

Pursuant to Article 27(7), Article 101(2) and Article 240(2) of the Energy Law (“Official Gazette of RS”, No. 145/14),

The Minister of Mining and Energy passes

## **RULEBOOK**

### **ON LICENSE FOR CARRYING OUT ENERGY ACTIVITIES AND CERTIFICATION**

The Rulebook is published in the „Official Gazette of the Republic of Serbia“, No. 87/2015 on October 19, 2015 and shall enter into force on October 27, 2015

#### **I. INTRODUCTORY PROVISIONS**

##### **Article 1**

This Rulebook closely defines: conditions for license issuance, modification and revocation; content of the application for license issuance; content of the application for the issuance of a competent inspector’s report and evidences to be submitted with the application for the report issuance; manner of maintaining the registry of issued and revoked licenses.

This Rulebook closely regulates: the procedure of certification of the electricity transmission system operator and of the natural gas transmission system operator; content of the certification application; content of the decision on certification and the documents accompanying the application.

#### **II. LICENSE**

##### **1. Conditions for License Issuance, Modification and Revocation**

##### **Article 2**

License for carrying out an energy activity will be issued, modified and revoked if the conditions determined by the law regulating energy sector (hereinafter: the Law) and this Rulebook are met. License for carrying out the energy activity of wholesale electricity supply is issued to a foreign legal entity if, in addition to the requirements defined by the Law, the following requirements are met:

- 1) the legal entity either participates in the electricity market or power exchange in the European Union or in the countries signatories of the Treaty establishing the Energy Community concluded between the European Community and Republic of Albania, Republic of Bulgaria, Bosnia and Hercegovina, Republic of Croatia, Former Yugoslav Republic of Macedonia, Republic of Montenegro, Romania, Republic of Serbia and the United Nations Interim Administration Mission in Kosovo established pursuant to Security Council Resolution 1244 (RS Official Gazette 62/06 - hereinafter referred to as: Treaty establishing the Energy Community);

- 2) manager and the members of the managing bodies are not convicted for criminal acts related to carrying out business activity.

### **Article 3**

Regarding the skilled personnel, the entity submitting an application for the issuance of the license for performing power generation, combined heat and power generation, electricity transmission and transmission system operation, electricity distribution and distribution system operation, electricity distribution and closed distribution system operation, natural gas transmission and natural gas transmission system operation, storage and natural gas storage operation, and natural gas distribution and natural gas distribution system operation must have:

- 1) minimum one employee with passed certification exam for carrying out technical management jobs;
- 2) minimum three employees with passed certification exam for carrying out manipulation jobs and
- 3) minimum three employees with passed certification exam for carrying out maintenance jobs.

Certification exam referred to in paragraph 1 hereof shall be taken in accordance with the regulations specifying the conditions, program and manner of taking the certification exam for carrying out jobs in facilities for power generation, transmission and distribution, or natural gas transmission, distribution and storage.

Exempt from the paragraph 1 hereof, the entity submitting the application for the issuance of the energy license (for):

- 1) electricity distribution and closed distribution system operation must have minimum one employee per job with passed certification exam for carrying out jobs of technical management, manipulation and maintenance;
- 2) electricity generation:
  - (1) in power plants of up to 3 MW installed capacity, there must be minimum one employee with passed certification exam for carrying out technical management jobs,
  - (2) in power plants with more than 3 MW and up to 10MW of installed capacity, there must be minimum one employee per job with passed certification exam for carrying out technical management, manipulation and maintenance jobs,
  - (3) in power plants with more than 10 MW and up to 30MW of installed capacity, there must be minimum one employee with passed certification exam for carrying out technical management job, two employees for carrying out manipulation job and three employees for maintenance job.

## **2. Content of Request for Issuance**

### **Article 4**

The application for the issuance of the license for carrying out an energy activity defined by the Law shall be submitted to the Energy Agency of the Republic of Serbia (hereinafter: the Agency), except for the activity referred to in paragraph 3 hereof.

The application referred to in paragraph 1 hereof contains details on the applicant, on the energy activity and statement on validity and authenticity of information given in the template of the

General Form (Општи образац) 001. It is attached to the Rulebook and constitutes its integral part.

The application for the issuance of the license for carrying out energy activities of heat production, heat distribution and heat supply shall be submitted to the local self-administration unit.

The application referred to in paragraph 3 hereof contains details on the entity submitting the application, energy activity and statements on validity and authenticity of data given in the template of the General Form (Општи образац) 002. It is attached to the Rulebook and constitutes its integral part.

### **Article 5**

The application for the issuance of the license for electricity production also contains the data given in special forms (Посебни образац) that are attached to the Rulebook and constitute its integral part, and are intended for the following facilities:

- 1) hydro power plants - Form ПО 1.1;
- 2) thermal power plants - Form ПО 1.2;
- 3) wind farms - Form ПО 1.3;
- 4) solar power plants - Form ПО 1.4;
- 5) other type of power plants which are not covered by the forms ПО 1.1 to ПО 1.4 - Form ПО 1.5.

The application for the issuance of the license for combined heat and power generation contains general data given in the Form ПО 2.1 that is attached to the Rulebook and it constitutes its integral part and the data on fuels and the emission of gas and particles given in the Form ПО 2.2 that is attached to the Rulebook and constitutes its integral part.

### **Article 6**

The application for a license for carrying out energy activities of electricity transmission and transmission system operation, electricity distribution and distribution system operation and electricity distribution and closed distribution system operation also contains the data given in special forms that are attached to the Rulebook and constitute its integral part for the following activities:

- 1) electricity transmission and transmission system operation (Basic data) - Form ПО 3.1;
- 2) electricity transmission and transmission system operation, Transformer stations - total- Form ПО 3.2
- 3) electricity transmission and transmission system operation, Overhead lines - total- Form ПО 3.3
- 4) electricity transmission and transmission system operation, Transformer stations - Form ПО 3.4
- 5) electricity transmission and transmission system operation, Overhead lines - Form ПО 3.5
- 6) electricity distribution and distribution system operation, Basic data - Form ПО 4.1
- 7) electricity distribution and distribution system operation, data on delivery points of - Form ПО 4.2
- 8) electricity distribution and distribution system operation, Transformer stations - total - Form ПО 4.3

- 9) electricity distribution and distribution system operation, Transformer stations x/0.4 kV - Form ПИО 4.4;
- 10) electricity distribution and distribution system operation, Transformer stations 35/x kV - Form ПИО 4.5
- 11) electricity distribution and distribution system operation, Transformer station 110/x kV - Form ПИО 4.6
- 12) electricity distribution and distribution system operation, Length of overhead lines - Form ПИО 4.7
- 13) electricity distribution and closed distribution system operation, Basic data - Form ПИО 5.1
- 14) electricity distribution and closed distribution system operation, Data on points of withdrawal/injection - Form ПИО 5.2
- 15) electricity distribution and closed distribution system operation, Transformer stations - Form ПИО 5.3
- 16) electricity distribution and closed distribution system operation, Length of overhead lines - Form ПИО 5.4

#### **Article 7**

The application for the issuance of the license for carrying out energy activities in the natural gas field also contains the data given in special forms that are attached to the Rulebook and constitute its integral part for the following activities:

- 1) natural gas transmission and transmission system operation - Form ПИО 6;
- 2) natural gas storage and storage operation - Form ПИО 7;
- 3) natural gas distribution and distribution system operation - Form ПИО 8.

#### **Article 8**

The application for the issuance of the license for carrying out energy activities in the field of oil and its derivatives also contains the data given in special forms that are attached to the Rulebook and constitute its integral part for the following activities:

- 1) production of oil derivatives - Form ПИО 9;
- 2) oil transport via oil pipelines - Form ПИО 10;
- 3) oil derivatives transportation via product pipelines - Form ПИО 11;
- 4) storage of oil, oil derivatives and biofuels – Form ПИО 12;
- 5) trade in oil, oil derivatives, biofuels and compressed natural gas - Form 13;
- 6) trade in fuels outside petrol stations - Form ПИО 14;
- 7) filling reservoirs for liquid petrol gas, compressed and liquified natural gas - Form ПИО 15;
- 8) trade in motor fuels and other fuels on petrol stations - Form ПИО 16;
- 9) trade in fuels for watercrafts- Form ПИО 17.

#### **Article 9**

The application for the issuance of the license for carrying out energy activities in the field of heat also contains the data given in special forms that are attached to the Rulebook and constitute its integral part for the following activities:

- 1) production of heat- Form ПО 18;
- 2) distribution of heat - Form ПО 19.

### **Article 10**

The application for the issuance of the license for carrying out energy activities in the field of liquid fuels originating from biomass also contains the data given in special forms that are attached to the Rulebook and constitute its integral part for the following activities:

- 1) production of biofuels - Form ПО 20;
- 2) production of bioliquids - Form ПО 21;
- 3) blending biofuels with fuels derived from oil - Form ПО 22.

### **Article 11**

The provisions of Art. 4 - 10 concerning the application for the issuance of license for carrying out energy activities shall also apply to the applications for amendments to the license for carrying out energy activities.

### **Article 12**

As a proof of compliance with the conditions for license issuance defined by the Law and this Rulebook, a local legal entity, i.e. an entrepreneur shall submit the following:

- 1) founding act and excerpt from the registry, pursuant to the provisions regulating the registration of business entities, as well as a legal act on entrusting the performance of activity of general interest or a concession contract;
- 2) certificate of occupancy or a decision issued by the competent authority indicating that no certificate of occupancy is required;
- 3) report of the competent inspector referred to in article 17 hereof;
- 4) proofs on fulfilment of financial conditions to be met for carrying out energy activities;
- 5) confirmation issued by the competent authority that a director, i.e. members of the management bodies have not been convicted for criminal acts related to the performance of a business activity;
- 6) decision of the competent body confirming that the applicant has not been prohibited from conducting the activity, or if the legal consequences of the pronounced measure were terminated;
- 7) legal ground for the use of the energy facility where the energy activity is performed;
- 8) decision issued by the competent body confirming that no bankruptcy or liquidation proceedings have been initiated against the applicant;
- 9) statement of the applicant which is certified by the competent body confirming that the conditions referred to in article 25 (6 and 7) of the Law have been met.

### **Article 13**

As a proof of compliance with the conditions for the issuance of the license for carrying out the energy activity of wholesale electricity supply defined by the Law and this Rulebook, a foreign legal entity shall submit the following:

- 1) decision on registration with the competent body, or on inscription in the relevant registry;
- 2) proofs on fulfilment of financial conditions to be met for carrying out energy activities;
- 3) confirmation issued by the competent authority that a director, i.e. members of the management bodies have not been convicted for criminal acts related to the performance of a business activity;
- 4) decision of the competent body confirming that the applicant has not been prohibited from conducting the activity, or if the legal consequences of the pronounced measure were terminated;
- 5) decision issued by the competent body confirming that no bankruptcy or liquidation proceedings have been initiated against the applicant;
- 6) license for carrying out the activity of the supply of electricity issued by another country, or the act of the competent authority stating that the applicant is a participant on an electricity market or power exchange in the European Union or in the countries signatories of the Treaty establishing the Energy Community.

### **Article 14**

The proofs referred to in Article 12 item 4 of this Rulebook are as follows:

- 1) decision issued by the competent body on settled tax liabilities;
- 2) business program or business plan for the year in which the application for the issuance of the license has been submitted.

In addition to the proofs referred to in paragraph 1 hereof and depending on the period of business operations, the local legal entity or entrepreneur shall also submit the following evidences:

- 1) if it has been running business for two or more years:
  - (1) confirmation of commercial banks on realised turnover and average daily balance of funds on all checking accounts of the applicant for the previous two years,
  - (2) balance sheet and profit and loss account for the previous two years,
  - (3) standardised solvency (**бонитет**) reports: БОН 1 – Complete report on solvency evaluation indicators, БОН 2 – Report on financial standing and business success.
- 2) if it has been running business for less than two years:
  - (1) confirmation of commercial banks on actual turnover and average daily balance of funds on all checking accounts of the applicant from the day when the checking account was opened until the day when the application was submitted;
  - (2) balance sheet and profit and loss account for the previous year, or initial balance sheet, if the energy entity has just commenced its business,
  - (3) confirmation of the commercial bank or of a parent company that the applicant can be provided with the necessary funds or other securities with respect to the scope of the planned activity.

## **Article 15**

The proofs referred to in Article 13 item 2) of this Rulebook are the following:

- 1) decision issued by the competent body on settled tax liabilities;
- 2) business plan for the year in which the application has been submitted.

In addition to the proofs referred to in paragraph 1 hereof and depending on the period of business operations, the local legal entity or entrepreneur shall also submit the following evidences:

- 1) if it has been running business for two or more years:
  - (1) confirmation of commercial banks on actual turnover and average daily balance of funds on all checking accounts of the applicant for the previous two years,
  - (2) balance sheet and profit and loss account for the previous two years;
- 2) if it has been running business for less than two years:
  - (1) confirmation of commercial banks on actual turnover and average daily balance of funds on all checking accounts of the applicant from the day when the checking account was opened until the day when the application was submitted;
  - (2) balance sheet and profit and loss account for the previous year, or initial balance sheet, if the energy entity has just commenced its business,
  - (3) confirmation of the commercial bank or of a parent company that the applicant can be provided with the necessary funds or other securities with respect to the scope of the planned activity.

## **Article 16**

The proofs referred to in Articles 12, 13, 14 and 15 of this Rulebook shall be submitted as original or certified copy not older than six months as of day of its issuance till the day of license application or application for its modification, except the decision on entrusting the performance of energy activity of general interest, concession contract, certificate of occupancy, founding act and proof on legal basis for the use of the energy facility where the energy activity is carried out. The proof(s) which are not furnished in the Serbian language shall be submitted with the translation made by a sworn translator.

### **3. Request for Issuance of Competent Inspector's Report**

## **Article 17**

The request for the issuance of a competent inspector's report with regard to meeting the conditions and requirements determined by technical provisions, as well as the request for the issuance of a competent inspector's report with regard to meeting the conditions referred to in rules on energy efficiency, shall be submitted to the ministry in charge of energy matters, to a competent body of the autonomous province or to another competent body, in compliance with the law.

The request for the issuance of a competent inspector's report with regard to skilled personnel referred to in Article 3 of this Rulebook shall be submitted to the ministry in charge of energy matters or a competent body of the autonomous province, in compliance with the Law.

The request for the issuance of a competent inspector's report for activities requiring special technical conditions related to the trade in goods and services shall be submitted to the ministry in charge of trade affairs – market inspection.

The request for the issuance of a competent inspector's report with regard to the compliance with fire and explosion protection conditions, as well as the request for the issuance of a competent inspector's report with respect to compliance with the conditions referred to in environment protection rules shall be submitted to the ministry in charge of the respective sectors.

### **Article 18**

The request for the issuance of a competent inspector's report referred to in Article 16 of this Rulebook also contains the data on:

- 1) applicant;
- 2) energy activity;
- 3) name, type and location of the energy facility.

The request referred to paragraph 1 hereof shall be accompanied by the following evidences:

- 1) founding act and excerpt from the registry, pursuant to the provision regulating registration of business entities, as well as act on entrusting the performance of activity of general interest or concession contract;
- 2) a copy of certificate of occupancy or a decision issued by the competent authority indicating that no certificate of occupancy is required;
- 3) list of energy facilities including technical characteristics, depending on facility type;
- 4) list of pressure equipment;
- 5) report on conducted audits and overhauls with deadlines for the removal of the defects defined on the basis of technical condition of the facility and the time required for restoring the operations of the facility, signed by the applicant, i.e. a competent person representing a legal entity's;
- 6) copies of records and audit sheets of the pressure equipment, or copies of protocols on strength and leak tests of gas, oil and oil product pipelines;
- 7) statement given under full material and criminal accountability on validity and authenticity of data given in the request for the issuance of a competent inspector's report and proofs accompanying the request for the issuance of the report.

The request for the issuance of a competent inspector's report referred to in article 16 of this Rulebook, in addition to data referred to in paragraph 1 hereof, shall include the data that are compliant to the regulations on trade affairs, environment protection and fire and explosion protection.

The request for the issuance of a competent inspector's report referred to in Article 16 (2) of this Rulebook shall include the list of employees in order to prove the fulfilment of specified requirements with respect to skilled personnel, as well as the details about the applicant and the energy activity.

The request for the issuance of a competent inspector's report referred to in paragraph 4 hereof shall be accompanied with the following evidences:

- 1) copy of the certificate or diploma proving the certification exam has been passed;
- 2) copy of the Form M-3A – Filing for, Modification and Withdrawal from the compulsory social insurance;
- 3) copy of employment contact.



## **4. Registry**

### **Article 19**

The registry of issued and revoked licenses is kept as a public registry book (print format) as well as a single database (electronic format).

The registry of issued and revoked licenses is available on the webpage of the Agency or the competent organ of a local self-administration, city, or of the city of Belgrade. The registry may be examined in the business premises of the Agency or the competent organ of local self-administration, city, or of the city of Belgrade.

## **III. CERTIFICATION**

### **1. Certification process**

#### **Article 20**

Process for certification of electricity and natural gas transmission system operators shall be initiated pursuant to the Law and this Rulebook.

Process for certification of electricity and natural gas transmission system operators with respect to the third countries shall be initiated and conducted pursuant to the Law and this Rulebook.

### **2. Contents of the Certification Application**

#### **Article 21**

The application referred to in Article 19 of this Rulebook includes the data on the applicant and the statement on validity and authenticity of the data given in the application attached to this Rulebook as form OC1 and constitutes its integral part.

The application referred to in paragraph 1 hereof also includes the data given in special forms that are attached to this Rulebook and constitute its integral part for the certification of:

- 1) electricity transmission system operator - Form OC 2;
- 2) gas transmission system operator - Form OC 3.1;
- 3) independent system operator - Form OC 3.2;
- 4) independent gas transmission operator - Form OC 3.3.

#### **Article 22**

The application referred to in Article 19 hereof shall be accompanied with:

- 1) founding act or Statute and excerpt from the registry, pursuant to the provisions regulating the registration of business entities, as well as act on entrusting the performance of activity of general interest;
- 2) annual financial report including an auditor's report;
- 3) proofs of ownership rights and other rights related to the network;

- 4) list of licenses, permits and/or other authorizations for carrying out energy activities in the Republic of Serbia and/or other countries obtained by the legal entity to be certified;
- 5) list of co-owners/shareholders, clearly stating how many shares and votes has each co-owner/shareholder;
- 6) list of co-owners/ shareholders from third countries, if any, clearly stating how many shares and votes has each co-owner/shareholder;
- 7) list of legal entities being under direct or indirect control of the legal entity to be certified, clearly stating the manner of control and the rights of the legal entity to be certified, originating from that control;
- 8) list of other energy entities associated with the legal entity to be certified, clearly stating type of relationship and the level of cooperation;
- 9) list of licenses, permits and/or other authorizations obtained by the persons referred to in items 5 to 6 of this paragraph for carrying out energy activities in the Republic of Serbia and/or in other countries;
- 10) copies of documents regulating the work organization of the management body of the legal entity to be certified;
- 11) list of members of the management body of the person referred to in items 5 to 6 of this paragraph;
- 12) decision on the election of the members of the management body of the legal entity to be certified;
- 13) management body's decision on the election of the director of the legal entity to be certified;
- 14) statement on the director and other persons authorised to represent the legal entity shall contain:
  - (1) competences and functions,
  - (2) description of their job positions,
  - (3) statement reading that those persons are not involved in carrying out energy activities of generation and/or supply of electricity and/or natural gas;
- 15) document and procedures that prevent the disclosure of confidential or other commercially sensitive information to energy entities dealing with generation and/or supply of electricity and/or of natural gas;
- 16) statement on employees who now work for the legal entity to be certified and used to manage or be members of the management bodies in the companies which deal in electricity or natural gas production or supply in the period of six months prior to the submission of the certification application;
- 17) statement on the representatives of public authorities with either direct or indirect control or shares with the certification applicant;
- 18) statement on compliance with the provision on independence in cases when the same representative of public authorities either directly or indirectly has control over energy entities dealing with electricity or natural gas production or supply and simultaneously either directly or indirectly has control or any other authorization over the transmission system, i.e. transport system operator or transmission, i.e. transport system operator.

### **Article 23**

The application referred to in Article 21 as well as the proofs referred to in Article 22 hereof shall be submitted in the Serbian language, accompanied with the English translation provided by a sworn translator.

During the certification process, in compliance with the obligations originating from the ratified international treaties, the Agency or a competent body may ask for additional documents, data and/or information relevant for the certification of the transmission system operators from the legal entity for certification and/or any legal entity associated therewith.

The legal entity being in the process of certification is bound to immediately notify the Agency about any changes in respect to the submitted proofs referred to in Article 22 hereof.

### **3. Content of the Certification Decision**

#### **Article 24**

In accordance with the Law, the Agency shall, pass a certification decision containing: name, seat and address of the legal entity to be certified; system operator organization model; number and the date of issuance of the competent body's opinion, in compliance with the obligations originating from the ratified international treaties and a justification containing the established factual situation regarding the fulfilment of requirements in line with the Law and this Rulebook.

## **IV. FINAL PROVISIONS**

#### **Article 25**

The Rulebook on Specific Conditions and Content of the Application for Issuance, Modification and Revocation of License for Carrying out Energy Activities and on Manner of Maintaining the Registry of Issued and Revoked Licenses („Official Gazette of RS“, No. 31/13) shall will cease to be valid on the date of coming into force of this Rulebook.

#### **Article 26**

This Rulebook shall come into force as of the eighth day after its publication in the „Official Gazette of the Republic of Serbia“.

MINISTER

N°: 110-00-00010/2015-04  
In Belgrade, October 9, 2015

Aleksandar Antić