

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 of the Licensing Rule – Consolidated Version (Official Gazette of BiH, 63/16), deciding upon the application of "HEP Energija" d.o.o. Mostar number 05-28-12-305-1/20 of 21 September 2020, the State Electricity Regulatory Commission, at the session held on 19 November 2020 passed a

DECISION

ON ISSUANCE OF LICENCE FOR INTERNATIONAL ELECTRICITY TRADING ACTIVITY

1. The licence for performance of the international electricity trading activity shall be issued to the applicant "HEP Energija" d.o.o. Mostar.
2. The licence referred to in Item 1 of this Decision shall be issued for the period from 1 December 2020 to 30 November 2025 and used pursuant to the Standard licence conditions for performance of the international electricity trading activity (Official Gazette of BiH, 14/16).
3. The licence for performance of the international electricity trading activity is an integral part of this Decision.
4. The licensee is obligated to pay a regulatory fee during the term of the licence under the terms and conditions as defined by a separate act.
5. This Decision shall come into force on the day of adoption and the operative part of the Decision shall be published in the Official Gazette of BiH and the official gazettes of the Entities.

Statement of Rationale

The legal person "HEP Energija" d.o.o. Mostar (hereinafter: the applicant) is a holder of the licence for the international electricity trading activity, recorded in the Licence Register of this Commission under registration number 05-28-12-264-17/15 of 18 November 2015, expiring on 30 November 2020.

In accordance with the right to use a possibility of renewing a licence, the licensee expressed its intention to continue to perform the international electricity trading activity and on 21 September 2020 filed a new licence application which was received under number 05-28-12-305-1/20. The application filed will be decided upon pursuant to SERC rules and regulations and 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 application was submitted in a timely manner, on the prescribed forms with a proof of previously paid application fee and relevant documents which enabled SERC to understand, consider and decide upon the submitted application of which SERC informed the applicant accordingly by its act number 05-28-12-305-4/20 of 29 September 2020.

Having reviewed and checked all the formal elements of the application, first of all on 1 October 2020 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 submitted licence application until 8 October 2020.

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

The applicant fulfils indisputably all the criteria, conditions and standards prescribed by law and SERC rules and regulations to perform international electricity trading because it constantly proved its technical, legal and financial capacities during the previous period of use of the licence and provided evidence of having ensured resources, organised conditions and established professional standards to continue to perform the same activity.

Monitoring of all aspects of compliance of the applicant's activities with the conditions and criteria for performance of the activity of international electricity trading so far provided SERC with the basis to initiate the issuance of a new licence, i.e. to prepare a Draft decision on issuance of licence for the international electricity trading activity which would be valid for five years and used pursuant to the Standard licence conditions for performance of the international electricity trading activity.

As of 28 October 2020, this document was made available to the applicant as well as all other interested members of the public who were also provided with an opportunity to give their comments during a general public hearing held on 3 November 2020 at the SERC seat in Tuzla preceded by publication of a relevant notice in daily newspapers and publication of the document on the SERC web site.

As even on the last occasion until 12 November 2020, following the SERC letter number 05-28-12-305-16/20 of 5 November 2020, the applicant did not point out any disagreement with any provision of the proposal of the Decision, there were sufficient grounds to conclude that it was considered that the SERC's proposal was prepared in accordance with the Law on Transmission of Electric Power, Regulator and System Operator of BiH and secondary legislation dealing with the matters concerned.

In accordance with the aforementioned and also taking into account the evidence that the applicant was granted a new second tier licence for performance of the electricity supply activity by the Regulatory Commission for Energy in the Federation of Bosnia and Herzegovina, issued on 19 August 2020 with a five-year term, SERC decided as provided in the operative part 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 against this Decision by filing a lawsuit within 60 days of receipt thereof.

Number: 05-28-12-305-18/20

19 November 2020

Tuzla

Chairman of the Commission

Nikola Pejić