

**REPUBLIC OF CROATIA  
CROATIAN ENERGY REGULATORY AGENCY  
Koturaška 51, 10000 Zagreb**

**Class:** 310-02/07-01/02  
**File No.:**371-01/07-07  
**Zagreb, 29 June 2007**

**HEP OPERATOR  
PRIJENOSNOG SUSTAVA  
Kupska 4  
10000 Zagreb**

**SUBJECT:** Abolition of the charge for usage of service of electricity transit

**CONNECTION:** Your number and sign 3-1304/07 DS of memo, dated 15 June 2007

The Croatian Energy Regulatory Agency (hereafter the "Agency") received on 20 June 2007 your memo under the abovementioned number, dated 15 June 2007. With this memo you gave the initiative to the Agency to start the procedure of the abolishment of the charge for usage of service of electricity transit with effect from 1 July 2007, because on that day entered into force and started the implementation of the integrated European Inter-TSO Compensation mechanism agreement (The Interim Agreement on clearing and settlement of transmission system operators for June-December 2007, signed on 25 May 2007) with participation of HEP Operator prijenosnog sustava d.o.o. Hence, the conditions for abolishment of charge for usage of service of electricity transit incurred.

In accordance with the given initiative, the Agency sets forth the following:

The Agency Decision on determining of the charge for usage of service of electricity transit through transmission network ("Official Gazette", No. 40/07) in Article 2 determines that the Decision shall be implemented until "the beginning of the implementation of the *acquis communautaire* of the European Union from the energy field, which is determined by the Articles 10 and 11 and the Annex I of the Energy Community Treaty ("Official Gazette", International Agreements, No. 6/06)."

In Agency's opinion the implementation of the integrated European Inter-TSO Compensation mechanism (based on the Interim Agreement on clearing and settlement of transmission system operators for period June-December 2007 and signed on 25 May 2007, which entered into force on 1 July 2007 and as of that day HEP-Operator prijenosnog sustava d.o.o. is participating in this single European Inter-TSO Compensation mechanism) represents the beginning of the implementation of the *acquis communautaire* of the European Union from the energy field. On that basis the condition for abolishment of the Decision on determining the charge for usage of service of electricity transit through transmission network ("Official Gazette", No. 40/07) has been fulfilled, and in accordance with the Article 2 of the related Decision, that Decision is no longer valid as of 1 July 2007.

**Chairman of the Steering Committee**

**Tomo Galić, B. Sc.**