

Pursuant to Articles 4.2 and 5.3 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) and Article 36 of the Rule of Practice and Procedure (Official Gazette of BiH, 2/05), at the proposal of the Independent System operator in Bosnia and Herzegovina, number: 278-1/18 of 21 February 2018, at the session held on 13 March 2018 the State Electricity Regulatory Commission adopted

## DECISION

### ON APPROVAL OF CONTRACT ON MUTUAL DELIVERY OF CROSS-BORDER TERTIARY CONTROL ENERGY

#### I

The Contract on mutual delivery of cross-border tertiary control energy for the provision of system services from abroad for the power systems of Bosnia and Herzegovina and Montenegro, which will be signed between the Independent system Operator in Bosnia and Herzegovina and *Crnogorski elektroprenosni sistem* (Montenegrin Electrical Transmission System), shall be approved.

#### II

This Decision shall enter into force on the day of its adoption and it shall be published in the *Official Gazette of BiH*.

Number: 04-14-2-107-2/18

13 March 2018

Tuzla

Chairman of the Commission

Nikola PEJIĆ

#### *Statement of Rationale*

By its letter number 278-1/18 of 21 February 2018, the Independent System Operator in Bosnia and Herzegovina submitted the Contract on mutual delivery of cross-border tertiary control energy for the provision of system services from abroad for the power systems of Bosnia and Herzegovina and Montenegro to the State Electricity Regulatory Commission for approval. It is planned that the Contract will be concluded between the Independent System Operator in Bosnia and Herzegovina and the transmission system operator in Montenegro, *Crnogorski elektroprenosni sistem*.

The subject of the Contract is the provision of assistance in the form of mutual delivery of cross-border tertiary control energy in order to enhance secure and reliable operation of the two systems. In this manner, the cross-border exchange of one of the products on the balancing market, which was formerly known as *emergency exchange*, has been formalised. A virtual transmission line registered in the SCADA systems of the two operators for simulation of exchange will be used for calculation of transactions, which is in line with the ENTSO-E Continental Europe Operation Handbook. For energy exchange in physical terms, the remaining available cross-border capacity will be used after the completion of intraday capacity allocation.

Furthermore, the Contract will mean the fulfilment of the obligations of Bosnia and Herzegovina regarding the measures under the WB 6 (Western Balkan 6) initiative in the part pertaining to cross-border exchange of balancing services.