

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 Public Utility “Komunalno Brčko” d.o.o., Brčko District of BiH, number 05-28-12-177-1/22 of 27 June 2022, the State Electricity Regulatory Commission, at its session held on 28 September 2022, passed a

DECISION

ON ISSUANCE OF LICENCE FOR PERFORMANCE OF THE ELECTRICITY TRADING AND SUPPLY ACTIVITY ON THE TERRITORY OF BOSNIA AND HERZEGOVINA

1. The licence shall be issued to the Public Utility “Komunalno Brčko” d.o.o., Brčko District of BiH, for performance of the electricity trading and supply activity on the territory of Bosnia and Herzegovina.
2. The licence referred to in Item 1 of this Decision shall be issued for the period from 1 November 2022 to 31 October 2027 and used pursuant to the Licence Conditions for the electricity trading and supply activity on the territory of Bosnia and Herzegovina.
3. The licence and the Licence Conditions for the electricity trading and supply activity on the territory of Bosnia and Herzegovina shall be 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 and the Brčko District of Bosnia and Herzegovina.

Statement of Rationale

The Public Utility “Komunalno Brčko” d.o.o., Brčko District of BiH (hereinafter: the applicant), that is obligated to ensure the distribution of electricity and supply system users and customers with electricity in the area under its jurisdiction pursuant to the Decision Establishing the Public Utility “Komunalno Brčko” d.o.o., Brčko District of BiH (Official Gazette of the Brčko District of BiH, 20/07, 21/07, 24/08 and 33/09), is a holder of the licence for the electricity trading and supply activity on the territory of Bosnia and Herzegovina, entered into the Licence Register of this Commission under the registration number 05-28-12-223-16/17 of 11 October 2017 expiring on 31 October 2022.

In accordance with the right to use a possibility of renewing a licence and fulfilling the obligation referred to in Article 48 of the Licensing Rule – Consolidated Version (Official Gazette of BiH, 63/16) to express its intention to continue to perform the electricity trading and supply activity on the territory of Bosnia and Herzegovina prior to the expiration of the existing licence, the licensee filed an application for the granting of a new licence that was registered under number: 05-28-12-177-1/22 of 27 June 2012. The application filed shall be decided upon pursuant to internal rules and regulations of SERC and Article 7 of the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina.

The application was submitted on the prescribed forms with a proof of previously paid application fee and relevant documents which, enclosed to the application or provided later, enabled SERC

to understand, consider and decide upon the submitted application of which SERC informed the applicant accordingly by its act number 05-28-12-177-5/22 of 27 July 2022.

Having reviewed and checked all the formal elements of the application, first of all on 29 July 2022 SERC published a short public notice in daily newspapers and on its website, summarising the application and determining the deadline for submission of public comments on the submitted licence application until 5 August 2022.

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 the 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 the activity of electricity trading and supply on the territory of Bosnia and Herzegovina because it constantly proved its technical, legal and financial capacities during the previous period of use of the licence during which it provided valid evidence thereof.

Monitoring of all aspects of compliance of the applicant's present activities with the conditions and criteria for performance of the activity of electricity trading and supply on the territory of Bosnia and Herzegovina provided SERC with the basis to initiate the renewal of the licence, i.e. to prepare the initial version of the Licence Conditions, which would also be valid for five years. As of 1 September 2022, 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 7 September 2022 at the SERC seat in Tuzla preceded by publication of a relevant notice in daily newspapers and publication of the documents on the SERC website.

As there were no comments during the general public hearing which would instigate any changes to the conditions for use of the licence, the proposal for granting of the licence was prepared and submitted to the applicant by the SERC act number 05-28-12-177-16/22 of 15 September 2022. As the applicant did not have any comment after the submission of the Draft Decision, there were sufficient grounds to conclude that the SERC's proposal was considered to be 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.

Pursuant to Article 9.2 of the Law on Transmission of Electric Power, Regulator and System Operator of BIH, 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: 05-28-12-177-18/22

28 September 2022

Tuzla

Chairman of the Commission

Suad Zeljković