| REPORT ON THE CONI   | DUCTED CONSULTATION WITH THE CONCERNED PUBLIC   |
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| Name of the document   | Methodology for the Determination of the Tariff Items for the<br>Unloading and Send Out of Liquefied Natural Gas  |
| Document drafter, authority conducting the consultation  | Croatian Energy Regulatory Agency (HERA)  |
|  | Pursuant to the Energy Act ("Official Gazette", Numbers 120/12, 14/14 and 102/15), Act on the Regulation of Energy Activities ("Official Gazette", Number 120/12) and the Gas Market Act ("Official Gazette", Numbers 28/13 and 14/14), and in accordance with the Decision of the Board of Commissioners rendered during the session held on 22 July 2016, HERA adopted the Methodology for the Determination of the Tariff Items the Unloading and Send Out of Liquefied Natural Gas. |
|  | The Methodology was developed in such a manner as to take into consideration the provisions of all legislation and secondary legislation in the field of gas in the Republic of Croatia, and is based on the method of incentive regulation, that is on the method of maximum allowed revenue of the operator of the liquefied natural gas terminal (hereinafter: the LNG terminal).  |
|  | The Methodology determines:   |
|  | The model of regulation of the energy activity regarding the management of the LNG terminal,  |
| Purpose of the document  | The formula and elements for the calculation of allowed revenue of the LNG terminal operator,   |
|  | The procedure for the audit of allowed revenue,   |
|  | • The tariff items and the manner, elements and criteria for the calculation of the amount of the tariff items,   |
|  | The coefficients for the calculation of the fee for the use of the LNG terminal,  |
|  | • The calculation of the fee for the use of the LNG terminal for the clients of the LNG terminal,   |
|  | <ul> <li>The characteristics and prerequisites for the establishment of a<br/>regulatory account and the method, elements and criteria for<br/>the calculation and audit of the amount of the tariff items in the<br/>regulatory account model,</li> </ul>  |
|  | • The process of submitting a request for the determination or change in the amount of the tariff items,  |
|  | <ul> <li>Information, documentation and other materials used to<br/>calculate and audit allowed revenue, as well as for the<br/>calculation of the amount of the tariff items.</li> </ul>   |
| Which representatives of the concerned public were involved in the draft development procedure or in the work of the expert working group for draft development? | The received opinions of energy entities were analysed.   |

| Was the draft published online or in any other adequate manner?  | YES. The public consultation was conducted from 14 June to 5 July 2016.   | www.hera.hr |
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| lconcerned nublic submitted  | The energy entities holding the HERA licence for performing energy activities:  1. PRVO PLINARSKO DRUŠTVO d.o.o., Vukovar  2. INA d.d., Zagreb  3. MET Croatia Energy Trade d.o.o., Zagreb  4. LNG Hrvatska d.o.o., Zagreb. |             |
| Reasons for accepting/rejecting specific remarks of the concerned public regarding specific provisions of the draft/proposal | Detailed argumentation can be found in the Table – Results of the  Consultation on the Draft Methodology for the Determination of the Tariff  Items for the Unloading and Send Out of Liquefied Natural Gas                 |             |
| Costs of the conducted consultation  | The implementation of public consultation did not require any additional financial costs.   |             |