

Freezing of energy prices for the SME sector

On **November 4**, an act limiting increases in electricity prices became effective, allowing, among other things, a freeze of electricity prices for entrepreneurs in the **SME** sector. **The maximum price** applicable in settlements with entrepreneurs will be **PLN 785 per MWh** for Energy used from December 1, 2022 to December 31, 2023.

► Who can benefit from this?

The maximum energy prices are applicable to households, SMEs and local governments. In the case of enterprises, the Act refers to the definition contained in Article 7(1)(1-3) of the Act of March 6, 2018 – Enterprise Law.

Thus, the maximum price can be applied by any micro, small and medium-sized entrepreneur as defined by this Act.

► A statement is required.

The maximum price does not apply automatically. The law requires the entrepreneur to submit an appropriate statement, including:

- 1.** A statement of compliance with the conditions that allow the declarant to be considered an eligible recipient;
- 2.** Indication of data for determining the estimated portion of electricity that will be consumed for the needs of the enterprise, and determination of the estimated portion of electricity that will be consumed for the needs of the enterprise;
- 3.** No. of the power delivery point;
- 4.** The date of concluding an electricity sales contract or a master agreement;
- 5.** A clause stating “I am aware of the criminal liability for making a false statement under Article 233 §6 of the Act of June 6, 1997 - Criminal Code.”



► **Do not wait.**

The statement has to be submitted no later than November 30, 2022.

The statement can be submitted both on paper and electronically (with a qualified electronic signature).

► **Statement template.**

The Act specifies that, with a view to ensuring the transparency and communicativeness of this statement and the need to standardize its form, the Minister responsible for energy will specify, by regulation, a template of such statement.

Definitions of SMEs:

Small entrepreneur – is defined an entrepreneur who in at least one of the previous two fiscal years met all the following conditions: employed on average less than 50 employees annually and achieved an annual net turnover from the sale of goods, products and services and from financial operations not exceeding the PLN equivalent of 10 million euros, or the total assets of its balance sheet prepared at the end of one of these years did not exceed the PLN equivalent of EUR 10 million - **and is not a micro-entrepreneur;**

Medium entrepreneur – is defined an entrepreneur who in at least one of the previous two fiscal years met all the following conditions: employed on average less than 250 employees annually and achieved an annual net turnover from the sale of goods, products and services and from financial operations not exceeding the PLN equivalent of 50 million euros, or the total assets of its balance sheet prepared at the end of one of these years did not exceed the PLN equivalent of EUR 43 million - **and is not a micro-entrepreneur;**





A micro-entrepreneur, in turn, means an entrepreneur who, in at least one of the two previous fiscal years, met all the following conditions:

- a) employed an average of less than 10 employees a year and
- b) achieved an annual net turnover from sales of goods, products and services, as well as from financial operations not exceeding the PLN equivalent of 2 million euros, or the sum of the assets of its balance sheet drawn up at the end of one of these years did not exceed the PLN equivalent of EUR 2 million.

Legal basis: Act of October 27, 2022 on emergency measures to limit the electricity prices and support certain consumers in 2023.

(Journal of Laws 2022, item 2243).

Authors:

Grzegorz Gajda, LL.M.
Managing Partner | Attorney-at-law

Dawid Walczak
Junior Associate

CONTACT

Please contact our experts should you have any additional questions.

Grzegorz Gajda, LL.M.
Managing Partner at Baker Tilly Legal Poland
| Attorney-at-law
grzegorz.gajda@bakertilly.pl

Katarzyna Koszel-Zawadka
Partner at Baker Tilly Legal Poland
| Attorney-at-law
katarzyna.koszel-zawadka@bakertilly.pl



ABOUT US

Baker Tilly Legal Poland is a law firm focused on providing services to entrepreneurs in all key areas of their business activity. The law firm team consists of lawyers with many years of international experience in the field of transactions and advisory.

As a member of the **TPA** consulting group and an independent member of **Baker Tilly International**, a global network providing comprehensive advisory services, the law firm combines advantages of integrated, interdisciplinary 'one-stop-shop' services with the local expertise and global reach of the advisory group.

TPA is a leading international consulting group, offering comprehensive business advisory services in 12 countries of Central and Southeastern Europe.

In Poland, TPA is one of the largest consulting companies. We provide international corporations and large domestic companies with effective business solutions in terms of tax advisory, accounting and payroll outsourcing, real estate investment consultancy and HR consulting, as well as audit, business advisory services under the Baker Tilly TPA brand.

TPA Poland, Baker Tilly TPA, and Baker Tilly Legal Poland are the exclusive representatives of Baker Tilly International in Poland – one of the largest global networks of independent consulting companies.

OUR OFFICES

Baker Tilly Legal Poland

Warsaw office:

ul. Przyokopowa 33
01-208 Warsaw, Poland
tel: +48 22 647 99 00
email: legal@bakertilly.pl



Katarzyna Woroszyńska

Managing Partner |
Rechtsanwältin/Advocate
katarzyna.woroszyńska@bakertilly.pl

Poznań office:

ul. Młyńska 12
61-730 Poznan, Polska
tel: +48 61 630 05 00



Grzegorz Gajda, LL.M.

Managing Partner |
Attorney-at-law
grzegorz.gajda@bakertilly.pl

This document was prepared for informational purposes only and is of a general nature. Every time before taking actions on the basis of the presented information, we recommend obtaining a binding opinion of Baker Tilly Legal Poland and/or TPA Poland and/or Baker Tilly TPA experts.