

Energy Community Regulatory Board

44th ECRB Meeting

Athens, 4 December 2019

UPDATE ON DEVELOPMENTS IN BOSNIA AND HERZEGOVINA (Oct 2019 – Dec 2019)

State Electricity Regulatory Commission
Bosnia and Herzegovina

Legislation Development

Primary legislation

- No new developments in the period Oct – Dec 2019
- New state law aiming to transpose the Third Energy Package
 - Legal framework for regulator, transmission/transport and market
- This law is to be followed by additional state primary legislation
 - TSO establishment
- Further legislative activities of two BIH entities needed
 - Electricity and gas: new laws/amendments to current legislation
- Appointment of the new BIH Council of Ministers pending
 - Nomination for the post of Chair: BIH Presidency decision submitted to the Parliament; Parliamentary commission voted in favour last week

SERC Tariff Proceedings (1/2)

- Tariff Proceedings for ISO services as well as for system and ancillary services initiated
 - ISO BIH requested:
 - Annual revenue increase (45 %)
 - Tariffs for ISO services to be increased by 69.2 % (L component) and 49.1 % (G component)
 - Tariff for system services to be increased by 56.7 %
 - Formal public hearing to be held on 16 December 2019
 - Five interveners
- Tariff Proceedings for TRANSCO services initiated
 - Elektroprenos BIH requested annual revenue increase by 16.5 % and tariff increase on average by 33.2 %
 - Formal public hearing to be held on 17 December 2019
 - Five interveners

SERC Tariff Proceedings (2/2)

- Proceedings for setting of tariff rates for electricity distribution services and tariff rates for electricity supply within the universal service in the Brčko District of BIH initiated
 - Komunalno Brčko requested distribution network tariffs to be increased by 6.97 % and supply within the universal service to be increased by 6.96 % (households 7.4 %, other customers 5.6 %)
 - Formal public hearing to be held on 11 December 2019
 - No interveners

- Separate preparatory meetings with applicants and interveners within all three proceedings organized on 3 December 2019

SERC Activities on REMIT

- Decision on transposition and implementation of REMIT adapted to the EnC legal framework
 - Working version prepared
 - SERC to define a Draft Decision by the end of 2019
 - Adoption of the decision planned for Q1 2020
- Translation of REMIT into the local languages in its final stage
- Development of a national register of wholesale electricity market participants in progress
- Planned re-design of the SERC web-site to support the implementation of REMIT (REMIT corner)
- REMIT Workshop for market participants to be prepared
- Cooperation with BIH Competition Council on the implementation of REMIT to be agreed

Additional Information

- SERC firstly suspended (Oct 2019) and afterwards revoked (Nov 2019) the licence for performance of the international electricity trading activity issued to the Company ERDAL (earlier operated under the name of *Prvo plinarsko društvo*)
- USAID EPA – Energy Policy Activity launched (19 Sep 2019)
 - The Project to be operational for five years
 - Focused on support to all key stakeholders in BIH energy sector in the accession process and integration into the European Union
 - Contributions to BIH's meeting its EnC Treaty obligations
 - Activities includes development of natural gas legislation, creating preconditions for day-ahead and intra-day market, energy efficiency obligation scheme, elimination of obstacles for investments, as well as improvements in cyber security and public relations
- Energy Summit in BIH (7-9 April 2020)

Thank you for your attention!

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