


Consumer Protection – ANRE Main Objective

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Power sector under reorganization process

- Moldovan power sector undergoes drastic changes related to:
 - reform;
 - liberalization;
 - regulation;
 - privatization.
- In 1998 was approved the legislative framework of implementation of market economy principles in power sector, complying with international obligations.
- The National Energy Regulatory Agency (ANRE) was created as an independent public authority of national interest, with legal charter, the mission of which is to create and apply regulatory system, necessary for operation of power sector and energy market under efficiency, competition, transparency and consumer protection conditions.

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Reform objectives

- Energy efficiency increase
- Production costs reduction
- Supply service quality improvement
- Possibility of consumer to conclude direct energy supply contracts with suppliers
- Elimination of subventions; transparency
- Creation of attractive investment climate
- Adjustment to competitive environment

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ANRE consumer protection related functions

- Monitoring the observance of consumers rights
- Monitoring the compliance with service quality standards
- Development and modification regulations related to consumer rights protection and settlement of petitions
- Cooperation with non-governmental organizations representing the consumers' interests

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Consumer rights protection normative framework

- Electricity Act
- Gas Act
- Law on petroleum products market
- Law on consumer protection
- Electric Service Rules
- Gas Service Rules
- Rules & Procedures for Dispute Resolution

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New in power market liberalization

Recently, ANRE has developed draft regulation for eligible consumers according to which:

- The eligible consumers could choose their electricity supplier
- Eligible consumers will be electricity retail consumers, that will comply with established requirements and criteria, within legal level of open access to the market

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Eligible consumer rights

- To conclude electricity supply contract at regulated tariffs with existing supplier without using the rights conferred as an eligible consumer
- To choose the electricity supplier which:
 - shall supply electricity to the consumption place paying also for the electricity transmission and/or distribution services
 - shall not pay for electricity transmission and/or distribution services (in this case the eligible consumer shall conclude contracts for electricity transmission and distribution services on his behalf)
- To import electricity

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Electricity supply contract shall stipulate

- Price and conditions of modification thereof
- Contract validity
- Payment terms
- Ancillary services provided by supplier, including stand by
- Structure of supplier's offer of electricity

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Consumers' benefits as a result of market liberalization

- Option to choose the supplier
- Cutback of costs for the same volume of electricity, at the same quality

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Issues for discussion

- Service performance standards
- Legal framework regarding extrajudicial settlement of disputes between consumers and suppliers
- Cases of failure to apply performance standards (force majeure, etc.)
- Energy thefts and actions for eradication thereof (ascertainment reports, etc.)
- Status of power sector regulator

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