

Pursuant to Article 4.2, 4.3. and 7 of the Law on Transmission of Electric Power, Regulator and Electricity System Operator in Bosnia and Herzegovina (Official Gazette of BiH, 7/02 and 13/03, 76/09 and 1/11), Article 14 of the Statute of the State Electricity Regulatory Commission (Official Gazette of BiH, 41/03, 59/04 and 2/10) and Article 50 of the Procedural Rules of the State Electricity Regulatory Commission (Official Gazette BiH, 2/05), the State Electricity Regulatory Commission, at its session held on 15 December 2015 adopted

## **RULES**

### **ON AMENDMENTS TO THE LICENSING RULE**

#### **Article 1**

In Article 2 of the Licensing Rule (Official Gazette BiH, 87/12) the word "electricity" in the definition of '**FERK**' shall be deleted.

In the same Article the definitions of '**Supply**' and '**Public service**' shall be amended to read as follows:

"**Supply**' means supply and/or sale of electricity to customers."

"**Public service obligation**' means the obligation of power utilities to perform certain energy activities as public service available to all customers in a certain area while fulfilling certain standards which may pertain to security, continuity and quality of supply, supply prices, protection of the environment, including energy efficiency, generation from renewable energy sources and climate change."

The definitions of '**Procedural Rules of SERC**', '**Purchase of electricity for self-consumption**', '**Eligible customer** and '**Construction**' shall be deleted.

#### **Article 2**

In Article 3, Paragraph (1) the words: "international electricity trading for self-consumption," shall be deleted while the words: "supply of non-eligible customers" shall be replaced by the words: "public supplying to customers".

In Paragraph (2) of the same Article the words: "eligible customers" shall be deleted.

#### **Article 3**

Item d) in Article 4, Paragraph (1) shall be deleted.

Item b) in Paragraph (2) of the same Article shall be deleted.

The former Items c), d) and e) shall be Items b), c) and d).

#### **Article 4**

Items d) and f) in Article 5, Paragraph (3) shall be deleted.

The former Items e), g), h) and i) shall be Items d), f) and g).

In the same Article, Paragraph (4) shall be amended to read as follows:

"(4) When deciding on a license application submitted to SERC for the first time or when granting a generation license while the generation facility is under trial operation as well as

in any other justified case, SERC may issue a temporary license for a period up to two years.”

#### **Article 5**

Items d) and f) in Article 6 shall be deleted.

In the former Item e) of the same Article the words: “and which are unbundled from distribution companies” shall be deleted.

The former Items e), g), h) and i) shall be Items d), f) i g).

#### **Article 6**

In Article 10, Paragraph (3) the number: “15” shall be replaced by the word: “eight”.

#### **Article 7**

Article 13 shall be amended to read as follows:

“Article 13  
*(Preparation of the License Draft)*

- (1) Following the procedure for review of the completeness of the application referred to in Article 8 of this Rule, correctness of data, documents or information enclosed to the application shall be verified.
- (2) On the basis of processing of the application referred to in Paragraph (1) of this Article, and after the assessment of public comments on the summary of the license application, a draft decision on granting of a license shall be defined at an internal meeting of SERC.
- (3) SERC shall lay down Standard Licensing Conditions for international electricity trading.
- (4) In addition to Standard Conditions, SERC may lay down additional conditions.
- (5) The draft decision on granting of the license shall be referred to a public hearing.”

#### **Article 8**

Paragraph (2) in Article 14 shall be deleted.

In the same Article, the former Paragraph (3) which is Paragraph (2) now shall be amended to read as follows:

“(2) Presiding Officer shall be in charge of a public hearing, or, in case of his absence, a person appointed by SERC.”

#### **Article 9**

Article 16 shall be amended to read as follows:

**"Article 16  
(Decision-Making)**

- (1) Following completion of the hearing, a proposal of a decision on granting of the license shall be prepared by the Presiding Officer.
- (2) The applicant and the intervener may provide their comments on a new draft decision no later than 8 days after receiving it. For the purpose of the efficiency of the procedure, the applicant may give a statement waiving the right to provide comments at a public hearing at which there were no comments.
- (3) After the deadline for receiving of comments expires, SERC shall define a proposal of the decision on granting of the license at an internal meeting.
- (4) A decision on granting of the license shall be adopted at a regular session of SERC.
- (5) The deadline for adoption of a final decision on granting of the license shall depend on the complexity of the application, in which SERC shall respect the principle of efficiency.
- (6) As a rule, the decision referred to in the previous Paragraph shall enter into force on the day of the adoption. The decision shall be submitted to the applicant and the intervener and published pursuant to Article 62 of this Rule."

**Article 10**

Paragraph (3) in Article 17 shall be amended to read as follows:

- "(3) During the term of the license as well as in the case of extension of the license as referred to in Paragraph (5) Article 5 of this Rule, the licensee shall pay a regulatory fee on a quarterly basis in advance.

If the regulatory fee has not been paid in a timely manner, SERC may ask the licensee for bank guarantees."

**Article 11**

Item l) in Article 18, Paragraph (1) shall be deleted.

The former Items m), n), o) and p) shall be Items l), m), n) and o).

**Article 12**

In Article 19 after Item l), a new Item m) shall be added and read as follows:

- "m) A certificate of independent accreditation agency for the quality assurance system or a plan and time schedule of activities for introduction of such system."

**Article 13**

In Article 20 after Item h), a new Item i) shall be added and read as follows:

- "i) A certificate of independent accreditation agency for the quality assurance system or a plan and time schedule of activities for introduction of such system."

**Article 14**

Article 22 shall be deleted.

**Article 15**

Article 24 shall be deleted.

**Article 16**

In Article 25 after Item g), a new Item h) shall be added and read as follows:

- “h) A certificate of independent accreditation agency for the quality assurance system or a plan and time schedule of activities for introduction of such system.”

**Article 17**

In Article 26 in Item e) after the word “use” a comma shall be added and the following words: “including a permit for the use of the generation facility, i.e., a permit for trial operation of the generation facility”.

**Article 18**

In Article 28, Paragraph (2), Item j) the word: “ten” shall be replaced by the word: “five”.

**Article 19**

Article 33 shall be deleted.

**Article 20**

Article 35 shall be deleted.

**Article 21**

In Article 37, Item e), after the word “facility”, the following words shall be added: “or a permit for trial operation of the generation facility”.

**Article 22**

In Article 39, Paragraph (2), in the word “Conditions (*Uvjeti*)” the capital letter “U” shall be replaced by the lowercase letter “u”.

**Article 23**

In Article 41, Item m) shall be amended to read:

- “m) public service obligation in order to assure the continuous supply of customers with electricity.”

**Article 24**

Article 46 shall be deleted.

**Article 25**

Article 48 shall be deleted.

**Article 26**

In Article 54, Paragraph (4) shall be amended to read:

“(4) SERC may request any holder of the license for the performance of the activity of transmission of electric power, independent system operator or distribution to continue providing services on a temporary basis, despite the expiration of the term of the license, if exigencies require.”

**Article 27**

In Article 57, Paragraph (1), Item b) Subparagraph 6, after the words “regulatory fee” the following words shall be added: “or provide the required bank guarantee”.

In Paragraph (6) of the same Article, the word “ten” shall be replaced by the word: “five”.

In Paragraph (7) of the same Article, the word: “emergency” shall be deleted, and after the word: “license” the following words shall be added “including violations of the provisions referred to in Paragraph (1) Item b) Subparagraph (6) of this Article”.

After Paragraph (7), new Paragraphs (8), (9) and (10) shall be added and read as follows:

- “(8) SERC shall conduct a suspension in the case referred to in Paragraph (1) Item a) and Paragraph (7) of this Article without holding a public hearing.
- (9) A suspension at the request of the licensee may be conducted only one time during the term of the license for a 6 to 12 month period.
- (10) The licensee shall not be obligated to pay the regulatory fee during the period of license suspension.”

**Article 28**

In Article 58 after the word “supply” the words: “non-eligible customers” shall be deleted and the words “within the public service” shall be added.

**Article 29**

Article 62 shall be amended to read:

- “(1) Statements of decisions covered by the scope of this Rule shall be published in the Official Gazette of BiH, official gazettes of the entities and the Official Gazette of Brčko District of Bosnia and Herzegovina.
- (2) Full texts of decisions referred to in the previous Paragraph shall be published on the SERC internet site.”

**Article 30**

Article 70 shall be amended to read:

**“Article 70  
(Transitional Provisions)**

- (1) The procedure for the granting of a license upon applications received before this Rule entered into force shall be finalised pursuant to the previously applicable rules.
- (2) International electricity trading licenses for self-consumption granted pursuant to the previously applicable rules shall be valid until 31 December 2016.”

**Article 31**

These Rules shall enter into force on the eighth day after the publishing in the Official Gazette of BiH and shall also be published in the official gazettes of the entities and Brčko District of Bosnia and Herzegovina.

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Chairman of the Commission

15 December 2015

Tuzla

Milorad Tuševljak