LAW

ON AMENDMENT TO THE LAW ON ELECTRICITY

Article 1

Paragraph 2, in Article 9 of the Law on electricity (Official Gazette of Republic of Srpska, 8/08 – Cleaned text) is being changed as follows:

"The company referred to in paragraph 1 of this Article, as well as the companies doing one or more electric power activities referred to in Article 8 of the Law, and which in the capital structure, directly or indirectly, possess at least 50% (fifty percent) plus one share or share in ownership of the Fund of shares of Republic of Srpska, are the public companies, in a sense of Article 2 of the Law on public companies (Official Gazette of Republic of Srpska, number 75/04) and do the activities of general interest in a sense of Article 4 of the Law on the system of public services (Official Gazette of Republic of Srpska, number 68/07)".

After the paragraph 2, new paragraphs 3 and 4 are added, as follows:

"The companies referred to in paragraph 2 of Article, first of all, do the electric power activity of general interest, as the obligation in the public service system for the purposes of:

- Supply of non-eligible customers and eligible customers with electricity, which are pursuant to the regulations, supplied as non-eligible customers,
- Generation of electricity for the purposes of supply of non-eligible customers and eligible customers with electricity, which are pursuant to regulations supplied as non-eligible customers and
- Distribution of electricity for all customers.

Apart from public companies referred to in paragraph 2 of this Article, the obligation of the public service offering may also be imposed to other companies that committed themselves as the concessionaire in the contract on the concession granting, for the purposes of generation of electricity as stated in the license requirements for electric power activity doing".

The past paragraph 3 is paragraph 5 now.

Article 2

A new paragraph 2 is added in Article 10, which is as follows:

"The companies that buy electricity for their own needs as non-eligible customers cannot generate electricity for the market, other than those obliged to offer the public service".

Article 3

Article 11 is changed and it is as follows:

"For the purposes of safe and more cost-effective supply of customers with electricity in the public service obligation, more efficient use of generation capacities and improvement of the competitiveness at the electricity market, the public companies referred to in Article 9, paragraph 2 of this Law, conclude the contract, which regulates mutual economic relationships.

The contract referred to in paragraph 1 of this Article complies with the principles determined by Decision of the Republic of Srpska Government, and which are based on the following conditions:

- Tariffs and prices determined by the Regulatory Commission for Energy of Republic of Srpska and State Regulatory Commission for electricity,
- Market prices at the free electricity market,
- Fulfillment of needs of all electricity customers which are supplied in the system of the public service obligation,
- Equal share of generation companies in the supply of customers being supplied with electricity in the system of the public service obligation, which is meant by their equal percentage share in relation to the balanced generation for each generation company,
- Uniform offer at the electricity market while selling surpluses and procurement of the missing amounts of electricity for supply of customers in the system of the public service obligation,
- Offering ancillary services within the balance responsible party.

Conclusion of this Contract, for the purposes of protection of general interest, determination of mutual economic relations of public companies referred to in Article 9 paragraph 2 of this Law is done on the basis of Decision made by the Republic of Srpska Government.

The Republic of Srpska Government, in its Decision, regulates method and conditions of delivery of electricity in the Brcko District of Bosnia and Herzegovina, until they are solved in another way".

Article 4

Line 2, in Article 80 is deleted.

The past line 3 is now line 2.

Article 5

In Article 81, line 3, at the end of the text, after the word: "installation", the comma is replaced by the full stop, while the rest of the text is deleted.

After the line 3, a new line 4 is added which is as follows:

"... If the end user prevents regular registration of the calculating amounts or uses energy without prescribed metering devices or avoiding them".

Article 6

A new Article 95a is added after Article 95 and it is as follows:

"Article 95a

The one/ones that connect(s) its electric power structures to the electric power network against the regulations or prevent(s) the authorized person to register the electricity consumed shall be punished for the crime with the fine or prison sentence.

If the crime referred to in paragraph 1 of this Article was committed by the physical person, he/she shall be punished with the fine which cannot be less than 1,000 BAM or prison sentence of up to one year.

If the crime referred to in paragraph 1 of this Article was committed by the legal person, it shall be punished with the fine which cannot be less than 10,000 BAM while the responsible person in the legal entity shall be punished with the fine which cannot be less than 2,000 BAM or the prison sentence of up to one year.

Article 7

In Article 96, paragraph 1, points 3 and 4 are deleted, while other points are being moved.

Article 8

In Article 101, paragraph 1, point 4 is deleted, while other points are being moved.

Article 9

In Article 102, points 1 and 3 are deleted, while other points are being moved.

Article 10

After Article 111, a new Article 111a is added which is as follows:

"Article 111a

The contracts on mutual economic relationships referred to in Article 11 of the Law on public companies referred to in Article 9 paragraph 2 of the Law should be concluded no later than 1 May 2009".

Article 11

This Law becomes effective on the eight day from the day it is published in the Official Gazette of Republic of Srpska".

Number: 01-644/09 Speaker

8 April 2009 National Assembly

Banja Luka M.Sc. Igor Radojcic

In his own hand