



Roundtable discussion on 2024 domestic electricity sector development trends

Update by **the SERC/Bosnia and Herzegovina**

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Background

- Wholesale electricity market is based on bilateral contracts. In total there are 26 suppliers, 18 of them were active in 2023
- A new law is being prepared that will enable the establishment of an electricity exchange
- Retail electricity market is deregulated
- Households and small customers have the right to be supplied through the universal service.
- All electricity customers have the right to choose their supplier.
- Tariffs are regulated in monopoly activities of transmission and distribution
- SERC determines the electricity transmission tariffs, the tariff for work of ISO, the tariff for system service and distribution tariffs in the Brčko District of BiH
- Transmission company Elektroprenos BiH performs operation, maintenance and development of transmission network
- The ISO BiH managing the balancing market and control transmission system

Current domestic electricity sector/market development

- There was no energy crisis in BiH.
- Country is a net exporter of electricity, the largest in SEE and 6th in Europe
- Producers registered huge revenues in 2022-2023, especially in 2022 when wholesale prices were on their peak.
- This is a reason why retail prices of electricity (households, industry) have remained at a low level and are among the lowest in Europe.
- At the same time high wholesale prices encouraged small producers connected to the distribution network to leave the feed in tariff system and sell their energy on the wholesale market
- Aggregators have enabled small producers to sell their energy on the wholesale market. The project was started in May of 2022 and so far over 1,000 power plants have been included, with a total capacity of 220 MW, of which 100 MW small HPP and 120 MW PV with total generation of 431 GWh in 2023.

Current domestic electricity sector/market development

- On the balancing market, the goal is for ISO BiH to become a member a paneuropean balancing platforms:
- IGCC - platform for imbalance netting - ISO BiH, by implementing the new SCADA / EMS system removed the last obstacles to access this platform.
- MARI - platform for manual frequency renewal - in order to harmonize balance products (mFRR) with the requirements of the MARI platform, ISOBiH made changes to the Market Rules and Procedures for ancillary services, thus standardizing the conditions for activating mFRR in accordance with ENTSO-E EBGL.
- PICASSO - platform for automatic frequency recovery aFRR.



**THANK YOU
FOR YOUR ATTENTION!**

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