

On Approval of the Rules on Public Consultation in Considering Applications for Approval or Change of Natural Monopolies' Tariffs (Prices, Rates)

Government Resolution No. 376 of 21 April 2003

CAPG (Collection of Acts by President and Government of Kazakhstan) No. 17, 2003, p. 177; the *Kazakhstanskaya Pravda* newspaper No. 113-114 dated 22.04.2003

Subject to article 17 of the Law of the Republic of Kazakhstan "On Natural Monopolies" of 9 July 1998 the Government of the Republic of Kazakhstan resolves:

1. Approve the enclosed Rules on Public Consultation in Considering Applications for Approval or Change of Natural Monopolies' Tariffs (Prices, Rates).
2. This resolution becomes effective on the day of publication.

*Prime Minister,
The Republic of Kazakhstan*

Approved by
Government Resolution No.
376 of 21 April 2003

Rules on Public Consultation in Considering Applications for Approval or Change of Natural Monopolies' Tariffs (Prices, Rates)

1. General Provisions

1. These Rules have been developed in accordance with the Law of the Republic of Kazakhstan "On Natural Monopolies" of 9 July 1998 and provide the procedure for the state body authorized to control and monitor natural monopolies (the authorized body) on holding public consultation in considering applications for approval or change of natural monopolies' tariffs (prices, rates).

2. The public consultation processes aim to reinforce the system of consumer rights protection in relation to the tariff policy by ensuring the transparency of the natural monopolies' activity for consumers and the authorized body.

3. The public hearings (public consultation process) is the procedure for discussion of the draft tariff (price, rate) for the service (goods) of the natural monopoly subject involving deputies, representatives of governmental bodies, consumers and their public unions, mass media, independent experts, and natural monopolies.

The other definitions and terms used in the Rules shall be understood as defined the laws on natural monopolies.

4. The following are the principles of holding the public consultation processes:
- publicity;
 - observing the balance of interests of consumers and natural monopolies.

5. The authorized body determines the need to make public hearings (consultation processes) when considering applications for changes in tariffs (prices, rates) of natural monopolies registered in the local sections of the State Register of

natural monopolies (hereinafter referred to as the Register) upon the request of consumers or a natural monopoly in writing.

6. The authorized body must hold public consultation processes when considering applications for changes in tariffs (prices, rates) of natural monopolies registered in the national section of the State Register of natural monopolies.

7. In case of holding public consultation process the authorized body must publish information on its date and place in periodical mass media no later than in 10 days before the event. The notification shall include the following:

- 1) name and place of the public consultation holder;
- 2) date and place of the consultation process;
- 3) name of the natural monopoly and services (goods) for which the tariffs (prices, rates) were applied to change.

8. The public hearings shall be held no later than in 15 days before adoption of the final resolution on the approval of tariffs (prices, rates) for the services of the natural monopoly.

2. The Procedure on Holding Public Consultation

9. Public consultations shall be held in the place defined by the authorized body.

10. The authorized body appoints one of its employees the Chairman to the Public Consultation (hereinafter referred to as the Chairman). The Chairman appoints the secretary to keep minutes.

11. The Chairman defines the time-limit for each public consultation.

12. The Chairman shall open the consultation process on the due time, declare the objective and agenda. The Chairman makes the participants know the time-limit, the application and the draft resolution on the proposed tariffs (prices, rates) for services (goods) of the natural monopoly.

13. In its speech the natural monopoly representative shall give a detailed reason and rationale behind the proposed tariff (price, rate) for the provided services (goods).

14. The Chairman has the right to ask questions to the speakers during the consultation process, to state his (her) position on the issues in question, to interrupt the participants who break the time-limit as well as to stop the speeches that have no concern to the agenda.

The Chairman shall make a notice to the person who breaks the order during the public consultation process. Upon the second notice such a person can be removed from the hall.

15. The participants have the right to state their point of view on the issues considered, to ask questions to the speakers, to use various aids (posters, charts, etc) in their speeches and to enclose the speech in writing to the minutes of the public consultation process.

16. The Chairperson shall sum up the results of the hearings and close the public consultation process.

17. The opinions expressed by the participants are of a recommendation character and shall be taken into consideration.

18. The secretary shall keep the minutes of the public consultation process. This document shall contain the date specified in paragraph 7 herein as well as the data on the time of beginning and the end of the process, the full names and initials of all speakers, brief summary of their statements, and results of the consultation process. The minutes shall be paginated and filed separately.

19. The authorized body shall keep the archived copy of the minutes for three years since the day of the consultation process.

3. Final Provisions

20. The confidential information, commercial secret and other legally protected information shall not be divulged during the public consultation process without the consent of the natural monopoly.