

Pursuant to Article 7.5. 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 State Electricity Regulatory Commission (Official Gazette of BiH, 2/05) and Article 51, paragraph 7 of the Licensing Rule – Consolidated Version (Official Gazette of BiH, 63/16), at its session held on 17 July 2024 the State Electricity Regulatory Commission, passed an *ex officio*

DECISION

ON SUSPENSION OF TEMPORARY LICENCE FOR INTERNATIONAL ELECTRICITY TRADING ACTIVITY

1. The temporary licence for performance of the international electricity trading activity, registration number 05-28-12-326-18/22 of 22 February 2023, issued for the period from 23 February 2023 to 22 February 2025 to legal person “Medoš One” d.o.o., Banja Luka, shall be suspended.
2. The temporary license referred to in point 1 of this decision shall be suspended starting from 18 July 2024 until 22 February 2025 or until the submission of evidence on fulfilling the conditions and criteria as prescribed by the regulatory rules and regulations.
3. The legal person referred to in point 1 of this decision has no obligation to pay the regulatory fee during the period of licence suspension.
4. This decision shall come into force on the day of adoption and the operative part thereof shall be published in the “Official Gazette of BiH” and the official gazettes of the Entities.

Statement of Rationale

Legal person “Medoš One” d.o.o., Banja Luka (hereinafter: the temporary license holder) is in possession of a temporary license issued by the Decision of the State Electricity Regulatory Commission (hereinafter: SERC) number 05-28-12-326-17/22 of 22 February 2023 for the period from 23 February 2023 to 22 February 2025, registration number 05-28-12-326-17/22.

The provisions of Article 30 paragraph 1 point e) of the Licensing Rule – Consolidated Version (Official Gazette of BiH, 63/16), as one of the specific criteria for the issuance of an international electricity trading license stipulates that the applicant for the issuance of the license has to provide evidence that the prerequisites for the issuance of the relevant license of the Regulatory Commission for Energy in the Federation of Bosnia and Herzegovina (FERK) or the Regulatory Commission for Energy of Republika Srpska (RERS) have been fulfilled.

During the procedure for the issuance of the aforementioned license, this specific criterion was fulfilled, that is, at the time of the issuance of the license for performance of the international electricity trading activity, the temporary license holder was in possession of a license for supply and trading of electricity issued by RERS with a two-year term starting from 7 July 2022.

Under point 2.1 of the Standard license conditions for performance of the international electricity trading activity (Official Gazette of BiH, 14/16), licensees are obligated to permanently fulfil general and specific criteria determined by the Licensing Rule based on which they are granted licences during the term of the license and provide relevant evidence thereof to SERC.

However, by the RERS communication number 01-583-6/24 of 8 July 2024, SERC was informed that the two-year license for supply and trading of electricity issued to legal person “Medoš One” d.o.o., Banja Luka by the RERS Decision number 01-284-8/22/P-42-228 of 7 July 2022, had expired.

With the expiry of the license issued by the entity regulator, the temporary license holder ceased to fulfil the specific criterion defined in Article 30 paragraph 1 point e) of the Licensing Rule, that is, the obligation specified in point 2.1 of the Standard license conditions for performance of the international electricity trading, and it did not fulfil the obligation specified in point 2.20. of the Standard conditions either which stipulates the obligation to inform SERC of any change concerning licenses issued by the relevant entity commissions, having in mind that SERC was not informed by the temporary license holder of the expiry of the license issued by the Entity Regulator.

In addition, in accordance with the Decision on payment of regulatory fee for 2024 number 05-28-12-286-23/24 of 3 January 2024, legal person “Medoš One” d.o.o., Banja Luka, was ordered to pay the regulatory fee totalling 30,000.00 BAM, which should be paid in advance on a quarterly basis in four equal portions. Acting in accordance with the aforementioned decision, the temporary license holder paid the regulatory fee for the first and second quarter of 2024, but the regulatory fee for the third quarter of 2024 amounting to 7,500.00 BAM was not paid until the day of the adoption of this decision although the final date for payment was 30 June 2024.

Taking this into consideration as well as the provisions of Article 51 paragraph 5 of the Licensing Rule which enable SERC to suspend a license without a public hearing in case of specific violations of the provisions of the license conditions or the failure to pay the regulatory fee, it was decided as provided in the operative part of this decision.

Pursuant to Article 51 paragraph 5 of the Licensing Rule, suspension may be terminated if the temporary license holder fulfils the relevant requirements, that is, in the concrete case, provides evidence on fulfilling the requirements for the issuance of a new license by the Entity Regulator and settle the debt for the regulatory fee.

As the temporary license is suspended in the third quarter of 2024, starting from 18 July 2024, the outstanding debts of the temporary license holder for the third quarter of 2024 do not amount 7,500.00 BAM as previously specified in the Decision on payment of regulatory fee for 2024, but 1,370.97 BAM, and consequently, there is no obligation to pay the regulatory fee for the fourth quarter of 2024.

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 against this decision before the Court of Bosnia and Herzegovina by filing a lawsuit within sixty (60) days of receipt thereof.

Number: 05-28-12-270-1/24

17 July 2024

Tuzla

Chairwoman of the Commission

Branislava MILEKIĆ