Pursuant to Article 4.8 of the Law on Transmission of Electric Power, Regulator and System Operator in Bosnia and Herzegovina (Official Gazette of BiH, 7/02, 13/03, 76/09 and 1/11) and Articles 6 and 7 of the Rule on Tariff Proceedings (Official Gazette of BiH, 44/05), deciding upon the application of Independent System Operator in Bosnia and Herzegovina number: 34/15 of 30 October 2015, at the session held on 29 December 2015, the State Electricity Regulatory Commission adopted

DECISION

ON TARIFFS FOR SYSTEM AND ANCILLARY SERVICES

Article 1 (Subject)

This Decision defines a tariff for system service and tariff for excessive take-on of electric power from teh transmisison system of Bosnia and Herzegovina.

Article 2 (System Service)

- (1) The financial scope of system service in 2016 shall be set to the amount of 60,243,677 BAM while the tariff for system service shall amount to 0.5014 fening/kWh.
- (2) The funds collected on the basis of the tariff for system service shall be used exclusively for procurement of secondary and tertiary control capacity reserve on the market as well as procurement of electricity to cover transmission system losses and compensation of unintended deviations towards the neighbouring regulation areas.

Article 3 (Excessive Take-on of Reactive Power)

It is determined that the tariff for excessive take-on of reactive power from the transmission network shall amount to zero (0) fening/kvarh.

Article 4

(Calculation of Deviations from Daily Schedule by Balance Responsible Parties)

Values of deviations from a daily schedule by balance responsible parties shall be calculated on an hourly basis. The Independent System Operator in Bosnia and Herzegovina (ISO BiH) shall calculate deviations in energy and financial terms of pursuant to the Market Rules (Official Gazette of BiH, 48/15) and relevant procedures.

Article 5 (Calculation and Billing of Ancillary and System Services)

- (1) Pursuant to the Market Rules and relevant procedures, the ISO shall make calculation of ancillary and system services based on which billing and payment of services shall be made.
- (2) The calculation referred to in Item (1) of this Article shall be submitted to ancillary service providers, suppliers of customers connected to the transmission system, distribution system operators in BiH and SERC. The calculation shall include financial and energy positions of the ISO BiH and market participants.

(3) With the aim of making an accurate calculation, distribution system operators shall be obligated to provide the ISO BiH with all required data and information in a timely manner.

Article 6 (Final Provisions)

This Decision shall enter into force on the day of the adoption and it shall be applied as of 1 January 2016.

The statement of the Decision shall be published in the Official Gazette of BiH and the official gazettes of the Entities and Brčko District of Bosnia and Herzegovina.

Number: 04-28-5-326-49/15 29 December 2015 Tuzla Chairman of the Commission

Milorad Tuševljak