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), deciding upon the application of the legal person "Disam BH" d.o.o., Sarajevo of 29 November 2022, 11 January 2023, which was supplemented on 11 January 2023, the State Electricity Regulatory Commission, at its session held on 15 March 2023 passed a

DECISION

ON ISSUANCE OF TEMPORARY LICENSE FOR THE INTERNATIONAL ELECTRICITY TRADING ACTIVITY

- 1. The temporary licence for performance of the international electricity trading activity shall be issued to legal person "Disam BH" d.o.o., Sarajevo.
- 2. The temporary licence referred to in Item 1 of this decision shall be issued for the period from 16 March 2023 to 15 March 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 temporary licence for performance of the international electricity trading activity is an integral part of this decision.
- 4. The holder of the temporary licence 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 its operative part shall be published in the Official Gazette of BIH and the official gazettes of the Entities.

Statement of Rationale

The legal person "Disam BH" d.o.o., Sarajevo (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 05-28-12-305-1/22 of 29 November 2022 and supplemented on 11 January 2023.

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, submitted to the application or later, enabled SERC to understand, consider and render a decision upon the application filed of which SERC informed the applicant accordingly by its act number 05-28-12-305-5/22 of 31 January 2023.

Having reviewed and checked all the formal elements of the application, first of all on 2 February 2023, 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 10 February 2023.

SERC concluded that the public had not submitted any comment on the application filed for issuance of the 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 evidence on technical, legal and financial capacities 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 activity. Taking into consideration the fact that the application for the issuance of the license was filed for the first time, pursuant to Article 5, paragraph 4 of the Licensing Rule – Consolidated Version, SERC decided to issue a temporary license with a two-year term.

Consequently, a Draft decision on issuance of temporary licence was prepared, which is used pursuant to the Standard license conditions for performance of the international electricity trading activity. As of 23 February 2023, 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 2 March 2023 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.

As even on the last occasion, following the SERC letter number 05-28-12-305-17/22 of 7 March 2023, 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 Regulatory Commission for Energy in the Federation of Bosnia and Herzegovina issued a second-tier licence for performance of the electricity supply activity to the applicant with a two-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: 05-28-12-305-20/22

15 March 2023

Tuzla

Chairman of the Commission

Suad Zeljković