

ID	Outstanding issue (from the Implementation Report)	Additional Clarification
1	Universal service is not adequately defined	<p>MIEM: Republika Srpska asserts that it has transposed (Law of Energy RS, Law of Electricity RS) the obligation of energy services to operate as universal services of public interest.</p> <p><u>(Article 11. (Law of Energy- Official Gazette of RS No. 49/09)</u> Activities in the field of energy: transport and managing of the natural gas transport system, oil transport via oil pipelines and oil derivatives transport via product lines, electricity production for supply of the tariff customers, distribution of electricity and natural gas. Supply of the tariff customers with electricity and gas and distribution, and supply with thermal energy are activities of public interest and they are provided within the public service system in accordance with the law and permits for these activities.</p> <p><u>Article 1. (Amendments in the Law of Electricity-Official Gazette of RS No. 34/09)</u> Enterprises from the term 2 of this article operate in the domain of electricity with the public interest perspective, as an obligation in the system of public service, in order to:</p> <ul style="list-style-type: none"> - supply non-qualified customers, and qualified customers of electricity, which are supplied as non-qualified customers in accordance with regulations, - production of electricity with aim to supply non-qualified customers, and qualified customers of electricity, which are supplied as non-qualified customers in accordance with regulations, and - distribution of electricity for all customers. <p>RSERC: Rule on Eligible Customers prescribes their rights to use SOLR service in the transitional period.</p>
2	Information by the supplier on the fuel mix and environmental impacts is not required	RSERC: RSERC Rules on General Conditions for Supply (Article 117) prescribes that the supplier shall inform customers, in the bills or in bulletins, on the fuel mix once a year.
6	Regulatory competence related to methodology for the provision of balancing services assigned to the	SERC and ISO: Article 4.2 of the Law on transmission of electric power, regulator and system operator in Bosnia and Herzegovina reads, "SERC has jurisdiction to approve, monitor and enforce tariffs and tariff methodology for transmission and regulation of ancillary services; Article 4.8 point 1 of the same Law

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	State Regulatory Commission have proved not adequate to impose on the ISO the proper implementation	reads, "Tariffs for transmission, ancillary services and ISO operations shall be regulated and approved by SERC." Furthermore, SERC in its methodology (Article 34) defines treatment of imbalances.
9	The Laws extended regarding Brcko District should be scrutinized to comply with provisions on customer eligibility and market opening	MIEM:Republika Srpska generally does not accept the imposition of law without political will. This is an imposed law. (Note: RS has never denied electricity supply of the Brčko District, but the Brčko District has always been treated in the same way as customers in Republika Srpska).
12	Level of tariffs to allow necessary investments in the network and ensure their viability	MIEM: Transmission tariff is part of general tariff and it is not independent from it. The opinion of MIER is that the transmission tariff is relatively high in BiH: therefore, its increase is unacceptable. On the other side, some producers and distributors have significantly lower incomes per one produced/delivered kWh, since they are not allowed to raise tariffs. Meanwhile, conditions of the distribution network are far below the level of technical and operation capacity of the transmission network.
Gas 1	No Gas Law at the State level	FMEMI: In the ECS Implementation report, (<i>Gas, c. State of compliance</i>) the statement ..." one entity has not yet established a regulatory authority responsible for gas" should be deleted, it prejudge the legal framework for gas market since there is no agreement that entity-level legislation should be adopted. Only State level Gas Law should be adopted.

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