

Pursuant to Article 4.2 of the Law on Transmission of Electric Power, Regulator and System Operator in BiH ("Official Gazette of BiH", no. 7/02 and 13/03), the State Electricity Regulatory Commission, at its session held on December 7, 2006 issues

RULES OF THIRD PARTY ACCESS TO THE TRANSMISSION SYSTEM

Article 1

These Rules shall define third party access to the electricity transmission system of Bosnia and Herzegovina (hereinafter: the transmission system).

Article 2

All entities licensed for generation, distribution, supply, trade and electricity customers shall be entitled to access to the transmission system.

Article 3

The terms used in these Rules shall have the meaning as determined by the law and rules of the State Electricity Regulatory Commission (hereinafter: SERC).

Article 4

In accordance with its competences and powers, SERC shall ensure the establishment, monitoring and implementation of the rules related to fair and non-discriminatory third party access to the transmission system as well as non-discriminatory treatment of the system users or system user classes.

Article 5

Pursuant to the rules from the previous Article, SERC shall enable access to the transmission system, to all those who are entitled to it, by ensuring:

- a) fair access to the transmission system,
- b) compliance with the applicable tariffs,
- c) compliance with the provisions pertaining to technical standards, market rules and grid code,
- d) planning of the expansion of the system to meet customer needs,
- e) quality standards of electricity supply, maintenance of frequency and regulation of voltage and reduction of interruptions in provision of services.

Article 6

The persons entitled to access to the transmission system shall file a written application with the entity that is licensed to grant access to the transmission system pursuant to the rules enabling fair access to the electricity transmission network to all users of the transmissions system approved by SERC.

Article 7

The rights and obligations of "Elektroprijenos BiH" (the Company for Transmission of Electric Power in BiH), "Nezavisni operator sistema u BiH" (the Independent System

Operation in BiH) and persons entitled to access the transmission system shall be regulated by contract.

Article 8

Notwithstanding the fulfillment of conditions from Article 5 of these Rules, third party access to the transmission system may be refused due to lack of transmission capacity, and justified reasons for such a refusal have to be provided.

Pursuant to the Rules of Hearing Procedures (“Official Gazette of BiH”, no. 38/5), the interested party may file a submission with SERC against the decision whereby access to the transmission system is not granted.

Article 9

In accordance with its powers, SERC shall decide upon adequate measures for the licensee that illegally refuses third party access to the transmission system.

Article 10

Third party access to the transmission system shall be conducted in a non-discriminatory manner and shall be based on the published tariffs.

Article 11

In addition to being regulated by law, the right of third party access to the transmission system, as a key component of European directives and rules of internal electricity market, shall also be regulated by the Tariff Pricing Methodology, Licensing Conditions for Operation of Elektroprijenos BiH and ISO BiH, Market Rules, Grid Code and scope, conditions and time schedule of electricity market opening in Bosnia and Herzegovina.

Pursuant to the documents from the previous paragraph, SERC shall monitor the realization of the rights of all market participants related to access to the transmission system.

Article 12

These Rules shall enter into force on the eighth day after their publication in the “Official Gazette of BiH”.

No: 04-28-359/06

December 7, 2006

Tuzla

Chairman of the Commission

mr Vladimir DOKIĆ