

Pursuant to Article 4.2, 4.7 and 7 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina (Official Gazette of BiH 7/02, 13/03, 76/09 and 1/11), Article 36 of the Rule of Practice and Procedure of the State Electricity Regulatory Commission (Official Gazette of BiH, 2/05) and Article 16 the Licensing Rule – consolidated version (Official Gazette of BiH, 63/16), the State Electricity Regulatory Commission, at the session held on 29 August 2018 adopted a

DECISION

ON ISSUANCE OF TEMPORARY LICENCE FOR THE INTERNATIONAL ELECTRICITY TRADING ACTIVITY

1. A temporary licence shall be issued to the Limited Liability Company *LE Trading BH Banja Luka* for performance of the international electricity trading activity.
2. The licence referred to in Item 1 of this Decision shall be issued for the period from 1 September 2018 to 31 August 2020 and used pursuant to the Standard licensing conditions for performance of the international electricity trading activity (Official Gazette of BiH, 14/16).
3. This Decision shall come into force on the day of adoption and the statement of the Decision shall be published in the *Official Gazette of BiH* and official gazettes of the Entities.

Statement of Rationale

The Company *LE Trading BH d.o.o. Banja Luka* (hereinafter: the applicant) filed with the State Electricity Regulatory Commission (hereinafter: SERC) the application for the issuance of the licence for performance of the international electricity trading activity registered under number: 05-28-12-296-1/18 of 24 July 2018.

Pursuant to Article 7 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina (Official Gazette of BiH, 7/02, 13/03, 76/09 and 1/11), the SERC licence is required for the international electricity trading activity and the applicant is obligated to fulfil the conditions and criteria for the issuance of the licence as determined by SERC rules and regulations.

The application was filed in the prescribed application forms with a proof of previously paid application fee and the relevant documents which, enclosed to the application or submitted later upon a SERC request, enabled SERC to understand, consider and render a decision upon the application filed of which SERC informed the applicant accordingly by its act number: 05-28-12-296-4/18 of 26 July 2018.

Having reviewed and checked all the formal elements of the application, first of all on 30 July 2018 SERC published a short public notice in daily newspapers and on its web site, summarising the application and determining the deadline for submission of public comments on the filed license application until 6 August 2018.

SERC concluded that the public had not submitted any comment on the application filed for issuance of the temporary licence nor had any person expressed the interest to participate in the procedure in the capacity of the intervener upon the SERC public invitation.

SERC verified the data, documents and information enclosed to the application, and established that they provide sufficient evidence on technical, legal and financial abilities of the applicant to fulfil all the criteria, conditions and standards prescribed by law and SERC rules and regulations for the issuance of the licence for performance of the international electricity

trading. Consequently, SERC prepared a Draft decision on issuance of temporary licence which is used pursuant to the Standard licensing conditions for performance of the international electricity trading activity.

As of 9 August 2018 this document was available to the applicant as well as to any other interested member of the public, and they were also given an opportunity to give their comments at a general public hearing held on 14 August 2018 at the SERC seat in Tuzla, preceded by issuance of the relevant notice in daily newspapers and publication of the document on the SERC web site.

For the purpose of efficiency of the procedure, at the general hearing the applicant waived the right to provide comments, which provided sufficient grounds to conclude that it considered that the proposal was prepared in accordance with the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina and secondary legislation dealing with the matters concerned. The prepared proposal of the Decision was sent to the applicant by SERC act number: 05-28-12-296-16/18 of 16 August 2018.

In accordance with the all aforementioned facts and also taking into account the evidence that the applicant had been previously granted the licence for performance of the electricity trading and supply activities on the territory of Bosnia and Herzegovina by the Regulatory Commission for Energy of Republika Srpska valid until 28 April 2020, SERC decided as provided in the statement of this Decision.

Pursuant to Article 9.2 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina, proceedings may be initiated before the Court of Bosnia and Herzegovina by filing a lawsuit within sixty (60) days from the day of receiving this decision.

Number: 05-28-12-296-17/18

29 August 2018

Tuzla

Chairman of the Commission

Milorad Tuševljak