who controls an undertaking that provides gas transmission services may not control, or exercise any other rights in respect of, an undertaking that produces or sells gas or electricity. A person who controls an undertaking that produces or sells gas may not control, or exercise any other rights in respect of, an undertaking that provides gas transmission services, or in respect of the transmission network operator of a power system.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(1¹) An undertaking engaged in production or sale may not have control within the meaning of the Competition Act over an undertaking that provides gas transmission services in a Member State of the EU that applies the requirement of the separation of ownership of undertakings providing gas transmission services from undertakings engaged in production and sale.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(1²) The other rights mentioned in subsection 1 of this section include, first and foremost, voting rights, the right to appoint members to the supervisory or management board or to a body that functions as a statutory representative of the undertaking, holding a controlling interest in the undertaking, or using or disposing of a significant part of the undertaking's other property.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(2) [Repealed – RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3) The person who appoints members of the supervisory or management board of an undertaking providing transmission services or members of a body that legally represents such an undertaking may not have control over an undertaking that produces or sells gas or electricity or exercise any other rights in respect of that undertaking.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(4) A member of the supervisory or management board of an undertaking that provides gas transmission services may not be a member of the supervisory or management board of an undertaking that produces or sells gas or a member of a body that legally represents such an undertaking.

(5) If the person mentioned in subsections 1 and 3 of this section is the State, an undertaking that provides gas transmission services may not be controlled by the same administrative authority that controls an undertaking which produces or sells gas.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 29². Prior scrutiny when acquiring a gas transmission network

(1) An undertaking who wishes to acquire a gas transmission network applies, before the acquisition of the network, for an assessment of its compliance with the internal security of the State. The application is filed with the Ministry of the Interior.

(2) The Ministry of the Interior assesses any potential threats posed by the acquisition of the gas transmission network to the internal security of the State based on the principles of national security policy of the Republic of Estonia.

(3) The Ministry of the Interior may request other institutions of the State, third parties and the applicant undertaking to present any documents or information necessary for carrying out the assessment. The Ministry of the Interior performs a prior scrutiny and makes a substantiated decision within 90 days following the filing of the application by the undertaking or following receipt of the additional documents or information.

(4) The decision states a positive or a negative view concerning the applicant's compliance with the internal security of the State in the event of acquisition of the gas transmission network. The decision is binding on the owner of the gas transmission network, the person who is to decide or approve the sale of the gas transmission network and the undertaking wishing to purchase such a network.

(5) The decision states a negative view if:

- 1) the acquisition of the gas transmission network by the undertaking that applied for prior scrutiny may pose a threat to the internal security of the State;
- 2) the applicant has failed to present, by the deadline set by the Ministry of the Interior, the documents and information required under subsection 3 of this section;
- 3) the documents and information presented by the applicant are inaccurate, misleading or falsified.

(6) A transaction regarding the acquisition of a gas transmission network, which is concluded with a person who has not been certified as compliant in the framework provided for in this section, is void.

(7) The decision is presented to the applicant and to the owner of the gas transmission network within three days from the time it was made.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 29³. Assessment of compliance of undertakings providing gas transmission services with the requirements

(1) The Competition Authority initiates an assessment of compliance with the requirements established for undertakings that provide gas transmission services in respect of a person who has applied for an authorisation to provide such services.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(2) The Competition Authority assesses the compliance of the person named in subsection 1 of this section with the requirements provided in § 29¹ of this Act in accordance with this section and with Article 3 of Regulation (EC) No 715/2009 of the European Parliament and of the Council.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(3) A person who has applied for an authorisation to provide gas transmission services notifies to the Competition Authority any envisaged transaction which may give rise to the need to perform a new assessment of compliance of the undertaking with the requirements established in § 29¹ of this Act.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(4) In the course of assessing the compliance of an undertaking providing gas transmission services with the requirements the Competition Authority may request that the undertaking provide information which the Authority needs for carrying out the duties provided for in this section.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5) The Competition Authority prepares a draft decision of assessment of compliance with the requirements within four months following receipt of an application for authorisation or following receipt of any information that was requested, and transmits the draft decision together with the relevant information without delay to the European Commission in order to obtain the opinion of the latter.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(6) The Competition Authority makes a decision of assessment of compliance with the requirements within two months following receipt of the opinion of the European Commission or within four months following the time when it requested the Commission's opinion. When making its decision the Competition Authority takes the Commission's opinion into account to the greatest extent possible.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(7) The Competition Authority publishes its decision in the Official Journal of the European Union. If the decision of the Competition Authority differs from the opinion of the European Commission, the Competition Authority publishes its decision in the Official Journal together with the reasons for the decision and the opinion of the European Commission.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(8) If the Competition Authority has not made a decision of assessment of compliance with the requirements within the time limit mentioned in subsection 6 of this section, the undertaking is deemed to comply with the requirements provided for in § 29¹ of this Act.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 29⁴. Assessment of compliance with the requirements for undertakings that provide gas transmission services of an undertaking which is associated with a person from a third country

(1) Where an owner of a transmission network or a system operator is controlled by a person or persons from a third country, and such an owner or operator applies for an authorisation to provide gas transmission services, the Competition Authority notifies this without delay to the European Commission. The Competition Authority also notifies the European Commission without delay of any circumstances which allow a person from a third country to acquire control of the transmission network or of an undertaking that provides gas transmission services.

(2) The person mentioned in subsection 1 of this section must prove that its activities or the activities of those who control that person do not jeopardise the security of supply of the Republic of Estonia or of the European Union.

(3) In assessing the security of supply mentioned in subsection 2 of this section, the Competition Authority takes into account:

1) any rights and obligations which the European Union has in respect of the relevant third country and which emanate from international law, including security of supply agreements entered into with one or more third countries and which the European Union is a party to;

2) any rights and obligations which the Republic of Estonia has in respect of the relevant third country and which emanate from the agreements entered into with the third country as long as they do not conflict with the law of the European Union;

3) other circumstances related to the assessment of compliance with the requirements and to the relevant third country.

(3¹) Prior to the assessment mentioned in subsection 3 of this section, the Competition Authority files a request for an opinion of the European Commission on whether the undertaking complies with the requirements set out in § 29¹ of this Act and whether the undertaking jeopardises the security of supply of the European Union.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(4) The Competition Authority has a right to make a negative decision concerning the compliance of an undertaking that provides gas transmission services if such an undertaking may jeopardise the security of supply of the Republic of Estonia or the European Union.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 29⁵. Separation of management of a distribution network operator

(1) Where more than 100,000 consumers are connected to the network of a distribution network operator, a member of the management board of that distribution network operator may not at the same time be a member of the management board of another gas undertaking that controls, or is controlled by, the distribution network operator, or otherwise have responsibility for the day-to-day economic activities of another gas undertaking that controls, or is controlled by, the distribution network operator.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(2) [Repealed – RT I, 30.06.2017, 2 – entry into force 10.07.2017]

(3) Any remuneration paid or any other benefit provided to a member of the management board of a distribution network operator may not depend on the commercial performance of another gas undertaking or of a person who has control over another gas undertaking.

(4) A distribution network operator must have at its disposal the resources required for the preservation and development of the network, including technical, physical, financial and human resources. This does not prevent the parent company from carrying out economic and management oversight of the subsidiary, which primarily includes the right to approve the annual financing plan of the distribution network operator and a ceiling limit for the debt of the subsidiary. The parent company may not intervene in the everyday economic activities of the subsidiary or in the decisions concerning construction of or upgrades to the network, provided these decisions do not exceed the limits of the approved financing plan.

(5) A distribution network operator prepares and implements a plan that contains measures necessary to ensure equal treatment of other gas undertakings and consumers and that sets out the obligations of employees of the distribution network operator for implementing such measures. A distribution network operator presents, to the Competition Authority, an annual report regarding the implementation of the plan and publishes the plan on its website.

(6) A plan mentioned in subsection 5 of this section is drawn up, its implementation is monitored, and the annual report concerning the measures taken to implement it is compiled by an employee who is appointed by a member of the management board of the distribution network operator, is directly subordinate to that member, is independent in compiling the report, and has access to the entirety of the data of the distribution network operator, and of any other undertaking belonging to the group of companies to which the distribution network operator belongs, in so far as these data are required for the performance of their duties.

(7) A distribution network operator who operates as part of a vertically integrated undertaking may not be the person who provides a service that is not related to the distribution service.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 29⁶. Separation of management of a storage network operator

(1) A person in charge of managing a network of storage facilities may not at the same time be a member of the management board of another gas undertaking or be otherwise in charge of the everyday economic activities of another gas undertaking.

(2) Any remuneration paid or any other benefit provided to a storage network operator may not depend on the commercial performance of another gas undertaking or of a person who has control over another gas undertaking.

(3) A storage network operator must have at its disposal the resources required for the preservation and development of the network, including technical, physical, financial and human resources. This does not prevent the parent company from carrying out economic and management oversight of the subsidiary, which primarily includes the right to approve the annual financing plan of the storage network operator and the ceiling limit for the debt of the subsidiary. The parent company may not intervene in the everyday economic activities of the

subsidiary or in the decisions concerning construction of or upgrades to the network, provided these decisions do not exceed the limits of the approved financing plan.

(4) A storage network operator prepares and implements a plan that contains measures necessary to ensure equal treatment of other gas undertakings and consumers and that sets out the obligations of employees of the storage network operator for implementing such measures. The storage network operator presents, to the Competition Authority, an annual report regarding the implementation of the plan; the Authority publishes the plan.

(5) A plan mentioned in subsection 4 of this section is drawn up, its implementation is monitored, and the annual report concerning the measures taken to implement the plan is compiled by an employee who is appointed by a member of the management board of the storage network operator, is directly subordinate to that member, is independent in compiling the report, and has access to the entirety of the data of the storage network operator, and of any other undertaking belonging to the group of companies to which the storage network operator belongs, in so far as these data are required for the performance of their duties.

(6) A storage network operator who operates as part of a vertically integrated undertaking may not be the same person who provides a service that is not related to storage.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 30. Decision on issuing an authorisation

[Repealed – RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

§ 30¹. Granting an authorisation to provide gas transmission services

(1) An authorisation to provide gas transmission services is granted to a person who owns a gas transmission network, who owns or operates metering systems on the national border, who complies with the requirements provided for in §§ 29¹ and 29⁴ of this Act and fulfils the conditions provided for in § 29 of the same Act.

(1¹) It is not contrary to subsection 1 of this section when an undertaking providing transmission services establishes a joint enterprise with an undertaking who owns a transmission network in another Member State and acts as a system operator, or with an undertaking who is an independent system operator recognized in another Member State in accordance with Article 14 of Directive 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ L 211, 14.08.2009, pp. 94–136) or an independent network operator within the meaning of Chapter IV of the same Directive.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(2) An authorisation to provide gas transmission services may be granted to one network operator only.

(3) A decision to issue or a decision refusing to issue an authorisation to provide gas transmission services is made within ten months following receipt of an application mentioned in subsection 1 of § 29³ of this Act and of the information demonstrating compliance with the requirements established in the same Act. Reasons must be provided for the decision.

(4) The Competition Authority informs the European Commission of a decision to grant an authorisation to provide gas transmission services and of appointing the holder of the authorisation as the system operator, and publishes the decision in the Official Journal of the European Union.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 31. Refusal to issue an authorisation

[Repealed – RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

§ 32. Ancillary conditions of an authorisation

[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]
The following ancillary conditions are added to an authorisation:

- 1) the requirements for the import of gas set by the system operator in accordance with the provisions of clause 2 of subsection 2 of § 28 of this Act in consideration of the technical capacity and security of supply of the gas system;
- 2) a development obligation in accordance with § 22 of this Act;

3) other ancillary conditions, if this is necessary in order to ensure security of supply or the performance of obligations or in order to achieve any objectives arising from this Act or the legislation enacted on its basis or in order to take into consideration the particular character of a specific activity.

[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013, 1)]

§ 33.–§ 36.[Repealed – RT I, 29.06.2014, 1 – entry into force 01.07.2014]

Chapter 4¹

AGREEMENT BETWEEN THE REPUBLIC OF ESTONIA AND A THIRD COUNTRY CONCERNING THE OPERATION OF A TRANSMISSION NETWORK OR OF AN UPSTREAM PIPELINE NETWORK

[RT I, 31.12.2020, 1 - entry into force 10.01.2021]

§ 36¹. Notifying an intention to conclude or amend an agreement concerning the operation of a transmission network or of an upstream pipeline network, and obtaining a corresponding authorisation

(1) Where an area of activity that is, or is to be, regulated by an agreement between the Republic of Estonia and a third country concerning the operation of a transmission network or an upstream pipeline network falls within the scope of Directive 2019/692 of the European Parliament and of the Council amending Directive 2009/73/EC on common rules for the internal market in natural gas, the Ministry of Economic Affairs and Communications notifies the European Commission of any wish to conclude or amend such an agreement.

(2) The rules for making a notification mentioned in subsection 1 of this section are enacted by the Minister in charge of the policy sector in the network code governing the operation of the gas market.

(3) The Ministry of Economic Affairs and Communications commences negotiations on concluding, or amending, an agreement mentioned in subsection 1 of this section after having received a corresponding authorisation from the European Commission.

(4) An agreement mentioned in subsection 1 of this section can be concluded after having obtained a corresponding authorisation from the European Commission.

[RT I, 31.12.2020, 1 – entry into force 10.01.2021]

Chapter 4²

CONCLUDING AND PERFORMING A SOLIDARITY AGREEMENT

[RT I, 09.08.2022, 1 - entry into force 19.08.2022]

§ 36². Concluding a solidarity agreement

To perform the solidarity measure mentioned in Article 1 of Regulation 2017/1938 of the European Parliament and of the Council, the Minister in charge of the policy sector concludes an agreement (hereinafter, ‘solidarity agreement’) with a neighbouring Member State of the European Union who is connected to the Estonian gas system, and with states that share a common gas market with Estonia.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

§ 36². Performing the solidarity agreement

(1) In a situation in which there is a disruption of the security of gas supply, the Government of the Republic addresses a request for assistance to a party to the solidarity agreement.

(2) The Minister in charge of the policy sector arranges performance of the solidarity agreement according to the rules provided by Regulation 2017/1938 of the European Parliament and of the Council and, based on the principles provided by that Regulation, fixes the rules for performing the agreement in the network code on the functioning of the gas market.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

Chapter 5

REGULATORY ENFORCEMENT

§ 37. Regulatory enforcement

[RT I, 13.03.2014, 4 – entry into force 01.07.2014]

(1) Regulatory enforcement of compliance with the requirements provided for in this Act and the legislation enacted on its basis is performed by the Competition Authority. In performing the duties arising from this Act, the Competition Authority is independent and exercises its powers with impartiality.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(2) The Competition Authority ensures preservation of the business secrets of undertakings and uses the information at its disposal solely for the performance of duties arising from this Act.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3) Under this Act, the Competition Authority performs the following duties:

[RT I, 13.03.2014, 4 – entry into force 01.07.2014]

1) [Repealed – RT I, 09.10.2020, 2 – entry into force 19.10.2020];

1¹) [Repealed – RT I, 09.10.2020, 2 – entry into force 19.10.2020];

2) to scrutinize the terms and conditions of balance contracts and the prices for providing the balance responsibility service mentioned in subsection 2 of § 11 of this Act;

3) to approve the methods for calculating connection fees as mentioned in subsection 3¹ of § 20 of this Act;

4) to approve the prices for network services mentioned in subsection 4 of § 23 of this Act;

5) to issue and revoke authorisations, establish and amend any conditions in authorisations, and monitor compliance with those conditions;

6) to consider applications for obtaining the temporary derogation mentioned in subsection 1 of § 18² of this Act, make the corresponding decisions and forward these to the European Commission;

7) to prepare, publish and submit reports on security of supply to the European Commission by 31 July each year;

8) to monitor compliance of the use and management of cross-border connections with the requirements of competition and effective functioning of the market;

9) to check whether market participants comply with the conditions set out in this Act and the legislation enacted on its basis, and whether they perform the relevant obligations (separate accounts, independence of the network operator, publication of information, etc.);

9¹) to monitor the time that a network operator takes to establishing a connection to the network and to repair the network;

[RT I 2007, 17, 80 – entry into force 09.03.2007]

9²) to monitor the degree of competition in the gas market and conformity of the market to the principles of transparency;

[RT I 2007, 17, 80 – entry into force 09.03.2007]

9³) to perform analyses of the balance of demand and supply of gas and of estimated future demand, of the existing supply potential, of envisaged interconnectors and the interconnectors under construction; of the level of maintenance of networks and of measures to cover estimated peak demand as well as of the measures to be implemented for ensuring security of supply;

[RT I 2007, 17, 80 – entry into force 09.03.2007]

10) to present, to the relevant institutions of Member States, to the Agency for the Cooperation of Energy Regulators and to the European Commission, annual reports on its work, on the performance of its duties and on the results achieved, and publish these reports on its website;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

11) to publish, on its website, any prices and charges approved under this Act;

12) to resolve disputes between market participants according to the rules provided in this Act;

13) [repealed – RT I, 28.06.2012, 2 – entry into force 08.07.2012]

14) to enforce compliance with the requirements established for system operators and LNG terminal operators in Regulation (EC) No 715/2009 of the European Parliament and of the Council and with the guidelines established in accordance with Article 23 of that Regulation;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

15) to perform other duties imposed on the Competition Authority by Regulation (EC) No 715/2009 of the European Parliament and of the Council;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

16) observing the provisions of §§ 29³ and 29⁴ of this Act, to assess the compliance of a person who has applied for an authorisation to operate a gas transmission network with the requirements established in § 29¹ of the same Act;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

17) when elaborating various methodologies, to consult with organisations representing gas undertakings and the Consumer Protection and Technical Regulatory Authority;

[RT I, 12.12.2018, 3 – entry into force 01.01.2019]

18) to make sure that no cross-subsidization occurs in relation to transmission, distribution and supply activities and the handling of LNG;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

19) to assess and monitor investments made in order to implement a network development plan and to provide recommendations for modifying such a plan if necessary;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

20) to approve standard terms for contracts for the use of the terminal, and the methods for calculating tariffs;

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

21) to publish on its website information regarding consumer rights, the legislation in force and the possible ways for resolution of disputes;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

22) to perform the duties imposed on the competent authority mentioned in Regulation (EU) 2017/1938 of the European Parliament and of the Council;

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

23) to transmit to the European Commission the information mentioned in Article 3 of Council Regulation (EU, Euratom) No 617/2010;

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

24) to comply with and implement all relevant legally binding decisions of the Agency for the Cooperation of Energy Regulators and of the European Commission;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

25) to publish, at least once a year, recommendations concerning the setting of the price of gas offered for sale;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

26) to monitor compliance by the market participants with the requirements for the integrity and transparency of the wholesale gas market;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

27) where necessary, to recommend changes in the system operator's methodology for dealing with congestion and for allocating capacity;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

28) to ensure access to consumers' consumption information;

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

29) to resolve disputes between the parties concerning performance of a solidarity agreement.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

(3¹) In situations where the transmission or distribution price or the price for the use of a storage facility or an LNG terminal is not justified or the price has not been set and the gas undertaking does not comply with a compliance notice issued by the Competition Authority, the Competition Authority may establish, not for longer than two months, temporary prices for the transmission or distribution of gas and for the use of a storage facility or an LNG terminal. Any surplus profits which the gas undertaking earned while applying an unjustified transmission or distribution price are deducted from the sales revenue when the prices of network services are being approved.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3²) At the reasoned demand of a market participant, the Competition Authority discloses the information mentioned in subsection 4² of § 8 of this Act to the extent that such information does not include business secrets.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(4) The Competition Authority cooperates with the Agency for the Cooperation of Energy Regulators founded on the basis of Regulation (EU) No 713/2009 of the European Parliament and of the Council, with the European Commission and with the regulatory authorities of other Member States in order to:

1) [repealed – RT I, 09.04.2014, 6 – entry into force 10.04.2014]

2) [repealed – RT I, 09.04.2014, 6 – entry into force 10.04.2014]

3) suppress any restrictions to trade in natural gas between Member States, as well as to develop appropriate cross-border connections to meet demand and to enhance the integration of national markets;

4) develop in a cost-effective way consumer-orientated, secure, reliable, efficient and non-discriminating systems and to promote them according to the general objectives of energy policy;

5) facilitate access to the network for new supply sources;

6) ensure the provision of appropriate incentives to market participants in order to enhance the system and to integrate markets;

7) ensure that consumers benefit from effective functioning of the market, promote competition and consumer protection.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5) In regulating cross-border issues, the Competition Authority cooperates, and exchanges the information necessary for performing the duties provided for in this Act and in other legislation, with the regulatory authorities of other Member States and with the Agency for the Cooperation of Energy Regulators so as to:

1) ensure optimal management of the network;

2) facilitate the creation of a European joint gas exchange;

3) optimize the allocation of cross-border capacity;

4) ensure an adequate level of interconnection capacity within networks to allow for the development of competition and improvement of security of supply, at the same time avoiding discrimination against various market participants;

5) coordinate the development of network codes;

6) coordinate the development of congestion management rules.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(5¹) When granting the derogation mentioned in subsection 1 of § 18² of this Act, the Competition Authority cooperates with relevant authorities of other states in order to apply the requirements provided for in this Act to a gas interconnector located in Estonia.

[RT 31.12.2020, 1 – entry into force 10.01.2021]

(6) In order to perform its duties, the Competition Authority cooperates with the system operator, with market participants and, where necessary, with the relevant authorities of other Member States of the European Union.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(7) Where, in relation to a cross-border dispute, in addition to Estonia, a gas interconnector falls within the jurisdiction of one or more Member States of the European Union, the Competition Authority, when resolving the dispute, consults with the relevant authorities of all of the Member States involved in the dispute in order to ensure that the principles provided for in Directive (EU) 2019/692 and Directive 2009/73/EC are applied.

[RT 31.12.2020, 1 – entry into force 10.01.2021]

(8) Where an upstream pipeline network begins in a third country and is connected, in addition to that of Estonia, to the gas network of at least one Member State of the European Union, the Competition Authority, when seeking to resolve a dispute relating to such a pipeline network, consults with the relevant authorities of the other Member States in which the network is located.

[RT 31.12.2020, 1 – entry into force 10.01.2021]

(9) Where, in a situation mentioned in subsection 8 of this section, an upstream pipeline network's first connection point, following that of the production site, is in Estonia, the Competition Authority, when resolving a dispute and in order to ensure that the principles provided for in Directive (EU) 2019/692 and Directive 2009/73/EC are applied, consults with the relevant authority of the third country in which the network begins.

[RT 31.12.2020, 1 – entry into force 10.01.2021]

§ 37¹. Duties of Competition Authority when assessing compliance of the system operator with the requirements

The Competition Authority monitors the compliance of the system operator with the requirements established in § 29¹ of this Act and, while observing the provisions of §§ 29³ and 29⁴, initiates an assessment of the compliance of an undertaking that provides gas transmission services with the requirements when:

1) it has received the information mentioned in subsection 3¹ of § 16 of this Act;

2) it has become aware that an envisaged change in the rights or influence of the person who enjoys direct or indirect control over the system operator may result in infringement of the requirements established in § 29¹ of this Act or when it has reason to believe that such an infringement has already taken place;

3) it has become aware of a circumstance which permits a person from a country outside the European Union to acquire control over the system operator;

4) the European Commission has presented a corresponding reasoned request.

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 37². Integrity and transparency of the wholesale gas market

(1) Market participants engaged in wholesale trade observe the requirements established in Regulation (EU) No 1227/2011 of the European Parliament and of the Council on wholesale energy market integrity and transparency (OJ L 326, 08.12.2011, pp. 1–16).

(2) When performing the duty mentioned in subsection 1 of this section, the Competition Authority cooperates with the regulatory authorities of Member States of the European Union and with the Agency for the Cooperation of *Energy* Regulators.

[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

(3) [Repealed – RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 38. Special measures of regulatory enforcement

(1) The Competition Authority may, in order to perform the regulatory enforcement provided for in this Act, apply the special regulatory enforcement measures provided rules provided in that Act.

[RT I, 13.03.2014, 4 – entry into force 01.07.2014]

§ 38¹. Special rules regarding regulatory enforcement

(1) The Competition Authority has a right to establish a temporary price for the transmission or distribution of gas for up to two months in situations where the transmission or distribution price is not justified or the gas undertaking has not complied with a compliance notice issued by a law enforcement agency.

(2) The Competition Authority has a right to issue compliance notices to market participants to obtain compliance with measures for compulsory reduction of gas demand, with instructions or orders to reduce consumption that have been issued by the system operator under subsection 2 of § 26² of this Act and with the obligation of the seller, under subsections 8 and 9 of that section, to reduce the supply of gas to consumers mentioned in clauses 4–6 of subsection 1 of § 6¹ who belong to the seller's portfolio.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

§ 38². Limit rate of the non-compliance levy

In the case of failure to comply with the compliance notice, the Competition Authority may impose substitutional performance or a non-compliance levy in accordance with the rules provided by the Substitutional Performance and Non-Compliance Levies Act. The upper limit of the non-compliance levy is 1300 euros for a natural person and 100,000 euros for a legal person.

[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

§ 39. Compliance notice by the Competition Authority

[Repealed – RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 39¹. Resolution of complaints

(1) A market participant may file a written complaint with the Competition Authority in respect of an action or omission by another market participant that contravenes this Act or any legislation enacted on its basis.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(2) The Competition Authority considers a complaint mentioned in subsection 1 of this section and makes a decision regarding the complaint within 30 days following its receipt.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(3) Where the Competition Authority request information that is necessary for resolving the complaint, the time limit mentioned in subsection 2 of this section is suspended until such information is received, but not for longer than 30 days.

[RT I 2007, 66, 408 – entry into force 01.01.2008]

(4) In cross-border disputes, a complaint is resolved by the enforcement authority that has jurisdiction over the undertaking against whom the complaint was filed.

[RT I 2007, 17, 80 – entry into force 09.03.2007]

§ 40. Acquisition and expropriation of property in the public interest

[RT I, 29.06.2017, 1 – entry into force 01.07.2018]

(1) In addition to the grounds provided in the Acquisition of Immovables in Public Interest Act, the Competition Authority is authorised to apply for acquisition in the public interest, including expropriation, of the following property or real rights:

- 1) property used in an activity provided for in an authorisation, if the person operating on the basis of the authorisation fails to comply with the obligation to continue the activity;
- 2) property used in an activity provided for in an authorisation, if the period of validity of the authorisation has expired or the authorisation has been revoked and there is no guarantee that the activities carried out on the basis of that property will continue to be in compliance with this Act, and this may pose a threat to the security of supply of the gas system;
- 3) a network and a limited real right which grants a person the use of a network, if the owner of the network fails to perform the obligation provided for in § 22 of this Act or if the network operator who owns or uses the network does not hold the authorisation required under this Act.

(2) The Competition Authority may apply for acquisition of property in the public interest, including expropriation, on the grounds provided in subsection 1 of this section only if, prior to presenting such an application, it has given a reasonable time limit to the owner of the property to eliminate the adverse circumstance in question and if the owner of the property has not, within that time limit, eliminated that circumstance.

(3) The Competition Authority does not have the obligation set out in subsection 2 of this section if performance of the obligation may pose a threat to the security of supply.

(4) The acquisition of property in the public interest, including expropriation, is carried out following the rules provided in the Acquisition of Immovables in Public Interest Act. When conducting the corresponding proceedings, compliance with the time limits provided by that Act is not required and the owner of the property is paid no additional compensation above the consideration due for the property.
[RT I, 29.06.2018, 1 – entry into force 01.07.2018]

Chapter 6 LIABILITY

§ 41. Failure to give notice of changes in particulars

[Repealed – RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

§ 42. Failure to comply with ancillary conditions of an authorisation

Failure by a legal person to comply with the ancillary conditions of its authorisation is punishable by a fine of up to 3200 euros.
[RT I, 25.03.2011, 1 – entry into force 01.07.2014 (amended date of entry into force – RT I, 22.12.2013)]

§ 43. –§ 44.[Repealed – RT I, 12.07.2014, 1 – entry into force 01.01.2015]

§ 44¹. Failure to comply with conditions for access of a third party to the transmission network

(1) Failure to comply with the conditions for access of a third party to the transmission network, provided in Regulation (EC) No 1775/2005 of the European Parliament and of the Council, is punishable by a fine of up to 300 fine units.
[RT I 2010, 22, 108 – entry into force 01.01.2011]

(2) The same act, when committed by a legal person, is punishable by a fine of up to 10 percent of the turnover of the system operator or of the vertically integrated undertaking for the last audited financial year.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 44². Violation of requirements of the wholesale energy market

(1) Failure to comply with the requirements established in Articles 3–5 of Regulation (EC) No 1227/2011 of the European Parliament and of the Council is punishable by a fine of up to 300 fine units.

(2) The same act, when committed by a legal person, is punishable by a fine of up to 32,000 euros.
[RT I, 09.04.2014, 6 – entry into force 10.04.2014]

§ 44³. Provision of transmission services at an unapproved price

(1) Provision of the service of transmission at an unapproved price of the network service is punishable by a fine of 300 fine units.

(2) The same act, when committed by a legal person, is punishable by a fine of up to 10 percent of the turnover of the system operator or of the vertically integrated undertaking for the last audited financial year.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 44⁴. Failure to grant access to consumption data

(1) Failure to comply with the obligation provided in subsection 5¹ of § 8 of this Act is punishable by a fine of up to 300 fine units.

(2) The same act, when committed by a legal person, is punishable by a fine of up to 10 percent of the annual turnover of the system operator or of the vertically integrated undertaking for the last audited financial year.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 44⁵. Violation of the independence requirements established for the system operator

(1) Failure to comply with the requirements mentioned in § 29¹ of this Act is punishable by a fine of up to 300 fine units.

(2) The same act, when committed by a legal person, is punishable by a fine of up to 10 percent of the turnover of the system operator or of the vertically integrated undertaking for the last audited financial year.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 44⁶. Violation of the requirements established for the system operator and for vertically integrated undertakings

Violation by the system operator or by a vertically integrated undertaking of the requirements provided in subsection 3 of § 16, in subsections 2 and 3 of § 17¹, in subsection 2 of § 18 and in subsection 5¹ of § 22 of this Act is punishable by a fine of up to 10 percent of the annual turnover of the system operator or of the vertically integrated undertaking for the last audited financial year.
[RT I, 29.06.2018, 2 – entry into force 09.07.2018]

§ 45. Procedure

The out-of-court proceedings authority in respect of the misdemeanours provided for in this Chapter is the Competition Authority.
[RT I, 12.07.2014, 1 – entry into force 01.01.2015]

Chapter 7 IMPLEMENTING PROVISIONS

§ 46. Term of agreement entered into with the state on the basis of the Energy Act

The agreement concluded between an undertaking and the State under the Energy Act remains in force until the date stated in the market licence.

§ 47. Validity of market licence and authorisation

[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

(1) A market licence issued under the Energy Act is valid until the date stated in that licence.

(2) Valid market licences issued prior to the entry into force of this Act are registered by the Competition Authority in the register of economic activities not later than 15 April 2005.
[RT I 2007, 66, 408 – entry into force 01.01.2008]

(3) An authorisation to provide gas transmission services which is issued before 8 July 2012 remains valid until the authorisation mentioned in subsection 1 of § 30¹ of this Act is issued or until 1 January 2015.
[RT I, 29.06.2014, 1 – entry into force 01.07.2014]

§ 48. Bringing the activities of an undertaking into compliance with the requirements provided in this Act

(1) Gas undertakings operating on the basis of the Energy Act prior to the entry into force of this Act must bring their activities into compliance with the requirements provided in this Act within one year following the entry into force of this Act.

(2) Network undertakings operating on the basis of subsection 1 of § 8¹ of this Act must bring their activities into compliance with the requirements provided in this Act by 1 January 2006.
[RT I 2005, 64, 483 – entry into force 11.12.2005]

§ 48¹. [Repealed – RT I 2009, 39, 262 – entry into force 24.07.2009]

§ 48². Time limit for approval of a ceiling rate of the sales margin

A gas undertaking in a dominant position files an application with the Competition Authority for approval of a ceiling rate of its sales margin by 1 October 2009. Until approval of a ceiling rate of the sales margin provided for in subsection 3 of § 10 of this Act is granted, the undertaking uses the sales margin that was used by the Competition Authority when calculating a previously approved maximum price of gas and whose rate is communicated by the Competition Authority to a gas undertaking in a dominant position by 1 August 2009.
[RT I 2009, 34, 225 – entry into force 06.07.2009]

§ 48³. Information to be submitted by system operator

(1) The system operator submit to the Competition Authority an plan for the investment mentioned in clause 2⁵ of subsection 1 of § 16 of this Act at the latest by 1 December 2012.

(2) The system operator submit to the Competition Authority a development plan mentioned in subsection 1 of § 21² of this Act at the latest by 1 January 2013.

(3) The system operator submits to the Competition Authority the information mentioned in clause 2⁶ of subsection 1 of § 16 of this Act at the latest by 1 January 2013.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 48⁴. Reorganisation of the system operator's activities

(1) At the latest by 1 January 2015, the system operator brings its activities into compliance with the requirements for system operators which enter into force on 1 January 2015 and according to which the system operator is a network operator who owns the transmission network, who owns or maintains metering systems on the national border and who holds an authorisation to provide gas transmission services as mentioned in subsection 1 of § 30 of this Act.

(2) By 1 January 2013, the system operator submits to the Competition Authority the information regarding the schedule of envisaged and implemented measures for bringing its activities into compliance with the requirements for system operators which enter into force on 1 January 2015. The Competition Authority scrutinizes the progress made by the system operator in implementing the measures mentioned in the schedule.

(3) A gas transmission network may be transferred as an undivided asset to an undertaking that has been certified as compliant in the framework of prior scrutiny provided by § 29² of this Act.
[RT I, 28.06.2012, 2 – entry into force 08.07.2012]

§ 48⁵. Establishing the data exchange platform and the electronic database of certificates of origin

The system operator establishes a data exchange platform mentioned in subsection 1 of § 10² of this Act at the latest by 1 January 2017 and an electronic database of certificates of origin mentioned in subsection 6 of § 10³ at the latest by 1 July 2017.
[RT I, 30.06.2017, 2 – entry into force 10.07.2017]

§ 48⁶. Defining groups of consumers on the data exchange platform

The network operator defines the groups of consumers mentioned in subsection 1 of § 6¹ of this Act on the data exchange platform within two months following the entry into force of that provision.
[RT I, 09.08.2022, 1 – entry into force 19.08.2022]

§ 49. Amending the Statutory Fees Act

[Omitted from this text.]

§ 50. Entry into force of this Act

This Act enters into force on 1 July 2003.

¹Directive 2009/73/EC of the European Parliament and of the Council concerning common rules for the internal market in natural gas and repealing Directive 2003/55/EC (OJ L 211, 14.08.2009, pp. 94-136); Directive 2009/28/EC of the European Parliament and of the Council on the promotion of the use of energy from renewable sources and amending and subsequently repealing Directives 2001/77/EC and 2003/30/EC (OJ L 140, 05.06.2009, pp. 16-62); Directive 2012/27/EU of the European Parliament and of the Council on energy efficiency, amending Directives 2009/125/EC and 2010/30/EU and repealing Directives 2004/8/EC and 2006/32/EC (OJ L 315, 14.11.2012, pp. 1-56), amended by Directives 2013/12/EU (OJ L 141, 28.05.2013, pp. 28-29), (EU) 2018/844 (OJ L 156, 19.06.2018, pp. 75-91), (EU) 2018/2002 (OJ L 328, 21.12.2018, pp. 210-230) and (EU) 2019/944 (OJ L 158, 14.06.2019, pp. 125-199) and by Regulations (EU) 2018/1999 (OJ L 328, 21.12.2018, pp. 1-77) and (EU) 2019/826 (OJ L 137, 23.05.2019, pp. 3-9). [RT I, 31.12.2020, 1 – entry into force 10.01.2021]