

RULE BOOK ON SUPPLY OF ELIGIBLE CUSTOMERS WITH ELECTRICITY AND SWITCHING PROCEDURE

Trebinje, December 2014

TABLE OF CONTENTS

PART ONE – GENERAL PROVISIONS

Article 1 – Subject

Article 2 – Aim

Article 3 – Terms and abbreviations

PART TWO – SUPPLY OF CUSTOMERS WITH ELECTRICITY

Article 4 – Supply of eligible customers

Article 5 – Public supplying

Article 6 – Supplying of last resort

Article 7 – Rights of eligible customers

Article 8 – Obligations of eligible customers

Article 9 – Rights and obligations of the supplier

Article 10 – Obligations of the supplier in case of change of the price

Article 11 – Obligations of the customers in case of change of the price

PART THREE – THE SUPPLYING PRICES AND INFORMATION ON SUPPLIERS

Article 12 – The price of supply at the open market

Article 13 – The price of public supply

Article 14 – The price of the supply of last resort

Article 15 – Information for eligible customers

PART FOUR – SWITCHING PROCEDURE

Article 16 – Switching procedure

Article 17 – Switching procedure – the procedure with eligible customers

Article 18 – Switching procedure – the procedure with the existing supplier

Article 19 – Switching procedure – the procedure with a new supplier

Article 20 – Switching procedure – the procedure with the system operator

Article 21 – Denial of the switching procedure

Article 22 – Transfer from the market supplying to the supplying of last resort

Article 23 – Transfer from the market supplying to the public supplying

PART FIVE – TRANSITIONAL AND FINAL PROVISIONS

Article 24 – Application of other regulations

Article 25 – Supplying after 1 January 2015

Article 26 – Interpretation of the Rule book

Article 27 – Cessation of the validity

Article 28 – Effective Date

Pursuant to Article 24 and 48 of the Law on electricity (Official Gazette of the Republic of Srpska, number 8/08, 34/09, 92/09 and 1/11), Article 10, paragraph 1, point 7 and Article 18 paragraph 1 of the Statute of the Regulatory Commission for Energy of the Republic of Srpska – Clean text (Official Gazette of the Republic of Srpska, number 6/10) and Article 33, paragraph 1, line a) of the Procedural rules of the Regulatory Commission for Energy of the Republic of Srpska (Official Gazette of the Republic of Srpska, number 59/10), the Regulatory Commission for Energy of the Republic of Srpska in its 97th regular session, held on 11th December 2014, made

RULE BOOK ON SUPPLY ELIGIBLE CUSTOMERS WITH ELECTRICITY AND SWITCHING PROCEDURE

PART ONE – GENERAL PROVISIONS

Article 1 (Subject)

This Rule book prescribes the method of supplying eligible customers at the electricity market in the Republic of Srpska, rights and obligations of eligible customers with electricity, rights and obligations of the eligible customers' supplier, switching procedure, the role of public supplier and supplier of last resort, method of creation of prices for eligible customers who are supplied in the system of the public service obligation, including the universal service as well as method of creation of prices of supplying of last resort service.

Article 2 (Aim)

The aim of making this Rule is creation of assumptions for efficient functioning of the electricity market, provision of protection of customers and equal treatment of all market participants in the electricity market opening process.

Article 3 (Terms and abbreviations)

(1) Terms, expressions and abbreviations used in this Rule book have the following meaning:

“Balance responsible party”, market participant that takes the financial responsibility for its net imbalance (balancing of generation, consumption and exchange) or for net imbalance groups of the market participants inclusive;

“Public supplier”, the supplier supplying small customers and households with electricity, that have not chosen the supplier of eligible customers;

“Eligible customer”, the customer of electricity that got the right to buy electricity at its own discretion, whereby the term of eligible customer in this Rule book's provisions is related to the end eligible customer;

“Small customers”, small industrial and commercial customers of electricity whose structures are connected to the distribution system of electricity which voltage is lower than 1 kV that meet the following criteria:

- at least two of three mentioned: that they have less than 50 employees, that their total annual revenue does not exceed 2 million BAM, that the value of their business property does not exceed 1 million BAM or
- that their annual consumption achieved in the past year does not exceed 35,000 kWh;

“Non-eligible (tariff) customer” is the end user of electricity that buys electricity in a regulated way and at regulated prices and that did not get the right to buy electricity at its own discretion;

“New supplier” is the supplier that the end user intends to conclude the contract on supply with;

“Public service obligation” is the obligation of energy undertakings to perform some energy activities as public ones available to all customers and energy undertakings at certain area at the prescribed prices and pursuant to the regulated conditions for access and use of the service, complying with the safety, including the safety of supply, regularity and quality of the service, efficiency in the energy use, protection of the environment and prevention of the climate changes and which is carried out according to the principles of transparency and accompanied by monitoring of the authorities prescribed by the law;

“System operator” is the transmission system operator or, in a sense of this Rule provisions, transmission company, namely distribution system operator/distributor;

“Existing supplier”, the supplier that is supplying the eligible customer in a moment of submission of application for the switching procedure;

“Complete supplying” is the sale of electricity at which the amount of electricity for the accounting period is not determined by the sale agreement, but the amount of electricity is determined on the basis of the realized consumption at the handover place;

“Supplier of last resort”, the supplier that pursuant to provisions of this Rule supplies the eligible customers, other than small customers and households, who are without supplier of eligible customers;

“System of the public service obligation” is the public supplying service and/or the service of the supply of last resort;

“Supplier of eligible customers”, the licensee for trade and supply with electricity on the territory of Bosnia and Herzegovina issued by the Regulatory Commission, namely the licensee for supply of the Tier II issued by FERC;

“Market price”, is the price of electricity at the market at which the customers and sellers of electricity from the Republic of Srpska have a possibility for the electricity trade;

“Universal service”, is the right of customer to be supplied with electricity of certain quality at the cost-effectively justified, easily and clearly comparable and transparent prices;

“BOS”, Balance Responsible Party;

“SERC”, State Regulatory Commission for electric energy;

“Law”, Law on Electricity;

“ISO” Independent System Operator in Bosnia and Herzegovina;

“FERC”, The Regulatory Commission for electric energy in Federation of Bosnia and Herzegovina

(2) Apart from terms stated in paragraph (1) of this Article, there are terms in this Rule which are covered by the law and secondary legislation of the Regulatory Commission;

PART TWO – SUPPLY OF CUSTOMERS WITH ELECTRICITY

Article 4 (Supply of eligible customers)

- (1) As of 1 January 2015, each customer of electricity in the Republic of Srpska is eligible customer and is free to buy electricity and conclude the contract on supply with supplier of eligible customer at its own discretion.
- (2) Supply of eligible customers with electricity is done by the energy undertaking, licensee for trade and supply with electricity on the territory of Bosnia and Herzegovina, whose license was issued by the Regulatory Commission for energy of the Republic of Srpska (hereinafter: The Regulatory Commission), namely the license for supply of Tier II issued by FERC.

Article 5 (Public supply)

Eligible customer of electricity from the category of households and small customer may buy electricity from the supplier of eligible customers or from the public supplier in the public service obligation system, i.e. is entitled to be supplied with electricity of the standard quality at the cost-effectively justified, easily and clearly comparable and transparent price (universal service).

Article 6 (Supply of last resort)

- (1) Eligible customer, other than small customers and households, that are supplied at the open market is entitled to supply of last resort by the supplier of last resort within the period of two months with a possibility of extension in the maximum duration of 12 months, without the obligation to apply provisions of Article 17 of this Rule in case of:
 - a) bankruptcy of the supplier that used to supply it in the past;
 - b) cessation or revocation of the license from the supplier that used to supply it in the past;
 - c) lack to find a new supplier that will supply it after cessation of the contract on supply with the existing supplier, except that cessation of the contract is the result of the contract cancellation due to failure to meet the requirement to be the electricity delivered, under the conditions prescribed by Article 14 of this Rule;
- (2) In case of paragraph (1) point c) of this Article, when the contract cessation is the result of failure to meet the requirement to make the payment, the end user is granted the right to the supplying of last resort:
 - a) having met the requirements or regulated the obligations with the previous supplier in some other way (agreement on settlement of debts, re-program with certain guarantees and similar) or
 - b) until making final decision by the competent authority in case the dispute was initiated due to denial that the debt is justified;

Article 7 (Right of the eligible customer)

- (1) The eligible customer is entitled to:

- a) according to the offers available at the market, freely choose the supplier of eligible customers and contract with him the amount and price of electricity, pursuant to the market rules, Market rules and General Conditions for delivery and supply with electricity (hereinafter: General Conditions),
 - b) change the supplier without paying any fees, within 21 days from the date of submission of the complete application for switching, and pursuant to the provisions of this Rule,
 - c) access the transmission and/or distribution network for the purposes of delivery and handover of electricity for its own needs pursuant to the General Conditions and market rules;
 - d) regulate the connection and access to the network in a way that it does not prevent him in the choice of supplier or imposes him the payment of special fee in case of switching;
- (2) The eligible customer is entitled to the service of the supply of last resort by the supplier of last resort pursuant to the provisions of Article 6 of this Rule.
- (3) The eligible customer referred to Article 5 of this Rule is entitled to choose the method of supplying with electricity, namely he may decide to:
- a) take the advantage of the right to choose and conclude the contract on supply with the supplier of eligible customers;
 - b) be supplied by the public supplier within the universal service;
 - c) be supplied by the public supplier, having previously taken its right to choose and having been supplied by the supplier at his own choice at the open market;
- (4) The eligible customer whose annual consumption at one metering point is more than 10 GWh is entitled to concurrently conclude the contracts with more suppliers, provided that there is a possibility to determine the accounting items, being confirmed by the system operator, whereby with one of the suppliers, he has to have to contract on full supplying.
- (5) The eligible customer is entitled to information on all data which are relevant for his consumption.

Article 8
(Obligation of the eligible customer)

- (1) In order to get the right referred to in Article 7 of this Rule, the eligible customer:
- a) concludes the contract or contracts on supply, pursuant to the contract on connection to the network and/or issued electric power consent,
 - b) regulates the access to the network pursuant to the grid rules and General Conditions;
- (2) Access to the network, on behalf of the eligible customer, may be regulated also by his supplier pursuant to the General Conditions;
- (3) The eligible customer is obliged to:
- a) comply with provisions of the Contract on supply;
 - b) regularly settle financial obligations arising from the contract on supply, access to the network, and to pay the fee for stimulating generation of electricity from renewable energy sources and efficient co-generation and other law-related fees;

Article 9
(Rights and obligations of the supplier)

- (1) The supplier of eligible customers, is entitled to supply eligible customers pursuant to the license prescribed requirements and regulations.
- (2) The public supplier supplies eligible customers from the category of households and small customers on the territory of the Republic of Srpska, namely on the geographic area determined by the license requirements for supply, namely pursuant to the special regulation which determines the issue of public supplier.
- (3) The supplier of last resort supplies eligible customers on the territory of the Republic of Srpska who are left without supplier in cases prescribed by Article 6 of this Rule.
- (4) The supplier is obliged to:
 - a) undertakes the measures in order to achieve safe and qualitative supply of customers with electricity;
 - b) regularly and timely inform the system operator that controls the network which the eligible customer' structures are connected to, pursuant to the grid rule and balance responsible party pursuant to the market rules on all contracts on supply, including additional amendments and extension of validity and cessation of the contract on supply;
 - c) regularly submit necessary data to the licensee for transmission or distribution of electricity related to the access to the network (use of the network) and contract on supply;
 - d) appropriately, before concluding the contract on supply, inform the eligible customer on types of services which are paid pursuant to all requirements as well as other possible conditions under which the electricity supply is carried out;
 - e) with the bill for the electricity delivered or in some other way, inform the customer on the share of each source of energy in the totally sold electricity of that supplier in the past year (energy mix);
 - f) make and publish the standard templates of the application for conclusion, extension and cancellation of the contract on supply and inform the customer on the switching procedure;
 - g) inform the customers on the method and procedure for solving the customer's complaint in case when the supplier, according to the customer, does not meet the contract obligations;
 - h) carry out all other duties prescribed by the license requirements for the activity and by the General Conditions;

Article 10

(Obligations of the supplier in case of the price change)

The Supplier is obliged to:

- a) directly inform the customer, which he has the contracted concluded with on supply, on the price change of electricity and other sale requirements within the period which cannot be shorter than 30 days before the commencement of application of the amended (new) prices or sale requirements;
- b) enable the customer to openly declare within 10 days on the announced changes and if the customer does not accept the announced changes of the price and requirements referred to in point a) of this Article, he can terminate the contract;
- c) supply the customer, that pursuant to the point b) of this Article asked for cancellation of the contract, at the previously contracted prices and requirements till the first day in the month

which follows after the expiry of the period of 30 days from the date the notice on the change prices was received;

Article 11

(Obligations of the customer in case of the price change)

- (1) If the eligible customer who was announced the change of the price or other conditions of the sale, does not openly declare within the Article 10, point b), it is considered that it accepts the announced changes.
- (2) The eligible customer that does not accept the announced changes of the price and conditions referred to in point a) of Article 10 of this Rule, he is obliged to initiate the switching procedure.

PART THREE – PRICES OF SUPPLY AND INFORMATION ON SUPPLIERS

Article 12

(The price of supply at the open market)

- (1) Total price of electricity which the eligible customer pays when it obtains electricity at the market is contained:
 - a) the price of electricity which includes all costs and profit of the supplier (the price of procurement of electricity and the price of supply) and system/ancillary services and/or balancing, when these services are obtained at the open market;
 - b) regulation of the prices of services for using of transmission and/or distribution network, which includes the price of system/ancillary service when the prices of these services are regulated;
 - c) the fee for renewable energy sources and efficient co-generation and other fees and grants determined by special regulations and
 - d) tax on added value;
- (2) Supplier of eligible customers is obliged to, while giving its offer, clearly indicate what the price which it offers contains and specially separate the price from the paragraph (1) point a) which is the subject of comparison and market competition.
- (3) Supplier of eligible customers is obliged to while issuing the bill clearly indicate all elements of the electricity price pursuant to the paragraph (1) of this Article and General Conditions.

Article 13

(The price of supply of the public supplier)

- (1) The energy price for eligible customers who are entitled to be supplied within the public service obligation system at the public supplier, pursuant to Article 5 of this Rule includes:
 - a) the price of “procurement” of electricity;
 - b) the price of supply and
 - c) the price for the system/ancillary service and/or balancing, in case that these services are not included in the regulated price of the network use;

- (2) Total price (tariff rates) for supply of eligible customers at the public supplier apart from the energy price (referred to in paragraph (1) of this Article, contains also the regulated price of the network use (the price of the transmission network use or price for the distribution system use).
- (3) The energy price for eligible customers, that are entitled to be supplied in the public service obligation system at the public supplier, is the same along the whole territory of the Republic of Srpska for all eligible customers which belong to the same category of consumption or tariff group.
- (4) The energy price for eligible customers and total price (tariff rates) for supply of eligible customers by the public supplier until a law or some other regulation is made which shall regulate the issue of the public supplier, is determined by the Regulatory Commission applying the methodology and procedure for determination of the price of procurement and tariff rates for supply of eligible customers with electricity prescribed by the Rule book on tariff methodology and tariff proceeding for electricity.
- (5) The application for determination of the price of energy by the public supplier and total price (tariff rates) for supply at the public supplier is submitted in the template prescribed by the Regulatory Commission which is available at the website and in the premises of the Regulatory Commission.
- (6) While submitting an application for determination of the price of energy of the public supply, the public supplier is obliged to document the price of electricity procurement by submitting data on price of generation at the plant outlet which offer the service of generation for public supply and average weighted price of those plants, based on data obtained by generators or by MH "Elektroprivreda Republike Srpske", Parent Company, a.d. Trebinje.
- (7) The public supplier is obliged to, no later than 15 days before beginning of application, at its website and notice board publish the prices of energy of public supply, we all as total prices (tariff rates) for public supply, once the Regulatory Commission determines the prices of energy of the public supply.

Article 14

(The price of supply of the supplier of last resort)

- (1) The price of energy which is used as the base for determination of the price of the supply of last resort, pursuant to the rates (2) and (3) of this Article equals to the price of energy for public supply in the period of 12 months after the effective date of this Rule, and upon expiry of that period to the average weighted price of all suppliers in the Republic of Srpska achieved in the past half of the year (the price of procurement of the public supply, the price of procurement of the supply of last resort and market price), published by the Regulatory Commission.
- (2) The price of electricity for eligible customers that are entitled to the price of supply of last resort pursuant to the Article 6 of this Rule is the same for all eligible customers of the same category of consumption and tariff groups in the Republic of Srpska and during the first two months of using this service is higher for, at maximum 10%, of the price referred to in paragraph (1) of this Article.

- (3) The electricity price for eligible customers that are entitled to be supplied by the supplier of last resort pursuant to the Article 6 of this Rule is the same for all eligible customers of the same category of consumption and tariff groups in the Republic of Srpska and upon expiry of the first two months is higher for, at maximum 20%, of the price referred to in paragraph (1) of this Article.
- (4) The price of supplying of last resort referred to in paragraphs (2) and (3) differs depending on the category of consumption, tariff groups, seasons and parts of the day in the same ratios as well as the prices of energy for public supply determined by the Regulatory Commission pursuant to provisions of the Article 13 of this Rule.
- (5) The supplier of last resort is obliged to, pursuant to the paragraphs (2), (3) and (4) of this Article, determine the prices of the supplying of last resort, submit them to the Regulatory Commission and publish them no later than 15 days before beginning of application at its website and notice board.
- (6) In case the price of the supplying of last resort is not determined pursuant to provisions of this Rule, the Regulatory Commission shall ask the correction from the supplier of last resort.

Article 15
(Information for eligible customers)

- (1) The Regulatory Commission at its website publishes the list of the valid licenses for trade and supply with electricity on the territory of Bosnia and Herzegovina issued by the Regulatory Commission and licenses for trade of the Tier II issued by FERC.
- (2) The licensee for distribution is obliged to, through this Call Center, submit information to the customers on suppliers of eligible customers at their distribution areas in the form of list published by the Regulatory Commission, but must not give their estimate on any supplier.
- (3) The suppliers are obliged to, at their website, publish information on prices based on which the eligible customers shall be able to compare them with the prices of other suppliers.
- (4) The supplier is obliged to submit, at the request of the eligible customer, information on his prices.
- (5) The Regulatory Commission monitors information published at the website of the supplier in order to make sure that they are updated.
- (6) The suppliers are obliged to make the catalog for eligible customers which contain the practical information related to the rights of eligible customers and make them available to the eligible customers.

PART FOUR – SWITCHING

Article 16

(Switching procedure)

- (1) The switching procedure is meant by transfer of eligible customer from the supplying at the existing supplier to the supplying at the new supplier.
- (2) The switching procedure is conducted separately for each accounting metering point of the eligible customer.
- (3) The switching procedure may be conducted concurrently for two or more accounting metering points of the eligible customer, whereby it is necessary to state in the application each accounting metering point separately.
- (4) The switching procedure may be conducted only with one supplier at one accounting metering point at the same time.
- (5) The switching procedure cannot be longer than three weeks (21 days) counting from the date of the complete application is received by new supplier.
- (6) The date of switching procedure, namely the date of beginning of the application of new contract on supply with new supplier and cessation of application of the contract on supply with previous supplier is the day when the system operator, having met the requirements prescribed by this Rule, makes reading of the metering data at the handover points of electricity, whereby it can be any day in the month.

Article 17

(Switching procedure – actions of the eligible customer)

- (1) Eligible customer who intends to change the supplier is obliged to submit an application (hereinafter: application) for the switching to the new supplier in a form prescribed by the supplier.
- (2) Along with the filled in form referred to in paragraph (1) of this Article, the eligible customer submits to new supplier the verified and signed statement, namely authorization for handover of all other necessary actions on behalf of the eligible customer, related to the switching procedure.
- (3) The eligible customer is obliged to submit, along with the application, the certificated from the existing supplier, being no older than seven (7) days, on the situation of the due, namely on the situation of the settled and non-settled obligations toward the existing supplier, arisen from the contract on supply.
- (4) The eligible customer is obliged to, before the switching procedure, regulate the method of settlement of financial obligations toward the existing supplier.
- (5) The eligible customer is entitled to cancel the application previously submitted to new supplier, as well as the statement on giving authorization to new supplier in any moment before the contract on supply is concluded with a new supplier and free of any charge toward the new supplier.

Article 18

(Switching procedure – actions of the existing supplier)

The existing supplier is obliged to, at the request of the eligible customer that intends to change the supplier within three (3) days from the date the application is received, issue the certificate on the status of the due obligations of the eligible customer arisen from the contract on supply.

Article 19

(Switching procedure – actions of the new supplier)

- (1) Upon completion of the application, a new supplier assesses its status of completeness and if it determines that the application is incomplete, within three days (3) from the date the application is received, it informs the customer that application is incomplete and calls him to amend the application within seven (7) days.
- (2) If the eligible customer does not complete the application within the given deadline, a new supplier informs the customer within the period of three (3) days upon the expiry of the deadline to complete the application that there aren't conditions for the switching.
- (3) A new supplier, within three (3) days from the date the complete application is received, submits to the eligible customer the proposal of the contract on supply which shall be applicable upon completion of the switching procedure.
- (4) A new supplier is obliged to provide for harmonization of proposal of the contract on supply, contract on connection, access to the network and belonging to the balance group, including their amendment, before beginning of application of new contract, being checked by the system operator.
- (5) New supplier is obliged to, no later than four (4) days from the date the complete application is received, submit to the system operator a copy of the eligible customer application referred to in Article 17 paragraph (1), the contract proposal as well as authorization on actions of the customer referred to in Article 17, paragraph (2).
- (6) Upon the expiry the deadline for checking the status of completeness of the conditions for switching procedure by the system operator and existing supplier, pursuant to the provisions of the Articles 20 and 21 of this Rule, a new supplier invites the end user to conclude the contract on supply.
- (7) New supplier that the eligible customer concluded the contract with, submits a copy of the contract to the system operator pursuant to provisions of the General Conditions.
- (8) New supplier may, while submitting a contract proposal or contract on supply to the system operator, omit commercial or confidential data or ask for protection of their confidentiality.

Article 20

(Switching procedure – actions of the system operator)

- (1) The system operator is obliged to, within three (3) days from the date the application, proposal of the contract on supply and authorization of the eligible customer referred to in Article 19, paragraph (5), check the data accuracy, namely within the same deadline, inform a new supplier on the required amendments in the application, namely contract proposal on supply if there is a lack of harmonization of data related to the connection and access to the network, leaving a new supplier a deadline of three (3) days for amendment and harmonization of data.
- (2) Having checked the harmonization of data pursuant to the paragraph (1) of this Article, the system operator submits, within three (3) days, namely (7) days in case that it was necessary to make additional harmonization, to new supplier the certificate on harmonization of data.
- (3) Along with the certificate on harmonization of data, the system operator is obliged to submit to new supplier other data required for conclusion of the contract on supply such as:
 - a) characteristics of metering devices installed at the eligible customer,
 - b) consumption of electricity of the eligible customer for the period of 12 months preceding the date of the application submission,
 - c) if they are to be measured, the measured and confirmed monthly curves of load at the metering point of the eligible customer,
 - d) if they are not to be measured, the typical group of end users to whom the respective system operator assigned the accounting metering point of the end eligible customer for the purposes of calculation conducted at the electricity market,
 - e) and others;
- (4) The system operator is obliged to, after the checking referred to in paragraph (1) of this Article, within three (3) days, namely seven (7) days from the date of receipt of application, inform the existing supplier on receipt of the application and leave him a deadline of three (3) days to submit a complaint and the data read submits to the existing and new supplier.

Article 21
(Denial of the switching)

- (1) The existing supplier which the contract on supply in the cancellation procedure may deny the contract cancellation pursuant to provisions of that contract, in compliance with provisions of this Rule, whereby the contract on supply cannot contain the provisions which limit the right of the customer to the switching.
- (2) The existing supplier which contract on supply is in the process of cancellation cannot impose special additional conditions not covered by the contract, including non-settled obligations of the customer and is obliged to keep on supplying the eligible customer until the switching procedure is over, what the responsible system operator will inform him about.
- (3) The existing supplier who intends to deny the contract cancellation is obliged to within three (3) days from the date the notice is received by the system operator referred to in Article 20, paragraph (4) of this Rule submit the complaint to the system operator and new supplier.
- (4) The provision of the paragraph (2) of this Article is not applied in case when the existing supplier before receiving the notice referred to in Article 20 paragraph (4), pursuant to the General

Conditions, submits an application to the responsible system operator to suspend the delivery of electricity to the end user due to non-payment of the electricity delivered or, if the customer asking for termination of the contract has already been disconnected due to non-payment of the electricity delivered.

- (5) If the existing supplier submitted an application for termination of delivery of electricity to the responsible system operator before the notice on the switching or the end user has already been disconnected due to non-payment, the responsible system operator cannot approve the application for the switching.

Article 22

(Transfer from the market supply to the supply of last resort)

- (1) The supplier referred to in Article 6, paragraph (1) point a) and b) of this Article that stops operating is obliged to, without delay, inform the system operator and Regulatory Commission on the time and reasons for termination of the operation.
- (2) The system operator is obliged to inform the supplier of last resort on circumstances referred to in paragraph (1) point a) and b) of this Article.
- (3) The eligible customer referred to in Article (6) point (1) line c) of this Rule is obliged to no later than seven (7) days before the date of the contract on supply cessation with the existing supplier, inform the supplier of last resort and system operator on the intention to use the service of the supplier of last resort, and conclude the contract on the supply of last resort.
- (4) In case referred to in Article 6, paragraph 1 of this Rule, the system operator is obliged to pursuant to the notice referred to in paragraph (1) and (3) of this Article to, without delay, read the metering device and submit data on the situation of the accounting amounts to the supplier of last resort.
- (5) In case referred to in Article 6, paragraph (1) point a) and b) of this Rule, the supplier of last resort and eligible customer are obliged to, having received the data on the situation of the accounting amounts by the system operator, conclude the contract on the supply of last resort.
- (6) The eligible customer referred to in Article 6, paragraph (1) of this Article which uses the supply of last resort has a possibility to extend the contract on the supply of last resort what he is obliged to inform the supplier of last resort about no later than seven days before expiry of the previously contracted period.

Article 23

(Transfer from the market to the public supply)

- (1) The eligible customer from the category of small customers and household which are left without the supplier of last resort because of reasons prescribe in the Article 6 paragraph (1) of this Rule, automatically transfers to the supply by the public supplier.

- (2) In case referred to in paragraph (1) of this Article, the system operator is obliged to read the accounting metering devices based on which the public supplier shall make the contract with the eligible customer referred to in paragraph (1) of this Article.

PART FIVE – TRANSITIONAL AND FINAL PROVISIONS

Article 24 (Application of other regulations)

The provisions of the Rule book on licensing, General Conditions, grid rules, Rule book on tariff methodology and tariff proceeding, Decision on tariff system for sale of electricity in the Republic of Srpska and market rules shall be applied for all issued related to the eligible customer not covered by this Rule.

Article 25 (Supply after 1 January 2015)

- (1) Public supplier and supplier of last resort on the territory of the Republic of Srpska, until the law or other regulation is made which will regulate determination of the public and supplier of last resort is the supplier which, until 1 January 2015, was supplying the non-eligible (tariff) customers.
- (2) After 1 January 2015, the eligible customer will be supplied by the supplier who was supplying it that day, as the public supplier for small customer and households, namely as the supplier of last resort for other customers, unless the customer changes the supplier pursuant to the provisions of this Rule.
- (3) The public supplier is obliged to no later than 15 February 2015 inform all small customers and households to have a possibility to choose the supplier of eligible customers at their own discretion or to keep on with supplying by the public supplier in the public service system, and in that case the existing contract on supply remains effective.
- (4) The supplier of last resort is obliged to no later than 15 February 2015 inform all eligible customers that are not small customers or households that it will until 30 June 2015 if they do not choose the supplier of eligible customers keep on supplying as the supplier of last resort under the terms and conditions and prices, valid for supplying of last resort, whereby it is necessary that the supplier of last resort and eligible customer conclude a new contract on the supply of last resort.

Article 26 (Interpretation of the Rule)

- (1) Interpretation of provisions of this Rule is given by the Regulatory Commission.
- (2) Amendments to this Rule are made applying the same procedure which is applied for its making.

Article 27 (Cessation of validity)

The commencement of application of this Rule terminates the validity of the Rule book on eligible customer (Official Gazette of the Republic of Srpska, number 131/11).

Article 28
(Effective Date)

This Rule becomes effective on the eighth day from the date of its publication in the Official Gazette of the Republic of Srpska.

President
Milenko Cokorilo

Number: 01-400-18/14/P-97-326
11 December 2014
Trebinje