

Regulatory Commission for Energy of Republic of Srpska, Trebinje

Number: R-19-666-173/07

Date: 21 December 2007

Pursuant to provisions of Article 23, line 3 and regarding Article 83 of the Electricity law ("Official Gazette of Republic of Srpska", number 66/02, 29/03, 86/03, 111/04 and 60/07), Article 11 line 12 of the Statute of the Regulatory Commission for energy of Republic of Srpska ("Official Gazette of Republic of Srpska", number 41/04 and 67/07), Article 37 paragraph 3 of the Procedural rules of the Regulatory Commission for electricity of Republic of Srpska ("Official Gazette of Republic of Srpska" number 96/04), Article 35 and Article 68 paragraph 2 of the Rule book on tariff methodology and tariff proceeding ("Official Gazette of Republic of Srpska", number 61/05), Regulatory Commission for energy of Republic of Srpska in its 19th regular session which was held on 21 December 1007 made

DECISION

On amendment of Decision on tariff system for the sale of electricity in Republic of Srpska

I

In the name "Decision on tariff system for the sale of electricity in Republic of Srpska" ("Official Gazette of Republic of Srpska", number 28/06, 40/06 and 59/07), the words "in Republic of Srpska" - are replaced by the words "-and usage of distribution network"

II

In the point XVII paragraph (2) is changed and it is as follows: "(2) Ratio of high and low season tariff rates is 1.3:1.

III

In the point XVIII paragraph (3) the percentage: "80%: is replaced by the percentage "83%".

IV

This Decision becomes effective on the eight day upon its publication in the "Official Gazette of Republic of Srpska" and it is applied to calculation of electricity as of 1 January 2008.

RATIONALE

In the second tariff proceeding initiated at the request of the electric power companies in Republic of Srpska, in the formal hearing for approval of tariff rates for distribution system users and formal hearing for approval of tariff rates for non-eligible customers of electricity in Republic of Srpska, it was discussed about the issues of amendment of the tariff system.

It is submitted a joint statement by the applicants in which it was proposed reduction of the ratio between season tariff rates for the tariff customers' supply, in order to modify this ratio from the current 1.5:1 to 1.3:1 for the capacity charge and active electricity. The proposal was supported by the analysis of the price changes of electricity at the Leipzig exchange and realized burdening of the electric power system of Republic of Srpska and particularly for MH ERS ZEDP "Elektro-Bijeljina" joint stock company Bijeljina for the third Wednesday in high and low season.

Since there is a tendency of increase of consumption in low season in relation to the consumption in high season, both energy and capacity, there is the same situation with prices at the electricity exchange and taking into account the increase of electricity prices in this tariff proceeding, it was estimated that this change should not cause overburdening of the electric power system in high season period.

Having in mind that the tariff system, inter alia, should provide for as even as possible consumption in order to increase the stability of the electric power system, and that increase of consumption in the period of application of low daily tariff rates contributes to it, it was applied the ratio referred to in Article XVIII of the Tariff system from 80% to 83%.

Namely, according to the previous tariff system (Article XVIII) the ratio of tariff rates for the active electricity for tariff groups with one-tariff meter and high daily tariff rate for the tariff group with two-tariff meter within the same category of consumption was 80%. RERS modified the ratio of tariff rates for the group of customers whose active electricity is calculated per a daily tariff rate and tariff rates for groups of customers whose active electricity is calculated in two daily tariff rates within the same category of consumption.

According to the above mentioned, it was made Decision as it is in dispositive.

Point IV of this Decision is founded on the provisions of Article 33 paragraph 4 of the Electricity law and Article 21 of the Statute of the Regulatory Commission for energy of Republic of Srpska.

President
Milenko Cokorilo