



L I C E N S A
ЗА ОБАВЛЈАЊЕ ДЈЕЛАТНОСТИ
ДИСТРИБУЦИЈЕ ЕЛЕКТРИЧНЕ ЕНЕРГИЈЕ У БРЧКО ДИСТРИКТУ БОСНЕ И
HERCEGOVINE

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ДИСТРИБУЦИЈЕ ЕЛЕКТРИЧНЕ ЕНЕРГИЈЕ У БРЧКО ДИСТРИКТУ БОСНЕ
И ХЕРЦЕГОВИНЕ

Registarski broj licence Регистарски број лиценце	05-28-12-413-28/12
Datum izdavanja licence Датум издавања лиценце	17.1.2013.
Naziv vlasnika licence Назив власника лиценце	Javno preduzeće za komunalne djelatnosti “Komunalno Brčko” d.o.o. Brčko Distrikt BiH Јавно предузеће за комуналне дјелатности “Комунално Брчко” д.о.о. Брчко Дистрикт БиХ
Adresa vlasnika licence Адреса власника лиценце	Brčko Distrikt BiH, Studentska br. 13 Брчко Дистрикт БиХ, Студентска бр. 13
Porezni broj vlasnika licence Порески број власника лиценце	4600244130005
Period važenja licence Период важења лиценце	19.1.2013. - 31.10.2020.

Predsjedavajući Komisije/Predsjedatelj Komisije/Председавајући Комисије

Milorad Tuševljak/Милорад Тушевљак

Članovi Komisije/Чланови Комисије

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LICENSING CONDITIONS FOR PERFORMANCE OF THE ACTIVITY OF ELECTRICITY DISTRIBUTION

Registration number of the license: 05-28-12-413-28/12

Name of the licensee: Public Utility “Komunalno Brčko” d.o.o. Brčko District BiH

1. General Provisions
 - 1.1. This license is issued in accordance with the Licensing Rule (“Official Gazette of BiH”, no. 87/12), and based on the application number: 05-28-12-423-1/12 of 3 December 2012 filed by JP “Komunalno Brčko” Brčko District.
 - 1.2. The license shall be issued for the period from 19 January 2013 to 31 October 2020.
2. Performance of Licensed Activity
 - 2.1. The licensee shall be authorized to perform the activity of electricity distribution (licensed activity) in compliance with the provisions of the Law on Transmission of Electric Power, Regulator and System Operator in Bosnia and Herzegovina (“Official Gazette of BiH”, No. 7/02, 13/03, 76/09 and 1/11), Law on Electricity (“Official Gazette of Brčko District BiH”, No. 36/04, 28/07 and 61/10) as well as the provisions as specified in the license.
 - 2.2. The right to perform the licensed activity referred to in Item 2.1 shall be granted exclusively to the licensee.
 - 2.3. Obligations defined by the license shall not affect other obligations of the licensee which are defined by the law.
 - 2.4. The licensed activity referred to in Item 2.1 shall mean the distribution of electricity in the area of Brčko District of Bosnia and Herzegovina.
 - 2.5. The licensee cannot cease to perform the licensed activity without previous approval by SERC.
 - 2.6. The licensee shall take over electricity at the voltage levels of 35 kV and 10 kV at TS 110/35/10 kV Brčko 1 and TS 110/35/10 kV Brčko 2 and exchange electricity with the neighboring distribution areas.
 - 2.7. The licensee shall perform the activity of electricity distribution using the facilities as provided in annexes to these Conditions (Annex 1 – tabular overview of licensee’s facilities used for the performance of the licensed activity). On an exceptional basis, the distribution of electricity and electricity distribution related activities shall be performed using the facilities that are not owned by the licensee (Annex 2 – tabular overview of the facilities that are not owned by the licensee but are necessary for performance of the licensed activity).
3. Obligations and Rights of the Licensee
 - 3.1. The licensee shall be obligated to maintain compliance with the general and specific criteria stipulated by the Licensing Rule based on which the license has been granted and to provide SERC with the relevant evidence accordingly.

- 3.2. The licensee shall be obligated to regularly, or upon a SERC request, submit financial and other reports in the form and the scope as specified by this license or by the SERC request.
- 3.3. The licensee shall be obligated to prepare financial reports for the licensed activity of international trade in a transparent manner in accordance with the accounting standards applicable in Bosnia and Herzegovina and provisions prescribed by SERC.
- 3.4. The licensee shall be obligated to perform the licensed activity as the public service in accordance with law.
- 3.5. The licensee shall be obligated to ensure accounting unbundling of the licensed activity from all other activities.
- 3.6. The licensee shall be obligated to introduce the system of quality insurance and provide SERC with a certificate issued by an independent accreditation institution.
- 3.7. The licensee shall be obligated to keep records of interruptions of supply with electricity as well as records of commercial quality for the purpose of determining indicators of continuity and commercial quality of supply in the manner as approved by SERC.
- 3.8. The licensee shall be obligated to follow the Market Rules and Grid Code.
- 3.9. The licensee shall be obligated to comply with the General Conditions for Supply with Electricity and the Distribution Grid Code in Brčko District of Bosnia and Herzegovina.
- 3.10. The licensee shall not be allowed to conduct any anti-competitive activities, abuse market power or manipulate the electricity market.
- 3.11. The licensee shall be obligated to provide its services in a fair and non-discriminatory manner.
- 3.12. The licensee shall have the right to attend meetings of technical committees which give comments during the preparation and changes of the Market Rules and Market Rules. The licensee shall have the right to be appointed to the technical committee.
- 3.13. The licensee shall be obligated to comply with the decisions of the Independent System Operator (ISO BiH) when the Grid Code or Market Rules are changed under exigent circumstances requiring urgent steps to be undertaken, in accordance with the law and the ISO BiH license.
- 3.14. The licensee shall be obligated to comply with measures prescribed by SERC or the Ministry of Foreign Trade and Economic Relations (the Ministry) in case of natural disasters or any other situation affecting the general safety.
- 3.15. The licensee shall be obligated to comply with the applicable tariffs and the Rule on Tariff Proceedings (“Official Gazette of BiH”, No. 44/05) and the Methodology for development of tariffs for services of electricity distribution in Brčko District of Bosnia and Herzegovina (“Official Gazette of BiH”, No. 89/11).
- 3.16. Upon a request of the SERC, ISO, Company for Transmission of Electric Power in Bosnia and Herzegovina, the Ministry and the relevant authorities of Brčko District BiH, the licensee shall be obligated to submit requested data, documents

and information required for law enforcement. The authorities that receive the data shall keep the confidentiality of all data requested and information that is considered a trade secret or confidential, except to the extent foreseen by law for the publication of these data.

- 3.17. On its website, the licensee shall be obligated to publish all relevant information and data pertaining to the licensed activity that are needed by users or are of public interest.
 - 3.18. The licensee shall be obligated to ensure non-discriminatory access of a third party to the distribution network.
 - 3.19. The licensee shall be obligated to maintain the right of ownership or any other legal grounds for the use of power installations, facilities and land used for the performance of the activity. It shall be obligated to inform SERC immediately of any change related to the ownership over installations, facilities or land.
 - 3.20. The licensee shall be obligated to possess metering devices installed at the points of delivery of electricity, the type and class of which are defined by technical standards and SERC regulations.
 - 3.21. The licensee shall be obligated to ensure the reading, maintenance, checking, adjustment and calibration of metering devices.
 - 3.22. The licensee shall be obligated to file an application for update of annexes to this license with the status on 31 December of the previous year if their content has been changed. When filing the application for update, the licensee shall be obligated to submit the use permit certificate of occupancy including supporting documentation as well as an updated map of the power system. The licensee shall also inform SERC of all modifications of the license at the time of occurrence of modifications.
4. Monitoring of Performance of the Licensed Activities
 - 4.1 SERC shall monitor performance of the licensed activities.
 - 4.2 SERC shall monitor all aspects of compliance of the licensee with the licensing conditions, as well as with all provisions of the relevant laws and SERC regulations.
 - 4.3 SERC may initiate emergency proceedings in order to respond to any reasonable doubt pertaining to violation of obligations from the license, at SERC's own initiative or in response to a request of any person.
 - 4.4 SERC shall perform announced and unannounced inspections of the facilities and documents related to the licensed activities. SERC shall be entitled to access to any licensee-owned or operated facilities, premises of the licensee, its equipment, documents, business records and archive in order to inspect the licensed activities. The licensee shall provide any form of assistance requested by SERC during the inspection.
 - 4.5 The licensee shall inform SERC of any violation of the licensing conditions no later than seven (7) days after the licensee discovers that the violation has occurred.
 5. Submission of Data and Reports
 - 5.1. The licensee shall submit reports to SERC in the manner as defined in this section and reports upon a special SERC request, in the manner and format prescribed by SERC.

- 5.2. No later than ninety (90) days after the completion of the fiscal year, the licensee shall submit its annual report on performance during that fiscal year. Audited annual financial report shall be submitted no later than 180 days upon the completion of the fiscal year.
- 5.3. The licensee shall prepare and submit to SERC its monthly reports on taken, delivered and billed electricity, collected receivables, quality of supply indicators, realization of the maintenance plan and realization of the investment plan.
- 5.4. The licensee shall inform SERC of any state of emergency in the network upon its occurrence.
- 5.5. The licensee shall submit to SERC for consideration all minutes and decisions of the relevant inspection authorities every six months.
6. Renewal, Modification, Suspension or Revocation of the License
 - 6.1. The licensee shall be obligated to file an application for renewal of the license no later than 120 days before expiration of the license.
 - 6.2. During the term of the license, it shall be possible to re-open the license upon a request of the licensee or at the SERC initiative, in order to harmonize the licensing conditions due to the significant changes in law or factual circumstances.
 - 6.3. Suspension or revocation of the license shall be performed under the conditions, in the cases and in the manner as stipulated by the Licensing Rule.
7. Regulatory Fee
 - 7.1. The licensee shall be obligated to pay regulatory fee during the term of the license in accordance with the SERC decisions.
8. Sanctions
 - 8.1. Penalty provisions stipulated by law shall be applied if the licensee does not comply with the licensing conditions or law.
 - 8.2. SERC may submit an administrative notice to the licensee on any violation, and may summon the licensee to an administrative settlement due to the violation of the license by the licensee before the penalty provisions are applied.
 - 8.3. Prior to the application of the measure referred to in Item 8.2, when the circumstances permit, SERC shall warn the licensee in writing, and shall determine deadlines for removal of shortcomings.
 - 8.4. When determining sanctions, SERC may use the possibility of suspending or revoking the license pursuant to the Licensing Rule.
9. Dispute Resolution
 - 9.1. Disputes filed by third parties related to the application of the Licensing Conditions shall be resolved in accordance with the Rule of Practice and Procedure of SERC (“Official Gazette of BiH”, No. 2/05) and the Rule of Public Hearings (“Official Gazette of BiH”, No. 38/05) or any other appropriate manner which is in accordance with SERC rules.
 - 9.2. Any dispute between the licensee and electricity customers shall be resolved pursuant to regulations applicable in the licensee’s operational area.
10. Provisions on Notification

10.1. The address of the licensee used for submission of notifications shall be:

JP “Komunalno Brčko”, Brčko District BiH

Studentska 13, Brčko

10.2. The licensee may change its address used for submission of notifications, but SERC has to be informed of it in advance. It shall not be necessary to change the license in case the address for submission of notifications is changed.

11. Annexes

11.1. Integral parts of the license shall be:

- Annex 1 – Tabular overview of facilities of the licensee used for performance of the licensed activity (lines, transformer stations), and
- Annex 2 - Tabular overview of facilities that are not owned by the licensee but are necessary for performance of the licensed activity.