

Petition: Violation of Consumer Rights
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This petition is a complaint concerning the violation of my consumer rights by the City of Stockholm and by Fortum/Stockholm Gas Company (Stockholm Gas AB, SG AB for short), the monopoly supplier of gas to Stockholm.

SG AB has unilaterally decided to break the contract regarding the supply of gas to our household, and many other households in the city of Stockholm (Sweden). This decision came in 2008 only two years after SG AB actively encouraged potential customers (including myself) to switch to gas as our heating source. Gas was presented as a more environmentally friendly alternative on its way to further expand in the Stockholm region, including biogas production. We were happy to abandon our aging oil heating system and with a substantial investment installed a new gas-based heater in 2006. The decision by SG AB in 2008 to dismantle the gas infrastructure in our street came then as a chock. We were further stunned by the fact that only a hundred meters from our house SG AB is to continue delivering gas indefinitely, and the fact that another hundred meters away SG AB was renewing the gas distribution network in neighboring streets. To make the matter even more absurd, less than one kilometer from our street SG AB is constructing a major gas terminal facility for the southern part of Stockholm.

SG AB is a monopoly of a type that is relatively new in the Swedish society in general and Stockholm city in particular. Utilities in Sweden have historically been publicly owned and thereby were monopolies by definition. However, utility companies have traditionally respected consumer rights, with well-thought long-term development strategies. Electricity utilities have been semi-privatized a few decades ago but electricity delivery to consumers is strictly regulated by law, ensuring long-term supply. More significantly, electricity supply is *not monopolized* since there are many suppliers and a consumer is in a position to choose freely. The current situation with gas supply is unfortunately very different with a relatively new and small, semi-private company SG AB as the monopoly supplier.

Gas infrastructure has existed in our neighborhood for many decades and several generations have directly or indirectly invested in its development. There are still general plans for developing gas infrastructure in the city of Stockholm and Sweden, and many suppliers already exist in the Swedish market but not yet in Stockholm; however it is only a matter of time before alternative suppliers will be entering even the Stockholm region market. Until then, we are left at the whim of a single and arrogant supplier with obvious disregard for its individual customers rights.

To be first lured with colorful and encouraging pamphlets by SG AB into taking advantage of the existing infrastructure and switching to gas, and then after 2 years confronted with a dismantling of this infrastructure is in my view a dangerous precedent that is clearly a misuse of the monopoly by SG AB and a violation of my consumer rights as an EU citizen. The reason stated by SG AB for the dismantling of the gas infrastructure in our street in "unprofitability". The Swedish Consumer Agency has not even anticipated "unprofitability" as an acceptable reason for a utility company to break its contract with customers, so the issue has not entered regulations and hence the Swedish consumer law is not offering me protection. I wish to emphasize however that after the SG AB decision to break its contract with "unprofitable" customers in 2008, the Swedish Consumer Agency *will explicitly regulate*

the issue by not allowing unprofitability to be cited as reason for contract breaking by utility companies in the future. I am glad for this development, but unfortunately it will not help me.

Providing energy supply in a sustainable manner is one of the most challenging tasks currently facing societies. Although there is no silver bullet on the issue, it is clear that a combination of different sources and energy forms will be required. With well over 100 000 km³ proved reserves of natural gas worldwide, and (as significant for sustainable energy) with biogas production on the rise, *gas must be an important part of the energy equation wherever it can be delivered and distributed*. SG AB is set to dismantle the gas distribution infrastructure for almost 3000 thousand individual households in the city of Stockholm, which in effect means 50 000-100 000 households that could use this infrastructure in the future if SG AB was to lose its monopoly and attractive offers were made by competing gas distributors. Thus SG AB's current decision to unilaterally break the contract will not only deprive my family of the possibility to use gas but will also *deprive many more of having the choice in the future when gas distribution will be based on competition* that indeed will make gas sale profitable.

In conclusion, I strongly urge your office to help me in standing against this blunt violation of my consumer rights by an arrogant and ultimately incompetent set of executives at SG AB. They obviously have a failed business model and are misusing their monopoly situation to cut us off from the gas distribution network because our particular household is "unprofitable" when obviously gas will be distributed in close proximity. Where does this precedent leave us? *Depriving an arbitrary consumer of an essential utility because a particular set of households is unprofitable for a monopoly distributor?* Your action in this matter will not only help me as an individual to pursue my consumer rights where they have obviously been violated, but will also help lift and ultimately better resolve the basic issue of great societal significance for the future, namely, *how to reconcile short-term gain and profitability with long-term sustainability goal for energy at the same time protecting fundamental consumer rights of EU citizens*.