

Pursuant to Article 46, paragraph 1, item 4 of the Energy Law ('Official Gazette RS', № 57/11) and Article 12 of the Statute of the Energy Agency of the Republic of Serbia ('Official Gazette RS', № 52/05),
The Council of the Energy Agency of the Republic of Serbia, at the session held on October 4, 2011 adopted the following

C R I T E R I A A N D S T A N D A R D S

FOR SETTING LICENSE FEE FOR CARRYING OUT ENERGY ACTIVITIES (“Official Gazette RS”, No. 76/11)

METHOD

1. License fee that energy entities pay for carrying out energy activities, pursuant to Article 21, paragraph 5 of the Energy Law ('Official Gazette RS', № 57/11 – hereinafter referred to as: 'the Law') and Article 13 of the Rulebook on Requirements Regarding Professional Staff and Terms for Issuing and Revoking License for Carrying out Energy Activities ('Official Gazette RS', № 117/05, 40/06, 44/06 – correction and 44/10 - hereinafter referred to as: 'the Rulebook'), shall be determined through the application of these criteria and standards and calculated in accordance with elements determined herein.
2. Criteria for setting license fee paid for carrying out energy activities (hereinafter referred to as: 'licensed activities') include:
 - 1) Type and scope of regulatory activities of the Agency;
 - 2) Business conditions of the energy entity;
 - 3) Technical characteristics of energy entities, i.e. capacities or specific conditions for carrying out some licensed activities.

For each of these criteria, standards shall be set for determining the fee for licensed activities uniformly for all or only for some licensed activities, depending on the position of the energy entity on the market and conditions for carrying out these activities, as well as depending on capacities of energy entities in which these activities are carried out.

3. Standards shall be expressed in coefficients, whereas the license fee shall be set on the basis of the sum of coefficients according to all criteria and standards determined during licence issuing. Sum of coefficients may be changed during the license validity period.
4. Coefficient value shall be determined by the Agency Council at the beginning of each calendar year for that year and published at the Agency's web site (www.aers.rs).

CRITERIA AND STANDARDS

I. **Type and Scope of Regulatory Activities of the Agency**

5. Criteria regarding the type and scope of regulatory activities of the Agency include activities of the Agency related to improvement and direction of energy market development and monitoring of energy entities licensed activities in accordance with the Law.

Standard for evaluation of this criterion is the standard scope of activities performed by the Agency:

- 1) Collection and processing of data on energy entities regarding licensed activities;
- 2) Monitoring of activities of energy entities regarding the separation of accounts, methods of setting prices of products and services;

- 3) Harmonisation of activities regarding regular energy supply for customers and their protection and equal position;
- 4) Continuous monitoring of application of regulations and rules for the operation of energy systems and technical regulations enabling continuous functioning and secure operation of energy facilities, by energy entities;
- 5) Carrying out other legally stipulated obligations concerning direction of energy market development and improvement.

The fee shall be determined according to this criterion for the following licensed activities:

- 1) by applying the coefficient of 2,5
 - electricity production with total installed capacity of over 1MW, electricity and heat energy production in CHP plants with installed capacity of over 1MW, electricity transmission and transmission system management, electricity market organisation, trade in electricity for the purpose of supplying tariff customers, electricity distribution and distribution system management;
 - oil pipeline transport, oil derivative pipeline transport;
 - natural gas transport and natural gas transportation system management, natural gas storage and natural gas storage management, natural gas distribution and natural gas distribution system management, trade in natural gas for the purpose of supplying tariff customers;
- 2) by applying coefficient of 2,00
 - retail in electricity for tariff customers;
 - retail in natural gas for tariff customers;
- 3) by applying coefficient 1,00
 - electricity supply;
 - oil derivative production; oil, oil derivative and biofuel storage; trade in oil, oil derivative, biofuels and compressed natural gas; trade in motor fuels and other fuels on petrol stations;
 - natural gas supply;
 - biofuel production of over 1000t.

II. Business Conditions of the Energy Entity

6. Criterion regarding the business conditions of the energy entity includes the market position of the energy entity, i.e. its position in the performance of licensed activities.

Standards for evaluation of this criterion are determined depending on whether the licensed activity was established by the Law as the activity of public interest, i.e. whether the entity performing the licensed activity carries out its business operations under regulated prices or prices freely-formed on the energy market (market conditions).

The level of fee for licensed activities established by the Law as activities of public interest shall be determined through the application of coefficient 3, while for other licensed activities, the coefficient shall be 1.

III. Technical characteristics of energy facilities, i.e. capacities or specific conditions for carrying out some of licensed activities

7. Criterion regarding technical characteristics of energy facilities, i.e. facility capacities, is established depending on energy conditions of generation, i.e. provision of services and use of energy facilities. For

licensed activities for which technical characteristics of energy facilities are not important, i.e. capacities in which this activity is carried out, criterion related to specific conditions for carrying out licensed activities shall be applied.

Standards for evaluation of this criterion are installed capacity of generation facilities, natural gas storage capacity and distributed amount of natural gas, i.e. economic, market and other conditions under which certain activity is performed, for whose performance technical characteristics of energy facilities, i.e. capacities are not important.

The level of fee under this criterion shall be determined through the application of the following coefficients:

№	Licensed activity	Coefficient
1.	2.	3.
1.	Electricity generation of total installed capacity of over 1 MW	
1.1.	Electricity generation of total installed capacity of over 1MW to 10MW	2
1.2.	Electricity generation of total installed capacity of over 10MW	8
2.	Electricity and heat energy production in combined heat and power plants (CHPs) (combined cycle) of installed capacity of over 1MW	
2.1	Electricity and heat energy production in combined heat and power plants (CHPs) (combined cycle) of total installed capacity of over 1MW to 10MW	2
2.2	Electricity and heat energy production in combined heat and power plants (CHPs) (combined cycle) of total installed capacity of over 10MW	6
3.	Electricity transmission and transmission system management	10
4.	Organization of electricity market	4
5.	Electricity trade for the purpose of supply of tariff buyers	8
6.	Electricity distribution and distribution system management	10
7.	Electricity retail for the needs of tariff buyers	6
8.	Electricity supply	8
9.	Oil derivatives production	8
10.	Oil transport via oil pipelines	10
11.	Oil derivatives transport via product pipelines	6
12.	Oil, oil derivatives and biofuels storage	
12.1.	Storage capacity up to 5.000 m ³	2
12.2.	Storage capacity over 5.000 m ³	4
13.	Trade in oil, oil derivatives, biofuels and compressed natural gas	2
14.	Trade in motor fuels and other types of fuels on petrol stations, i.e.:	
14.1	1 petrol station	1
14.2	2-5 petrol stations	2
14.3	6-10 petrol stations	4
14.4	11-20 petrol stations	6
14.5	Over 20 petrol stations	10
15.	Natural gas transport and transport system operation	10
16.	Natural gas storage and storage management	10
17.	Natural gas distribution and distribution system management	
17.1	Distributed natural gas quantities of up to 10 million m ³ /year	2
17.2	Distributed natural gas quantities of between 10 million m ³ /year and 50 million m ³ /year	6
17.3.	Distributed natural gas quantities of over 50 million m ³ /year	10
18.	Natural gas retail for tariff customers, i.e.:	
18.1	Natural gas retail of up to 10 million m ³ /year	1
18.2	Natural gas retail of between 10 and 50 million m ³ /year	4
18.3	Natural gas retail of over 50 million m ³ /year	6
19.	Natural gas trade for tariff customers	8
20.	Natural gas supply	8
21.	Biofuel production of over 1000t/year	6

METHOD OF CALCULATION

8. The license fee paid by the energy entity during the license validity period shall be determined at the time of license issuing and calculated for the first year of its validity, while for the forthcoming years, it shall be calculated according to coefficient value from point 4 of these Criteria and Standards set for the year for which the fee is paid. In case that during a year the energy entity reports the change of conditions for carrying out activities that have essential impact on setting coefficients for the calculation of license fee, the Agency may correct coefficients and based on this establish the level of the fee to be paid in the forthcoming licence validity period.
9. The license fee cannot be changed during a year for which it was calculated, except in case stated in item 8.
10. On the date of entry into force of these criteria and standards, the Criteria and Standards for Setting Licence Fee for Carrying out Energy Activities ("Official Gazette RS", No. 14/06, 40/06, 126/07, 120/08, 32/10 and 14/11).
11. *These criteria and standards enter into force on the 8th day upon publishing in the 'Official Gazette of the Republic of Serbia'.*

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Belgrade, October 4, 2011

Council of the Energy Agency of the Republic of Serbia

President
Ljubo Macic