

Pursuant to Article 20, paragraph 1 of the Law on energy ("Official Gazette of Republic of Srpska" number 49/09) and Article 18, paragraph 1 of the Statute of Regulatory Commission for energy of Republic of Srpska - Cleaned text, ("Official Gazette of Republic of Srpska number 6/10), The Regulatory Commission for energy of Republic of Srpska in its 10th regular session, held on 25 May 2010, made

**PROCEDURAL RULES
OF THE REGULATORY COMMISSION FOR ENERGY
OF REPUBLIC OF SPRSKA**

I GENERAL PROVISIONS

**Article 1
(Subject)**

The work of the Regulatory Commission for energy of Republic of Srpska (hereinafter Regulatory Commission) is regulated by these Procedural Rules (hereinafter Rule), particularly as follows: type of sessions and meetings, convening and holding meetings and sessions, types of public hearings, making decisions, procedures of the acts' making and other proceedings conducted by the Regulatory Commission.

**Article 2
(Competence and authorization)**

Competencies, scope of work and authorizations of the members of the Regulatory Commission were prescribed by the Law on energy and other energy-related laws and Statute of the Regulatory Commission for energy of Republic of Srpska (hereinafter Statute).

**Article 3
(Application)**

These Procedural Rules apply for all procedures carried out by the Regulatory Commission in accordance with all of its competences and authorities.

Article 4 (Purpose)

The purpose of having these Procedural rules made is to provide a cost-effective and efficient proceeding of making fair decisions on all issues within the competencies and scope of the activities of the Regulatory Commission.

Article 5 (Principles of work)

The work of the Regulatory Commission is based on the following principles:

- a) legality of work,
- b) transparency of work,
- c) protection of rights of the parties and protection of the public interest,
- d) efficiency and cost-effectiveness,
- e) truthfulness,
- f) free assessment of evidences,
- g) independency of work,
- h) finality and validity of decisions,
- i) offering assistance to the parties on the process rights

Article 6 (Definitions)

Definitions of terms used in the Procedural Rules are as follows:

1. **“Energy-related laws”** shall mean the Law on Energy, Law on Gas and Law on oil and oil derivatives;
2. **“Member of the Regulatory Commission”** shall mean a person appointed for the president or a member of the Regulatory Commission by the decision of National Assembly of Republic of Srpska.
3. **“Interested Person”** shall mean physical or legal person, interested in taking part in the proceedings before the Regulatory Commission with or without intention to get a status of the intervener.
4. **“A party to the proceedings”** shall mean an interested person, based on whose request the proceedings are initiated or against which the proceedings are led, as well as the person to the proceedings initiated on the initiative of the Regulatory Commission.
5. **“Public hearing”** shall mean any hearings called by the Regulatory Commission, open for the public.

6. **"Presiding Officer"** shall mean the person appointed by the Regulatory Commission, authorized to conduct the proceeding, to lead the public hearing and make a report with a recommendation for making decisions;
7. **"Confidential Information"** means any document, data or information which, if disclosed, may do some harm to the interest or integrity of the Regulatory Commission or any physical or legal persons, and which is by Rules on confidential information determined to be confidential.
8. **"Licensee"** shall mean a legal or physical person that was issued the licence to do one or more energy activities by the Regulatory Commission, as well as the license for construction of the electric power facility;
9. **"Regulatory competence"** shall mean the competence of the Regulatory Commission determined by the energy-related laws;
10. **"General act"** shall mean by-law of the Regulatory Commission for determination of rights and obligations of indefinite number of persons;
11. **"Single act"** shall mean any acts made by the Regulatory Commission for determination of rights, obligations and responsibilities of some parties to the proceedings;

II METHOD OF WORK OF THE REGULATORY COMMISSION

Article 7 (Work governance)

- (1) The work of the Regulatory Commission is governed by the President.
- (2) President of the Regulatory Commission, in consultation with members, may determine one member to follow up some fields or some issues, within the prescribed competence, for the purposes of making more efficient decisions, which, the member timely informs the Regulatory Commission about.

CHAPTER I - SESSIONS AND MEETINGS

Article 8 (Sessions and meetings)

Regulatory Commission discusses and makes decisions in the sessions and internal meetings.

Article 9 (Regular Sessions)

- (1) Regulatory Commission discusses and makes decisions within the scope of regulatory competence in the regular session.
- (2) Regular session is open for the public and interested persons, without any rights to take part in the session.
- (3) Exceptionally, the president of the Regulatory Commission may, in justified cases, approve participation of some interested persons in discussions.
- (4) Regular sessions are held, as a rule, in the registered office of the Regulatory Commission

Article 10
(Emergency sessions)

- (1) The Regulatory Commission may call an emergency session, in case of emergency which may endanger life, health or safety of people or jeopardize the general public interest.
- (2) An emergency session can also be called by phone.
- (3) An emergency session is open for the public.

Article 11
(Executive Portion of a Regular Session and making decisions)

- (1) Regulatory Commission may decide to close the session or a portion of regular session for the public and/or its staff in the Regulatory Commission in order to protect confidential information or trade secret, except for persons whose presence in the session is considered to be necessary.
- (2) Regulatory Commission, before starting the executive portion of a regular session, informs those present on reasons to exclude the public, which is confirmed in the minutes.
- (3) Special minutes shall be made about the executive portion of a regular session.

Article 12
(Internal Meeting)

- (1) The Regulatory Commission organizes its daily activities through the internal meetings, where it makes decisions on internal issues and operational matters which do not belong to the regulatory competence.
- (2) The proposal of decisions for the regular sessions may be prepared in the internal meetings but decisions on issues within the scope of the regulatory competence cannot be made.
- (3) The internal meeting is called by the president on his own initiative or initiative of the member of the Regulatory Commission or Chief of Staff.
- (4) Internal meetings, as a rule, are not open for the public but Regulatory Commission may approve interested persons to attend the internal meetings.

Article 13
(Activities planning)

- (1) Regulatory Commission makes three-month', semi-annual or annual operational plans of work and follows its implemenations in order to fulfil the obligations within the regulatory competence.
- (2) Regular session and internal meetings are held at least once monthly.

Article 14
(Calling sessions and meetings)

- (1) The president of the Regulatory Commission calls and chairs the sessions and meetings, and does other activitieis pursuant to the provisions of the Statute and Procedural Rules.
- (2) As proposed by a member of the Regulatory Commisison in writing, the president is obliged to call a session of the Regulatory Commission or internal meetings within 15 days from the date of the proposal submission.
- (3) In case of absence or temporary prevention of the president, a member of the Regulatory Commisison may call and convene the sessions and meetings, authorized in writing by the president.
- (4) Provisions of the Rule, related to the president, are also related to the person that calls or chairs the sessions and meetings.

Article 15
(Public notice)

- (1) Regulatory Commission informs the public on date, time and place of holding regular session, as well as about the agenda to be discussed in that session, at least five days before the session holding.
- (2) Public notice is published at the notice board and website of the Regulatory Commission.
- (3) Notice on the emergency session is published at the notice board and website of the Regulatory Commission, provided that circumstances and emergency reasons allow it.

Article 16
(Postonement of discussing and deciding on the agenda topic)

Regulatory Commissioin may postpone discussion and deciding on some topics of the agenda, what the public and persons affected by that particular topic are informed about.

Article 17
(Postponement of holding regular session)

- (1) In case of impossibility to hold regular session which calling was published, president of the Regulatory Commisison may postpone holding of that

session which the members of the Regulatory Commission is informed about, and the public notice on non-holding is published.

- (2) Members of the Regulatory Commission are informed about the time and place of holding proposed regular session and public notice is published at least two days before holding public session.

CHAPTER II - HOLDING SESSIONS AND MEETINGS

Article 18

(Preparation of sessions and meetings)

- (1) Chief of Staff in cooperation with the president and members of the Regulatory Commission makes preparation for holding sessions and meetings.
- (2) Professional sectors of the Regulatory Commission, with coordination of the Chief of Staff, prepare the materials for sessions and meetings.
- (3) President, members and Chief of Staff of the Regulatory Commission attend the sessions and internal meetings, and other members of staff when needed.
- (4) Other persons may also be invited to attend the session and meeting respectively.

Article 19

(Materials for sessions and meetings)

- (1) Invitation to the regular session, with a proposal of agenda and materials, is submitted to members of the Regulatory Commission at latest three days before holding session.
- (2) Invitation with a proposal of agenda and materials for emergency session is submitted to members of the Regulatory Commission personally, by email or fax, depending on circumstances or event being the reason for calling regular session.
- (3) Invitation to the internal meeting with a proposal of agenda and materials is submitted to members of the Regulatory Commission at latest two days before the session holding.

Article 20

(Reporter)

President of the Regulatory Commission may decide on attendance of other persons in the regular sessions or internal meetings, apart from members of the Regulatory Commission and Staff, such as special reporters, consultants or experts that may provide with some clarifications or answers to the issues related to some specific field.

Article 21

(Engagement of consultants and experts)

Regulatory Commission may occasionally engage the consultants or experts in order to obtain expert opinion while solving issues within the scope of its competence.

Article 22
(Course of the session and meeting)

- (1) President of the Regulatory Commission opens the session or meetings, confirms the presence of invited persons and proposes agenda.
- (2) Member of the Regulatory Commission or Chief of Staff may ask for amendment of the proposed agenda, followed by the conclusion on adoption of the agenda.
- (3) Discussion on some issues is done according to the adopted agenda.
- (4) Apart from members of the Regulatory Commission, other present persons may also discuss about some topics of the agenda, when approved by the president.

Article 23
(Participation in the work by telephone)

- (1) A member of the Regulatory Commission who, for justified reasons is not able to attend the session or meeting, may participate in the work and decision making by telephone or video link.
- (2) A member of the Regulatory Commission who discusses and decides on the method prescribed in the paragraph (1) of this Article is considered to attend the session or meeting.

Article 24
(Closing session or meeting)

Having discussed and decided on topics of the agenda, the president of the Regulatory Commission shall close the session or meeting.

Article 25
(Termination of session or meeting)

- (1) Regulatory Commission may decide to terminate the session or meeting when all topics of the determined agenda cannot be discussed.
- (2) Conclusion on termination of the session or meeting is made and it contains the place, date and time of continuation of session or meeting.

Article 26
(Leading and content of the Minutes)

- (1) The minutes on the session and meeting are made.
- (2) Minutes on the session and meeting are made by the employees of the Regulatory Commission appointed by the Chief of Staff or a person authorized by him.
- (3) Special minutes are made on the executive portion of the session or meeting.
- (4) The minutes necessarily contains place and time of beginning and completion of the session and meeting respectively, proposed and adopted agenda, data on attendance or absence of members of the Regulatory

Commission, names of all invited persons, present and absent persons, course of the session or meeting with indication of the participants in the discussion and essence of the discussion, results of voting, decisions made, reasons for termination or postponement of the session or meeting, signature of the president and keeper of minutes and other important information.

- (5) Regulatory Commission may decide on making electronic recording of the sessions and meetings.

Article 27 (Verification of Minutes)

- (1) The minutes of the sessions shall be reviewed and approved by the Regulatory Commission, as a rule, in its next session or meeting.
- (2) Each member of the Regulatory Commission and staff are entitled to make their comments or suggestions on the minutes.
- (3) The minutes adopted without comments or changed according to the adopted suggestions shall be signed and stamped.
- (4) The minutes shall be signed by the president and the person who was designated to keep the minutes, and verified by the stamp of the Regulatory Commission.

Article 28 (Public access and minutes' filing)

- (1) Minutes of regular and emergency sessions or meetings are open to the public.
- (2) Minutes or excerpts from the minutes, as well short hand evidences and records of meetings and sessions where some confidential information or trade secret were discussed shall not be available for public.
- (3) Following the verification of the Regulatory Commission, the minutes or an excerpt of the minutes along with invitation, decisions and other materials shall be filed.

CHAPTER III -DECISION MAKING

Article 29 (Preparation of documents for deciding upon)

- (1) Draft or document proposal in the particular proceedings is made by the appropriate organizational part or presiding officer in consultation with the Chief of Staff and submitted to the Regulatory Commission for deciding.
- (2) Members of the Regulatory Commission in the session or meeting may give its proposals of amendments to the draft or the document proposal, and suggestions on the decision proposal.

- (3) President formulates the text of the proposed document for voting, concurrently consulting members of the Regulatory Commission accordingly.

**Article 30
(Method of voting)**

- (1) Members of the Regulatory Commission determine the draft and makes final decision on the document by voting in the session or meeting.
- (2) Voting on the document proposal shall be public, in a way that the president firstly invites members of the Regulatory Commission, by hand rising and an articulation, who shall ask first for the "POSITIVE" votes then for "NEGATIVE" and at the end for the "ABSTAINING" votes.
- (3) Members of the Regulatory Commission may preliminary vote on any issues in the sessions or internal meetings before the final voting.
- (4) Decision made during the preliminary voting may be changed till the final voting.
- (5) Draft document is considered determined and final decision made, if the majority voted for it, out of total number of members of the Regulatory Commission.
- (6) Based on the number of votes, the president of the Regulatory Commission declares that the document is determined, made or rejected.

**Article 31
(Final Decision making and legal lesson)**

- (1) Decisions of the Regulatory Commission within the regulatory competence are final.
- (2) Against the final decision made by Regulatory Commission it may be initiated the administrative proceedings before the competent court.
- (3) The submitted appeal does not postpone realization of decision made by Regulatory Commission.

**Article 32
(Publication of documents)**

- (1) Final documents within the scope of regulatory competence are made in the sessions, published pursuant to the energy-related laws and Statute.
- (2) Final documents on internal issues and operational issues of the Regulatory Commission are published at the notice board and website of Regulatory Commission.

PART THREE - DOCUMENTS AND PROCEEDINGS OF THE REGULATORY COMMISSION

CHAPTER I - ACTS OF THE REGULATORY COMMISSION

Article 33
(Types of acts)

- (1) The Regulatory Commission shall issue the following acts:
- a) Rules,
 - b) Instructions,
 - c) Decisions,
 - d) Rulings,
 - e) Conclusions,
 - f) Opinions,
 - g) Interpretations and other acts.
- (2) Acts made by the Regulatory Commission shall be signed by the president of the Regulatory Commission.

Article 34
(Content of documents)

- (1) The Rules address in detail the legal regulations within the competences and authorities which are given to the Regulatory Commission, as well as the issues of internal organization and work of the Regulatory Commission.
- (2) The method of application of certain laws or general acts of the Regulatory Commission is prescribed by the Instruction.
- (3) Decision determines specific issues in the field of the power sector and general acts of the Regulatory Commission are made, as well as the operational acts of the Regulatory Commission in legal transactions.
- (4) Rights, obligations, responsibilities of interested persons per their application of official duty pursuant to the law and secondary legislation of the Regulatory Commission are determined by the Ruling.
- (5) Conclusion makes decision on the issues related to the proceeding, and it solves uniform and some simple administrative issues.
- (6) The opinion is the standpoint of the Regulatory Commission on some issues, without obligatorily nature.
- (7) Interperation is more detailed analysis of some article or topic of some general or single act of the Regulatory Commission.

IV PUBLIC HEARINGS

Article 35
(Types of public hearing)

- (1) In the proceedings related to making general and single acts of the Regulatory Commission, there may be conducted three types of public hearing such as: general hearing, a technical hearing, or a formal hearing.

- (2) The Regulatory Commission shall decide on the type and number of the hearings to be held in any proceeding.

Article 36
(Participation in the public hearing)

- (1) The hearings are open for the public.
- (2) Oral and written comments may be given in the public hearing in a way and within the deadline determined by Conclusion on holding public hearing.
- (3) Only parties to the proceedings, invited experts and other persons that take part in the proceedings upon the approval of the Presiding officer may take part in discussion in the formal and technical hearing.
- (4) Public hearing conduct is specifically determined by the special rule of the Regulatory Commission.

CHAPTER III - PROCEEDINGS RELATED TO DOCUMENTS MAKING

Chapter 1 - Proceedings related to making general acts within the regulatory competence

Article 37
(Making drafts of general acts)

- (1) The proceedings related to making general acts within the regulatory competence are initiated by creation of acts pursuant to the planned activities, on the initiative of the president, member or Chief of Staff of the Regulatory Commission.
- (2) General act draft is prepared and made by the respective sector of the Regulatory Commission, as a leader of activities in coordination with the Chief of Staff.
- (3) While making draft version of the general act, the public notice may be published in order to collect opinions on some issues, and if needed, a public hearing may be held.

Article 38
(General act draft)

- (1) General act draft is determined by the Regulatory Commission in conclusion in the regular session.
- (2) Regulatory Commission in its regular session makes conclusion on deciding on the type and number, place and time of holding public hearings, appoints presiding officer and presiding officer deputy and determines the deadline for giving comments on the draft document.

Article 39
(Public notice)

- (1) Public notice is published at least in one newspaper available on the territory of Republic of Srpska and website of Regulatory Commission on the determined general act draft.
- (2) Public notice referred to in paragraph (1) of this Article contains the place and time of holding public hearings, brief information on the act content, deadline and method for submission of comments to the act draft, access of the act draft and other information necessary for the public.

Article 40 (Presiding Officer)

- (1) Presiding officer conducts the public hearing process on the draft act.
- (2) When the public hearing is held, Presiding officer makes report of the hearing and treats the obtained comments.

Article 41 (Making proposals and documents)

- (1) General act proposal is made by the competent sector of the Regulatory Commission, on the basis of the presiding officer report and comments submitted during the public hearing process and submitted to the Regulatory Commission through the Chief of Staff for making decision.
- (2) Having analyzed comments and proposal of the presiding officer, decision on the adoption of general act is made by the Regulatory Commission in its regular session.

Part 2 - Proceedings related to making general acts on internal issues

Article 42 (Making general acts on internal issues)

- (1) The proceedings related to making general acts which regulates internal issues are initiated by making document proposal by the respective sector of the Regulatory Commission.
- (2) Regulatory Commission may decide to discuss about the proposed act as draft in order to give comments by the staff of the Regulatory Commission.
- (3) Decision on the general act proposal referred to in paragraph (1) of this Article is made by the Regulatory Commission in the internal meeting.
- (4) The document made within the scope of internal competence is published at the notice board and website of the Regulatory Commission.

Part 3 - Special proceedings of the Regulatory Commission

**Article 43
(Licensing)**

- (1) Decision on application for issuance of the license for energy activity and license for construction is made in the form of Decision of the Regulatory Commission.
- (2) The proceedings related to the license issuance are public and led in a way with prescribed and transparent criteria in a non-discriminatory way.
- (3) Regulatory Commission makes Rule on issuance of licenses which regulates method for issuance, extension, amendment, transfer, cancellation and revocation of licenses for doing electric power activities and licenses for construction, criteria and requirements for issuance of licenses, type, content and period of the license validity as well as the method of keeping register of the issued and revoked licenses and method of their monitoring.

**Article 44
(The proceedings related to settlement of disputes and complaints)**

- (1) Decision on application for settlement of disputes and complaints per the appeal of the Regulatory Commission is made in the form of Ruling.
- (2) The proceedings related to settlement of disputes and complaints are regulated by special Rule of the Regulatory Commission.

**Article 45
(Tariff proceedings)**

- (1) The tariff proceedings are commenced at the request of the licensee for energy activities or on the initiative of the Regulatory Commission.
- (2) Regulatory Commission makes Rule which prescribes methodology for determination or approval of prices, tariff rates and fees in the energy sector pursuant to the prescribed competences.

**Article 46
(Monitoring activities)**

- (1) The Regulatory Commission conducts regular and emergency monitoring activities in structures and facilities regarding license compliance for doing energy activity or license for construction of the energy undertaking or determination of facts on any issues within the scope of its competence.
- (2) Monitoring activity is done by the authorized team for monitoring appointed by special decision.
- (3) The report with proposal of measures to be undertaken on the completed monitoring activity which is, after verification with Chief of Staff, submitted to the licensee with a possibility to give comments within the prescribed term.
- (4) According to the report on the monitoring, proposal of measures and submitted comments, Regulatory Commission makes final decision in the form of decision.

Part 4 - Shortened proceedings

Article 47 (Making decision in the shortened proceedings)

- (1) Regulatory Commission may in shortened proceedings solve the application for settlement of disputes and complaints if the party, in that application, stated the evidences based on which the facts may be determined or if the factual state may be established on the basis of generally known facts or official data which Regulatory Commission has on its disposal and it is not necessary to have testimonies of parties to the proceedings and conducting **proceedings of evidence**.
- (2) Shortened proceedings may, exceptionally, be conducted in some other proceedings of the Regulatory Commission.

CHAPTER IV - ADMINISTRATIVE WORK

Article 48 (of the administrative work)

Regulatory Commission makes Rule on administrative and filing activities which regulates in detail: reception, opening, viewing, recording and allocation of mail (documents), classification and filing of documents, putting the documents into operation, sending mail, dispatch of documents, proceedings related to the filing nature and registration material, separation of documents from the archive for temporary using, the proceedings related to submission of the archive material to the competent body, separation of the registration material which deadline for keeping expired and other important issues for the administrative work.

Article 49 (Public Access)

- (1) Documents referred to proceedings within the scope of competence of Regulatory Commission are available to the public through direct inspection, copying of documents and printing electronic documents.
- (2) Regulatory Commission may determine the pricelist of fees for the costs of copying and printing electronic documents.
- (3) Regulatory Commission informs the public on activities within the scope of its competences and gives answers to the questions of interested persons.

Article 50 (Protection of confidential information)

- (1) Public access to documents related to proceedings within the scope of competence of Regulatory Commission which contains confidential information is limited.
- (2) Regulatory Commission makes Rule which regulates the terms and types of confidential information, measures and proceedings for determination of level of confidentiality, and access, use and protection of confidential information.

Article 51
(Cooperation with institutions)

- (1) Regulatory Commission, within the scope of its competences, cooperate with governmental and non-governmental organizations, courts, institutions, regulatory authorities within the scope of energy while sharing information, organizing working meetings, creating working bodies and in some other way which Regulatory Commission estimates to be mutually useful.
- (2) Coorespondence with institutions referred to in paragraph (1) of this Article is signed by the president or a person he appoints.

X. TRANSITIONAL AND CLOSING PROVISIONS

**Article 52
(Monitoring o the Rule application)**

Monitoring of the Rule application is done by the Chief of Staff of the Regulatory Commission.

Article 53
(Interpretation of the Rule provisions)

The Regulatory Commissions shall provide interpretation of this Rule.

**Article 54
(Amendment of the Rule)**

Amendments of this rule are made in way and in the same proceedings as applied for its making.

Article 55
(Solving specific issues)

If any issue was not defined by this Rule or some other general document, the Regulatory Commission shall decide in a single document on the method for its resolving.

**Article 56
(Validity cessation)**

When this Rule becomes effective, the Procedural rules of the Regulatory Commission for electricity of Republic of Srpska ("Official Gazette of Republic of Srpska" number 96/04" is no more valid).

Article 57
(Effective date)

This Rule becomes effective eight days after their publishing in the Official Gazette of Republic of Srpska.

Number: R-10-390-63/10
25 May 2010
Trebinje

President
Milenko Cokorilo