THE CROATIAN PARLIAMENT

Pursuant to Article 88 of the Constitution of the Republic of Croatia, I hereby issue the

DECISION PROMULGATING THE ACT ON AMENDMENTS TO THE ENERGY ACT

I hereby promulgate the Act on Amendments to the Energy Act, passed by the Croatian Parliament at its session on 6 July 2007.

Class: 011-01/07-01/67 Reg. No.: 71-05-03/1-07-2 Zagreb, 13 July 2007

The President of the Republic of Croatia **Stjepan Mesić, m.p.**

ACT ON AMENDMENTS TO THE ENERGY ACT

Article 1

In the Energy Act (Official Gazette 68/01 and 177/04) in Article 3, item 3 is amended to read:

"3. dealer of household appliances – retail trader or any other legal or natural person that sells household appliances, rents them, offers hire purchase terms for them, or displays them for sale to end users,".

After item 3, a new item 4 is added and reads:

"4. supplier of household appliances – producer, producer's authorised representative registered in the Republic of Croatia, importer or any other legal or natural person that places a household appliance on the market in the Republic of Croatia,".

The former item 4, which becomes item 5, is amended to read:

"5. energy undertaking – a legal or natural person that carries out one or more energy activities and has a permit to carry out the energy activities,".

In the former item 5, which becomes item 6, the word: "gas" is followed by the word: "biofuel".

The former items 6 to 19 become items 7 to 20.

In the former item 20, which becomes item 21, the words: "liquefied petroleum gas" are replaced by the words: "LPG-mix".

The former item 21 becomes item 22.

In the former item 22, which becomes item 23, the words: "energy undertaking that" are replaced by the words: "energy undertaking or any other legal or natural person that", and the words: "thermal energy" are followed by the words: "in a highly efficient manner".

The former items 23 to 26 become items 24 to 27.

After the former item 27, which becomes item 28, a new item 29 is added and reads:

"29. gas production – production, delivery and sale of gas, including natural gas production,".

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The former items 28 to 31 become items 30 to 33.

After the former item 31, which becomes item 33, a new item 34 is added and reads:

"34. household appliances – refrigerators and freezers and their combinations, washing machines, clothes driers and their combinations, electric ovens, dishwashers, air-conditioning appliances, lighting sources supplied directly from the mains, water heaters, and warm water containers."

Article 2

In Article 13, paragraph 1 is amended to read:

"(1) Suppliers of household appliances that use energy for their operation shall be obliged to indicate in the technical documentation of the household appliances the energy quantity consumed under prescribed operating conditions."

After paragraph 1, new paragraphs 2 and 3 are added and read:

,,(2) A supplier of household appliances shall:

- provide an energy efficiency label and an information fiche to the dealer of household appliances,

- provide technical documentation and, at the request of a competent inspector, submit it for inspection within a reasonable time.

(3) If a household appliance is displayed for sale in a shop, the dealer of the household appliance shall attach the energy efficiency label in a clearly visible position; and if a household appliance is sold in a way that prevents the customers from seeing the fiche, the dealer shall ensure that customers are provided with the information specified in the energy efficiency label before buying the appliance."

In the former paragraphs 2 and 3, which become paragraphs 4 and 5, the word: "product" is replaced by the words: "household appliance" in the appropriate grammatical case.

Article 3

In Article 14 paragraph 2, the words: "registry of renewable energy sources and cogeneration projects" are replaced by the words: "registry of projects and installations for the use of renewable energy sources and cogeneration and of eligible producers".

Article 4

Article 15 is amended to read:

,,(1) Energy activities, for the purpose of this Act, are:

- 1. production of electricity,
- 2. transmission of electricity,
- 3. distribution of electricity,
- 4. supply of electricity,
- 5. organisation of the electricity market,
- 6. production of gas,
- 7. delivery and sale of natural gas from own production,
- 8. procurement of gas,
- 9. storage of natural gas,
- 10. transportation of natural gas,
- 11. distribution of gas,
- 12. managing the liquefied natural gas (LNG) terminal,
- 13. supply of gas,
- 14. production of thermal energy,
- 15. distribution of thermal energy,
- 16. supply of thermal energy,
- 17. production of biofuel,
- 18. production of petroleum products,

- 19. transportation of oil through oil pipelines and other means of transportation not mentioned in item 21 of this paragraph,
- 20. transportation of petroleum products through product pipelines and other means of transportation not mentioned in item 21 of this paragraph,
- 21. transportation of oil, petroleum products and biofuel by road vehicles,
- 22. wholesale of petroleum products,
- 23. retail sale of petroleum products,
- 24. storage of oil and petroleum products,
- 25. wholesale of liquefied petroleum gas (LPG),
- 26. retail sale of liquefied petroleum gas (LPG),
- 27. trading, mediation and representation on the energy market.

(2) The energy activity referred to in paragraph 1 item 11 of this Article also implies the distribution of LPG-mix, evaporated liquefied petroleum gas, town gas, biogas, and gas from biomass, if these types of gas may be technically and safely distributed through the gas pipeline distribution system.(3) The energy activity referred to in paragraph 1 point 13 of this Article implies also the supply of LPG-mix, evaporated LPG, town gas, biogas, and gas from biomass, if these types of gas may be technically and safely distributed through the gas pipeline distribution system.

Article 5

In Article 16 paragraph 1, the words: "Energy undertakings" are replaced by the words: "Legal and natural persons".

In paragraph 3 after item 3, a new item 4 is added and reads:

"4. retail sale of liquefied petroleum gas (LPG),".

The former items 4 and 5 become items 5 and 6.

Article 6

In Article 17 paragraph 1 in the introductory sentence, the word: "legal" is followed by the words: "and natural".

Item 6 is amended to read:

"6. the members of their Board, or other persons accountable to them in the legal person, have not been convicted for an economic crime during the last five years, or to a natural person who has not been convicted for an economic crime during the last three years."

Paragraph 2 is hereby deleted.

The former paragraphs 3 to 5 become paragraphs 2 to 4.

Article 7

In Article 20 paragraph 2, the words: "storage of natural gas, transportation of natural gas, distribution of natural gas, supply of tariff customers with natural gas" are replaced by the words: "supply of gas, storage of natural gas, transportation of natural gas, distribution of gas, managing the liquefied natural gas (LNG) terminal, supply of tariff customers with gas".

Article 8

In Article 21, paragraph 2 is added and reads:

"(2) By way of derogation, the provision of paragraph 1 of this Article shall not apply to the energy undertaking which carries out, for tariff customers, the energy activity of thermal energy production, energy activity of thermal energy distribution or energy activity of thermal energy supply, in the part relating to the keeping of separate business accounts and preparing of separate financial reports for those energy activities; for these activities, special business accounts shall be kept and financial reports drawn up, separately from other activities."

Article 9

After Article 23, a new Article 23a is added and reads:

"Article 23a

The Government of the Republic of Croatia, at the proposal of the Ministry, which has obtained an opinion of the Agency, shall once a year present a report on the security of energy supply and on the expected energy needs, which shall contain:

- operational safety of the grid,
- predicted balance of production and consumption for the following five-year period,
- expected security status of supply in the following five to fifteen years from the report date,
- investment plans of the transmission system operator and other undertakings regarding the transmission network/transportation system (for which such plans are known) for the following five or more years, which shall also comprise construction of cross-border pipelines,
- principles of network congestion management in line with international rules,
- existing and planned transmission network/transportation system pipelines,
- expected development of production, supply, cross-border exchange and consumption, taking into account consumption management measures, and
- regional, national, and European objectives of sustainable development, including international projects."

Article 10

In Article 25 paragraph 2 subparagraph 2, the word: "promotion" is followed by the words: "of energy production from".

In paragraph 3 subparagraph 3, the word: "promotion" is followed by the words: "of energy production from".

Article 11

In Article 26 paragraph 1, subparagraph 5 is hereby deleted.

In the former subparagraph 6, which becomes subparagraph 5, the word: "natural" is deleted.

The former subparagraph 7 becomes subparagraph 6.

After the former subparagraph 8, which becomes subparagraph 7, a new subparagraph 8 is added and reads:

"- managing the liquefied natural gas (LNG) terminal,".

Subparagraph 9 is amended to read:

"supply of tariff customers with gas,".

After paragraph 1, a new paragraph 2 is added and reads:

"(2) By applying the tariff system referred to in paragraph 1 subparagraph 5 of this Article, the price of distribution of LPG-mix, evaporated LPG, town gas, biogas and gas from biomass shall also be set, if these types of gas may be technically and safely distributed through the gas pipeline distribution system; and by applying the tariff system referred to in paragraph 1 subparagraph 9 of this Article, the price of supply of LPG-mix, evaporated liquefied petroleum gas, town gas, biogas and gas from biomass shall also be set, if these types of gas may be technically and safely distributed through the gas pipeline distribution system."

The former paragraphs 2 to 5 become paragraphs 3 to 6.

Article 12

In Article 28 paragraph 1, subparagraph 3 is hereby deleted.

The former subparagraph 4, which becomes subparagraph 3, is amended to read: ,,- supply of tariff customers with gas,".

The former subparagraphs 5 to 8 become subparagraphs 4 to 7.

The former subparagraph 9, which becomes subparagraph 8, is amended to read:

"- distribution of gas,".

After the former subparagraph 10, which becomes subparagraph 9, a new subparagraph 10 is added and reads:

"- managing the liquefied natural gas (LNG) terminal,".

In paragraph 2, the second sentence is deleted.

After paragraph 2, new paragraphs 3 and 4 are added and read:

,,(3) A proposal for the change in tariff item rates of the tariff systems referred to in paragraph 1 of this Article may be submitted to the Ministry by the energy undertaking on whose services the tariff system is applied, or by the Agency.

(4) At the proposal for the change in tariff item rates referred to in paragraph 3 of this Article, submitted by the energy undertaking on whose services the tariff system is applied, the Ministry shall obtain an opinion of the Agency; and at the proposal for the change in tariff item rates submitted by the Agency, the Ministry shall request an opinion from the energy undertaking on whose services the tariff system is applied."

The former paragraphs 3 to 5 become paragraphs 5 to 7.

Article 13

In Article 31 paragraph 2, the words: "energy facilities," are followed by the words: "including containers under pressure within energy facilities,".

In paragraph 3, the words: "State Office for Standardisation and Metrology" are replaced by the words: "Croatian national standardisation body".

Article 14

In Article 35 paragraph 1, item 3 is amended to read:

"3. fails to keep accounts and draw up financial reports in the manner prescribed under Article 21 paragraph 1 and 2 of this Act,".

In paragraph 1, item 7 is deleted.

The former items 8 to 11 become items 7 to 10.

Article 15

After Article 36, a new Article 36a is added and reads:

"Article 36a

(1) A fine amounting from HRK 5,000.00 to HRK 50,000.00 shall be imposed for a misdemeanour on the following legal persons:

- supplier of household appliances that does not provide an energy efficiency label to the dealer of household appliances or does not provide technical documentation within a reasonable time (Article 13 paragraph 2),
- dealer of household appliances that does not attach the energy efficiency label in a clearly visible position or does not ensure that customers are provided with the information specified in the energy efficiency label before buying the appliance (Article 13 paragraph 3).

(2) A natural person shall be fined for the misdemeanour referred to in paragraph 1 of this Article in the amount from HRK 5,000.00 to HRK 15,000.00.

(3) The responsible official of the supplier of household appliances or of the dealer of household appliances shall also be fined for the misdemeanour referred to in paragraph 1 of this Article, in the amount from HRK 300.00 to HRK 3,000.00."

Article 16

This Act shall enter into force on the eighth day after the day of its publication in the Official Gazette.

Class: 310-02/07-01/01 Zagreb, 6 July 2007

> THE CROATIAN PARLIAMENT The President of the Croatian Parliament **Vladimir Šeks, m.p.**