REGULATORY COMMISSION FOR ELECTRICITY OF REPUBLIC OF SRPSKA TREBINJE

Pursuant to the provision of the Article 30, related to the Article 83 of the Law on electricity ("Official Gazette of Republic of Srpska" number 66/02, 29/03, 86/03 and 111/04), Article 11, line 12 of the Statute of the Regulatory Commission for electricity of Republic of Srpska ("Official Gazette of Republic of Srpska", number 41/04), Article 37, paragraph 1, point 3 of the Procedural Rules of the Regulatory Commission for electricity of Republic of Srpska ("Official Gazette of Republic of Srpska", number 96/04) and related to the Article 35 and 68, paragraph 2 of the Rule book on tariff methodology and tariff proceeding ("Official Gazette of Republic of Srpska" number 61/05), the Regulatory Commission for electricity of Republic of Srpska, in its regular 28th session held on 22 March 2006, made

DECISION

on the tariff system for selling of electric energy in Republic of Srpska

I

The tariff system determines the categories of consumption and groups of buyers, tariff elements for determination of the quantity of electricity delivered and value of the service, as well as the method of application of tariff rates for calculation of the price of the electricity delivered.

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- (1) The bases of the tariff system are:
- tariff elements based on which the value of electric energy delivered is calculated and services of the electric power activities to buyers by the electric power company;
- b) categories of consumption, which is determined depending on voltage at the delivery point of electricity, characteristic capacity of the energy user, purpose of the consumption, method of measuring and other criteria determined by this tariff system and tariff group of buyers which are made within the categories of consumption depending on the particularities of the method of measuring, the amount of peak capacity, special purpose and other characteristics of the consumption of electricity;
- c) daily and seasonal periods of application of different prices of the tariff elements for each category of consumption and group of buyers.
- (2) Tariff rates which represent the unit prices for tariff elements depending on daily and seasonal periods of delivery of electricity for different categories of consumptions and tariff groups of buyers are determined by a special Decision, pursuant to the tariff system.

TARIFF ELEMENTS

Ш

(1) Tariff elements are:

- a) capacity charge
- b) active electricity
- c) excessively taken reactive electric energy
- d) fixed compensation per the measuring point of the buyer

IV

Capacity charge is the maximum reached capacity during the calculation period, and it is determined by measuring or in a way determined in Point VI of this Tariff system and it is expressed in the kilowatt (kW).

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- (1) Capacity charge for the categories "consumption at 100 kV voltage", consumption at 35 kV voltage", "consumption at the voltage level from 1 kV to 35 kV" and "I tariff group" from the category of "other consumption at low voltage" is determined measuring the peak load which is, the maximum average taken capacity in the period of 15 minutes during the monthly calculation period in the time of application of high daily tariff rate.
- (2) If the measuring device does not register the time when the peak load is achieved, it is considered that it was measured the peak load which was achieved in the period of application of high daily tariff rates.

VI

- (1) For buyers from the category of "other consumption at low voltage" and category of "households" which capacity is not measured, the capacity charge is determined monthly in the following amounts:
- * "other consumption at low voltage" the second tariff group: 5 kW per buyer
- * "other consumption at low voltage" the third tariff group: 5 kW per buyer
- * "other consumption at low voltage" the sixth tariff group: 7 kW per buyer
- * "other consumption at low voltage"- the seventh tariff group: 7 kW per buyer
- * "households" the first tariff group: 3,3 kW per buyer
- * "households" the second tariff group: 5,2 kW per buyer

VII

- (1) In case when the end user registers himself or cancels himself during the month, the capacity charge is determined in the following way:
- a) for the end users whose capacity charge is determined measuring the peak load, in a way that the measured peak load is multiplied by the relation of number of days in that month after registration, i.e. before cancellation and calendar number of days in that month:

- b) for end users whose capacity is not measured:
- if the end user registers himself until the 15th day in a month or cancels himself after the 15th day in a month, it is applied the monthly tariff rate for the capacity charge and the amount of the capacity charge of the tariff group that the buyer belongs to;
- if the buyer registers himself after the 15th day in a month, or cancels himself before or on the 15th day in a month, that capacity charge is not calculated for that month.

VIII

Active electric energy is determined by measuring, using the electric meter device for the active electric energy and it is expressed in kilo Watt hours (kWh).

IX

- (1) Reactive electricity is determined by measuring or by occasional measuring using the electric meter device for reactive electric energy, and it is expressed in kilovarhours (kVArh).
- (2) Reactive electricity is metered to end users from the category of "consumption at 110 kV voltage", "consumption at 35 kV voltage", "consumption at the voltage level from 1 kV to 35 kV" and "the first tariff group" from the category of "other consumption at low voltage" and those end users from the category of "other consumption at low voltage" that have meters inserted for measuring of the reactive electricity and/or those end users for who the distribution licensee (hereinafter Distributor) finds by occasional metering that they take excessive reactive energy.
- (3) At the request of Distributor, the end user is obliged to insert the meter for reactive electricity or enable occasional metering pursuant to the General conditions for delivery and supply of electricity and Distribution Grid Code.
- (4) Reactive electricity determined by the occasional metering, which is carried out at the discretion of Distributor or at the request of the Buyer whereby the period of reading cannot be shorter than 24 hours, serves for calculation of the excessively taken reactive electricity which is applied in calculations until the next metering.

X

- (1) Buyers are calculated and charged for the excessively taken reactive electricity in the period of application of high daily tariff rates.
- (2) Excessively taken reactive electric energy is a positive difference between actually taken reactive electricity (kVArh) and reactive electricity which corresponds to the capacity factor cos=0.95 inductively, i.e. it is a positive difference between totally taken reactive energy and 33% of the active electricity taken in the same period.

In case when the metering point and taking point of electricity are at the different voltage sides of the power transformer, the quantities for tariff elements which are determined by metering are corrected for the technical losses in the transformer.

XII

The fixed compensation per the measuring point of the buyers is determined on the basis of costs related to one buyer or one measuring point, if the buyer has more than one connections, which do not depend on the quantity of the electricity delivered and it is calculated in the fixed monthly amount.

CATEOGORIES OF CONSUMPTION

XIII

Buyers are divided in the following categories of consumption:

- a) "consumption at 110 kV voltage", for buyers that take electricity at 110 kV.
- b) "consumption at 35 kV voltage" for buyers that take electricity at the voltage levels of 35 kV and more, including the voltage level of 35 kV,
- c) "consumption at the voltage level of 1 kV to 35 kV" for buyers that take electricity at the voltage levels from 1 kV to 35, including the voltage level of 1 kV,
- d) "other consumption at the low voltage" for buyers that take electricity at the voltage level which is lower than 1 kV apart from buyers from the categories of consumption of "households" and "public lightning;
- e) consumption of "households" includes the consumption of electricity in the flats, houses for living and holiday, consumption for lightning of the accompanying ancillary rooms for households, garage, access to the living structures, staircase lightning, elevators and common TV devices,
- f) consumption "public lightning" includes the consumption of electricity for the lightning of streets, squares, roads, bridges, tunnels at the road communications, pedestrian lines, devices for signalization, parks and monuments.

XIV

- (1) Buyers of electricity in the category of consumption of "households" are divided in the following tariff groups:
- a) The first tariff group, which active electricity is measured by one-tariff meter,
- b) The second tariff group, which active electricity is measured by two-tariff meter.

(2) The electric energy, delivered for consumption in nurseries and kindergartens, institutions for orphans, institutions for pupils and students, institutions for disabled children, correctional institutions, houses for elderly peoples and dystrophy sufferers, houses for the retired, houses for invalids, deaf and mute persons, offices of humanitarian organizations and red crosses, associations of the handicapped persons and religious structures is calculated per tariff rates determined for the category of consumption of "households".

XV

- (1) Buyers of electricity in the category of consumption of "other consumption at low voltage" are divided in the following tariff groups:
- a) The first tariff group end users, whose capacity charge is determined by measuring the peak capacity, while the active electricity is measured by the two-tariff meter,
- b) The second tariff group end users whose peak capacity is not measured, while active electricity is measured by the one-tariff meter,
- c) The third tariff group end users whose peak capacity is not measured, while active electricity is measured by the two-tariff meter,
- d) The sixth tariff group end users who deal with a special agricultural activity whereby the electric energy is used for consumption in mini-farms for fattening of poultry, beef and pigs, in the structures for production of eggs, tobacco drying, treatment of milk and lactose products, while their engaged capacity does not exceed 25 kW, whose peak capacity is not measured, while their active electricity is measured by the one-tariff meter,
- e) The seventh tariff group end users who deal with a special agricultural activity, whereby the electric energy is used for consumption in mini-farms for the fattening of poultry, beef and pigs, in the structures for production of eggs, tobacco drying, treatment of milk and lactose products, and whose engaged capacity does not exceed 25 kW and whose peak capacity is not measured, while active electric energy is measured by the two-tariff meter.
- (2) Buyers from the category of "other consumption at low voltage" whose peak capacity from the Decision of the electric power consent is higher than 42 kW, are obliged to provide conditions for the capacity charge, active electricity and excessively taken reactive electricity to be determined by measuring.
- (3) Buyers from the category of "other consumption at low voltage" whose peak capacity from the Decision on the electric power consent is lower than 42 kW may be put in the First tariff group within the category of "other consumption at low voltage" provided that that have conditions for their capacity charge, active electricity and excessively taken reactive energy to be determined by measuring.

XVI

(1) End user may change the category of consumption and/or tariff group once a year at most, i.e. 12 months upon expiry of the latest changes, if he met conditions determined by this tariff system.

APPLICATION OF THE TARIFF RATES

XVII

- (1) According the season application, the tariff rates are determined and applied in the following way:
- a) low seasonal tariff rates (LS) are applied in the period from 1 April to 30 September,
- b) high seasonal tariff rates (HS) are applied in the period from 1 January to 31 March and from 1 October to 31 December.
- (2) The ratio between high and low seasonal tariff rates is 1,5:1.
- (3) Low and high seasonal tariff rates ate determined for the category of consumption of "households" and groups of buyers from the category of consumption of "other consumption at low voltage" whose capacity is not measured.
- (4) Low and high seasonal tariff rates are determined for the tariff elements of "capacity charge", "active electricity" and "excessively taken reactive electricity".

XVIII

- (1) According to the daily period of application, tariff rates are determined and applied in the following way:
- a) high daily tariff rates (HT) are applied in the period from 06,00 to 22,00 hours for working days in a week for the winter time, i.e. from 07,00 to 23,00 hours for the summer time,
- b) low daily tariff rates (LT) are applied in the period from 22,00 to 06,00 hours of the following day for the working days in a week for the winter time, i.e. from 23,00 to 07,00 hours for the summer time and for the weekend, continuously from Friday at 22,00 hours (23,00) to Monday at 06,00 (07,00) hours.
- c) Low daily tariff rates are applied also for the public holidays from 00,00 to 24,00 provided that the buyer has provided the appropriate method of measuring.
- (2) The ratio between high and low daily tariff rates is 2:1.
- (3) The tariff rate for the active electricity for the tariff groups with the one-tariff meter from the category of consumption at low voltage, the first tariff group from the category of consumption of "households" and the Second and Sixth tariff group from the category of consumption "other consumption at low voltage" is determined in the amount of 80% of high daily tariff rate of

- the tariff group with two-tariff meter from the same category of consumption and the same purpose of consumption of electricity.
- (4) High and low daily tariff rates are determined for all categories of consumption, other than the First tariff group from the category of consumption of "households" and for the Second and the Sixth group from the category of consumption of "other consumption at low voltage" and category of consumption of "public lightning".
- (5) High and low daily tariff rates are determined for the tariff element of "active electricity".
- (6) The tariff rate for excessively taken reactive energy is determined and applied only for the period of application of high daily tariff rates.

XIX

(1) For the category of consumption of "public lightning" it is applied only the tariff rate for the active electricity in the same amount for all daily and seasonal periods.

READING AND CALCULATION

XX

- (1) Reading of the measured quantities of the electricity delivered to end users is carried out no later than 5 days upon expiry of the calculation period, unless it is differently determined by the Contract on supply and delivery
- (2) Reading is necessarily made when the season of application of tariff rates is changed, when the tariff rates are changed, the prices are changed and upon expiry of the calendar year.
- (3) When the season of application of the seasonal tariff rates is changed, deadlines for reading from the paragraph (1) of this point are adapted in a way that the period of application of low seasonal tariff rates for end users cannot be shorter than 180 days.
- (4) The bill for the electricity consumed necessarily contains the exact date of reading of the metering devices of the buyer.

XXI

While calculating the electricity delivered, quantities of the "capacity charge" expressed in kilowat (kW), "active electricity" expressed in kilowatt hours (kWh) and excessively taken reactive electricity expressed in kilovarhours (kVArh) are rounded to the full number.

XXII

(1) The electricity delivered is calculated for each metering point and for each calculation period according to the category of consumption and/or tariff group in which that metering point was put, according to the quantities of

- the calculation elements determined by measuring and in some other way pursuant to this tariff system and application of the accompanying tariff rates.
- (2) The calculation period for which the electricity delivered is calculated and the bill is submitted to end user cannot be longer than one calendar month, unless it was differently determined by the Contract on the electricity supply.

XXIII

If, at one measuring point, electric energy is used for the purposes which, pursuant to the provisions of this tariff system, are divided in different tariff groups, the electricity delivered is calculated applying the tariff rates for the tariff group which has higher tariff rates.

XXIV

- (1) Indirect buyer is a buyer who, with the consent of distributor, takes the electricity through the measuring devices of another buyer.
- (2) Method of measuring, i.e. calculation of the electricity delivered to indirect buyer is determined by mutual agreement between distributor (supplier) and indirect buyer, with the previous consent of the buyer through which connection the supply of indirect buyer is done, pursuant to the General conditions for delivery and supply of electricity and this tariff system.

TRANSITIONAL AND FINAL PROVISIONS

XXV

- (1) During the transitional period, while the companies dealing with distribution and supply of non-eligible buyers with electricity do not adapt their system for processing of data and invoicing, compensation per the measuring point of the buyer as a special tariff element is not applied.
- (2) In the first tariff proceeding, the costs per the measuring point of the buyer are allocated on the tariff element of the capacity charge and/or active electricity.

XXVI

In the first tariff proceeding, for the tariff groups of buyers from the point VI of this tariff system, total monthly compensation for the capacity charge and measuring point of the buyer which is equal to the amount obtained by multiplying the capacity charge from the point VI of this tariff system and accompanying tariff rate for the capacity charge may be expressed in the fixed monthly amount per a buyer.

- (1) This Decision becomes effective the day it is made and it is applied as of 01 April 2006.
- (2) Decision is published in the "Official Gazette of Republic of Sprska", at the notice board and website of REERS.
- (3) The date of commencement of this decision ceases the application of the Tariff system for selling of electricity in Republic of Srpska ("Official Gazette of Republic of Srpska" number 4/05), pursuant to the Article 115, paragraph 2 of the Law on electricity.

Number: 01 - 1517-8/06

22 March 2006

Trebinje

President of REERS Milenko Cokorilo