

STANDARD TERMS AND CONDITIONS FOR THE SALE OF HEAT

Valid from 1 May 2024

1. General provisions

- 1.1. The heat undertaking sells heat and heat carrier to a consumer on the basis on the contract for the purchase and sale of heat (hereinafter the Contract) through a district heating network or via the heat undertaking's production unit located at the place of consumption for supplying heat to the place of consumption specified in the Contract.
- 1.2. In the absence of a different agreement between the Parties, the connection point to the district heating network is located at the intersection of the heat undertaking's pipeline and the boundary of the consumer's registered immovable. If the heat undertaking's pipeline passes through the registered immovable belonging to the consumer, the connection point is located, in the absence of a different agreement, at the point where the pipeline supplying heat to the consumer's installation splits from the heat undertaking's district heating network.
- 1.3. In the absence of a different agreement between the parties, the connection point is also the boundary (service boundary) until which the pipeline is to be served by the heat undertaking.
- 1.4. The standard terms and conditions for the sale of heat together with the price list determine the rights and obligations of the heat undertaking and consumer to perform the Contract. The standard terms and conditions and the price list are an integral part of the Contract.
- 1.5. The heat undertaking processes personal data in accordance with the [Privacy Policy of the Utilitas Group](#).

2. Definitions

- 2.1. The terms used in the Contract, in the standard terms and conditions and in the price list are as follows:
 - 2.1.1. **Accounting period** – one calendar month.
 - 2.1.2. **Metering point** – the location of the metering system.
 - 2.1.3. **District heating network** – a fixed operational assembly (or a part thereof) of pipelines, equipment, auxiliary equipment and of any buildings connected thereto that is needed for the distribution of heat; consumer installations are not deemed to be part of the district heating network.
 - 2.1.4. **Remote reading** – the automatic reading and transmission of thermal energy meter readings to the heat undertaking by means of remote reading devices installed by the heat undertaking.
 - 2.1.5. **Heating season** – the period during which heat is consumed for the purposes of heating the place of consumption.
 - 2.1.6. **Metering system** – thermal energy meter, remote reading equipment and filling water meter(s).
 - 2.1.7. **Seal** – a seal, or other barrier, identified by a special mark, which is installed by a representative of the heat undertaking in order to ensure the integrity of the equipment.
 - 2.1.8. **Thermal energy meter** – a set of metering instruments intended to meter the amount of heat consumed.
 - 2.1.9. **Heat undertaking** – a person who sells heat and heat carrier through the district heating network or from the heat undertaking's production unit located at the place of consumption.
 - 2.1.10. **Heat carrier** – water chemically treated by the heat undertaking and used to transport heat through a district heating network to a heating transfer station and to fill the heating systems of the consumer.
 - 2.1.11. **Heat load** – means the heat requirement calculated when designing the heat supply system at the place of consumption, which ensures the temperature of domestic hot water and the indoor temperature of the premises at an external temperature of -22 °C.
 - 2.1.12. **Heating transfer station** – the whole of the equipment connected to industrially produced domestic hot water, ventilation and heating system and expansion equipment, which includes heat exchangers, primary and secondary adjustment equipment, pumps, metering equipment, valves and other pipe fittings and the necessary pipeline. With the help of the heating transfer station, the heat supplied from the district heating network or from heat undertaking's production unit located at the place of consumption is transferred to the consumer's heating and domestic hot water network, and the temperature of the heating and domestic hot water is adjusted as necessary.
 - 2.1.13. **Heating transfer station passport** – a document agreed upon by the heat undertaking which reflects the technical data of the heating transfer station and which serves as the basis for fixing the contractual heat loads.
 - 2.1.14. **Pressure test** – testing the pipeline at increased pressure.
 - 2.1.15. **Verification** – a procedure whereby a competent verification laboratory inspects the compliance of a thermal energy or filling water meter with the established requirements and marks the meter as being in compliance with the requirements using a verification mark.
 - 2.1.16. **Consumer** – a person who purchases heat and heat carrier through the district heating network or from the heat undertaking's production unit located at the place of consumption for the purpose of supplying heat to the place of consumption specified in the Contract.

- 2.1.17. **Consumer installation** – the consumer’s pipelines, equipment and auxiliary equipment (including a heating transfer station) which is connected to the district heating network or to the heat undertaking’s production unit located at the place of consumption and which enables the distribution and consumption of heat at the place of consumption.
- 2.1.18. **Place of consumption** – a construction work that consumes heat.
- 2.1.19. **Service boundary** – the boundary for passing the liability for the management and servicing of pipelines; the pipeline and equipment on the district heating network side of the boundary are kept in order by the heat undertaking at its own cost and the pipelines and equipment on the other side of the boundary are kept in order by the consumer at its own cost.
- 2.1.20. **Filling water meter** – a meter designed to determine the amount of heat carrier used to fill the consumer’s heating system and also lost.

3. Heat and heat carrier consumption and metering

- 3.1. The amount of heat sold shall be metered by a thermal energy meter installed at the metering point.
- 3.2. The amount of heat carrier used for filling the consumer installation and losses shall be metered by the filling water meter(s) installed in the heating transfer station.
- 3.3. The consumer has the right to consume heat without a thermal energy meter and to use the heat carrier for filling the consumer installation without a filling water meter only in agreement with the heat undertaking.
- 3.4. In the event of filling in a consumer installation served by the consumer or in the event of incident involving the use of the heat carrier which cannot be metered by the filling water meter, the consumer shall invite a representative of the heat undertaking to draw up a corresponding act on the basis of which the heat undertaking submits an invoice to the consumer.
- 3.5. Thermal energy meters and remote reading equipment shall be installed and maintained by the heat undertaking at its own cost (except in the event violation of clause 7.1).
- 3.6. The heat undertaking has the right to install replacement or additional metering instruments and sensors on the consumer installation to meter the amount consumption of heat, the filling heat carrier used for filling the heating system and the loss of the heat carrier, to transmit data and to check the parameters of the district heating network.
- 3.7. The consumer shall provide a continuous electricity supply free of charge to ensure the operation of a remote reading system. The consumer shall also ensure high-quality mobile communication (GPRS/2G/4G with a frequency of 800 MHz) by Telia Eesti AS to the remote reading device at the location of the metering point. Where the design of the place of consumption prevents the mobile communication of the remote reading device, the consumer shall enable the remote reading device and its cable to be installed on the higher floors of the building or outside the building.
- 3.8. The verification obligation must be performed by the owner of the meter in accordance with the applicable Metrology Act.
- 3.9. It is prohibited for the consumer to remove and break the seals installed by the representative of the heat undertaking, dismantle thermal energy and filling water meters and remote reading devices. If there is a justified need to dismantle the said equipment, the consumer shall invite a representative of the heat undertaking to prepare a corresponding act. In case of violation of this clause, the heat undertaking shall have the right to apply a double charge for the quantity thus consumed. In the event of doubt as to the correctness of the operation of the thermal energy meter or filling water meter, the parties have the right to require the owner of the thermal energy or filling water meter to perform out an extraordinary inspection. If the thermal energy meter or filling water meter was in working order and complied with the requirements, all costs incurred by the inspection shall be borne by the party requesting additional verification.
- 3.10. The consumer shall immediately inform the heat undertaking of any damage, malfunction and distortion of the seals or parts of the metering system installed by the representative of the heat undertaking or of the distortion of the filling water meter.
- 3.11. The heat undertaking has the right to check the readings of all thermal energy and filling water meter(s) installed at the place of consumption. At the request of the heat undertaking, the consumer shall ensure that the representative of the heat undertaking has access to the metering system no later than 3 working days after receipt of the request.
- 3.12. If the consumer wishes to change the heat load of the place of consumption, clause 8.5 shall be followed and if necessary, the heat undertaking shall change the thermal energy meter. The cost of replacing the thermal energy meter shall be borne by the consumer.
- 3.13. If a consumer violates the Contract with regard to the consumption of heat or the heat carrier, the heat undertaking shall be guided by the District Heating Act.
- 3.14. The heat undertaking has the right to suspend the supply of heat immediately from the moment the illegal use of heat is ascertained and to perform the calculation in accordance with the provisions of the District Heating Act.
- 3.15. The heat undertaking has the right to suspend the supply of heat by giving at least 7 days’ notice if:
 - 3.15.1. the consumer has exceeded the rights granted to them in the conditions of connection or has failed to fulfil the obligations assumed by them under those conditions;
 - 3.15.2. prevents the heat undertaking from having access to metering systems in the territory owned or held by the consumer for inspection or replacement;

- 3.15.3. prevents the heat undertaking from having access to a consumer installation or district heating network located in the territory owned or held by the consumer for the purpose of inspecting such installations or performing network works;
 - 3.15.4. the consumer is in arrears for the heat.
- 3.16. The suspended heat supply shall be restored on the condition that the reason for the suspension has been eliminated or a bilateral agreement reached regarding its elimination. The heat undertaking has the right to require the consumer to cover the costs related to the ceasure and restoration of the heat supply.

4. Calculation and settlement of quantities of heat consumed and heat carrier used

- 4.1. The heat undertaking shall to calculate the quantities of heat consumed once a month on the basis of the readings of the thermal energy meter(s) transmitted to the heat undertaking by remote reading.
- 4.2. The consumer shall provide the heat undertaking with readings of the filling water meter(s) at least once a year by 1 October, at the latest. The heat undertaking shall perform the calculations of the quantities of the heat carrier used at least once a year on the basis of the readings of the filling water meter(s) fixed by the consumer or the by representative of the heat undertaking or, in the case of unmetered use of heat carrier, on the basis of the report prepared by the representative of the heat undertaking. The price of the heat carrier is based on the price list. The cost of heat is added to the cost of the heat carrier.
- 4.3. If the consumer's thermal energy meter(s) are not equipped with a remote reading device or it is not operational and the readings of the thermal energy meter(s) are not available at the time the invoice is drawn up, the heat undertaking shall have the right to invoice the calculated amount of heat. Upon receipt of actual data, a recalculation shall be carried out.
- 4.4. The heat undertaking has the right to determine the amount of heat consumed based on calculated amount also in the temporary absence of the thermal energy meter, in the event of failures of the thermal energy meter, in the event of the operation of the thermal energy meter outside the metering range established for the meter, in the event of obstruction of the installation and maintenance of the remote reading system or of the thermal energy meter or the interference thereof, or in the event of an apparent incompliance of readings with the heat load at the place of consumption and with the monthly average ambient temperature. In the event of such circumstances becomes apparent with a delay, the heat undertaking shall have the right to perform a recalculation of the heat consumed and to submit a correction invoice for up to one year retroactively.
- 4.5. Invoicing shall take place on metering point basis according to the quantities of heat and heat carrier consumed at the place of consumption, the Contract, the applicable legislation of the Republic of Estonia, and the price list of the heat undertaking.
- 4.6. Invoices for heat consumed shall be submitted for the accounting period. The heat undertaking shall send invoices to the consumer by the 7th day of the month, at the latest. Invoices are also available in the self-service environment.
- 4.7. In the event of arrears by the consumer, the heat undertaking has the right, in the first order, to consider the arrears of interest arising from delayed payment of the oldest payment due, then the oldest arrears of payment and then the subsequent arrears from the remaining funds.
- 4.8. In case of late payment of invoices, the heat undertaking has the right to apply a default interest rate of 0.07% of the daily unpaid amount for each day of delay.

5. Pricing

- 5.1. The heat undertaking has the right to unilaterally change the price and pricing principles of heat and related services provided to consumers in accordance with the applicable legislation. The pricing of the heat sold is regulated by the District Heating Act.

6. Quality of heat supply

- 6.1. The heat undertaking shall ensure the availability of the heat capacity necessary for the supply of heat to the place of consumption in the district heating network at any time, but not more than the amount of the contractual heat load.
- 6.2. Claims concerning the quality of the heat supply must be forwarded immediately to the heat undertaking, which shall ascertain the reasons for the claims and, if necessary, take measures to eliminate them. Claims for the preceding accounting period shall not be taken into account retrospectively.
- 6.3. The heat undertaking shall not be responsible for the quality of the heat transmitted if the network of the consumer or a third party through which the heat is transported to the consumer's installation and/or the consumer installation is not in working order.
- 6.4. The heat undertaking shall inform the consumer of the planned heat interruption at least five (5) days in advance and to publish the corresponding information on the heat undertaking's website www.utilitas.ee. The heat undertaking shall not start planned heat interruptions if the ambient air temperature in the district heating network area is below -5 °C.
- 6.5. In the event of an accident in the district heating network, the heat undertaking has the right to interrupt the supply of heat to the consumer without prior notice in the event of threat to human life, health, property or environment. The consumer

shall be informed of the interruption of the heat supply and the expected duration thereof as soon as possible by e-mail or SMS notice, and via the website of the heat undertaking www.utilitas.ee.

- 6.6. In order to ensure that the consumer is informed in due time of heat interruptions, the consumer shall inform the heat undertaking of changes in their contact details as soon as possible.
- 6.7. The consumer shall inform the heat undertaking of their wish to suspend the connection to the district heating network, which involves the interruption of the heat supply of other consumers, in writing at least seven days in advance.

7. District heating network and heat undertaking equipment

- 7.1. The district heating network located on the consumer's registered immovable belongs to the heat undertaking and the consumer is obliged to tolerate it in their registered immovable.
- 7.2. When performing construction and repair works of the district heating network located on the consumer's registered immovable, the heat undertaking shall restore the soil or pavement at the location of the district heating network trench, but has no obligation to restore buildings, structures or vegetation located on the protection zone without the consent of the heat undertaking.
- 7.3. The consumer shall be responsible for preserving and not damaging the heat undertaking's thermal energy meter, remote reading devices and other equipment and district heating network at the place of consumption. The consumer is obliged to take measures to preserve and ensure the integrity of the aforementioned property. In the event of damage to such property, the heat undertaking has the right to charge the consumer for the costs of bringing it into working order.
- 7.4. Without the permission of the heat undertaking, it is prohibited in the protection zone of the district heating network to store waste, chemicals or fertilisers or perform any construction, blasting, drilling and excavation, as well as flooding, irrigation and land improvement operations, to store and move heavy objects and to arrange crossings of vehicles and to perform other work that may jeopardise the safety of the district heating network.
- 7.5. The extent of the protection zone of the district heating network is provided for in the Building Code.
- 7.6. At the request of the heat undertaking, the consumer shall ensure that the representatives of the heat undertaking have access to the heat undertaking's equipment or pipelines within 3 working days of receipt of the corresponding request and, in the event of an emergency, as soon as possible. The consumer must ensure the presence of the consumer's representative, unless otherwise agreed.
- 7.7. The consumer shall immediately inform the heat undertaking of any disturbances, failures or violation of the operation of the district heating network, heat or filling water meter and remote reading equipment.

8. Consumer installation

- 8.1. The heat undertaking establishes technical requirements for a heating transfer station in order to ensure the optimal, economical and efficient operation of the district heating network.
- 8.2. The connection of the heating transfer station to the district heating network must be independent, which means that the secondary and primary sides of the consumer installation must be separated by a heat exchanger.
- 8.3. The consumer shall ensure that the accounting period's average temperature (T₂) of the heat carrier returning to the district heating network from the heating transfer station is lower than 45 °C and the difference between the temperature of the heat carrier at the point of entry and return (ΔT) at the metering point is greater than 25°C. The relevant data is available in the self-service portal.
- 8.4. If the consumer installation does not comply with the requirements set out in clauses 8.2, 8.3, 8.6 and 8.9, the heat undertaking has the right to impose a contractual penalty of EUR 100 for failure to comply with the precept issued by the heat undertaking or to suspend the supply of heat. Payment of a contractual penalty does not relieve the consumer of the obligation to comply with the precept.
- 8.5. When designing, constructing, renovating (including replacement of components) of the heating transfer station at the place of consumption, or changing the heat load at the place of consumption, the consumer shall comply with the applicable **requirements for the design and installation of the heating transfer station** available on the heat undertaking's website and the technical conditions issued by the heat undertaking to the particular place of consumption. The design of the heating transfer station and the heating transfer station passport shall be coordinated with the heat undertaking.
- 8.6. The consumer shall coordinate with the heat undertaking the refurbishment of the consumer installation and the replacement of the equipment and to ensure that the heating transfer station passport corresponds to the actual situation.
- 8.7. The consumer monitors the condition of the consumer installation and performs the necessary adjustments, maintenance and repairs on the basis of the requirements established by the heat undertaking's **requirements for the maintenance of the heating transfer station**, which is available on the heat undertaking's website. The cost of the works for the detection and remedying of faults or failures of a heating transfer station performed by the heat undertaking at the request of a consumer is set out in the heat undertaking's price list. If deviations from the requirements established by the heat undertaking for the maintenance of a heating transfer station may cause a risk to the heat undertaking's employees, property or the functioning of the district heating network, the heat undertaking has the right to remedy the deviations itself and charge the costs of the works from the consumer.

- 8.8. The consumer must ensure that the anti-freezing automation of the ventilation systems is operational.
- 8.9. In order to ensure the safety and reliability of the heating transfer station, the consumer shall perform at least once every three years a pressure test on the primary side of the heating transfer station at a pressure of 1.0 MPa and with a duration of at least 15 minutes. In the case of heating transfer stations which do not comply with clause 8.2, the conditions under which the pressure test is to be performed shall be coordinated with the heat undertaking. The pressure test shall be performed in the presence of a representative of the heat undertaking.
- 8.10. At the request of the heat undertaking, the consumer shall perform a pressure test of the pipelines, which is subject to the consumer's servicing obligation, in the presence of a representative of the heat undertaking.
- 8.11. The consumer shall eliminate leakages along the section of the heat pipelines, which is subject to the consumer's servicing obligation, at their own cost in the shortest possible time. If the leakage prevents the supply of heat to other consumers, the heat undertaking has the right to perform the repairs itself and to charge the consumer the costs related to the works. If the consumer does not eliminate leaks in the section of the pipeline, which is subject to the consumer's servicing obligation, within a reasonable period of time, the heat undertaking has the right to suspend the consumer's district heating connection.
- 8.12. The consumer shall not erecting buildings, placing materials or performing soil work nor allow third persons to do the same on the pipelines without the prior consent of the heat undertaking. The consumer shall also ensure free access to perform the maintenance and repair works of pipelines and equipment, including to enable the use of the equipment necessary for the performance of such works.
- 8.13. The consumer is required to allow the personnel of the heat undertaking to perform construction and repair works on pipelines and equipment and to ensure access to the pipelines and equipment under the internal building structures, including to open access to pipelines and equipment at their own cost and to restore the previous situation at its own cost after the repairs performed by the heat undertaking.
- 8.14. The heat undertaking has the right to perform pressure tests in the district heating network, during which dangerous pressures may occur within the consumer installation. Upon receipt of the corresponding order from the heat undertaking, the consumer shall close the isolating valve on the primary side of the heating transfer station and open the discharge valves for the duration of the pressure test.

9. Disconnection from the district heating network and use of other heat sources

- 9.1. In addition to the heat supplied from the district heating network, the consumer may only use heat converted from fuel-free renewable sources.
- 9.2. The consumer has the right to request the disconnection from the district heating network only in the following cases: the building connected to the district heating network is demolished;
 - 9.2.1. in the course of the renovation of a place of consumption, its heat demand changes in such a way that it is impossible to continue supplying it due to the technical limitations of the district heating network or that supplying them with heat would jeopardise the security of supply of other consumers;
 - 9.2.2. only heat converted from fuel-free renewable sources will be used for the thermal supply of buildings.
- 9.3. A consumer applying to be disconnected from the district heating network shall submit a reasoned request for disconnection from the district heating network to the heat undertaking. The heat undertaking shall submit the disconnection conditions or reasoned objections to the consumer's request within 30 calendar days.
- 9.4. A consumer applying to be disconnected from the district heating network shall pay the heat undertaking the justified costs related to the disconnection.

10. Amendment and termination of the Contract

- 10.1. In the event of changes to the Contract, a new contract for the purchase and sale of heat shall be drawn up. With the conclusion of a new contract for the purchase and sale of heat, all previously concluded contracts for the supply of heat to the place of consumption specified in the new contract shall be terminated. Changing the representatives, contact details and the manner of forwarding invoices shall not constitute an amendment to the Contract.
- 10.2. The consumer shall inform the heat undertaking in writing at least one month in advance of the temporary suspension of heat consumption, the planned duration of the suspension and the time of resumption of consumption. All costs related to the temporary cessation of heat consumption shall be borne by the consumer.
- 10.3. The heat undertaking has the right to unilaterally amend the standard terms and conditions, the price list, the requirements for the design and installation of the heating transfer station and the requirements for maintenance of the heating transfer station, the current versions of which are available on the website of the heat undertaking www.utilitas.ee.
- 10.4. In the absence of heat consumption at the point of consumption for more than two years, the Contract shall be deemed terminated and the heat undertaking has the right to disconnect the network connection. In order to restore heat consumption, the consumer shall apply for the connection conditions, conclude a connection contract and a new contract for the purchase and sale of heat.

- 10.5. The Parties shall have the right to terminate the Contract by giving at least one months' notice to the other Party. In the event of failure to notify of termination of the Contract, the Party subject to the notification obligation shall be liable for the performance of the obligations arising from the Contract.

11. Final provisions

- 11.1. The Parties undertake to notify the other Party of any changes to their data no later than 15 days from the entry into force of the change.
- 11.2. Communications between the parties relating to the Contract, and the communication of which to the other party produces legal effects, shall be in writing.
- 11.3. Information notices may be transmitted by the Parties by means of the media, telephone or e-mail.
- 11.4. Disputes arising from the Contract will be resolved via negotiations. If the negotiations fail, the dispute shall be settled in accordance with the procedure prescribed in the legislation of the Republic of Estonia.