

SOLR; DS AND CONTRACTS
CONSIDERATIONS FOR THE MWG
Next Steps

1. Determine preconditions for successful functioning SOLR/DS service;
2. Discuss if it is worthwhile to deal with SOLR/DS under the current status of market opening?
3. Define issues and options for points made during the Seminar; These points could be grouped as following:
 - a. Preconditions for successful functioning SOLR/DS service in BiH;
 - b. Role of SOLR/DS in BiH;
 - c. Characteristics of SOLR/DS in BiH-How to determine-Who is qualified to be SOLR/DS;
 - d. Switching processes regarding a change of supplier;
 - e. Information and reporting system with regard to the SOLR/DS service;
 - f. How the bankruptcy is defined by local laws, being that such the event that trigger SOLR/DS function?
 - g. Accounting system in SOLR/DS service provider;
4. REAP to draft table for items 1 and 3;
5. MWG to discuss whether all points included in the table and suggestion additional options;
6. MWG to develop a document that will take into account all questions and answers and recommend further steps and timing.

Preconditions for successful functioning SOLR/DS service:

- completely unbundled network suppliers (TPA)
- metering and billing systems
- power exchange or auction clearinghouse
- balancing mechanism
- market operator with settlement system

These activities, outlined in the document could be listed as follows:

Questions and Options Table:

	Questions	Options	Pro	Con	Proposal(s)
1.	Do preconditions for successful functioning SOLR/DS service exist?				
2.	Should we deal with SOLR/DS, having item 1 in mind?	1. Yes 2. No	1. It is better to start now to develop all processes and structures needed; 2. No. It s not urgent.	1. Many other preconditions have to be met. Work on them first. 2. It will take too long to prepare the process and regulations for SOLR/DS.	
3.	Definition of Role of SOLR	1. short-term, emergency supplier; 2. Includes both short-term, emergency supplier and default supply functions.			
4.	Definition of Role of DS	1. Long term supplier when customer does not choose market supplier 2. Long term supplier when customer does not find market supplier (determine what “cannot find market supplier” means exactly. 3. No definition or function for DS as such.			
5.	Do 110 kV customers need SOLR/DS designated by Regulator?				

	Questions	Options	Pro	Cons	Proposal(s)
6.	Do 35 kV customers need SOLR/DS designated by Regulator?				
7.	Do 10 kV customers need SOLR designated by Regulator?				
8.	Do “other” customers need SOLR/DS designated by Regulator?				
9.	Do household customers need SOLR/DS designated by Regulator?				
10.	Energy Balance (GWh) per customer classes as input for SOLR/DS				
11.	Characteristics of SOLR/DS				
12.	How to determine/Who is qualified to be SOLR and/or DS?				
13.	How to determine costs/tariffs for SOLR/DS?				
14.	Describe the switching process from tariff to market Supplier.				
15.	Describe the switching process from market Supplier to SOLR.				

	Questions	Options	Pro	Cons	Proposal(s)
16.	Describe the switching process from tariff to DS Supplier.				
17.	Preconditions for switching between suppliers and/or SOLR and/or DS.				
18.	Whether (and how) to apply fee/penalty for switching?				
19.	Which information is needed to inform participants on SOLR and/or DS process and conditions?				
20.	Do local laws define a bankruptcy? If not where should it be defined and by whom? Describe the bankruptcy process and at what point the SOLR is triggered.				
21.	Do other laws impact bankruptcy and triggering SOLR?				
22.	Required actions by customer/DSO/_____ when competitive supplier leaves the market? (see 20)				
23.	What chart of accounts is required of a SOLR?				

	Questions	Options	Pro	Cons	Proposal(s)
24.	Reporting system and content.				