

THE ELECTRICITY ACT
(CAP 131)

RULES

(Made under section 45)

THE ELECTRICITY (SYSTEM OPERATION SERVICES) RULES, 2016

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THE ELECTRICITY ACT
(CAP 131)

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THE ELECTRICITY (SYSTEM OPERATION SERVICES) RULES, 2016

PART I
PRELIMINARY PROVISIONS

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| Citation | 1. These Rules may be cited as the Electricity (System Operation Services) Rules, 2016. |
| Application | 2. These Rules shall govern the regulatory and licensing matters relating to the electricity system operation services in Mainland Tanzania. |
| Interpretation | 3. In these Rules, unless the context otherwise requires: |
| Cap. 131 | “Act” means the Electricity Act; |
| | “affiliate” means any legal entity holding shares in the licensee or any other legal entity in which the licensee is a shareholder; |
| | “Authority” means the Energy and Water Utilities Regulatory Authority established under the provisions of the EWURA Act; |
| Cap. 340 | “Certification Authority” means the Weights and Measures Agency established under the Weights and Measures Act; |
| | “customer” means a person who receives system operation services from a licensee; |
| | “customer service charter” means a document prepared by the licensee and approved by the Authority setting minimum service standards including the procedure of receiving and settling complaints from customers, and metering issues; |
| | “distribution code” means the technical and procedural rules and standards prepared by the distribution licensee and approved by the Authority governing matters pertaining to the distribution services; |

“EWURA Act” means the Energy and Water Utilities Regulatory Authority Act;

“generation facility” means premises, electric energy producing equipment including its auxiliary equipment, transformers, fuel handling equipment, switch-yard and interconnection facilities that is necessary for performing the generation activity as shall be specified in a licence;

“generation activity” means electricity generation services;

“generation licensee” means an entity licensed by the Authority to provide electricity generation services;

“Grid Code” means the technical and procedural rules and standards issued by the Authority on transmission and system operation;

“inspector” means an officer of the Authority or agent appointed by the Authority to act as an inspector;

“licence” means a licence issued by the Authority to conduct electricity system operation activity;

“licensee” means the holder of a licence and includes any entity that is exempted pursuant to rule 14;

“market operator” means the holder of a licence from the Authority responsible to administer wholesale trade in electricity;

“market rules” means the technical and procedural rules approved and issued by the Authority governing matters pertaining to the administration of wholesale trade in electricity;

“market participant” means a licensee, a generation licensee, a distribution licensee, transmission licensee or a large customer;

“meter inspector” means an independent entity appointed by the Authority in writing to verify on meter accuracy as required under rule 47;

“Power System Master Plan” means a planning document prepared by the Minister and updated on annual basis by the system operator dealing with indicative medium and long term plans for the expansion of the electricity system to cater for expected demand;

“provisional licence” means an electricity system operation services licence issued by the Authority to allow the licensee to conduct preparatory activities necessary for issuance of a licence;

“Prudent Utility Practices” means good practices, methods, and procedures

which are attained by exercising a degree of skill, diligence, prudence, and foresight which would reasonably and ordinarily be expected from a skilled and experienced international distributor of electricity engaged in the same or a similar type of undertaking or activity in Tanzania and under the same or similar circumstances and conditions to those pertaining in Tanzania and satisfying the health, safety and environmental standards of reputable international electric supplying companies;

“serious offence” means any of the offences listed in the First Schedule;

“service area” means an area specified in a licence in which a licensee is authorized by the Authority to conduct system operation activity either exclusively or together with others for a specified period of time;

“system operator” means a person licensed by the Authority to provide system operation services;

“system operation services” means all services that are necessary in order to dispatch generation and provide safe and efficient transport of electricity in the transmission system, resolve interruptions in transport of electricity and maintain and re-establish the energy balance in the transmission system, and the term “system operation activity” shall be construed accordingly;

“tariff” means a charge, fee, price or rate charged for the provision of supply services as shall be approved by the Authority;

“tariff methodology” means a methodology approved by the Authority that a licensee uses to determine a tariff;

“transmission licensee” means the holder of a license issued by the Authority and responsible to transmit electrical energy at 50 Hz by means of high voltage lines at voltage levels of 66 kV and above;

“transmission network” means a group of facilities and equipment belonging to a transmission licensee designed to transmit electric energy at 50 Hz by means of high voltage lines, at voltage levels of 66 kV and above that includes overhead lines, ground cables, sub-marine cable, dispatchers, transformers, communication networks, control stations and metering equipment; and

“Tribunal” means the Fair Competition Tribunal established under the provisions of the Fair Competition Act.

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PART II LICENSING PROCEDURES

Obligation to
apply for licence

4. - (1) A person shall not conduct any system operation activity without a licence unless exempted by the Authority pursuant to rule 14.

(2) A person who conducts any system operation activity without a licence shall, not later than three months after coming into force of these rules, apply to the Authority for a licence in respect of its system operations activity.

Penalty

5. Any person who contravenes the provisions of this rule commits an offence and shall be liable to a fine of ten million shillings.

Licence
application
procedure

6. – (1) An applicant for a licence shall apply to the Authority for a licence by filling in the appropriate form prescribed by the Authority, and shall lodge such application to the Authority, together with such other documents or records as may be required by the Act, the EWURA Act and other applicable law.

(2) Notwithstanding the provision of sub-rule (1), an application for a licence shall be accompanied by:

- (a) certified copies of its registration documents;
- (b) proof of the financial capability for the system operation activity;
- (c) proof of land ownership and land use for the licensed facility;
- (d) certified copy of any agreement relevant to the licensed facility;
- (e) description of all electricity system characteristics relevant for operation of the electricity system and information on ownership rights to use elements of system;
- (f) transmission network development plan as set forth in the Power System Master Plan, including the influence of the transmission system development to the tariffs approved by the Authority;
- (g) information about the cross-border transmission capacities, if any;
- (h) information demonstrating capability and availability of necessary hardware and software systems for power system load flow calculation, for managing dispatch of power plant production, ancillary services, short circuits and dynamic stability, balancing market and for congestion management and where applicable statement of procurement or provision of above systems;
- (i) specification and technical characteristics of metering devices at electricity receipt points prepared in cooperation with the transmission licensee; and
- (j) if an environmental assessment study has been conducted, a certified copy of the certificate issued by the relevant institution.

(3) An application for a licence shall be accompanied by an application fee prescribed by the Authority from time to time.

(4) The provisions of rules 4 and 6 shall not apply to any licensee who has applied and has been exempted pursuant to rule 14 from complying with the requirements of section 8 of the Act.

Publication of
licence application

7. – (1) A licence application received by the Authority shall be evaluated to verify its completeness and legality of information contained therein and

thereafter a notice of the application shall be published in at least two newspapers of wide circulation in Tanzania, one in English and another in Kiswahili with a view to soliciting comments and representations on the application.

(2) The public shall be invited to submit comments and representations within twenty one days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the application.

Grant of licence

8. – (1) The Authority shall, upon consideration of an application for a licence:

- (a) deny the application;
- (b) refer back an application;
- (c) grant an exemption pursuant to rule 14;
- (d) grant the application and issue a licence; or
- (e) grant a provisional licence subject to fulfillment of the general conditions set out in these rules and such other conditions as the Authority may determine.

(2) The Authority shall, in making a decision to grant or deny a licence or grant an exemption, take into consideration:

- (a) the protection of the environment;
- (b) the applicant's record of compliance with the Act, these rules and other applicable laws;
- (c) economic efficiency and benefit to the applicant and the public in general;
- (d) technical and financial capability, material and human resources of the applicant and the organizational structure of the applicant necessary for meeting the requirements under the licence;
- (e) facilities compliance with health, safety and environmental protection requirements;
- (f) the need to ensure the reliability of the electricity system; and
- (g) any other matter relevant to the orderly conduct of system operation activity in Tanzania.

(3) The Authority may deny issuing a licence where it, *inter alia*, determines that:

- (a) the applicant does not have the financial capability to conduct system operations activity;
- (b) the applicant's activities may not be conducted in accordance with safety, health and environment requirements; or
- (c) the application has violated the mandatory requirements provided under the Act, the EWURA Act and any relevant applicable law.

Application for provisional licence

9. – (1) Any person seeking to conduct electricity system operation activity may, prior to applying for a licence, apply to the Authority for a provisional licence with a view to conducting some preparatory activities including assessments, studies, financial arrangements and other activities necessary for applying for a licence.

(2) The applicant shall lodge to the Authority an application form for a provisional licence which shall be in a prescribed format together with the following:

- (a) a business plan;
- (b) prescribed fee;
- (c) proof of financial capability;
- (d) a sketch map of the proposed service area;
- (e) any agreement relevant to the licensed activity; and
- (f) any other documentation or information the Authority may require.

Publication of provisional licence application

10. - (1) A provisional licence application received by the Authority shall be evaluated to verify its completeness and legality of information contained therein and thereafter a notice of the application be published in at least two newspapers of wide circulation in Tanzania, one in English and another in Kiswahili with a view to soliciting comments and representations on the application.

(2) The public shall be invited to submit their comments and representations within fourteen days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the application.

Grant of provisional licence

11. - The Authority shall, after the expiration of the fourteen days deadline to submit comments in rule 10 (2), evaluate such application and thereafter make a decision basing on:

- (a) the applicant's record of compliance with the Act, these rules and other applicable laws;
- (b) economic efficiency and benefit to the applicant and the public in general; and
- (c) comments or representations received from the public, if any.

Application for exemption

12. – (1) Any person may apply to the Authority to be exempted from complying with the requirements of section 8 of the Act.

(2) The application for exemption in sub-rule (1) shall be made in writing to the Authority stating the following:

- (a) description of the project including its shareholders;
- (b) description of a service area;
- (c) any agreement relevant to the provision of electricity system operation services; and

Publication of application for exemption

(d) reasons for the exemption.

13. - (1) Upon receipt of the application in rule 12, the Authority shall publish a notice of the application in at least two newspapers of wide circulation in Tanzania, one in English and another in Kiswahili with a view to soliciting comments and representations on the application.

(2) The public shall be invited to submit their comments and representations within twenty-one days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the application.

Grant of exemption

14. - (1) After the conclusion of an inquiry process in rule 13, the Authority shall proceed to evaluate the application and make a decision either to grant or deny the application subject to such terms and conditions it may consider fit.

(2) The Authority shall, while making a decision whether to grant an exemption or not, take into consideration the following:

- (a) gravity of the reasons submitted in support of the exemption;
- (b) public interests to be protected; and
- (c) comments or representations received from the public, if any.

(3) The term, obligations and rights to be provided in the exemption shall be specified in the Order to be published by the Authority in the *Gazette*.

The Authority to give reasons for its decisions

15. The Authority shall, in the event that it denies or refers back an application for a licence, provisional licence or an application for exemption, inform the applicant of such decision in writing, including the reasons thereof.

Validity and duration of licence

16. – (1) The term of a licence shall be twenty years and that of a provisional licence shall be as determined by the Authority.

(2) A provisional licence shall remain valid for the term issued, unless when replaced by a licence to provide the services issued by the Authority, or when extended for such further period as the Authority may determine, upon written application by a licensee.

(3) Notwithstanding the provisions of sub-rules (1) and (2), a licence or a provisional licence shall cease to have effect if the respective licensee fails to conduct a licensed activity within six months after issuance of the licence.

Application for transfer of licence

17. - (1) A licence shall not be assigned or transferred to another person without a written approval of the Authority.

(2) Any transferee or assignee of a licence shall apply to the Authority by filling in the appropriate form prescribed by the Authority, and lodge it with the Authority, together with other documents or records as may be required by the Authority or applicable law.

(3) Notwithstanding the provisions of sub-rule (1), an application for a transfer or assignment of a licence shall not be entertained by the Authority unless it is endorsed by the transferor or assignor, as the case may be.

(4) An application for transfer of licence received by the Authority shall be evaluated to verify its completeness and legality of information contained therein and thereafter a notice of the application shall be published in at least two newspapers of wide circulation in Tanzania, one in English and another in Kiswahili with a view to soliciting comments and representations on the application.

(5) Costs for publication of the notice under sub-rule (4) shall be borne by the Authority.

(6) The public shall be invited to submit comments and representations within fourteen days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the application.

(7) The Authority shall, after the expiration of the notice in sub-rule (6), evaluate the application together with comments received if any, and make a decision whether to grant or deny the application for transfer or assignment.

Change of name

18. – (1) A licensee may change its name pursuant to the provisions of these Rules and applicable law.

(2) A licensee who has changed its name shall, within thirty days after such change, notify the Authority in writing accompanied by a certificate for change in name issued by relevant authorities.

Change of
shareholding
structure

19. - (1) Any change in shareholding structure of a licensee shall require a written approval of the Authority.

(2) A licensee intending to change its shareholding structure shall, before applying for the change in shareholding structure to the Registrar of Companies, apply for the approval to the Authority by submitting a letter to the Authority requesting for the approval.

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(3) A licensee shall, after getting the approval for change of shareholding structure from the Registrar of companies as required by the Companies Act, notify the Authority about such change.

(4) The Authority shall, before approving the application for change in shareholding structure in sub-rule (2), consult the Fair Competition Commission and the Tanzania Revenue Authority.

Application for

20. – (1) A licensee may, within three months before expiration of a licence

renewal of licence

term, apply to the Authority for a renewal of a licence.

(2) An application for a renewal of a licence in sub-rule (1) shall be made by filling in an application form to be prescribed by the Authority.

(3) The Authority shall, while making a decision whether to grant or deny an application for renewal of a licence, consider the applicant's compliance to the conditions of the licence which is due to expire.

(4) The Authority shall, in the event that it denies an application for a licence, inform the applicant of such decision in writing, including the reasons thereof.

Licence
suspension
revocation

and

21. – (1) The Authority may revoke the licence where it determines that the licensee is unable to discharge its obligations under the Act, the EWURA Act or any other relevant law or where the licensee is convicted of any serious offence.

(2) Notwithstanding the provisions of sub-rule (1) the Authority may suspend a licence for a period up to twelve months where:

- (a) the licensee has been found to be in serious violation of the provisions of the Act, the EWURA Act or these rules on matters relating to the protection of occupational health, public safety and environment; or
- (b) the licensee fails to pay a regulatory levy to the Authority and such levy remains unpaid thirty days after it has become due, and the Authority has given the licensee notice in writing that such payment is overdue and the licensee has not paid

(3) Notwithstanding the provisions of sub-rules (1) and (2), the Authority may *in lieu* of suspending or revoking a licence, and subject to the provisions of the Act and the EWURA Act, appoint an administrator to replace management of a licensee, and manage the affairs of the licensee for such period as the Authority may determine.

Appeal

22. Any person who is aggrieved by the decision of the Authority in rules 8, 11, 14 or 21 may appeal to the Tribunal pursuant to the provisions of the Fair Competition Act.

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PART III GENERAL OBLIGATIONS OF A LICENSEE

Obligation to
provide services

23. - (1) A licensee shall conduct a system operation activity pursuant to the provisions of the Act, the EWURA Act, any existing relevant law and any agreement provided that the provisions of the agreement are not at variance with the provisions of these rules, the Act, the EWURA Act or any other relevant law.

(2) Without prejudice to the generality of sub-rule (1) a licensee shall be

required to:

- (a) conduct system operation activity in a service area;
- (b) charge a fee to customers; and
- (c) carry out all works related to the conduct of system operations activity, including engineering, construction, rehabilitation, operation and maintenance of a licensed facility in accordance with relevant laws and Prudent Utility Practices.

(3) A licensee shall, while conducting system operations activity, observe rules and guidelines issued by the Authority in matters related to transfer of control and payment of fees and levies.

(4) A licensee shall conduct the system operation activities without any discrimination and bias, pursuant to agreements if any, the Act, the EWURA Act and other applicable law and shall under no circumstances stop to conduct a system operation activity save as provided for in these Rules and relevant laws.

(5) A licensee shall, in conducting its system operations activity, give priority of dispatch to electricity generated from renewable energy sources and indigenous sources.

(6) A licensee shall ensure that all information about interconnection and transmission system maintenance plan and possible congestions, are made available to the Authority and the public in accordance with applicable laws, rules and relevant codes.

(7) A licensee shall ensure that transmission network development plan is prepared and implemented in accordance with the Power System Master Plan and applicable rules and codes.

Compensation for
loss suffered

24. – (1) A licensee shall be obliged to compensate any person who has suffered any loss of life or property as a result of a system operation activity.

(2) Any person who has suffered loss to life or property as a result of a system operations activity shall first lodge a complaint with a licensee with a view to reaching an amicable settlement.

(3) Any person who has suffered loss may, in the event that no settlement is reached under sub-rule (2), refer the matter to the Authority for a decision and the Authority shall deal with such matter as if it is a complaint lodged pursuant to the provisions of the EWURA Act.

(4) For the purpose of this rule, a person includes an administrator, executor or executrix of the estate of a deceased person.

Customer Service
Charter

25. – (1) A licensee shall, within one year after receipt of a licence, prepares and submits to the Authority for approval, a customer service charter.

(2) The customer service charter to be prepared under the provisions of sub-rule (1) shall describe the services available to the customers including:

- (a) expediting procedures;
- (b) service levels;
- (c) compensation for loss and non-fulfillment of obligations by a licensee;
- (d) providing proper services; and
- (e) timely fulfillment of orders and requests.

(3) The Authority shall approve any modifications or amendments to the charter described in sub-rule (1).

(4) The customer service charter described in sub-rule (1) shall include licensee's commitment to:

- (a) deal with customers through a system that ensures speed and accuracy in completing transactions;
- (b) introduce a formal process for managing customer complaints;
- (c) computerize all services rendered to customers and new service applicants;
- (d) prepare and publicize any periodic meetings with customer representatives for the purpose of:
 - (i) exchanging information or views of the parties;
 - (ii) clarifying the mutual duties, rights and responsibilities;
 - (iii) improving customer services; and
 - (iv) conducting any other appropriate activity aimed at improving customer services.
- (e) establish and properly furnish service centre to:
 - (i) receive customer complaints and inquiries;
 - (ii) receive orders; and
 - (iii) receive bill payments;
- (f) publish names and locations of service centers.

(5) A licensee shall:

- (a) establish a mechanism pursuant to which it will receive outage and power reduction reports or any reports related to the quality and reliability of electricity system operations;
- (b) maintain a special register of information comprising of:
 - (i) the identity of the complainant;
 - (ii) the type of complaint or malfunction;
 - (iii) the location and time of the occurrence complained of; and
 - (iv) the time required to correct such complaint or malfunction;
- (c) on a monthly basis, deliver a detailed statement to the Authority in respect of the frequency and duration of all malfunctions and outages.

26. – (1) A licensee shall, as directed by the Authority from time to time, conduct an audit of its compliance with:

- (a) these rules;
- (b) any agreement relevant with the conduct of the system operation activity;
- (c) customer service charter;
- (d) Grid Code;
- (e) market rules;
- (f) applicable law; and
- (g) any relevant codes.

(2) The compliance audit described in sub-rule (1) shall be conducted by an independent auditor or any other expert who has the requisite expertise hired by a licensee.

(3) Costs associated with the audit described in sub-rule (2) shall be paid by the Authority.

(4) A licensee shall, within ninety days after completion of the audit described in sub-rule (1), deliver to the Authority the results of such audit.

27. A licensee shall provide the Authority with a detailed statement of system operation services performance, including:

- (a) total capacity available and energy generated, dispatched and distributed as the Authority may require.
- (b) details on system availability which shall include standby capacities, scheduled and unscheduled power interruptions.

28. A licensee shall submit to the Authority its annual report not later than thirty days after receipt of the audited accounts.

PART IV GENERAL FINANCIAL OBLIGATIONS

29. – (1) A licensee shall, within ninety days after the start of its financial year, submit to the Authority its approved budget for such financial year, which budget shall include details on its operating revenue and capital and operating expenses.

(2) A licensee shall provide all financial information required by the Authority in a form prescribed by the Authority which information shall include:

- (a) a quarterly report on its commercial and financial performance not later than thirty days after the end of each quarter; and
- (b) auditor's report on financial statements for each financial year

together with the management letter not later than 180 days after the end of financial year.

(3) A licensee shall submit to the Authority its audited accounts not later than thirty days after receipt of the audited accounts.

Maintenance of separate accounts

30. A licensee shall maintain a separate set of accounts for provision of activities not related to the system operation activity.

Prohibition to cross subsidization

31. A licensee shall ensure that there is no cross subsidization between its system operation activity and any other activity including activities of affiliates.

PART V GENERAL TECHNICAL OBLIGATIONS

Terms of service

32. – (1) A licensee shall comply with any directions given by the Authority related to the terms upon which the licensee may provide system operation services.

(2) A licensee shall publish terms of system operation services and appropriate tariffs in such a manner as the Authority shall prescribe.

(3) Notwithstanding the generality of sub-rules (1) and (2), a licensee shall as soon as practicable, after the receipt of a request for system operation services from any person in the service area:

- (a) offer to conclude a contract to provide system operation services to such person; and
- (b) upon concluding the contract, provide system operation services pursuant to such contract and applicable law and a licence.

(4) A licensee shall not be required by sub-rule (3) to provide system operation services where:

- (a) the service requested will result into instability to the distribution network or the transmission network;
- (b) a licensee has been informed by a customer or other electricity system operator from another jurisdiction that compliance with the requirement to provide system operation services would result in high risks to the safety of the Grid, any person, land, building or other property;
- (c) taking all circumstances into account, it is not reasonable for a licensee to provide system operation services, provided, however, that a licensee shall: refer any question as to whether the circumstances are reasonable to the Authority for determination and in any event not later than five working days after the licensee's receipt of the request;
- (d) to do so would be likely to involve a licensee in a contravention

or breach of:

- (i) any relevant law;
- (ii) the market rules;
- (iii) the Grid Code;
- (iv) the distribution code; and
- (v) other applicable codes and standards.

(5) A licensee shall not reduce or discontinue system operations services to a customer unless such customer has failed to:

- (a) pay the agreed fee; or
- (b) comply with the conditions of service;

and has failed to cure such failure within fourteen days after receiving from a licensee a written notice to do so.

Compliance with codes, standards and rules

33. – (1) A licensee shall provide system operations services in compliance with:

- (a) the Grid Code;
- (b) the market rules;
- (c) the distribution code; and
- (d) any other relevant codes.

(2) A licensee shall comply with the performance standards established by the Authority.

Performance standards

34. – (1) A licensee shall, not later than six months after receipt of a licence, submit to the Authority for approval a report comprising the criteria against which the provision of system operation services can be measured.

(2) Notwithstanding the provisions of sub-rule (1), the Authority may make amendments to the criteria described under sub-rule (1), and in the event it does so, it shall notify a licensee of such amendments.

(3) A licensee shall provide the system operation services in a manner calculated to achieve applicable performance standards and targets.

(4) A licensee shall periodically review the approved performance criteria and, upon the conclusion of such review, deliver to the Authority:

- (a) a report comprising the findings of such review; and
- (b) any proposed revisions arising from such findings for approval.

(5) A licensee shall report annually to the Authority on the provision of its system operation services taking into account the performance standards referred to in sub-rule (1).

Separation of services

35. – (1) A licensee shall secure the complete and effective separation of system operation services, including full operational and managerial independence, from any affiliate or related undertaking of the licensee, or any other services of the licensee.

(2) A licensee’s arrangements to accomplish the obligation described in sub-rule (1) shall be subject to the approval of the Authority.

Load profiling

36. A licensee shall, on regular intervals, cause distribution licensees to deliver to it:

- (a) the load profiling for each tariff customer category;
- (b) the actual consumption profiling achieved by the load analysis for each tariff customer category where the power is measured; and
- (c) the number of customers and a summary of energy needs within each tariff category.

Safety and security of supply

37. A licensee shall provide its customers with contact information that they may use to notify the licensee of any matter or incident related to the availability of the system operation services that:

- (a) causes danger or requires urgent attention; or
- (b) affects or is likely to affect the security of supply, availability or quality of the system operation services.

Fee disclosure

38. A licensee shall immediately after approval by the Authority of its fee application, publish fees in respect of its system operations services:

- (a) in not less than two newspapers of wide circulation, one in Kiswahili and one in English;
- (b) by posting such information on its website; and
- (c) by making such information available at its bill payment centers.

Service interruptions

39. A licensee shall notify the Authority in writing in the event of a system operation service interruption for emergency repair that affects system operations services for more than 24 hours.

Notice of service interruptions

40.– (1) Where a licensee intends to carry out preventive maintenance, replacement, restoration or any other construction that may lead to an interruption or reduction of system operations services, the licensee shall issue a public notice thereof, not less than two days prior to undertaking such activity.

(2) The notice described in sub-rule (1) shall include the date and hour of service interruption and the date and hour of intended restoration.

Metering

41. – (1) A licensee shall install, maintain and verify the accuracy of meter installations at all points of off-take from a distribution network or

transmission network.

(2) Without prejudice to sub-rule (1), a licensee shall specifically be responsible for:

- (a) installing meters on every electricity delivery points; and
- (b) establishing an efficient system of meter readings for the purpose of electricity billing.

(3) A licensee shall in respect of each meter installation described in sub-rule (1), comply with the applicable law and market rules.

Meter damage and interference

42. - (1) A licensee shall take all reasonable steps to detect and prevent:

- (a) damage to or fault in any electric plant, electricity meter or any equipment for provision of system operations services in the service area;
- (b) interference with metering system relevant for the provision of system operation services in the service area; and
- (c) any unrecorded dispatch of electricity.

(2) A licensee shall inform the owner of a relevant electric plant, electric line or meter of any incident if the licensee has reason to believe that:

- (a) there has been damage to or a fault in any electric plant, electric line or meter; or
- (b) there has been interference with any meter to alter its register or prevent it from duly registering the quantity of services supplied; or
- (c) the dispatch of electricity in the Grid has not been recorded.

(3) Where a licensee has reason to believe that any incident reported to the owner pursuant to sub-rule (2) has been caused by a criminal act of any person, the licensee shall, on complying with the requirement of that sub-rule, provide the customer with such information as is reasonably required for the purposes of investigating the incident and resolving any safety concerns arising out of it.

Calibration of meters

43. A licensee shall ensure that a meter used to ascertain the amount of dispatched electrical energy from or to a customer is calibrated and sealed by the Certification Authority.

Meter inspection and testing

44. - (1) A licensee shall inspect and test a meter of any customer in order to verify amount of electrical energy dispatched at least once in every twelve months.

(2) A licensee shall, while inspecting a meter, use the meter audit form prescribed in the Second Schedule.

(3) Meter inspection exercise shall be witnessed by a customer or his representative.

(4) No seal affixed to a meter to be inspected shall be broken or removed unless witnessed by any of the persons referred to under sub-rule (3).

(5) A licensee shall, during the inspection exercise, take the readings of a meter, details of the outer and inside the meter and take as many photos as necessary during the whole exercise.

(6) At the conclusion of the inspection exercise, a licensee shall fill in the meter audit and inspection form prescribed in the Second Schedule, all the observations and findings made, and shall thereafter sign it and allow a customer or its representative to counter sign it.

(7) In the event a customer or its representative refuses to counter sign a meter audit report as required by sub-rule (6), a licensee shall note that fact in the part of remarks in the meter audit and inspection form.

(8) A licensee shall establish one or more stations suitably equipped with standard instruments for testing meters and shall maintain the standard instruments in proper working order and from time to time to test or cause to be tested the accuracy of the working standards by some recognized absolute method.

(9) A licensee may prepare manual or internal rules of procedure that may be used by its officials in regulating the manner in which inspection and testing of a meter shall be conducted,

Provided that, such manual or rules of procedure shall be in line with the requirements of the Act and these rules.

Meter Accuracy
Verification

45. – (1) If any dispute arises between any customer and a licensee as to whether

- (a) any meter or other apparatus, by which the amount dispatched is ascertained belongs to the consumer or to the licensee or is or not in proper order for correctly registering that value; or
- (b) that amount has been correctly registered by any meter or other apparatus,

that dispute shall be determined upon the application of either party by a meter inspector whose decision shall be final and binding to all parties and the reading of the meter shall be conclusive as to the amount dispatched, in the absence of fraud.

(2) A licensee and a customer or their duly appointed representatives shall have the right to witness the verification of meter accuracy pursuant to sub-

rule (1).

(3) Any party who is aggrieved by the results in sub-rule (1) on reasons of fraud may appeal to the Authority within twenty-one days after receipt of the results.

Removal of meters
or apparatus

46. – (1) No meter or apparatus used to ascertain the amount of electric energy dispatched shall be removed from delivery points for testing and verification of accuracy pursuant to rule 45 unless the customer or its representative is present.

(2) Before any meter or apparatus used to ascertain the amount of electric energy dispatched is removed, a licensee shall read the final readings of such meter or apparatus, record details of the outer structure of the meter or apparatus and photograph it.

(3) Where the activities under sub-rule (2) have been duly undertaken, the licensee shall sign a sheet of paper containing information under sub-rule (2) and the customer shall counter sign it.

(4) A meter or an apparatus used to ascertain the amount of electric energy dispatched may be removed from the premises of a customer in the absence of the customer where:

- (a) the customer has waived in writing his rights to witness the removal;
or
- (b) the attendance of the customer or his representative cannot be procured.

Appointment and
duties of meter
inspectors

47. – (1) The Authority may, from time to time, appoint one or more fit, proper and independent persons to be meter inspectors for the purpose of the Act and these rules.

(2) A person shall not be appointed as an inspector unless:

- (a) he possesses a minimum of a diploma in electrical, electromechanical engineering from a recognized institution;
- (b) he has a proven experience in electrical installation and inspection for a period of not less than five years; and
- (c) he is of unquestionable integrity and reputation.

(3) The inspectors shall, in discharging their duties under these rules, be paid by the Authority such allowances as shall be determined by it from time to time.

(4) An inspector shall:

- (a) conduct an inquiry into the cause of any accident affecting the safety of the public, if directed by the Authority;

- (b) test the variation of pressure on the customer's terminals if and when required by any customer or to make such other inspection and testing of the service lines, apparatus and works of any licensee upon the consumer's premises as may be necessary to ascertain whether the licensee has complied with the provisions of the Act, these rules and other relevant laws; and
- (c) perform any other duty as may be required under the provisions of the Act, EWURA Act, these rules or any other relevant laws.

(5) An inspector shall have the right of access, at any reasonable time, to any of the premises of a licensee and may require the licensee to furnish such information and to produce such document or records for the information of the inspector with a view to enabling the inspector to determine whether the provisions of the Act, EWURA Act or rules made thereunder are complied with.

(6) An inspector may, at all reasonable times and upon giving sufficient notice to the occupier of his intention, enter any premises to which system operation services is undertaken for the purpose of inspecting and testing the premises, hardware, software, meters, fittings, works and apparatus for the system operation services installed in order to ascertain if the provisions of the Act, EWURA Act or rules made thereunder are complied with.

(7) During inspection, an inspector may:

- (a) make copies of the report of an application software or take extracts from any book, accounts or records kept by the licensee under the relevant law; and
- (b) inspect machinery, equipment, appliances, meters, fittings and apparatus.

(8) An inspector shall, subject to instructions given and upon conclusion of an inspection, prepare and submit a report to the Authority, and the Authority shall take the appropriate action to the findings and recommendations of the inspector's report.

Prohibited Acts to
inspectors and
meter inspectors

48. A licensee shall not:

- (a) hinder or obstruct an inspector or meter inspector in the exercise of any of the powers conferred upon him by these rules, the Act and applicable law;
- (b) use abusive, threatening or insulting language to an inspector or meter inspector;
- (c) refuse or fail to comply with any lawful order, direction or notice of an inspector or a meter inspector; and
- (d) when required by an inspector or a meter inspector to answer a question, refuse or fail to answer such question to the best of the licensee's knowledge, information and belief.

Offence

49. Any person who contravenes the provisions of rule 48 commits an offence and shall, on conviction, be liable to a fine of not less than three million shillings or imprisonment for a term not less than one year.

**PART VI
GENERAL PROVISIONS**

General Penalty

50. - (1) Any person who contravenes any provisions of these Rules for which no specific penalty is prescribed shall be liable to a fine of ten million shillings.

(2) A licensee who employs an agent, clerk, servant or other person, shall be answerable and liable for any acts or omissions of such persons in so far as the actions or omissions concern the system operation activity.

Penalty for
Continued
Contravention

51. Any person who is in continuous contravention of these Rules shall be liable to a fine of five million shillings for everyday on which the contravention continues or recurs.

Authority to
Supplement
Procedures

52. Where procedures for any matter or thing required to be prescribed in these Rules are not provided for, the Authority may do whatever is necessary and permitted by the Act, the EWURA Act and applicable law to enable it to effectively and completely adjudicate on the matter before it.

FIRST SCHEDULE

List of Serious Offences

(Made under Rule 3)

1. All offences listed under section 12 of the Anti-Money Laundering Act, Cap. 256;
2. All offences related to tax evasion which attracts a fine of ten million shillings or more or an imprisonment term of six months or more; and
3. Any other offences as shall be determined by Order of the Authority.

SECOND SCHEDULE
METER AUDIT AND INSPECTION FORM
(Made under Rule 44 (2))

LICENSEE'S LOGO
The Electricity (System Operation Services) Rules, GN No....

Meter Audit and Inspection Form
(Made under Rule 44 (2))

PART I
METER AUDIT

DATE:

REGION:

A: CUSTOMER'S DATA

Customer Name:

Street:

GPS COORDINATES: S..... E.....

Account No.:

Meter No.: 1 Phase 3 Phase

Meter Reading:

Total Units To-date:

Tokens Downloaded

1.

2.

3.

4.

5.

B: PHYSICAL OBSERVATION OF METER

(Tick the Applicable)

Physical Appearance of Meter Seals
 Physical Appearance of Terminal Seals
 Physical Appearance of Meter Cover

Tampered		Okay	
Tampered		Okay	
Damaged		Okay	

C: INSTALATION LAYOUT

Location
 Fused
 of Removable Mater Bypass

Outside		Inside	
Before Meter		After Meter	
Yes		No	

D: REQUIREMENTS FOR WIRING CORRECTION

Meter Replacement By a CT-Operated
 Meter Replacement By a Whole - Current
 Meter Cable Replacement Needed
 Size of Cable Needed
 Length of Cable Needed

Yes		No	
Yes		No	
Yes		No	
.....mm ²			
.....meters			

Remarks:

Auditors

1.
2.
3.

Customer Representative:

PART II

INSPECTION FORM

Date:

REGION:

DISTRICT:

A: CUSTOMER'S DATA

Customer's Name:

Street:

Telephone/Mobile No.

B: GPS COORDINATES

Account No.:

Meter No.: 1 phase 3 Phase.....

Meter Reading:

Total Unit To-date:

C: PHYSICAL OBSERVATION OF METER (Tick the Applicable)

Physical Appearance of Meter Seals	Tampered		Okay	
Physical Appearance of Terminal Seal	Tampered		Okay	
Physical Appearance of Meter Cover	Damaged		Okay	

INSTALLATION LAYOUT

Meter Location	Outside		Inside	
Position of Cut-Outs (Fuses)	Before Meter		After Meter	
Possibility of Removable Meter Bypass	Yes		No	

D: REQUIREMENTS FOR WIRING CORRECTION

Meter Replacement by CT-Operated	Yes		No	
Meter Replacement Needed	Yes		No	
Size of Cable Needed	Yes		No	
Length of Cable Needed	Yes		No	
Remarks				

E: INSPECTORS

1.
2.

Witnessed by:.....

NOTES:

1. Electricity supply will be discontinued if customer will be found using electricity contrary to laid down regulation;

2. Inspections will be conducted by authorized staff who may be accompanied by other officials.
3. Power will be disconnected and customer will be notified in writing steps to be taken before restoration of power supply.

.....
....., 2015

FELIX NGAMLAGOSI
Director General