

Pursuant to Article 15 and in connection with Articles 67 and 68 of the Energy Law ('Official Gazette RS' № 84/2004) and Article 12 of the Articles of Association of the Energy Agency of the Republic of Serbia ('Official Gazette RS' № 52/2005),

The Council of the Energy Agency of the Republic of Serbia, at 31st session from November 30, 2006 adopted the following

**TARIFF SYSTEM
FOR NATURAL GAS TRANSPORT SYSTEM
ACCESS AND UTILISATION**

(The Tariff System was adopted with the compliance of the Government – 'Official Gazette RS' № 116 from December 29, 2006 and published in the 'Official Gazette RS' № 1 from January 05, 2007)

Basic provisions

Article 1

This tariff system for natural gas transport system access and utilisation (hereinafter referred to as: the tariff system) establishes tariff elements and tariff rates for the settlement of prices for natural gas transport system access and utilisation, as well as the manner of their calculation.

Article 2

Tariff elements represent accounting values of the tariff system to which maximum approved income of energy entities performing natural gas transport and transport system control (hereinafter referred to as: the energy entity).

Maximum approved income, in terms of paragraph 1 hereof, covers reasonable business costs of the energy entity and corresponding rate of return on investments, i.e. rate of return on assets engaged within the regulatory period and it is established through the application of income control method achieved by the energy entity by performing natural gas transport and transport system control activities. Maximum approved income shall be settled and distributed to tariff elements in accordance with the Methodology for determination of tariff elements for the calculation of natural gas transport system access and utilisation price – 'Official Gazette RS' № 68/2006 (hereinafter referred to as: the Methodology).

Article 3

Natural gas transport system access and utilisation prices are expressed according to tariff rates established by this tariff system, based on which natural gas transport and natural gas transport system control services are settled for the accounting period and established according to tariff elements.

Article 4

Users of the system for natural gas transport (hereinafter referred to as: system users), in terms of this tariff system shall be the entities whose facilities are connected to the natural gas transport system, as well as other entities for whose needs transport is performed through the natural gas transport system (except transit).

Tariff elements

Article 5

Tariff elements include:

- a) For natural gas transport:
 - 1) 'capacity' and
 - 2) 'energy source';
- b) For natural gas transport system control:
 - 1) 'energy source'.

Article 6

Tariff element 'capacity' shall be determined by adding maximum daily consumptions from the previous year of all system users measured and maximum derived daily consumptions of natural gas of those system users not having the possibility of daily reading, on all gas delivery points from the transport system performing natural gas transport and it is expressed in m³/day/year (cubic meter of natural gas is the amount of natural gas of lower calorific value 33.338,35 kJ under the temperature of 288,15 K (15°C) and pressure of 1,01325 bar).

Maximum derived daily consumption of natural gas shall be determined for delivery points on which there is not daily reading and it shall be calculated on the basis of the maximum measured monthly consumption at the given delivery point in the previous year, reduced to a day and increased for 20%, rounded to a whole number.

Article 7

Tariff element 'energy source' for natural gas transport represents the total annual amount of natural gas delivered through the transport system of the energy entity, excluding the amount of natural gas for transit and it is expressed in m³.

Article 8

Tariff element 'energy source' for natural gas transport system control represents the total annual amount of natural gas delivered to the natural gas transport system at the territory of the Republic of Serbia, controlled by the energy entity for natural gas transport system control, excluding the amount of natural gas for transit and it is expressed in m³.

Tariff rates

Article 9

Tariff rates shall be established for each of the tariff elements from Article 5 of this tariff system.

Article 10

Tariff rate 'capacity' is established for the tariff element 'capacity'.

Tariff rate 'energy source' is established for the tariff element 'energy source' for natural gas transport.

Tariff rate 'energy source for system control' is established for the tariff element 'energy source' for natural gas transport system control.

Article 11

Tariff rates 'capacity' and 'energy source' shall be established specially for each natural gas transport system and they shall be equal for all users of the natural gas transport system of the same energy entity.

Tariff rate 'energy source for system control' shall be a unique tariff rate for natural gas transport system at the territory of the Republic of Serbia.

The manner of price calculation according to tariff rates

Article 12

The price under the tariff position 'capacity' shall be calculated as the quotient of maximum approved income of the energy entity for natural gas transport distributed to the tariff element 'capacity' and the sum of maximum of daily consumptions measured and maximum derived daily consumptions of natural gas, on all gas delivery points from the transport system, in accordance with the Methodology and it is expressed in Dinars per m³/day/year.

Article 13

The price under the tariff element 'energy source' shall be calculated as the quotient of maximum approved income of the energy entity for natural gas transport, distributed to the tariff element 'energy source' for natural gas transport and the total annual amount of natural gas delivered, excluding the amount of natural gas for transit, in accordance with the Methodology and expressed in Dinars per m³.

Article 14

The price under the tariff rate 'energy source for system control' shall be calculated as the quotient of maximum approved income of the energy entity for natural gas transport system control and the total annual amount of natural gas delivered in the natural gas transport system at the territory of the Republic of Serbia, controlled by this energy entity, excluding the amount of natural gas for transit, in accordance with the Methodology and it is expressed in Dinars per m³.

The manner of natural gas transport services settlement and natural gas transport system control

Article 15

Natural gas transport and natural gas transport system control services shall be calculated on the basis of the prices under tariff rates for the accounting period.

If during the accounting period prices under tariff positions are changed, natural gas transport and natural gas transport system control services shall be settled by applying previously valid and new prices, proportionally to the number of days of their validity within the accounting period.

Article 16

For one system user, on each delivery point, the price under the tariff rate 'capacity' shall be applied to the maximum daily consumption of natural gas of this system user within the previous year. Maximum daily consumption within the previous year, where possibility for daily reading is not provided shall be calculated on the basis of the maximum measured monthly consumption on a given delivery point of that system user, reduced to a day and increased for 20%, rounded to a whole number.

For one system user, on each delivery point, prices according to tariff rates 'energy source' and 'energy source for system control' shall be applied to the delivered amount of natural gas for that system user within the accounting period.

Article 17

Maximum daily consumption of natural gas during the first year of connection of the new system user shall be established on the basis of data on maximum daily consumption of natural gas for that year from the natural gas sales contract.

Provision from paragraph 1 hereof shall also be applied to the system user who did not have natural gas consumption during the previous year.

Article 18

The manner of measuring, the accounting period, as well as the manner of settlement of natural gas transport and natural gas transport system control services shall be arranged between the energy entity and the system user, in accordance with the law, regulations on natural gas delivery conditions, rules on natural gas transport system operation, issued approval for the connection to the natural gas transport system and this tariff system.

Transitional and final provisions

Article 19

During the first regulatory period, maximum daily consumption of natural gas, in terms of Article 16 of this tariff system, for existing system users, is established for:

- 1) System users who acquired this attribute by December 31, 2004, according to maximum daily consumption of natural gas between January 01 and December 31, 2005;

- 2) System users who acquired this attribute during 2005, according to maximum daily consumption of natural gas in the period of 12 successive months, starting from day of natural gas delivery from the transport system;
- 3) System users who acquired this attribute during 2006, based on maximum daily consumption of natural gas in 2007, established by the natural gas sales contract.

Provision from paragraph 1, point 3) hereof shall also be applied to system users not having natural gas consumption during the previous year.

Article 20

This tariff system shall be published, upon obtaining of the compliance from the Government, in the 'Official Gazette of the Republic of Serbia' and it shall become effective as of the eighth day of its publishing, and applied from July 01, 2007.

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Belgrade, November 30, 2006

The Council of the Energy Agency of the Republic of Serbia

P R E S I D E N T

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