

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 SERC (Official Gazette of BiH, 2/05) and Article 16 the Licensing Rule (Official Gazette of BiH, 87/12 and 98/15), the State Electricity Regulatory Commission, at the session held on 21 July 2016 rendered

DECISION

ON ISSUANCE OF TEMPORARY LICENSE FOR THE INTERNATIONAL ELECTRICITY TRADING ACTIVITY

1. A temporary license shall be issued to the Company *G-Petrol d.o.o. Sarajevo* for performance of the international electricity trading activity.
2. The license referred to in Item 1 of this Decision shall be issued for the period from 1 August 2016 to 31 July 2018 and used pursuant to the Standard licensing conditions for performance of the international electricity trading activity (Official Gazette of BiH, 14/16).
3. This Decision shall come into force on the day of adoption and the statement of the Decision shall be published in the Official Gazette of BiH and official gazettes of the Entities.

Statement of Rationale

The Company "G-Petrol" d.o.o. (hereinafter: the applicant) filed with the State Electricity Regulatory Commission (hereinafter: SERC) the application for the issuance of the license for performance of the international electricity trading activity registered under number: 05-28-12-136-1/16 of 22 April 2016.

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 license is required for the international electricity trading activity and the applicant is obligated to fulfill the conditions and criteria for the issuance of the license 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, enclosed to the application or submitted later upon a SERC request, enabled SERC to understand, consider and render a decision upon the application filed of which SERC informed the applicant accordingly by its act number: 05-28-12-136-6/16 of 25 May 2016.

Having reviewed and checked all the formal elements of the application on 28 May 2016 SERC published a short public notice in daily newspapers and on its web site, summarizing the application and determining the deadline for submission of public comments on the filed license application until 5 June 2016.

SERC concluded that the public had not submitted any comment on the application filed for issuance of the temporary license 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 correctness of the data, documents and information enclosed to the application, and established that they provide sufficient evidence on technical, legal and financial abilities

of the applicant to fulfill of the criteria, conditions and standards prescribed by law and SERC rules and regulations for the issuance of the license for performance of the international electricity trading. Consequently, SERC prepared a Draft decision on issuance of temporary license which is used pursuant to the Standard licensing conditions for performance of the international electricity trading activity.

As of 9 July 2016 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 hearing held on 12 July 2016 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.

For the purpose of efficiency of the procedure, at the general hearing, the applicant waived the right to provide comments, which provided sufficient grounds to conclude that it considered that the proposal was prepared in accordance with the Law on Transmission of Electric Power, Regulator and System Operator of Bosnia and Herzegovina and secondary legislation dealing with the matters concerned. A Proposal of the final decision sent to the applicant by SERC act number: 05-28-12-136-18/16 of 14 July 2016 takes into consideration the interest of the applicant expressed at the general hearing.

In accordance with the all aforementioned facts and also taking into account the evidence that the applicant had been previously granted the second tier license for performance of the activities of electricity supply in the territory of Bosnia and Herzegovina by the Regulatory Commission for Electricity in the Federation of Bosnia and Herzegovina registration number: 06-03-764/26/15 of 15 March 2016, SERC decided as stated in the disposition 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 by filing a lawsuit within sixty (60) days from the day of publishing this decision.

Number: 05-28-12-136-18/16

21 July 2016

Tuzla

Chairman of the Commission

Suad Zeljković