

JUNE 2021

EREA TECHNICAL REPORT

TECHNICAL PORTFOLIO COMMITTEE



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1.0 Introduction

The Technical Portfolio Committee (TPC) is one of the main working groups of the Association. It is mainly formed to support the Association's Secretariat by considering and deliberating on technical matters relating to the regulatory matters within the EREA member states. The TPC is mainly divided into two main sub-portfolio committees, namely:

- (i) The Electricity and Renewable Energy Sub-TPC; and
- (ii) The Oil and Gas Sub-TPC

Membership of the TPC is drawn from all the National Regulatory Institutions (NRIs), namely:

- (i) Authority for Regulation of Water and Energy sectors (AREEN) of the Republic of Burundi;
- (ii) Energy and Petroleum Regulatory Authority (EPRA) of the Republic of Kenya;
- (iii) Electricity Regulatory Authority (ERA) of the Republic of Uganda;
- (iv) Energy and Water Utilities Regulatory Authority (EWURA) of the United Republic of Tanzania;
- (v) Rwanda Utilities Regulatory Authority (RURA);
- (vi) Zanzibar Utilities Regulatory Authority (ZURA) of Zanzibar; and
- (vii) Petroleum Authority of Uganda (PAU) of the Republic of Uganda.

The main objective of the TPC is to deliberate and deal with issues relating to but not limited to generation, transmission, distribution and supply of energy in terms of quality, safety, standards, energy systems integration, security and reliability of supply and promotion of renewable energy. TPC deals with The specific objectives of TPC include the following among others:

- (i) To develop regulatory benchmarks for the energy sector in East Africa;
- (ii) To develop and recommend the implementation of best practices for monitoring and enforcing technical compliance by EREA member institutions;

- (iii) To optimize capacity building in EREA member institutions to enhance monitoring of regional energy projects; and
- (iv) To harmonise standards and recommend best regulatory practices to enhance quality, safety, security, reliability of energy supply and promote the development of sustainable renewable energy sources within the East African Region.

The 35th TPC meeting was held on 8th June 2021 through online platform.

2.0 Constitution of Bureau

Participants present at the 35th meeting:

- (i) EPRA;
- (ii) RURA;
- (iii) EWURA;
- (iv) ZURA; and
- (v) PAU.

The Secretary received apologies from the following member NRI:

- (i) ERA; and
- (ii) AREEN

The EREA's constitution requires a minimum of three (3) NRIs to constitute the Bureau. Accordingly, it was confirmed that the four (4) members present complied with the requirement to form quorum and the bureau was fully constituted.

The meeting was chaired by **Mr. Jabir Is-Haka (ZURA)** and the secretary was **Mr. Ezra Terer (EPRA)**.

3.0 Adoption of the Agenda

The Agenda was proposed is as listed below:

- (i) Introduction
- (ii) Constitution of Bureau
- (iii) Adoption of the Agenda

- (iv) Matters arising:
 - (a) Review of the Resolutions of the 19th EXCO of 22nd June 2020 via zoom online platform;
 - (b) Review of the Resolutions of the 20th EXCO of 22nd December 2020 via zoom online platform;
 - (c) Review of the Resolutions of the 12th AGA of 30th June 2020 via zoom video conferencing platform.
- (v) Review of activities under the TPC Work Action Plan for the FY 2020/21.
- (vi) Develop the TPC Work Action Plan for the FY 2021/22
- (vii) Update of data-sharing template.
- (viii) Update information on the developments in Energy and Oil & Gas in the EREA member states.
- (ix) Election of new TPC officials
- (x) Any Other Business.

The Agenda was proposed by EPRA and seconded by EWURA and adopted for discussions.

4.0 Matters arising

4.1 Matters arising from the 19th EXCO

The TPC considered the matters-arising from the 19th EXCO and noted that there were no pending tasks.

4.2 Matters arising from the 20th EXCO

The TPC considered the matters-arising from the 19th EXCO and noted that the three tasks relating to development of terms of reference for the consultancy on Data Reporting Portal required more time. For this reason, it was proposed to roll-over the assignment to the FY 2021-22.

The TPC took note of EXCO's dis-satisfaction of the report presented in the 20th EXCO and have committed to improve in future.

4.3 Matters arising from the 12th AGA meetings

The TPC reviewed the resolutions of the 12th AGA and an update on the progress of implementation as per table below.

SR.	Resolution	Status of Implementation
1.	TPC should specifically review the extent to which regulation is affecting electricity connections	Incorporated in 2021/22 action plan

5.0 Review of activities under the TPC Work Action Plan for the FY 2020/21

A review of the Work Action Plan under the TPC was done; focusing on the progress achieved to date as summarised in **Annex 3**.

6.0 Develop the TPC Work Action Plan for the FY 2021/22

The TPC discussed and agreed on the Work Action Plan in line with the EREA's 5 year strategic plan **2017/18-2021/22**. This is attached as **Annex 4**.

7.0 Update of the Data-sharing Template

The team developed a data sharing matrix for Oil & Gas which was used to collect data for the **FY 2020-21** and is attached as **Annex 6**.

8.0 Update information on the developments in Energy and Oil & Gas in the EREA member states

The team shared required data as per the data matrix shared on email. The data that was received are hereby attached as **Annex 5** and **6** for Electricity and Oil & Gas sub-sectors respectively.

9.0 Election of new TPC officials

The current officials are retiring having served for the maximum two (2) year period as required by the EREA constitution. Consequently, new officials were elected and are as listed in **Annex 7**.

10.0 Any Other Business (AOB)

- (i) The Executive Secretary (ES) urged all the TPC members to attend the 21st EXCO set for 17th June 2021 between 1400-1600 hours.

(ii) The meeting was informed of the progress of setting up the Regulatory Centre of Excellence (COE) at Arusha, in the United Republic of Tanzania. Members were urged to propose names of subject-matter experts for inclusion in the trainers' database.

(iii) Further, members were urged to take advantage of capacity building courses offered at COE. Where there was a special need, the ES will be able to put together resource persons.

There being no other business, the meeting was adjourned at 1200Hrs.

Signed:.....

Chairperson

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Secretary

ANNEX 1: TPC Officials 2019/20 – 2020/21

	Role	NRI
1	Chairman	EWURA
2	Vice-chair	ZURA
3	Secretary	EPRA

ANNEX 2: ATTENDANCE LIST FOR THE TECHNICAL PORTFOLIO COMMITTEE MEETING

No.	Name	NRI	Sub-TPC	Telephone Contact	e-mail contact
1.	Ezra TERER	EPRA	Oil & Gas	+254720308108	ezra.terer@epra.go.ke
2.	Gerald MAGANGA	EWURA	Oil & Gas	+255754288509	gerald.maganga@ewura.go.tz
3.	Gerard RUSINE	RURA	Oil & Gas Electricity &Renewable	+250788738037	gerard.rusine@rura.rw
4.	Jabir Is-Haka	ZURA	Oil & Gas Electricity &Renewable	+255773651154	jabir@zura.go.tz
5.	Nemes MASAWE	EWURA	Electricity &Renewable	+255767885274	nmassawe@ewura.go.tz
6.	Nickson BUKACHI	EPRA	Electricity &Renewable	+254727948168	nickson.bukachi@epra.go.ke
7.	Nurudin Njabire	PAU	Oil & Gas	+256772829348	nurudin.njabire@pau.go.ug

ANNEX 3: TPC ACTION PLAN 2020/21

KEY RESULTS AREA	STRATEGIES	ACTIVITIES	OUTPUT	TIMELINE	RESPONSIBLE	LEAD NRI
Research and information sharing	Identify topical areas for research	Assist Secretariat to recruit implementing agency/ firm for the information portal	Agency identified	Mar-2021	TPC	EPRA
	Conduct study and report	Assist Secretariat to supervise or manage contract	Study report	Jun-2021	TPC	AREEN
		Assist Secretariat to supervise or manage contract for the information portal	Study report	Jun-2021	TPC	
	Present Results	Review consultants report and present to the EXCO	Results presented	Jun-2021	TPC	
KA 1: Review NRI regulatory framework (regulations, standards, procedures, and processes) and provide recommendations	Collect and review respective NRI regulatory frameworks	1. Compare available regulatory framework 2. Report findings and recommendations	1. Comparator reports 2. Recommendation for harmonization	Dec. 2020	TPC	RURA
	Benchmark with selected comparator associations	Undertake and prepare benchmark report	Benchmark report	June 2021	TPC	ZURA

KEY RESULTS AREA	STRATEGIES	ACTIVITIES	OUTPUT	TIMELINE	RESPONSIBLE	LEAD NRI
	Provide recommendations for harmonization	1. Compile NRIs reports and recommendations 2. Share and seek concurrence with NRIs 3. Present to EXCO and AGA for approval and adoption	1. Compiled report 2. Report shared 3. EXCO & AGA Reports	June 2021	TPC/Secretariat	Secretariat
	To prepare a tentative implementation report	1. Share and review the plan 2. Support NRIs to incorporate recommendations in respective work plans	Implementation plan reviewed and shared.	June 2021	TPC	EPRA
	Review progress reports from NRIs	1. Prepare and share reporting template 2. Compile progress report of NRIs 3. Propose areas for performance improvement initiatives 4. Present to EXCO and AGA for approval and adoption	1. Reporting template 2. Progress report compiled 3. Reports 4. EXCO & AGA reports	Dec 2020	TPC/Secretariat	EWURA

ANNEX 4: TPC ACTION PLAN 2021/22

No.	Key Result Area (KRA) from Strategic Plan (2017/2018 – 2021/2022)	Proposed Activities	OUTPUT	TIMELINE	RESPONSIBLE	LEAD NRI
1.	KRA-1: Review NRI Regulatory framework – regulations, standards, procedures, and processes.	1. Electricity and Renewables Sub-TPC <ul style="list-style-type: none"> ○ Compile and share information on: Existing and draft regulations under development in electricity, energy efficiency and renewable energy in the NRI home country 2. Oil& Gas Sub-TPC <ul style="list-style-type: none"> ○ Compile upstream regulatory framework being used by each NRI (Upstream); ○ Establish the monitoring framework for National content and Cost monitoring management for each of the NRIs. Provide recommendations (Upstream); and ○ Review of Strategic Stock Regulations in each NRI (Mid- and down-stream). 	1. Comparator Report 2. EAC Upstream Regulatory Framework 3. Local Content Monitoring Framework 4. Strategic Stock Implementation Framework	Q1 and Q2	TPC/ Secretariat	E&R-TPC: EPRA O&G TPC: PAU & RURA
2.	KRA-3: Research and information sharing	1. Electricity and Renewables Sub-TPC <ul style="list-style-type: none"> ○ Evaluate the regulatory frameworks for isolated mini-grids in the NRIs; ○ Compile and share 	1. Electricity and Renewables Data 2. Oil and Gas	Q1, Q2, Q3 and Q4	TPC/ Secretariat	E&R-TPC: ERA O&G TPC: PAU &

		<p>information on (Electricity Subsector):</p> <ul style="list-style-type: none"> ▪ Electricity generation, transmission, and distribution status and projects in the pipeline; and ▪ Prepare a status report on the quality of services and identify best practices. <p>2. Oil& Gas Sub-TPC</p> <ul style="list-style-type: none"> ○ Research on “A research study on geological potential, licensing, and the economic evaluation of upstream petroleum fiscal regimes in the East African Community” (Upstream); ○ Undertake benchmarking on the research item and present recommendations to the EXCO(Upstream); ○ Compile and share information on (Upstream): <ul style="list-style-type: none"> ▪ available data; ▪ reservoir management; ▪ facilities management; ▪ measurement of Petroleum; and ▪ Petroleum utilization. ○ Identify one (1) research topic for upstream oil and gas (Mid- and down-stream); ○ Carry out research on them; Undertake benchmarking; Present recommendations to EXCO (Mid- and down- 	Data			EWURA
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		stream); <ul style="list-style-type: none"> ○ Compile and share information on (Mid- and down-stream): <ul style="list-style-type: none"> ▪ Petroleum price data; ▪ Infrastructure and capacity; and ▪ Petroleum consumption data 				
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ANNEX 5: Electricity Data 2020-21

In an effort to tackle the issue of reliability indicators, TPC has started by collating the indicators used by NRIs as summarized in the table below. The indicators will then be compared among the NRIs and other international standard in order to harmonise them and propose indicators for EAC.

Indicator	Burundi	Kenya	Rwanda	Tanzania	Uganda	Zanzibar
SAIFI				Standard by TBS (TZS 1374). Target: Less than 3 interruptions per customer per year.		
SAIDI				Standard by TBS (TZS 1374). Target: Less than 650 minutes per customer per year.		
CAIDI				Standard by TBS (TZS 1374). Target: Less than 4 minutes per interruption per year.		

ANNEX 6: Proposed Templates of Upstream Petroleum Information-sharing

(a) Petroleum exploration, development and production

COUNTRY:		Burundi	Kenya	Uganda	Rwanda	Tanzania	Zanzibar
Contract/Agreement				Production Sharing Agreement (PSA)			
Legal framework				Policy/Law/Regulations			
Sector status				Exploration/Development			
Number of discoveries				21 Oil and Gas discoveries			
STOIP				6.5 Billion Barrels			

(b) National content

COUNTRY:		Burundi	Kenya	Uganda	Rwanda	Tanzania	Zanzibar
QUARTER 2 (Oct - Dec 2019)	National Content legal framework			Policy/Regulations			
	Value retained in-country			28%			
	Number of services ring fenced for Nationals			16			
	Number of Joint venture contract						
QUARTER 3 (Jan - March 2020)	National Content legal framework			Policy/Regulations			
	Value retained in-country			26%			
	Number of services ring fenced for Nationals			16			
	Number of Joint venture contract						

(c) Monitoring framework

COUNTRY:		Burundi	Kenya	Uganda	Rwanda	Tanzania	Zanzibar
QUARTER 2 (Oct - Dec 2019)	Monitoring operations			Saved 10% of budget			
	Cost monitoring			15% reduction of Licensee budget			
QUARTER 3 (Jan - March 2020)	Monitoring operations			Saved 5% of budget			
	Cost monitoring			10% reduction of Licensee budget			
QUARTER 4 (Apr - Jun)	Monitoring operations			10% budget reduction			

2020)	Cost monitoring			7% reduction of Licensee budget			
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ANNEX 6: Elected TPC officials for the period 2021/22 — 2022/23

No.	Position	2019/20 — 2020/21	2021/22 — 2022/23
1	Chair	EWURA	AREEN
2	Vice-chair	ZURA	PAU
3	Secretary	EPRA	ERA
4	Electricity & Renewable Lead	—	EPRA
5	Oil & Gas Lead	—	RURA