



Republic of Serbia
**COMMISSION FOR
PROTECTION OF COMPETITION**

25/IV Savska St., Belgrade

Number: 5/0-02-65/2019-7

Reference: 5/0-02-459/2018

Date: June 14, 2019

Pursuant to Article 58(9) of the Law on Protection of Competition (Official Gazette of the RS 51/09 and 95/13), deciding on the proposal to suspend proceedings and on the proposal of commitments offered by PUBLIC UTILITY COMPANY GRADSKA TOPLANA NIŠ, company number 07216009, with registered seat at the address 3 Blagoja Parovića, Niš, represented by Predrag Milačić, CEO, at the 209th session held on June 14, 2019, the Council of the Commission for Protection of Competition enacts the following

CONCLUSION

I PROCEEDINGS SHALL BE SUSPENDED, into investigation of infringement of competition initiated *ex officio* against PUBLIC UTILITY COMPANY GRADSKA TOPLANA NIŠ, company number 07216009, with registered seat at the address 3 Blagoja Parovića, Niš.

II Proposal of commitments SHALL BE ACCEPTED, offered by PUBLIC UTILITY COMPANY GRADSKA TOPLANA NIŠ, company number 07216009, with registered seat at the address 3 Blagoja Parovića, Niš, which the company is voluntarily willing to undertake in order to remove potential infringements of competition.

III COMMITMENTS and DEADLINES FOR EXECUTION THEREOF SHALL BE DETERMINED, with respect of PUBLIC UTILITY COMPANY GRADSKA TOPLANA NIŠ company number 07216009, with registered seat at the address 3 Blagoja Parovića, Niš, namely:

1. when calculating costs, to duly and consistently comply with the relevant act that sets the pricing methodology of thermal energy supply to end-consumers and the clarifications concerning its implementation, particularly the section specifying the price adjustment element;
2. to submit to the founder any proposal of newly determined prices, together with the corresponding opinion of an advisory body in which one of the full members is a representative of the local consumer protection association;
3. to include a representative of the district heating system's users in the company's Supervisory Board with the right to participate in the discussions, with no voting rights;

4. in the case of uncertainties regarding the calculation of particular mandatory pricing elements of thermal energy supply to end-consumers stipulated by the respective act on the establishment of pricing methodology of thermal energy supply to end-consumers, to contact in writing the competent ministry with the request for interpretation;
5. to publish received instructions/guidelines/clarifications on the pricing of thermal energy supply to end-consumers on its internet page in order to ensure the public access and verifiability;
6. when pricing the connection costs to the district heating network, to only apply the criteria set forth in the corresponding acts of the founder relating to the applicable connection fee rates for the use of the district heating network's services, and to publish related prices on its internet page;
7. to regularly inform the Commission for Protection of Competition in writing, following the end of the heating season, on the implementation of the commitments taken, supported by appropriate evidence.

IV DEADLINE SHALL BE SET to three (3) year period from the date of the receipt of this conclusion during which PUBLIC UTILITY COMPANY GRADSKA TOPLANA NIŠ, company number 07216009, with registered seat at the address 3 Blagoja Parovića St., Niš, is obligated to inform the Commission for Protection of Competition on the implementation of the commitments taken from Paragraph III of enacting terms herein.

V IT IS ORDERED to company PUBLIC UTILITY COMPANY GRADSKA TOPLANA NIŠ, company number 07216009, with registered seat at the address 3 Blagoja Parovića St., Niš, to submit annual reports, no later than 30 days from the end of the heating season, on the fulfilment of all commitments from Paragraph III of enacting terms herein, supported by appropriate evidence, throughout the period set out in Paragraph IV of enacting terms herein.

VI This conclusion shall be published on the internet page of the Commission for Protection of Competition.

...

PRESIDENT OF THE COMMISSION

Dr Miloje Obradović