

REGULATORY COMMISSION FOR ENERGY OF REPUBLIC OF SRPSKA
TREBINJE

Number: R-01-1054-122/09

Date: 30 December 2009

Pursuant to Article 23 line 4 of the Law on electricity (Official Gazette of Republic of Srpska, number 8/08, 34/09 and 92/09), Article 10, paragraph 1, point 4 of the Statute of the Regulatory Commission for Energy of Republic of Srpska (Official Gazette of Republic of Srpska, number 41/04, 67/07, 113/07 and 109/09), Article 37, paragraph 1, point 3 of the Procedural Rules of the Regulatory Commission for electricity of Republic of Srpska (Official Gazette of Republic of Srpska, number 96/04), Article 49, 73 and 74 of the Rule on tariff methodology and tariff proceeding (Official Gazette of Republic of Srpska, number 61/05) and Article 72 paragraph 1 of the Rule on public hearing and solving disputes and complaints (Official Gazette of Republic of Srpska, number 71/05), in the tariff proceeding for approval of prices at the plant outlet, for determination of tariff rates for distribution system users and tariff rates for non-eligible customers of electricity in Republic of Srpska, Regulatory Commission for Energy of Republic of Srpska, in its first (I) regular session which was held on 30 December 2009 made

DECISION

On tariff rates for non-eligible customers of electricity in Republic of Srpska

I

This Decision was made by the Regulatory Commission for Energy of Republic of Srpska (hereinafter Regulatory Commission) to determine the prices of electricity, expressed through the tariff rates, which serve for calculation and payment of electricity by non-eligible customers.

Tariff rates for non-eligible customers per categories of consumption and groups of customers were determined depending on costs of generation, transmission and distribution of electricity which those categories and groups of customers create by their method and time of consumption of electricity, respecting the principle of graduation of changes.

II

Tariff rates for electricity delivered for non-eligible customers of electricity in Republic of Srpska are as follows:

DESCRIPTION			Tariff rates for non-eligible customers of electricity					
			Capacity charge		Active electricity		Excessively taken reactive electricity	
Categories of consumption and groups of customers		Unit measure	KM/kW/month		KM/kWh		KM/kVArh	
		Season	HS (winter)	LS (summer)	HS (winter)	LS (summer)	HS (winter)	LS (summer)
Category	Group	Part of the day						
110 kV		HT	1,4546		0,0842		0,0201	
		LT	-		0,0421		-	
35 kV		HT	3,9498		0,0820		0,0240	
		MT	-		0,0410		-	
10 kV		HT	6,8136		0,0854		0,0302	
		LT	-		0,0427		-	
0,4 kV - Other consumption	1 TG	HT	13,5613		0,0924		0,0422	
		LT	-		0,0462		-	
	2 TG	MT	4,9399	3,7998	0,1712	0,1317	-	-
	3 TG	HT	4,9399	3,7998	0,2061	0,1585	0,0500	0,0385
		LT	-	-	0,1030	0,0793	-	-
	6 TG	MT	4,9399	3,7998	0,1171	0,0901	-	-
	7 TG	HT	4,9399	3,7998	0,1408	0,1083	0,0481	0,0370
		LT	-	-	0,0704	0,0542	-	-
0,4 kV - Public lightening		MT	-		0,1508		-	
0,4 kV - Households	1 TG	MT	2,0352	1,5655	0,1172	0,0902	-	-
	2 TG	HT	2,0352	1,5655	0,1410	0,1083	-	-
		LT	-	-	0,0705	0,0541	-	-

Tariff rates stated in the above table do not contain the tax on added value.

III

Capacity charge for tariff groups of customers from the category of consumption at 0,4 kV voltage which are not determined capacity charge by measuring, amounts to:

Other consumption of the II and III tariff group: 5 kW

Other consumption of the VI and VII tariff group: 7 kW

Households of the I tariff group: 3.3 kW

Households of the II tariff group: 5.2 kW

Electric power companies - licensees for supply of non-eligible customers with electricity may determine, for the group of customers referred to in paragraph 1 of this point, the monthly fee for the capacity charge and metering point of the customers which is equal to the amount obtained by multiplying the capacity charge referred to in paragraph 1 of this point and accompanying tariff rate referred to in point 2 of this Decision and expressed in the fixed monthly amount per the customer as follows:

Groups of customers	High season	Low season
	KM monthly	KM monthly
Other consumption of the 2 and 3 tariff group	24,6995	18,9990
Other consumption of the 6 and 7 tariff group	34,5793	26,5986
Households 1 tariff group:	6,7162	5,1662
Households 2 tariff group:	10,5830	8,1406

IV

Tariff rates in high season (HS) shall be applicable in the period from October 1 to March 31.

Tariff rates in low season (LS) shall be applicable in the period from April 1 to September 30.

High daily tariff rates (HT) shall be applicable from 06,00 to 22,00 hours for the winter calculation of time, and from 07,00 to 23,00 hours for the summer calculation of time respectively.

Low daily tariff rates (LT) shall be applicable from 22,00 to 06,00 hours for the winter calculation of time, and from 23,00 to 07,00 hours for the summer calculation of time and during the weekend without interruption from Friday at 22,00 (23,00) hours to Monday 06,00 (07,00) hours.

V

Calculation of the excessively taken reactive energy for end users from the second and sixth tariff group within the category of "Other consumption at low voltage" that are determined, by occasional metering, to take excessive reactive electricity is made applying tariff rates for the excessively taken reactive energy of the third and seventh tariff group respectively from that category of consumption.

VI

Electric power companies, licensees for supply of non-eligible customers with electricity are obliged to publish, in an appropriate way, tariff rates, relevant provisions of this Decision as well as the tariff system and make them available to all non-eligible customers.

VII

This Decision becomes effective on the day it is made and shall be applicable for calculation of the electricity consumed as of 1 January 2010.

As of the date this Decision is applied, Decision on tariff rates for non-eligible customers of electricity in Republic of Srpska number R-19-666-175/07 dated 21 December 2007 (Official Gazette of Republic of Srpska, number 114/07) shall be no more valid.

This Decision is published in the Official Gazette of Republic of Srpska, on the notice board and website of the Regulatory Commission.

Rationale

Tariff rates for non-eligible customers are determined by allocation of the costs of electricity generation, costs of the transmission network usage (costs of the Elektroprenos BiH/Transmission company of BiH, Independent System Operator in BiH and costs of providing ancillary services), costs of using distribution network and costs of electricity supply, on categories of consumption and groups of customers and on tariff elements, including the seasonal and daily time differentiation.

A share of the price of the electricity generation in the tariff for non-eligible customers are determined on the basis of the average weighted price for non-eligible customer in the amount of 0,0541 KM/kWh of electricity at the outlet of all plants of generation companies in Republic of Srpska which take part in supply of tariff customers in the system of the public service obligation. A share of each generation company in Republic of Srpska in electricity generation for supply of tariff customers in the system of the public service obligation which are used for determination of tariffs for non-eligible customers are determined on the basis of generation which provides for supply of all tariff customers in Republic of Srpska and volume of electricity generation which served as the basis for determination of prices at the plant outlet.

A share of costs of using distribution network in the tariff for non-eligible customers in the amount of 148,145,806 KM which are consisted of the costs of distribution capacity in the amount of 123,621,427 KM and costs of electricity losses in the distribution network in the amount of 24,524,379 KM was based on the Decision on determination of the electricity distribution price number 01-966-26/09 dated 31 December 2009.

A share of the prices of the Independent System operator services in the tariff for non-eligible customers is determined on the basis of the unit price of 0,000399 KM/kWh of the active electricity taken from the transmission network, as determined by Decision of the State Regulatory Commission for Electricity in BiH dated 25 March 2008 (Official Gazette of BiH, number 25/09).

A share of costs of providing reserve capacity for the secondary and tertian regulation in the tariff for non-eligible customers was determined on the basis of the price which was stipulated by State Regulatory Commission for electricity in BiH, Decision on amendment of Decision on determination of tariffs for ancillary services (Official Gazette of BiH, number 50/09) of 0,002187 KM/kWh of the active electricity taken from the transmission network.

A share of the price of transmission losses in the tariff for non-eligible customers is determined on the basis of the average weighted price of electricity at the plant outlet in

Republic of Srpska, pursuant to Decision of the State Regulatory Commission on determination of the tariff for ancillary services (Official Gazette of BiH, number 25/09) and it amounts to 0,0586 KM/kWh for electricity lost in the transmission network, i.e. 0,001851 KM/kWh for electricity taken from the transmission network.

A share of costs of the supply service in the tariff for non-eligible customers in the amount of 14.246.875 KM was based on Decision on determination of the price of the electricity supply of non-eligible customers in Republic of Srpska, number 01-966-27/09 dated 30 December 2009.

While determining tariff rates for end users within the category of consumption of households and 2 and 3 group of Other consumption at 0,4 kV voltage, it was applied the principle of graduation in order to avoid drastic changes of the tariff in one tariff proceeding, in a way that the amount of the estimated cross-subsidizing between categories of consumption at low voltage was reduced from the current 9,1% to 7,3%. Although, in this tariff proceeding there was no increase of tariff rates for the customers from the 2 and 3 group of other consumption at 0,4 kV, they still subsidize 7,3% of consumption of households.

The tariff design, determined by this Decision is based on the provision of Article 7, paragraph 2, Article 73 and Article 74 of the Rule on tariff methodology and tariff proceeding.

Point VII of this Decision is founded on the provision of Article 20 paragraph 3 of the Law on Energy (Official Gazette of Republic of Srpska, number 49/09), as regards publication of Decision in the Official Gazette of Republic of Srpska and on the provision of Article 21 of the Statute of the Regulatory Commission for Energy of Republic of Srpska, as regards effective date of this Decision. The starting date of application is harmonized with the beginning of a new business year. New tariffs shall be applicable for electricity which is delivered as of 1 January 2010, while the first actual application shall follow upon expiry of the first calculating period on 31 January 2010, i.e. while calculating and submitting the bill to the customers for electricity consumed in January 2010.

President
Milenko Cokorilo