**Rulebook on Methodology to Determine Referent Electricity Price**

**PART ONE   GENERAL PROVISIONS**

**Article 1**

(Subject-matter)

With Rulebook on Methodology to Determine Referent Electricity Price (hereinafter called: the Rulebook) Regulatory Commission for Energy in the Federation of Bosnia and Herzegovina (hereinafter called: FERK) prescribes methodology to determine referent price of electricity as purchase price of electricity from plants using renewable sources and cogeneration, and for which there are no incentives for generation and is used to determine fees to be paid for renewable energy sources (hereinafter called: RES).

**Article 2**

(Definitions)

Terms used in this Rulebook have meanings provided within the Law on Electricity of the Federation of Bosnia and Herzegovina (Official Gazette of the Federation of BiH, 66/13) and Law on Usage of Renewable Energy Sources and Efficient Cogeneration (Official Gazette of the Federation of BiH, 70/13 and 5/14) and FERK’s rules and regulations designed based on those laws.

**PART TWO   DETERMINING AND APPLICATION OF REFERENT ELECTRICITY PRICE**

**Article 3**

(Determining Referent Electricity Price)

1. Referent electricity price is determined as product of weighted realised trade electricity in the Federation of Bosnia and Herzegovina in the previous period of 12 months of licensees that have obtained FERK’s License for Power II Tier Supply and coefficient of incentives for electricity from renewable sources.

2. Basis for determination of weighted realised trade electricity price are data that licensees are obliged to submit to FERK in accordance with applicable Rulebook on Reporting for licensees performing power supply II tier and independent producers.

3. Coefficient of incentives for electricity from renewable sources has a value of 1.2 for the purpose of additional inventive for generation from renewable sources.

4. Referent electricity price is determined by FERK in making decision on calculation of feed-in prices for purchased electricity from plants using renewable energy sources and efficient cogeneration.
Article 4
(Information on Market Prices)
On its website, FERK shall publish and make monthly updates of weighted realised trade electricity price in the Federation of Bosnia and Herzegovina in the period of 12 months of FERK’s licensees for power II tier supply.

Article 5
(Purchase of Electricity on Referent Price)
Electricity on referent price shall be purchased from:
   a) eligible producer that has not obtained status of privileged producer, as well as from eligible producer whose status of privileged producer has expired, if its generation is included into obligatory quotas prescribed within Action Plan for Usage of Renewable Energy Sources in the Federation of BiH.
   b) plants using RES, during dry run period that cannot last longer six months.

PART THREE – TRANSITIONAL AND CLOSING PROVISIONS

Article 6
(Amendments to the Rulebook)
(1) FERK has the right and obligation to amend this Rulebook, in compliance with the amendments of laws and secondary legislation
(2) FERK follows and analyses the effects of the implementation of this Rulebook and adjusts its provisions according to the changed circumstances.

Article 7
(Interpretation of the Rulebook)
(1) Interpretation of the provisions of this Rulebook is made by FERK.
(2) Amendments to this Rulebook are administered through the same procedures applicable to its adoption.

Article 8
(Entry into Force)
This Rulebook enters into force on the day following the day of its publication in the Official Gazette of the Federation of BiH.