

Bosnia and Herzegovina Measures to implement outstanding issues of the Acquis under the Energy Community Treaty as presented in the Implementation Report at the 8th Ministerial Council Meeting , 24.09.2010.				
Acquis on Electricity				
ID	Outstanding issue (as in the Implementation Report)	Comment/Current status	Next steps	Responsible institution
1	Universal service is not adequately defined	FBiH addressed it in the new Electricity Law which is in the Parliamentary procedure. The draft Law has been sent to ECS for comments. Clarification needed on whether the RS Law on Energy, Article 11, Law on Electricity, Article 1 and RSERC Rule on Eligible Customers meets the transposition requirements (please see the Clarification Table).	<ul style="list-style-type: none"> • Adoption of the Law on FBiH Parliament • Adoption of the RS Energy Strategy • Amend RS Energy Law If needed 	FMEMI, MIEM RS
2	Information by the supplier on the fuel mix and environmental impacts is not required	To be done in primary and secondary legislation. RSERC Rules on General Supply Conditions prescribe suppliers' obligation regarding information on the fuel mix (please see the Clarification Table).	<ul style="list-style-type: none"> • Adoption of the Law on FBiH Parliament • Adoption of the RS Energy Strategy • Add provisions into Secondary legislation 	FMEMI, MIEM RS, Entity Regulators
3	Procedures and conditions for tendering procedures are not adequately transposed	RS Law on Concession addresses the tendering procedure; FBiH: Laws in effect do not address this issue, but in preparation stage; BiH is very interested to arrange this issue properly.	Clarification with ECS if the current status meets this requirement.	3 Ministries, 3 Regulators

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4	Responsibilities related to reporting on the SoS and measures necessary for maintaining long-term balance between supply and demand and the availability of generation capacity are not consistently assigned	Since it is to the great extend provided by current legislation, clarification with ECS is necessary. All Electric Power Sector bodies use to develop their own reports (ISO, Transco, two Entity-level Ministries, three regulators and three EPs. MOFTER (Ministry of Foreign Trade and Economic Relations of BiH) has jurisdiction to coordinate international activities; therefore, it is MOFTER's role to collect all reports, prepare the final text and send it to the Secretariat.	Clarification on whether this is in accordance to the State Law on Council of Ministers. Clarification with ECS to clarify is this approach acceptable to Secretariat.	3 Ministries, ISO, TRANSCO Three Regulators
5	Responsibility to report on market dominance, predatory and anticompetitive behaviour is not assigned	Additional clarification is needed with BiH Competition Council and with ECS.	<ul style="list-style-type: none"> MOFTER to clarify relevant responsibilities with BiH Competition Council Clarification with ECS 	MOFTER, BiH Competition Council, SERC, Entity Regulators

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6	Regulatory competence related to methodology for the provision of balancing services assigned to the State Regulatory Commission have proved not adequate to impose on the ISO the proper implementation	SERC has competence related to methodology for the provision of balancing services (please see the Clarification Table)	<ul style="list-style-type: none"> • Clarification with ECS • Enforce implementation by SERC and ISO 	MOFTER, SERC, ISO
7	There is a lack of power to establish a methodology and to fix or approve terms and conditions for connection and access to the distribution network, as well as distribution tariffs in Brcko District (BD)	Political issue, but there are a limited number of options. Decision should be taken after internal consultation and consultation with ECS	<ul style="list-style-type: none"> • Internal consultation • Consultation with ECS 	3 Ministries, BD Government
8	The procedure for exemption for new interconnectors has not been transposed	Need to be transposed in primary and secondary legislation.	<ul style="list-style-type: none"> • Clarification with ECS • Assistance of ECS expected • Initiate development of legislation where needed 	MOFTER SERC ISO
9	The Laws extended regarding Brcko District should be scrutinized to comply with provisions on customer eligibility and market opening	Political issue, contradictory opinions of relevant authorities. (Please see the Clarification Table)	???	3 Ministries, BD Government

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10	Fee on declared export by SERC	SERC is aware that the transmission tariff structure has been identified as questionable one. SERC will analyze the tariff methodology and initiate the procedure for its' amendment , if necessary.	Analysis of the methodology	SERC
11	ISO to coordinate its congestion management methods, ensuring required level of transparency	To be done once the necessary preconditions are met- in BiH and in neighboring TSOs.	Upgrading of Rules on cross-border capacity allocation	SERC ISO
12	Level of tariffs to allow necessary investments in the network and ensure their viability	Unclear. Tariffs for transmission are covering the costs. (Please see the Clarification Table)	Clarification with ECS regarding network tariffs (transmission and distribution)	3 Regulators, ISO, TRANSCO

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1.	No Gas Law at the State level	Political issue. No consensus on gas market structure on the level of Gas expert group established by MOFTER in 2007. FBiH Government expressed the will to implement the State Law once it is adopted (please see the Clarification Table). Working group on gas (established in accordance with February 17 meeting) reported to ECS.	Obtain consensus on gas market structure to comply with relevant EU acquis.	3 Ministries
2.	Transposition of relevant provisions of Gas Acquis: Directive 2003/55/EC, Directive 2004/67/EC, Regulation 1775/2005.	See comment on ID 1. Some of the Acquis transposed in RS Gas Law and FBiH Regulation. Regulatory function at the state level as well as transmission system operation and third party yet to be addressed by primary legislation.	<ul style="list-style-type: none"> • Adopt Gas Law at the state level • Amend the relevant Entity-level legislation 	3 Ministries RERS

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