

REERS Rule book about public hearings and settlement of disputes and complaints,
01.07.2005

Pursuant to Article 27, paragraph 1 of Electricity Law (Official Gazette of *Republic of Srpska* No. 8/08, 34/09 and 92/09), Article 4, paragraph 2 point d of the Gas Law (Official Gazette of Republic of Srpska, number 86/07), Article 9, paragraph 2, line d of the Law on oil and oil derivatives (Official Gazette of Republic of Srpska" number 36/09) and Article 18, paragraph 1 of the Procedural Rules of Regulatory Commission for Energy of Republic of Srpska ((Official Gazette of Republic of Srpska No. 6/10), Regulatory Commission for Energy of Republic of Srpska in its 12th regular session held on 30 June 2010 made

RULES OF PUBLIC HEARINGS AND SETTLEMENT OF DISPUTES AND COMPLAINTS

PART ONE - GENERAL PROVISIONS

Article 1 Subject

With this Rulebook (hereinafter Rule), Regulatory Commission for Energy of Republic of Srpska (hereinafter Regulatory Commission) establishes the transparency procedure of its work, settlement of disputes and complaints of the electricity market participants and settlement of complaints in the market of gas and oil and oil derivatives pursuant to provisions of the law within the energy field

Article 2

Purpose of making Rule

Purpose of making this Rule book is to provide a transparent, effective and cost-effective procedure of public hearings while making rules, issuance and revocation of licenses for doing energy activities, in the tariff proceedings and procedures related to settlement of disputes and complaints in the energy market and making fair decision.

Article 3 Definitions

Definitions of terms used in this Rule, including those in the Law and Procedural Rules, are as follows:

a) "Public hearing" shall mean the hearing in the proceedings led before Regulatory Commission which are open for the public and can be general, technical and formal,

- b) "Application" is a pleading which is used by an individual or legal person to commence a proceeding in front of Regulatory Commission,
- c) "Complaint" shall mean a pleading addressed to Regulatory Commission to initiate the second-instance proceeding in cases prescribed by Law.
- d) "Party to the proceeding" is the person which request was the basis to initiate the proceeding or against which the proceeding is led, as well as the person in the proceedings on the initiative of the Regulatory Commission;
- e) "Intervener" shall mean the interested person who has special interest to participate in the proceeding before the Regulatory Commission, who was granted the right of the intervener in the proceeding;
- f) "Participant to the proceeding" shall mean parties to the proceeding and **Interveners**.
- g)** "Presiding Officer" shall the person appointed by the Regulatory Commission, authorized to conduct the proceedings, chair public hearing and make a report with recommendation for making decision,
- h) "Generator of the electricity" shall mean a physical or legal person that was issued the license for generation of electricity by Regulatory Commission;
- i) "Distribution system operator" (Distributer)" shall mean licensee for distribution in charge of control, maintenance and development of the distribution system in respective area;
- j) "Eligible customer" shall mean customers of electricity whose structures are connected to the transmission or distribution network, and who are allowed to buy the electric energy by their own choice.
- k) "Licensee" shall mean a legal or physical person that was issued the license for doing one or more energy activities by Regulatory Commission, as well as the license for construction of the electric power facility,
- l) "General act" shall mean a by-law of the Regulatory Commission which regulates rights and obligations of indefinite number of parties to the proceeding;
- m) "Single act" shall mean a by-law of the Regulatory Commission which regulates rights, obligations and responsibilities of certain participants to the proceedings,
- o) "Confidential information" shall mean a document, data or information which, if being

PART TWO – PUBLIC HEARINGS

Article 4

(Types of public hearing)

- (1) In the proceedings led by Regulatory Commission, within its competences, there may be three types of public hearings such as: general, technical and formal.
- (2) Regulatory Commission determines the type and number of hearings to be held in the particular proceedings or regarding particular issue.

CHAPTER I – COMMON PROVISIONS

Article 5

(Decision on holding public hearing)

- (1) Decision on holding public hearing is made by Regulatory Commission in its regular session.
- (2) Decision referred to in paragraph 1 of this Article determines: place and time of holding public hearing, method and terms for submission of the public comments, presiding officer and deputy presiding officer, in case of holding formal hearing it contains the deadline and criteria for getting a status of intervener, and deadline for making presiding officer report.
- (3) Decision on the public hearing holding is published at the website and notice board of Regulatory Commission, and if this hearing is held in the proceedings related to general act making, Decision on the hearing holding is submitted to parties to the proceedings.

Article 6

(Presiding Officer)

- (1) The Presiding Officer of general hearing may be a member of the Regulatory Commission, Chief of Staff, Chief of Department or member of the staff.
- (2) The Presiding Officer presides the hearing and leads the activities within acts of Regulatory Commission and competences determined in Decision on appointment.
- (3) The Presiding Officer make the plan of hearing which precisely determines the course of the hearing, participants in the hearings, period of discussion of each of them, duration of hearing, and when it is about formal

hearing, method of evidences implementation and other important circumstances.

(4) The Presiding Officer is responsible for the order of hearing and dignity and for that purpose the Presiding Officer may exclude persons who disrupt the hearing or fail to respect the dignity of Regulatory Commission, parties to the proceedings or other participants in the proceeding

(5) The Presiding Officer shall assure that minutes and appropriate notes are taken during the hearing and prepares written report that contains short summary of the hearing and recommendations for consideration of Regulatory Commission, and can submit the additional oral report at internal meetings or regular sessions.

(6) Presiding Officer is authorized to determine the timeframes controlling the procedure, whereby taking care of circumstances of the particular case if the terms for realization of particular activities in the procedure have not been determined by provisions of this Rule or some other document of the Regulatory Commission.

(7)The Presiding Officer may have a deputy.

Article 7 (Termination of the hearing)

1) If the hearing cannot be completed in the planned time frame, the Presiding Officer makes a conclusion about the interruption in which he determines the place and time of its continuation, what all present will be orally informed about.

(2) The Conclusion referred to in paragraph 1 of this Article is published at the notice board and website of Regulatory Commission.

(2) If the Presiding Officer is not able to determine the date of the continued hearing he/she shall afterwards publish a special public notice of the continued hearing place and date with special notice if the hearing is held for the purposes of consideration of a single act.

CHAPTER II - GENERAL HEARING

Article 8 (General hearing)

General hearing is a hearing organized for the public which is led for the purposes of gathering comments of the interested persons and representatives

of the public on the rule, regulation, guideline or any other documents or questions from or regarding the competences of Regulatory Commission.

Article 9

(Notice for the public on holding public hearing)

(1) Public notice about the general hearing is published and shall contain:

- a) place, date and time of hearing,
- b) description of the issue for consideration;
- c) the method of submitting comments in the hearing,
- d) the deadline for submission of written comments
- e) method and terms for submission of comments of the interested parties in writing,
- f) Information about the availability of the draft document which is the subject of the hearing;
- g) Instructions and other issues which are important for consideration at the general hearing.

(2) The public notice shall be published in, at least, one written media, at the website and notice board of the Regulatory Commission website no later than 8 (eight) days before the date of the general hearing holding.

(3) The act which is the subject of general hearing is published at the website and notice board of the Regulatory Commission, while interested persons may make direct inspection in the premises of the Regulatory Commission.

Article 10

(Course of the general hearing)

(1) Presiding Officer opens the general hearing, presents the subject of the hearing, presents the plan of hearing which may contain also the planned limited time of discussions and comments and directs the course of hearing.

(2) Presiding officer keeps records of those present in the hearing with name, address, telephone and email address, collects registrations for participation in the hearing and enclose them to the report and determines the plan of discussion of the participants.

(3) Interested parties in the hearing may give oral comments on the act which is the subject of the hearing pursuant to the registered questions for discussion.

(4) In the proceedings in which, apart from general, it is planned to have a technical hearing, presiding officer may direct interested person to give their expert comments in the technical hearing.

Article 11

(Written comments)

- (1) Interested persons may submit their comments in writing, by mail, fax, e-mail or submit it at the hearing.
- (2) Comments from paragraph 1 of this Article must be signed.
- (3) If submitted documents are not signed, Regulatory Commission is not obliged to take them into consideration.

Article 12

(Hearing Report)

- (1) After the general hearing about draft act, the Presiding Officer in cooperation with Chief of Staff and Chief of Sector, makes the Report which contains a brief overview of the course of the hearing, submitted comments, estimate of the submitted oral and written comments with explanation, recommendation to Regulatory Commission for make decision. The report is accompanied by the list of the persons present in the hearing.
- (2) The report from paragraph 1 of this Article is the basis for consideration in regular session of Regulatory Commission when the Presiding Officer may additionally give the oral report.
- (3) General hearing report in the proceedings related to single act making is submitted by the presiding officer to the parties to the proceedings and interveners with a possibility to give comments before making final decision.
- (4) The report referred to in paragraph 3 of this Article can be preliminary analyzed at the internal meeting before submitting to the parties to the proceeding.

Article 13

(Documents)

- (1) Upon completion of the general hearing proceeding, the Presiding Officer shall complete all documents related to the hearing and place them into docket of Regulatory Commission.
- (2) Documents from the general hearing shall, for review, be available to those interested.

CHAPTER III - TECHNICAL HEARING

Article 15

(Technical hearing)

Technical hearing is a public hearing which is organized and held by Regulatory Commission in order to get expert comments and their exchange, opinion, interpretation or stand point related to some particular issued within the proceedings of Regulatory Commission competence.

Article 15

(Confidential information)

- (1) At any technical hearings, participant of the hearing or some other person may ask for certain information to be treated as confidential.
- (2) Regarding the request from paragraph 1 of this Article shall be treated in accordance with provisions of the Rule on confidential information.

Article 16

(Public notice on technical hearing)

- (1) Public notice on technical hearing is published and it contains:
 - a) place, date and time of hearing,
 - b) subject of the technical hearing,
 - c) profile of experts that will take part in the hearing,
 - d) method and deadline for expert to submit the application for participation in the hearing,
 - e) method for expert to submit the comments in writing to the Regulatory Commission and deadline for submission of such comments,
 - f) remark that the public may be present in the hearing, without any rights to participate in discussions,
 - g) agenda
- (2) Public notice may contain also concrete questions that will be the subject of consideration.
- (3) Public notice is published in at least one daily newspapers, website and notice board of the Regulatory Commission , no later than 8 days before technical hearing
- (4) Regulatory Commission publishes the document which is the subject of technical hearing at the website and notice board of the Regulatory Commission while interested parties may make direct inspection into document in premises of Regulatory Commission.
- (5) The document which is the subject of technical hearing is submitted to the expert invited to the hearing.

Article 17

(Participation in the hearing)

- (1) At a technical hearing for the purposes of solving expert issues in the proceedings or for the purposes of obtaining expert opinion about some issues, Regulatory Commission limits participation in the hearing to invited experts.
- (2) Regulatory Commission sends invitation to experts, stating the subject of the hearing and issues to be analyzed, as well as method of participation of the public in the hearing.
- (3) Regulatory Commission may ask invited persons to give their opinion, interpretation and standpoint regarding some issue, which is the subject of technical hearing in writing.
- (4) Representatives of the public may submit signed comments in writing by fax, email or enclose them during the hearing regarding expert issues.
- (5) The comments which are not signed, Regulatory Commission is not obliged to take into consideration.

Article 18

(Payment of the experts)

- (1) Regulatory Commission may make a decision about payment of the expert who is invited to actively participate in the hearing
- (2) Any experts who appear on his own in the technical hearing, is not entitled to ask for reimbursement from Regulatory Commission, except in case that he gave his expert opinion, interpretation or stand point which Regulatory Commission estimated to be useful for solving raised question.

Article 19

(Course of technical hearing)

- (1) Presiding Officer opens technical hearing and presents agenda.
- (2) At the beginning of the hearing, presiding officer may provide short presentation of the hearing subject, in order to direct issues and subjects to be discussed.
- (3) Presiding officer may take care of the order of participation in the hearing on the basis of the list of registration for discussion.

Article 20

(Hearing report and recommendations)

- (1) Presiding officer in cooperation with Chief of staff and Chief of Sectors make report on technical hearing, which contains expert opinions from the hearing, responses to raised questions and recommendations for Regulatory Commission for making decisions.
- (2) Report referred to in paragraph 1 of this Article is considered by Regulatory Commission in the regular session when Presiding officer may additionally give oral explanation.
- (3) List of those present and invited persons, as well as presence of members of Regulatory Commission in the technical hearing, is an integral part of the Presiding Officer report.
- (4) Report from the technical hearing in the proceeding of making single acts, is submitted by the Presiding officer to participants to the proceedings, with a given possibility to submit comments before making final decision.
- (5) Before submission of the report to participants to the proceedings, it can be analyzed at the internal meeting.

Article 21

(Documents)

- (1) Presiding officer puts all documents from the technical hearing in Docket of Regulatory Commission and they are available for the public.
- (2) Remarks and other documents from the technical hearing may be used in the formal hearing, if the same is contained in some proceeding.
- (3) Interested parties may make inspection into documents from the technical hearing.

CHAPTER IV - FORMAL HEARING

Part A - General provisions

Article 22

(Formal hearing)

- (1) Formal hearing is a hearing organized with the aim to establish important facts based on which Regulatory Commission makes decision within its competences.
- (2) Formal hearing encompasses the conduct of the hearing of evidence with all necessary means for establishment of facts, such as documents, statements of the parties, testimonies of the witnesses, inspections, findings and expert opinion

and other evidences which are related to the concerned case within Regulatory Commission competences.

(3) The formal hearing is necessarily held in the tariff proceeding, unless differently stipulated by a special general act when public notice on the submitted application should be published with the deadline for submission of comments of the interested persons.

Article 23

(The public notice on holding formal hearing)

(1) The public notice is published on the formal hearing holding which contains:

- a) name, namely full name of the parties,
- b) brief content of the application, complaint or some other submission,
- c) place and time of the hearing,
- d) criteria and terms for getting a status of Intervener,
- e) terms and method for submission of the comments of the interested parties.

(2) The public notice is published at the website and notice board of the Regulatory Commission, no later than 8 days before holding the hearing.

Article 24

(Deadline for the procedure conducting)

(1) In the formal hearing procedure, the final decision on the application is made no later than within 6 months, counting from the date of submission of full application, name from the effective date of Decision on initiating procedure following the initiative of the Regulatory Commission.

(2) If determined that the deadline referred to in paragraph 1 of this Article, is not sufficient due to the subject complexity, the same shall be extended by Decision of the Regulatory Commission, in three months at latest.

Section B: Participation of third parties - Intervener

Article 25

(Getting the Status of Intervener)

(1) Any person seeking to get the status of an intervener in the proceeding files a request to act as intervener in the period of time defined decision on the formal hearing holding.

(2) The request to get the status of an intervener contains:

a) name, namely full name of the applicant,

b) explanation and possible evidences on existence of special interest for participation in the proceeding

c) signature, namely the stamp of the applicant;

(3) The Regulatory Commission may determine special criteria for getting a status of the Intervener in each separate case.

Article 26 (Approval of the delayed participation)

(1) If the request to get the status of the intervener is submitted after the published deadline, applicant states the reason for such a failure accompanied by evidences.

(2) The Regulatory Commission assesses justification of the reasons for it and makes decision, taking into account total impact of the delayed participation on the whole course of the proceeding and interest of other party to the proceeding, taking care of effectiveness of the proceeding and prevention of slowing of the proceeding.

Article 27 (Deadline)

(1) The Regulatory Commission shall make a decision about the request to get the status of intervener within 15 (fifteen) days from the date the request was received, and it shall inform the parties immediately about its decision.

(2) The intervener takes the proceeding in the condition which he found in the moment of entering the proceeding.

Article 28 (Participation of the Intervener)

(1) Intervener is entitled to participate in the hearing, state the evidences, remarks and arguments and has got the same rights and obligations of the party to the proceeding.

(2) Intervener is obliged to respect the established deadlines for submission of documents and requested information, and to be present at all proceedings of the Regulatory Commission in which he got the status of intervener.

Section C: Preparatory hearing

Article 29

(The preparatory hearing scheduling)

- (1) The Presiding Officer may schedule a preparatory hearing, for the purposes of more efficient collection and execution of evidences at the formal hearing.
- (2) The Presiding Officer invites the parties to the proceeding and interveners to the preparatory hearing.
- (3) The invitation referred to in paragraph 2 of this Article necessarily contains:
 - a) name, namely full name of the invited persons as well as the capacity that person is invited for,
 - b) place and time of holding preparatory hearing,
 - c) subject of the hearing,
 - d) issues to be discussed,
 - e) explanation and documents which the invited persons should submit before or during the preparatory hearing holding,
 - f) signature of the Presiding officer.

**Article 30
(Planning and holding the preparatory hearing)**

- (1) The Presiding Officer makes a plan for the preparatory hearing holding and may ask, in the invitation, the parties and interveners for proposals of additional issued which should be analyzed at the preparatory hearing.
- (2) The Presiding Officer may ask the parties and intervener also during the preparatory hearing to enclose the additional available documents or determine the deadline for submission.
- (3) The Presiding Officer provides for the minutes keeping or appropriate notes on the course of the preparatory hearing.
- (4) At the preparatory hearing, parties and interveners may take part.

Section D: The formal hearing course

**Article 31
(Commencement of the hearing)**

- (1) At the commencement of the formal hearing, the Presiding Officer shall state the subject of the hearing and confirms whether all parties to the proceeding are present and registers their presence.
- (2) If Presiding Officer determines that all invited parties are not present, the Presiding Officer will, in accordance with the circumstances, determine whether to hold the hearing without their presence or to postpone the hearing.
- (3) The Presiding Officer may enable the applicant to state its request and then the opposing party to state on the application of the applicant

**Article 32
(Evidences)**

- (1) In order to establish the facts, the evidences shall be presented at the formal hearing.
- (2) As the evidence, everything useful may be used for determination of the factual state for the concerned case including circumstances that those evidences are related to such as documents, witnesses, statements of parties to the proceeding, experts and other evidences.
- (3) Each party is obliged to prove the facts which its request is based on and the Presiding Officer may ask the parties to execute those evidences also which are relevant for making decision and which the parties did not propose.
- (4) The party executing the evidences is obliged to ensure sufficient number of copies for the Regulatory Commission and other participants to the proceeding..

**Article 33
(Order of execution of evidences)**

- (1) The Presiding Officer enables each of the parties to, at the hearing, propose evidences it will rely on during the hearing.
- (2) Applicant will firstly submit evidences and then the same is done by opponent party and intervener.
- (3) The Presiding officer decides which evidences shall be presented and determines the order of execution of evidences.
- (4) Participant to the proceeding is obliged to bring the witnesses proposed to the hearing.

**Article 34
Testimony of the witnesses**

- (1) Testimony of the witness is meant by presentation of personally known facts and observations related to the subject of the hearing.
- (2) The witness shall be warned in advance that he is obliged to tell the truth and that he must not hide anything and he will also be presented the consequences of giving false statement and after that he will swear
- (3) The Presiding Officer may ask the witness to swear an oath on his testimony.
- (4) The oath is given orally under the penalty after the testimony, telling the following words:

“I swear that I have told the truth about everything I have been asked here and that I have not hidden anything I know about this issue.

Article 35

Taking a testimony from the witness

- (1) Witnesses are heard one by one without presence of the witnesses who'll be heard later.
- (2) The heard witness must not walk away without permission of the Presiding Officer
- (3) The Presiding Officer may take a testimony from already heard witness, and may confront those witnesses with different testimonies.

Article 36 Exemption from the duty of giving testimonies

The Presiding Officer may exempt the witness from the duty of giving testimonies about some issues only when that witness justifies the reasons he mentioned in his request for refusal to give a testimony.

Article 37 Objection to the proposed evidence

(1) Each party to the proceeding can file the objection on testimony or other evidence offered by the opponent party for the reason that this evidence is not relevant, not authentic or not provided before by the party as it is requested by the Presiding Officer's order before the hearing or for any other reason found that evidence is not acceptable.

(2) The Presiding Officer estimates the objection justifiability and makes decision on execution of the proposed evidence.

Article 38 Expert opinion

The presentation of evidences by expertise will be defined by Presiding Officer when it is necessary for the purposes of determination of the facts important for settlement of the proceeding subject, especially expert opinion for some particular fields.

Article 39 Costs of the hearing of evidence

Costs occurred during the execution of the hearing of evidence before the Regulatory Commission shall be borne by the party which request the evidence was executed on

Article 40

The objections on Presiding Officer conclusions

- (1) Parties cannot make the objection with a special pleading on conclusions of Presiding Officer which are related to conduct of proceeding.
- (2) The party may file an objection to the Regulatory Commission on the conclusion of the Presiding Officer refusing the application for protection of confidential information within three days from the date the conclusion was received.

Article 41

Minutes of the hearing

- (1) The minutes about the formal hearing, i.e. all actions in the formal hearing proceeding, are made.
- (2) The minutes are signed by the Presiding Officer and all persons who gave statements on the minutes of the formal hearing proceeding.
- (3) Having executed all evidences and having completed hearing of the parties, the Presiding Officer concludes the formal hearing is completed.
- (4) The minutes with enclosed documents are placed in the Regulatory Commission Docket.

PART E: The Presiding Officer report and final decision

Article 42

(The Presiding Officer report)

(1) Upon completion of the formal hearing, the Presiding Officer in consultation with the Chief of Staff and Head of Department prepares the final written report which includes: facts, evidences, decision recommendation and legal base the recommendation and costs of the proceeding are based on.

(2) Which facts will be taken as the evidences will be decided by the Presiding Officer in his conviction on the basis of conscious and careful estimation of each evidence separately and all evidences together and on the basis of the results of the whole proceeding and he will explain it in the final report to the Regulatory Commission.

(3) The person whom the report is submitted has a possibility to, within a period of time determined by the Presiding Officer give the comments on the report which will be submitted, along with the report, for consideration to REERS before his final decision is made.

(4) The Presiding Officer report with comments is submitted to the Regulatory Commission for the purposes of making final decision.

Article 43

Final decision

- (1) Regulatory Commission makes the final decision on the subject of the formal hearing proceeding in its regular session.
- (2) The basis for making decision of the Regulatory Commission are facts and evidences contained in the final written report of the Presiding Officer with comments which participants to the proceeding made on the report.
- (3) According to conscientious and careful estimation of each evidences separately and all of them together, as well as on the results of the whole proceeding, the Regulatory Commission establishes deciding facts which its decision is based on.
- (4) The final decision is made in writing and contains legal basis for its making with explanation of the established and deciding facts and executed evidences which the facts were established on.

Article 44

Submission and publication of the final decision

- (1) The final decision is submitted to the parties to the proceeding and publishes pursuant to the Law on Energy and Statute.

CHAPTER V: COMMUNICATION WITH THE REGULATORY COMMISSION

Article 45 (Previous consultations)

Before submitting an application for initiating the procedure, the applicant may get information from the employees in the Regulatory Commission on the procedural issues related to realization of the rights based on the law and secondary legislation of the Regulatory Commission.

Article 46
(Submissions)

- (1) Communication between the parties and other interested persons and Regulatory Commission is made by submissions in writing, which are understandable and contains all necessary elements enabling acting on them.
- (2) The submission is meant by the application, template used for the automatic data processing, complaint, proposal, registration, complaint as well as notices used by the physical or legal person to turn to the Regulatory Commission.
- (3) Submissions are made in sufficient number of copies for the purposes of being submitted to the Regulatory Commission and other participants in the proceeding.
- (4) Submissions are submitted in the original form, and if needed electronically.

Article 47
(Content of the submission)

Each submission necessarily contains:

- a) name, family name and address, namely the name and seat of the applicant, its legal representative or authorized person,
- b) subject of the submission,
- c) facts and evidences which the statements referred to in the submission are based on,
- d) signature of the applicant;

Article 48
(Information Requests)

- (1) Regulatory Commission may ask the licensee to submit, within a prescribed period, all data and information needed for realization of the Regulatory Commission competences.
- (2) The licensee is obliged to submit data and information referred to in paragraph 1 of this Article within the prescribed terms, and cooperate with the Regulatory Commission.
- (3) The Regulatory Commission may ask other persons also to within the prescribed period submit data and information necessary for realization of activities within the scope of its competences.

Article 56
Protection of Confidential information

At the request of a party to the proceeding, confidential business information may be protected, pursuant to the Rule book on confidential information.

Article 50
(Prohibition of communication with the Regulatory Commission)

Members and staff of the Regulatory Commission shall not communicate with parties or other persons regarding the issues related to the subject of the dispute, except in case when it is about the process rights.

CHAPTER III - SETTLEMENT OF DISPUTES

CHAPTER I - THE PROCEDURE OF SETTLEMENT OF DISPUTES

Article 51
(Competence for settlement of disputes_

The Regulatory Commission is in charge, at the request of the party to settle the disputes at the electric power market aregarding:

- a) the right for the electricity supply,
- b) the right of access to the distribution network,
- c) obligation of delivery of electricity,
- d) tariffs which the electricity is delivered at,
- e) interruptions in the electricity supply,
- f) refusal to deliver the electricity,
- g) quality of the electricity supply

SECTION A - Submission of application for settlement of disputes

Article 52
(The procedure initiating)

- (1) The dispute settlement procedure is initiated by submitting an application for settlement of disputes.
- (2) The submission is submitted to the Regulatory Commission directly or by mail.
- (3) The dispute settlement procedure may be initiated also by submitting other submissions requiring settlement of disputes referred to in Article 51 of this Rule, if the submission contains all elements of the application for the settlement of disputes with the enclosed evidences.

Article 53

(Applicant)

- (1) The applicant for settlement of disputes before the Regulatory Commission may be legal or physical person.
- (2) The application may be submitted by the authorized representative, on behalf of the applicant.
- (3) Two or more parties may in the same case act jointly, but are obliged to designate who will appear as a joint representative or shall appoint the joint authorized representative.
- (4) In case of determination of common representative, namely common authorized representative, each party holds the right to act as the party to the proceeding and gives the statements, and to independently state the complaints and use other legal means.

Article 54 (Template of the application)

- (1) The application is submitted in writing, it has to be comprehensive and contain everything needed enabling the acting on it.
- (2) The application is submitted in original in sufficient number of copies for the purposes of submission to other parties to the proceeding.

Article 55 (Content of the Application for settlement of disputes)

Application for settlement of disputes necessarily contains the following:

- a) name and seat, namely full name and address of the applicant, its representative or authorized person,
- b) name and seat, namely full name and address of the opposing party to the proceeding,
- c) subject of the application,
- d) value of the dispute,
- e) proposal for settlement of the dispute,
- f) all evidences which the applicant bases its application on,
- g) signature, namely the signature and stamp of the applicant, its legal representative or authorized person

Section B – Processing of the application for settlement of dispute

Article 56 (Initial processing of the application)

The responsible sector of the Regulatory Commission considers the submitted application for settlement of the dispute and accompanying documents and determined whether the application was comprehensive and complete.

Article 57
(Complete application)

The application is considered comprehensive and complete when it contains all elements of the application referred to in Article 55 of this Rule, relevant facts and evidences the application is based on.

Article 58
(Amendment and correction of the application)

- (1) The application for settlement of disputes which was not submitted pursuant to provisions of this Rule is considered incomplete.
- (2) If the application for settlement of dispute is incomplete or is not comprehensive, namely if it contains some formal, essential or other failure which prevents acting on it, the applicant is informed accordingly and he is given a deadline for removal of failures cannot be shorter than five days.
- (3) If the applicant removes the failure within the given deadline, the application is considered complete on date of receipt of the submission eliminating the failure.
- (4) If the applicant does not remove the failure within the prescribed deadline, the application shall not be acted upon.
- (5) The applicant does not warn about the consequence referred to in paragraph 4 of this Article

SECTION C- Acting on application for settlement of dispute

Article 59
(Submission of the application for response)

- (1) Having submitted the complete application, the application with the enclosed documents is submitted to the opposing party for the purposes of clarification on statements referred to in the application and the deadline is given, which cannot be shorter than 8 days for response to the application and submission of the available evidences.
- (2) The opposing party is obliged to submit the response to the application within the given deadline.

Article 60
(Decision on formal hearing)

- (1) In the proceeding related to settlement of disputes in which there is a need to conduct of the evidence hearing, evidences such as hearing of

- parties, witnesses, experts and execution of other evidences, Regulatory Commission makes decision on holding of the formal hearing.
- (2) There is a public notice on holding formal hearing, contained pursuant to Article 23 of this Rule no later than 8 days before the date of the formal hearing holding, at the website and notice board of the Regulatory Commission.
 - (3) Decision on the formal hearing holding and invitation for the hearing is submitted to the parties to the proceeding.

Article 61 (Compensation of damages)

In the proceeding per the application for compensation of damages due to non-founded of termination of delivery of electricity, the same rules of the proceeding shall be applied, arranging the procedure of the dispute settlement.

Article 62 Failure to act in the proceeding and consequences

- (1) If the participant to the proceeding does not undertake the actions within the deadline determined by provisions of this Rule, other document of the Regulatory Commission or the order of the Presiding Officer, but does not justify the reasons for failure, it bears the consequences of that failure.
- (2) In case of failure from paragraph 1 of this Article by the applicant, it can be considered that the same withdrew the submitted application.
- (3) In case of failure referred to in paragraph 1 of this Article by the Opposing party, the Regulatory Commission may, at the proposal of the applicant, make Decision for failure or go on with the procedure and decide based on the situation in the subject file.
- (4) The Presiding Officer warns Parties to the proceedings about the consequences of failure to act, by inviting to perform some actions referred to paragraph 1 of this Article.

Article 63

Costs of the dispute

- (1) The Party which has unfavorable completion of the proceeding is obliged to reimburse the opposing party for the justified costs which that party suffered by participating in the proceeding
- (2) The Presiding Officer warns the parties that they may at latest until the expiry of deadline for comments to the draft decision if it is decided about the application in the shortened procedure or until conclusion of the formal hearing if it is held in the proceeding, submit the request for reimbursement of costs.
- (3) If the request for reimbursement of costs is not submitted in the deadline prescribed in paragraph 2 of this Article, the party loses the right for reimbursement of costs.

- (4) Each party bears its costs of the proceeding which finished in settlement unless it was differently stipulated in the settlement.
- (5) If the costs of the proceeding are borne by several parties, the costs between them shall be divided proportionally to the part of the application in which the party failed.

Article 64
Decision on costs

- (1) In the decision for settlement of the dispute, it is determined who bears the costs of the proceeding, their amount and deadline for their reimbursement.
- (2) If the Regulatory Commission does not decide about the costs in the decision, it will make a special conclusion about them.

Article 65

Final decision

- (1) The Regulatory Commission makes the final decision on the request for settlement of the dispute in its regular session.
- (2) The Regulatory Commission considers the report of the Presiding Officer and comments which were submitted on it basing its final decision on facts and evidences from the written report according to conscientious and careful estimation of each evidence separately and all evidences together as well as on the results of the whole process.
- (3) The final decision is made in writing and contains explanation of the legal basis for its making as well as the acting regarding all important issues, calling upon the established facts and executed evidences in the hearing.
- (4) The final decision from paragraph 1 of this Article is submitted to the parties to the proceeding, published on the web site and notice board of the Regulatory Commission and placed in the RERS Docket.

Article 66

Notice on non-competence

If the application for settlement of disputes is related to settlement of disputes of the civil-legal nature arising from the relationships in the electricity market but are not related to disputes referred to in Article 51 of this Rule, Regulatory Commission in writing informs the applicant about the non-competence and at the same time directs it to realize its right before the competent authority.

Article 67

Notices to the Regulatory Commission

- (1) Notices, information and data on acting of the licensees contrary to the issued license requirements for energy activity can be checked by the Regulatory Commission during the monitoring activities or differently and can make decision accordingly on undertaking measures for the purposes of removal of the failures found.
- (2) Submission referred to in paragraph 1 of this Article shall not be considered the application for settlement of disputes, in a sense of Article 52, paragraph 3 of this Rule.

CHAPTER II: PEACEFUL SETTLEMENT OF DISPUTES

Article 68 (Possibility for settlement)

- (1) The Presiding Officer will, in a way that his impartiality is not endangered, try to have the parties reached an agreement, completely or for some particular issues during any phase of the proceeding.
- (2) Parties to the proceeding may submit the agreement to the Regulatory Commission or make it immediately at the hearing regarding any issues from the proceeding and during any phase of the formal hearing but not after the Presiding Officer submits the final report to members of Regulatory Commission.

Article 69 Settlement at the internal meeting

- (1) Agreement on settlement verified by the Regulatory Commission should be clear, determined and must not be to the detriment of public interest, public morale or legal interest of third parties.
- (2) Agreement o settlement submitted by parties to the proceeding is verified by the Regulatory Commission, if made pursuant to the paragraph 1 of this Article.
- (3) Agreement on settlement made in the hearing or internal meeting enters the minutes which the parties sign after reading.
- (4) The verified agreement of the parties, namely Minutes on settlement is submitted to the parties and and placed in the RERS Docket.

Article 70 (Legal effect of settlement and termination of the proceeding)

- (1) The agreement on the settlement has the power of the executing document.

(2) In case of agreement, RERS will make a conclusion which will stop the proceeding in total or partly.

CHAPTER III SHORTENED PROCEEDING

Article 71

(Conditions for conduct of the shortened proceeding)

RERS may in a shortened proceeding solve the request without holding a formal hearing if it estimates that

- a) the party in its request has stated the facts and submitted evidences based on which the factual situation may be established or if the factual situation may be determined on the basis of the generally known facts or facts data which RERS has on disposal
- b) if the situation can be determined based on the official data which RERS has on disposal and which does not require special hearing of the parties for the purposes of protection of their rights, i.e. interests.

Article 72

(Conclusion on the shortened proceeding and draft decision)

Regulatory Commission in its regular session makes conclusion on settlement of disputes in the shortened procedure and draft decision, which submits to the parties to the proceeding and leaves them the deadline for giving comments.

Article 73

(Public notice)

Having made the documents referred to in Article 72 of this Rule, the public notice is published on the submitted application and course of the proceeding per the application, and the deadline is left for submission of comments of the interested parties.

Article 74

(Final decision per application)

The Regulatory Commission make final decision on the application for settlement of dispute in the regular session based on the submitted evidences of the parties, draft decision and submitted comments.

Article 75

(Deadline for conduct of the shortened procedure)

- (1) Had the parties acted pursuant to the orders of the Regulatory Commission within the given deadlines, the Regulatory Commission makes decision on application for settlement of disputes in the shortened procedure no later than 60 days counting from the date of submission of the comprehensive and complete application.
- (2) Exceptionally, when it is about the complex issues, and sudden and increased inflow of applications, the deadline referred to in paragraph 1 of this Article may be extended for additional 30 days,

CHAPTER IV PROCEEDING PER THE COMPLAINT

Article 76 (Competences)

The Regulatory Commission is competent to solve the complaint to the decision of distributor in the second-instance about:

- a) refusal of the access to the distribution network to the producer of electricity, i.e. eligible buyer;
- b) conditions of access to the distribution network to the producer of electricity, i.e. eligible buyer;
- c) refusal of the request of the end buyer to get the electric power consent for connection to the distribution network.

Article 77 Content of the complaint

- (1) Complaint must contain the following
 - a) name and seat, i.e. full name and address of the complainant,
 - b) name and seat of the distributor
 - c) number and date of the decision which disproves the complaint
 - d) complaint statements and evidences which the complaint is based on
 - e) signature of the complainant
- 2) It is necessary for the complainant to state in which sense he is not satisfied with the decision, to propose the way of solving and enclose to the complaint the copy of the disproved decision .
- 3) New facts and evidences may be stated in the complaint but the complainant is obliged to state the reasons why he did not state them in the proceeding before the distributor.

Article 78 Submission of the complaint

- (1) The complaint is submitted within 15 days from the date of receipt of the decision.
- (2) The complaint is submitted directly or sent by mail to the distributor who made the decision which is disproved with the complaint.

Article 79
Initial consideration of the complaint by Distributor

- (1) Distributor considers whether the complaint is allowed, due and stated by the authorized person.
- (2) Non-allowed, non-timely or the complaint stated by the non-authorized person, shall be rejected by Distributor in a form of conclusion.
- (3) Timely complain which is submitted or sent directly to the Regulatory Commission is assessed by Distributor according to the date when the complaint is submitted, namely sent to the Regulatory Commission.
- (4) The applicant is entitled to lodge a complaint to the Regulatory Commission against the conclusion which rejected the complaint based on the paragraph 2 of this Article, submitted through Distributor.

Article 80
Proceeding on the complaint

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- (1) If he thinks that the complaint is with good reason, distributor may differently solve the matter using the new decision, otherwise he is obliged to submit the complaint with the file of the subject to REERS without delay.
- (2) The party is entitled to lodge a complaint to the Regulatory Commission against new Decision on Distributor, submitted through Distributor, within 15 days from the date of receipt of new Decision.
- (3) If there are new facts and evidences stated in the complaint, there is a deadline for distributor which cannot be longer than 15 days to give its statement about new facts and evidences.
- (4) If the complaint was submitted directly to REERS, the deadline for deciding on the complaint starts on the day when the file was received from distributor

Article 81
Acting of the Regulatory Commission on the complaint

- (1) If the applicant submitted a complaint to the Regulatory Commission, a copy of the complaint shall be submitted without delay to Distributor that will act on the complaint in a sense of provisions of Article 79 and Article 80 of this Rule.
- (2) If there are new facts and evidences stated in the complaint, there is a deadline for distributor which cannot be longer than 15 days to give its statement about new facts and evidences.
- (3) If the complaint was submitted directly to REERS, the deadline for deciding on the complaint starts on the third day when the file was received from distributor.

Article 82
Formal hearing on the complaint

RERS may make a decision to hold the formal hearing in the proceeding on the complaint for cases from Article 65, of this Rule Book

Article 83

Public notice

(1) Having made a decision from Article 82 of this Rule book, RERS shall publish the public notice which contains: short content of the complaint, name, seat or full name of the complainant, number and date of the decision which is disproved by the complaint, the way which other interested parties may submit comments on the complaint and deadline for the submission as well as the criteria for interevenueers.

(2) Notice for the public is published in at least one written media, on the website of and notice board of RERS at latest 8 (eight) days before the date of the formal hearing holding.

Article 84

Decisions on the complaint

- (1) RERS shall reject the complaint if it is unallowed, not received on time and stated by non-authorized person.
- (2) Deciding on the complaint, RERS may:
- c) reject the complaint as the one without good reason and confirm the first-instance decision;
 - d) adopt the complaint in total, annull the decision and give it back to distributor to be decided again;
 - e) adopt the complaint in total or partly and solve the matter by itself,
 - f) proclaim the decision worthless if it establishes that there was an irregularity made in the first-instance proceeding which makes the decision worthless or that the first-instance decision was made by the non-competent body.

Article 85

Deadline for deciding on the complaint

- (1) RERS makes a decision on the complaint of the producer of electricity or eligible buyer on the decision of distributor about access or conditions of the access to the distribution network within 60 days from the day when the complaint was received if the formal hearing on the complaint is not held.
- (2) RERS decides about the complaint on the decision to refuse the request for the electric power consent for connection to the distribution network within 60 days from the day when the complaint was received.

CHAPTER II PROCEEDING ON THE COMPLAINT IN THE SECTOR OF NATURAL GAS AND SECTOR OF OIL AND OIL DERIVATIVES

**Article 86
(Competence)**

- (1)** In the sector of natural gas, the Regulatory Commission solves in the second instance on the complaint on decision of the transport of distribution system operator in the procedure related to approval for access and use of the transport or distribution network or storage, as well as in the procedure of giving approval for connection to the transport or distribution network.
- (2)** In the sector of oil and oil derivatives, Regulatory Commission decides in the second instance on the complaint.

**Article 87
Application of the rules of the procedure**

Deciding process on complaints in the sector of natural gas and sector of oil and oil derivatives, the same rules are applied as in the cases for deciding on complaints on decisions of distributor in the electric power sector.

PART FIVE- TRANSITIONAL AND CLOSING PROVISIONS

**Article 88
(Cooperation with other regulatory authorities)**

The Regulatory Commission cooperates with other regulatory commissions within the energy field in BiH enabling normal exchange of information within the scope of its competence.

**Article 89
Finality of decisions**

Decisions which are made by RERS are final.

**Article 90
Legal protection**

- (1)** The party not satisfied with decision of the Regulatory Commission may initiate the court proceeding before the competent court.
- (2)** The appeal initiating the administrative dispute does not postpone realization of documents referred to in paragraph 1 of this Article

Article 91
Parallel application of the Law

The provisions of the law on relations will be applied in appropriate way for all issues of the proceeding which were not covered by this Rule Book or special rules and regulations of the Regulatory Commission, if is allowed by the nature of things and when it is in accordance with RERS competences.

Article 92
Interpretation of the Rule book

(1) RERS shall provide interpretation of these Rules.

(2) Amendment of this Rule is made in a way and following the procedure which is determined for its making.

Article 93

Effective Date

The date this Rule book becomes effect, the Rule book on public hearings and settlement and dispute of settlement and disputes (Official Gazette of RS, number 71-05) is no more valid.

Date: 30th June 2010

President

Number: R-12-462-79/10

Milenko Cokorilo