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 ACCESS AND UTILISATION OF THE SYSTEM FOR OIL TRANSPORT VIA OIL PIPELINES AND TRANSPORT OF OIL DERIVATIVES VIA PRODUCT PIPELINES

(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 access and utilisation of the system for oil transport via oil pipelines and transport of oil derivatives via product pipelines (hereinafter referred to as: the tariff system) establishes tariff elements and tariff rates for the settlement of prices for access and utilisation of the system for oil transport via oil pipelines and tariff elements and tariff rates for the settlement of prices for access and utilisation of the system for oil derivatives transport via product pipelines, 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 oil transport via oil pipelines, i.e. oil derivatives transport via product pipelines (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 oil transport via oil pipelines and oil derivatives transport via product pipelines. Maximum approved income is settled and distributed to tariff elements in accordance with the Methodology for determination of tariff elements for the calculation of oil transport via oil pipelines system access and utilisation price i.e. the Methodology for determination of tariff elements for the calculation of oil derivatives transport via product pipelines system access and utilisation price – 'Official Gazette RS' № 68/2006 (hereinafter referred to as: the Methodology).

Article 3

Prices for the access and utilisation of the system for oil transport via oil pipelines and oil derivatives transport via product pipelines are expressed according to tariff rates established by this tariff system, based on which oil transport via oil pipelines service, i.e. oil derivatives transport via product pipelines are settled and established according to tariff elements.

Oil transport via oil pipelines

Tariff element

Article 4

Tariff element for oil transport via oil pipelines is the 'energy source'.

Tariff element 'energy source' is the total annual amount of oil transported to the users of the system for oil transport via oil pipelines and it is expressed in tons.

If the system for oil transport via oil pipelines contains two or more separate sections, tariff element 'energy source' shall be established for each section.

Tariff rate

Article 5

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

Prices under the tariff rate 'energy source' shall be calculated as the quotient of the relevant part of the maximum approved income of the energy entity performing the activity of oil transport via oil pipelines for each individual system section, settled in accordance with the Methodology for determination of tariff elements for the calculation of prices for access and utilisation of the system for oil transport via oil pipelines and the amount of oil transported through the corresponding system section during the regulatory period.

Prices under the tariff rate 'energy source' shall be equal for all users of each individual system section for oil transport via oil pipelines.

Article 6

Tariff rate 'energy source' shall be expressed in dinars/ton/100 km and established for each individual section of the system for oil transport via oil pipelines.

The manner of calculation of oil transport via oil pipelines service

Article 7

The service of oil transport via oil pipelines shall be settled on the basis of prices under tariff rate for each individual section of the system for oil transport via oil pipelines and transported amounts of oil along that section, in accordance with the concrete length of the section along which oil was transported.

The manner of settlement of oil transport via oil pipelines service shall be arranged between the energy entity and the system user, in accordance with the law, rules on the operation of the system for oil transport via oil pipelines and this tariff system.

Transport of oil derivatives via product pipelines

Tariff element

Article 9

Tariff element for oil derivatives transport via product pipelines is the 'energy source'.

Tariff element 'energy source' is the total annual amount of oil derivatives transported to the users of the system for oil derivatives transport via product pipelines and it is expressed in tons.

Tariff rate

Article 10

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

Prices under the tariff rate 'energy source' shall be calculated as the quotient of the maximum approved income of the energy entity performing the activity of oil derivatives transport via product pipelines, settled in accordance with the Methodology for determination of tariff elements for the calculation of prices for access and utilisation of the system for oil derivatives transport via product pipelines and the amount of oil derivatives transported through the system for oil derivatives transport via product pipelines during the regulatory period.

The price under the tariff rate 'energy source' shall be equal for all users of the system for oil derivatives transport via product pipelines.

Article 11

The price under the tariff rate 'energy source' shall be expressed in Dinars per ton.

The manner of calculation of oil transport via oil pipelines service

Article 12

The service of oil derivatives transport via product pipelines shall be settled on the basis of prices under tariff rates and transported amount of oil derivatives.

Article 13

The manner of settlement of oil derivatives transport via product pipelines service shall be arranged between the energy entity and the system user, in accordance with the law and this tariff system.

Transitional and final provision

Article 14

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.

Nº 642/5 - 2006

Belgrade, October 06, 2006

The Council of the Energy Agency of the Republic of Serbia

PRESIDENT

Ljubo Macic