

CHAPTER 157**THE ELECTRICITY ACT****Arrangement of Sections****Section****PART I—PRELIMINARY**

1. Object of Act
2. Interpretation

PART II—ELECTRICITY REGULATORY AUTHORITY

3. Establishment of Electricity Regulatory Authority
4. Composition of Authority
5. Disqualification from appointment
6. Tenure of office of members
7. Termination of appointment
8. Remuneration of members of Authority
9. Functions of Authority
10. Conduct of functions
11. Meetings of Authority
12. Special committees of Authority
13. Consultants
14. Delegation of functions
15. Independence of Authority
16. Powers of Minister
17. Energy policy and energy plan

PART III—SECRETARIAT AND STAFF OF AUTHORITY

18. Secretariat
19. Chief Executive Officer
20. Functions of Chief Executive Officer
21. Other staff

PART IV—FINANCIAL MATTERS

22. Funds of Authority
23. Estimates
24. Power to operate bank accounts
25. Borrowing powers
26. Application and investment of surplus funds
27. Financial year of Authority
28. Accounts and audit

PART V—LICENSING

29. Notice of intended application
30. Publication of advertisement
31. Permits
32. Authority may invite applications
33. Applications
34. Processing of applications
35. Publication of notice of applications
36. Objection to grant of licence
37. Factors to be considered for application
38. Refusal to grant licence
39. Other licences
40. Authority may order compliance
41. Emergencies
42. Revocation of licence
43. Modification of licence
44. Application for modification by licensee
45. Duration of licence
46. Transfer of licence
47. Performance of activities
48. Records and reports
49. Removal of installations
50. Notice of accidents

PART VI—LICENCES

51. Generation licence
52. Reversion of hydropower plant
53. Transmission licence

-
- 54. Licensee to provide access
 - 55. System operator
 - 56. Bulk supplier
 - 57. Distribution licence
 - 58. Access to users
 - 59. Sale licence
 - 60. Export and import licences
 - 61. Prohibition of unlicensed activity

PART VII—RURAL ELECTRIFICATION

- 62. Obligations of Government
 - 63. Rural electrification strategy and plan
 - 64. Electricity Development Fund
 - 65. Criteria for subsidy access
-
- 66. Rural electrification database

PART VIII—USE OF LAND FOR INSTALLATIONS

- 67. Power of licensee to use land
- 68. Procedure for using public land
- 69. Removal or alteration of electric supply line
- 70. Compensation
- 71. Compulsory acquisition of land

PART IX—INSPECTION

- 72. Reports
- 73. Inspectors
- 74. Investigations

PART X—TARIFFS

- 75. Tariffs and terms of supply

PART XI—RIGHTS AND DUTIES OF CONSUMERS

- 76. Duties of consumers
- 77. Supply of electricity
- 78. Fees of licensee

79. Exceptions to duty to supply electricity
80. Security

PART XII—OFFENCES AND PENALTIES

81. Offences relating to installations and equipment
82. Offences relating to supply of electricity and electrical works
83. Offences relating to licences
84. Offences by body corporate
85. Power of Authority to impose fine
86. Offences relating to registration
87. Damage to public lamps, *etc.*
88. Interference with meters, works or public lamps
89. Diversion of energy and damage to supply lines
90. Theft of electricity
91. Interference with electrical installations
92. Installation of electrical wiring
93. General penalty
94. Compensation
95. False information
96. Compensation order

PART XIII—ELECTRICITY DISPUTES TRIBUNAL

97. Establishment of Electricity Disputes Tribunal
98. Chairperson and Vice Chairperson of Tribunal
99. Appointment of other members
100. Qualifications for appointment
101. Tenure of office
102. Conditions of appointment
103. Disqualification from appointment to Tribunal
104. Oath of office
105. Termination of appointment
106. Disclosure of interest
107. Official seal
108. Arrangement of business
109. Constitution of Tribunal for exercise of powers
110. Technical advice
111. Remuneration
112. Funds of Tribunal

-
- 113. Tribunal to open and operate bank accounts
 - 114. Estimates
 - 115. Financial year of Tribunal
 - 116. Accounts
 - 117. Audit
 - 118. Jurisdiction of Tribunal
 - 119. Power of review and appeals from Tribunal
 - 120. Procedure of Tribunal
 - 121. Registrar of Tribunal
 - 122. Immunity of members and employees of Tribunal

PART XIV—MISCELLANEOUS

- 123. Exemptions
- 124. Administrative procedures
- 125. Annual and other reports
- 126. Common seal and other instruments of Authority
- 127. Documents to be public documents
- 128. Immunity of members and staff of Authority
- 129. Procedure for dealing with complaints from consumer
- 130. Regulations
- 131. Grid code
- 132. Power to amend Schedules
- 133. Successor company
- 134. Shareholding of successor company

SCHEMES

Schedule 1

Currency Point

Schedule 2

Meetings of Authority and Other Matters

CHAPTER 157

THE ELECTRICITY ACT

Commencement: 1 November, 1999;
except sections 62 & 131 on 5 April, 2002
and Part XIII on 1 July, 2003

An Act to provide for the establishment of the Electricity Regulatory Authority; to provide for its functions, powers and administration; to provide for the generation, transmission, distribution, sale and use of electricity; to provide for the licensing and control of activities in the electricity sector; to provide for plant and equipment and for matters relating to safety; to liberalise and introduce competition in the electricity sector; to provide for a successor company to the Uganda Electricity Board and for related matters.

PART I—PRELIMINARY

1. Object of Act

The object of this Act is to regulate the generation, transmission, distribution, sale, export and import of electrical energy in and out of Uganda.

2. Interpretation

In this Act, unless the context otherwise requires—

- “apparatus” means electrical apparatus, and includes all machines, apparatus and fittings in which conductors are used or of which conductors form part;
- “area of distribution” means the area within which the holder of a distribution licence is, for the time being, authorised to distribute electrical energy;
- “Authority” means the Electricity Regulatory Authority established by section 3;
- “bulk supplier” means the person responsible for transmission and sale of electricity in bulk to distribution and sales companies in accordance with section 56;

“Chief Executive Officer” means the Chief Executive Officer of the Authority appointed under section 19;

“company” means a company within the meaning of the Companies Act;

“consumer” means any person supplied or entitled to be supplied with electrical energy for personal, industrial and commercial use; but does not include a person supplied with electrical energy for delivery to another person;

“currency point” has the value assigned to it in Schedule 1 to this Act;

“distribution” means the ownership, operation, management or control of distribution facilities for the movement or delivery of electricity to consumers;

“distribution facilities” means electrical facilities operated at distribution voltage and used for the movement or delivery of electricity;

“distribution voltage” means any voltage below the minimum transmission voltage;

“electric supply line” means a wire, conductor or other means used or intended to be used for the purpose of conveying, transmitting, distributing, serving or using electrical energy, together with any casing, coating, covering, tube, pipe, insulator or support enclosing, surrounding or supporting the same or any part thereof; or any apparatus, including apparatus for switching, controlling, transforming, converting or otherwise regulating electric energy ancillary thereto, for the purpose of conveying, transmitting, distributing, serving or using electrical energy;

“electrical energy” means electrical energy when generated, transmitted, distributed or utilised for any purpose except the transmission of any communication signal;

“electricity” means electric power generated from water, mineral oil, coal, gas, solar energy, wind energy, atomic energy or any other means;

“fair competition” is as described in section 74;

“Fund” means the Electricity Development Fund established under section 64;

“generating station” means any station for generating electricity, including any building and plant used for that purpose, the site of the generating station and a site intended to be used for a generating station, but does not include a station for transforming, converting or distributing electrical energy;

“generation” means the generation of electricity from water, mineral oil, coal, gas or any other means;

“grid code” means a national grid code or similar regulations of national application prescribed by the Authority, relating to the planning, scheduling or dispatch of electrical energy in Uganda;

“inspector” means an inspector appointed under section 73;

“installation” means the whole of any plant or equipment under one ownership or, where a management is prescribed, the person in charge of the management, designed for the supply or use or both, as the case may be, of electrical energy;

“licence” means a licence issued under this Act;

“licensee” means the holder of a licence under this Act;

“local government” means a local government council established under the Local Governments Act and includes a public officer authorised by a local government;

“minimum transmission voltage” means thirty-three kilovolts or such other voltage as the Authority may, by regulation, determine to be the minimum voltage at which an electrical facility in Uganda is generally operated when used to deliver electricity in bulk;

“Minister” means the Minister responsible for electricity;

“person” includes any individual, firm, company, association, partnership or body of persons, whether incorporated or not;

“prescribed” means prescribed under this Act;

“public lamp” means an electric lamp used for the lighting of a street or public place;

“Public Service Commission” means the Public Service Commission established under the Constitution;

“sale” means the sale of electrical energy to a consumer for the consumer’s own use or for resale to third parties;

“Secretary” means the Secretary of the Authority appointed under section 18;

“supply” means the supply to consumers, generation, transmission, distribution and sale, including importation and exportation, of electrical energy;

“system operator” means a person designated to operate the power system as described in section 55 and in accordance with the grid code;

“transmission” includes the ownership, operation, management or control of transmission facilities for whatever purpose;

“transmission facilities” means electrical facilities, including but not limited to electrical circuits, transformers, and substations operating above a voltage of thirty-three kilovolts but does not include—(a) electrical circuits forming the immediate connection

between generation facilities and the transmission grid to the extent that those circuits are owned by a generator and are directly associated with the generation facilities;

- (b) and specified facilities operating at or above minimum transmission voltage if the Authority, upon application by a licensee, determines that those facilities should be owned and operated by a distribution licensee;

“Tribunal” means the Electricity Disputes Tribunal established by section 97.

PART II—ELECTRICITY REGULATORY AUTHORITY

3. Establishment of Electricity Regulatory Authority

(1) There is established an authority to be known as the Electricity Regulatory Authority.

(2) The Authority is a body corporate with perpetual succession and a common seal and may—

- (a) acquire, hold and dispose of movable and immovable property;
- (b) sue and be sued in its corporate name;
- (c) do all other things as a body corporate may lawfully do.

4. Composition of Authority

(1) The Authority shall consist of five members of high moral character and proven integrity and competence appointed by the Minister with the approval of Cabinet.

(2) The Minister shall designate as Chairperson of the Authority one of the members who is qualified and experienced in management, economics or the electric power sector.

- (3) The other members of the Authority shall have proven experience in
- (a) engineering, either in the generation, transmission or distribution of electricity;
 - (b) law, administration or management;
 - (c) finance or economics;
 - (d) the energy industry; or

(e) environmental matters.

(4) Of the other members of the Authority, each shall be qualified in at least one of the areas specified in subsection (3).

(5) A member appointed under this section shall have a minimum qualification of a university degree.

(6) At least one-third of the members of the Authority shall be women.

(7) The Chief Executive Officer shall be an *ex officio* member of the Authority but shall not have a right to vote at any meeting of the Authority.

5. Disqualification from appointment

A person shall not be appointed to the Authority who—

- (a) is a shareholder, a member of the board, an employee, or the holder of a licence, of any entity operating in, or providing services to, the electricity industry likely to cause a conflict of interest;
- (b) is an undischarged bankrupt;
- (c) has been convicted of an offence under this Act or an offence involving fraud or dishonesty by a competent court in Uganda or elsewhere;
- (d) has been convicted of an offence and sentenced to a term of imprisonment of six months or more by a competent court in Uganda or elsewhere; or
- (e) is a public officer, a member of Parliament, a Minister or a member of a local government council.

6. Tenure of office of members

(1) A member appointed to the Authority shall hold office for a term of five years and is eligible for re-appointment, provided that the members appointed to the Authority for the first term shall hold office as follows—(a) the Chairperson and two members shall hold office for five years; and

(b) the other two members shall hold office for four years.

(2) A member shall not be appointed for more than two terms.

7. Termination of appointment

(1) A member of the Authority may resign his or her office by sixty days' notice in writing delivered to the Minister.

(2) The Minister shall remove from office a member of the Authority who—

- (a) is adjudged bankrupt under any law in force in Uganda and has not been discharged;
- (b) becomes a public officer, a member of Parliament, a Minister or a member of a local government council;
- (c) is convicted of an offence under section 5(c) or (d) or an offence under this Act by a competent court in Uganda or elsewhere;
- (d) has been absent, without leave of the Authority, from more than three consecutive meetings of the Authority;
- (e) without reasonable cause has refused to act or has become incapable of acting for a period of at least six months;
- (f) for any reason, is permanently incapable of performing the duties of a member;
- (g) where information relating to the conduct of a member, which could have precluded his or her appointment if it had been made available to the Minister, is brought to the attention of the Minister; or
- (h) has neglected the duties of a member or behaves in a manner unbecoming of the office of a member.

(3) Where it appears to the Minister that there is cause to remove a member under subsection (2), the Minister shall notify the member concerned in writing and shall give the member an opportunity to submit his or her explanation to the Minister.

(4) Where a member is removed from office under this section, the Minister may appoint another person qualified in accordance with section 4 to replace the member to hold office for the remainder of the term of the previous member.

(5) A person removed under this section is not entitled to any benefits that may be payable to him or her under section 8.

8. Remuneration of members of Authority

The members of the Authority shall be paid such subsistence or other allowances as the Minister may, with the approval of Cabinet, specify in the instrument of appointment.

9. Functions of Authority

The functions of the Authority are—

- (a) to issue licences for—
 - (i) the generation, transmission, distribution or sale of electricity; and
 - (ii) the ownership or operation of transmission systems;
- (b) to receive and process applications for licences;
- (c) to prescribe conditions and terms of licences issued under this Act;
- (d) to modify licences issued under this Act;
- (e) to make and enforce directions to ensure compliance with licences issued under this Act;
- (f) to establish a tariff structure and to investigate tariff charges, whether or not a specific complaint has been made for a tariff adjustment;
- (g) to approve rates of charges and terms and conditions of electricity services provided by licensees;
- (h) to review the organisation of generation, transmission and distribution companies or other legal entities engaged in the generation, transmission and distribution of electricity to the extent that that organisation affects or is likely to affect the operation of the electricity sector and the efficient supply of electricity;
- (i) to develop and enforce performance standards for the generation, transmission and distribution of electricity;
- (j) to encourage the development of uniform electricity industry standards and codes of conduct;
- (k) to establish a uniform system of accounts for licensees;
- (l) to prepare industry reports and to gather information from generation, transmission and distribution companies;
- (m) to prescribe and collect licence fees;
- (n) to provide for the procedure for investment programmes by transmission and distribution companies;

- (o) to approve standards for the quality of electricity supply services provided;
- (p) to approve codes of conduct in respect of the operation of transmission and distribution systems;
- (q) to prescribe standardised feed in tariffs for renewable energy systems generating up to a maximum capacity of fifty megawatts or such other capacity as may be determined by the Authority;
- (r) to undertake consultancies, research and studies;
- (s) to advise the Minister on any matter relating to the electricity sector;
- (t) to acquire information and carry out investigations relating to any of the functions of the Authority; and
- (u) to perform any other function that is incidental or consequential to the functions of the Authority under this section, or as may be conferred on the Authority by any other law.

10. Conduct of functions

- (1) The Authority shall perform its functions and exercise its powers in a manner that—
 - (a) is open and objective;
 - (b) is fair and reasonable;
 - (c) is non-discriminatory; and
 - (d) promotes fair competition.
- (2) In the performance of its functions, the Authority shall—
 - (a) promote efficiency, economy and safety on the part of licensees and the efficient and safe use of electricity;
 - (b) ensure that licensees carry out the activities which they are licensed to perform;
 - (c) ensure that licensees comply with the conditions of their licences and protect the interests of consumers in respect of—
 - (i) the prices, charges and other terms of supply of electricity; and
 - (ii) the quality, efficiency, continuity and reliability of the supply services;
 - (d) promote competition in the generation and marketing of electricity;
 - (e) enable all licensees to connect to transmission systems and facilities in Uganda on a non-discriminatory basis on terms and

conditions that are fair and reasonable and, when practicable, ensure that licensees connect to distribution systems and facilities;

- (f) ensure transparency in relation to the activities of the power sector and the Authority;
- (g) ensure a fair balance of the interests of the consumers, the Government and participants in the power sector; and
- (h) promote continuity in the supply of electricity.

11. Meetings of Authority

Schedule 2 to this Act has effect with respect to meetings of the Authority and other matters to which it relates.

12. Special committees of Authority

- (1) The Authority may appoint one or more special committees—
 - (a) to inquire into and advise the Authority on such matters within the scope of the functions of the Authority as the Authority may refer to the special committee; and
 - (b) to exercise such powers or perform such duties of the Authority as the Authority may delegate or refer to the special committee.

(2) A special committee appointed under subsection (1) shall consist of a chairperson and other persons, whether members of the Authority or not, as the Authority may determine.

(3) Subject to any directions that may be given by the Authority, a special committee may regulate its own procedure.

13. Consultants

(1) The Authority may co-opt a person to assist it on any matter if the Authority is satisfied that the qualifications of the person are likely to assist the Authority.

(2) A person co-opted to assist the Authority under subsection (1) in relation to any matter may take part in the proceedings of the Authority concerning that matter but is not entitled to vote at a meeting or take part in any other proceedings of the Authority.

14. Delegation of functions

(1) Subject to subsection (2), the Authority may, by instrument of delegation, delegate to the Chairperson, a member of the Authority, an officer of the Authority or to a committee established under section 12, any of the powers, duties or functions of the Authority under this Act other than—
(a) the power to issue, reject, amend, revoke or impose conditions in respect of a licence;
(b) the power to approve or modify tariffs; and
(c) the power to make regulations.

(2) The Authority may delegate to any competent person, including a local government, in relation to an undertaking not exceeding two megawatts, the power—

- (a) to issue, reject, impose conditions in respect of, amend or revoke a licence; and
- (b) to approve or modify tariffs under this Act.

(3) The terms and conditions regulating the exercise of the powers delegated under this section shall be contained in the instrument of delegation.

(4) Any person aggrieved by the decision of a person or a local government in the exercise of its powers delegated under this section may appeal to the Authority.

(5) A person or a local government shall, in the exercise of a delegated power, duty or function under this section, comply with such directions or guidelines as the Authority may communicate in writing to the person or local government.

15. Independence of Authority

The Authority shall, subject to the declared policy of the Government and, except as is otherwise provided in this Act, be independent in the performance of its functions and duties and exercise of its powers and shall not be subject to the direction or control of any person or Authority.

16. Powers of Minister

(1) The Minister may give directions in writing to the Authority with respect to the policy to be observed and implemented by the Authority, except that the policy shall not adversely affect or interfere with the performance of the functions and exercise of powers of the Authority under this Act.

(2) The Minister shall cause a copy of any direction given to the Authority under subsection (1) to be published in the *Gazette*.

17. Energy policy and energy plan

(1) The Minister shall, in consultation with the relevant stakeholders, develop and publish an energy policy and energy plan which shall be reviewed every five years.

(2) The Minister shall prepare and publish a report on the implementation of the energy policy and energy plan within three months after the end of each financial year.

(3) The Minister shall, in consultation with the relevant stakeholders, develop, publish and review energy plans in respect of coal, renewable energy and electricity.

(4) The energy plans shall—
(a) take into account the national energy policy;
(b) serve as a guide for energy infrastructure investments;
(c) take into account all viable energy supply options; and
(d) guide the selection of the appropriate technology to meet energy demand.

(5) For the purposes of this section, “energy” does not include oil and gas.

PART III—SECRETARIAT AND STAFF OF AUTHORITY**18. Secretariat**

(1) The Authority shall have a secretariat consisting of a Chief Executive Officer and other staff.

(2) The Authority shall have a secretary to be appointed by the Authority on such terms and conditions as may be specified in the instrument of appointment.

(3) The Secretary shall—

- (a) act as secretary to the Authority and shall record the minutes of all proceedings of the Authority;
- (b) keep the minutes and other records of the Authority;
- (c) have custody of the seal of the Authority; and
- (d) carry out such other functions as the Authority or the Chief Executive Officer may assign to him or her.

(4) The Secretary shall, in the performance of duties of Secretary, be responsible to the Chief Executive Officer.

19. Chief Executive Officer

(1) The Chief Executive Officer shall be appointed by the Authority from among persons of high standards of integrity and maturity and who have substantial qualifications or experience in administration, economics, finance, law, management, environment or technical knowledge relating to the electricity industry.

- (2) A person shall not be appointed Chief Executive Officer who—
- (a) is a shareholder, a member of the Board, an employee, or the holder of a licence, of any entity operating in, or providing services to, the electricity industry likely to cause a conflict of interest;
 - (b) is an undischarged bankrupt;
 - (c) has been convicted of an offence under this Act or an offence involving fraud or dishonesty by a competent court in Uganda or elsewhere;
 - (d) has been convicted of an offence and sentenced to imprisonment for a term of six months or more by a competent court in Uganda or elsewhere; or
 - (e) is a public officer, a member of Parliament, a Minister or a member of a local government council.

(3) The Chief Executive Officer shall hold office for five years on such terms and conditions as may be specified in the instrument of appointment and is eligible for re-appointment for one further term.

(4) The Authority may terminate the services of the Chief Executive Officer for—

- (a) abuse of office;
- (b) misconduct or misbehaviour;
- (c) physical or mental incapacity, namely, that he or she is incapable of performing the functions of his or her office by reason of physical or mental incapacity;
- (d) mismanagement; or
- (e) incompetence.

(5) The Authority may also terminate the services of the Chief Executive Officer if the Chief Executive Officer contravenes subsection (2).

20. Functions of Chief Executive Officer

The Chief Executive Officer is, subject to this Act, and subject, in particular, to the directions of the Authority on matters of policy—

- (a) responsible for the day-to-day management of the affairs of the Authority and the implementation of the policy decisions of the Authority; and
- (b) responsible for the control of the staff of the Authority.

21. Other staff

(1) The Authority may appoint other officers and staff of the secretariat on such terms and conditions as may be specified in their instruments of appointment.

(2) The Authority shall, with the approval of the Minister, make regulations governing the terms and conditions of employment of the staff of the Authority.

(3) Notwithstanding anything in the Interpretation Act, regulations made under this section shall not be statutory instruments and shall not be required to be published in the *Gazette*.

PART IV—FINANCIAL MATTERS**22. Funds of Authority**

The funds of the Authority consist of—

- (a) money appropriated by Parliament for the purposes of the Authority;
- (b) fees prescribed by the Authority for processing of licence applications charged under this Act and such other fees, including fees payable annually by licensees, as may be prescribed under this Act;
- (c) a levy not exceeding 0.7 percent on the revenue received from generated electric energy;
- (d) money borrowed by the Authority under this Act or any other law;
- (e) grants from Government, and grants, gifts or donations from other sources acceptable to the Minister and the Minister responsible for finance; and
- (f) income from services rendered by the Authority.

23. Estimates

(1) The Chief Executive Officer shall, not less than two months before the beginning of each financial year, prepare and submit to the Authority for its approval estimates of income and expenditure for that financial year.

(2) The Chief Executive Officer may also, at any time before the end of the financial year, prepare and submit to the Authority for approval any estimates supplementary to the estimates under subsection (1).

(3) The Authority shall submit the estimates approved by the Authority under this section to the Minister for his or her approval, and the Minister may, in consultation with the Minister responsible for finance, approve the estimates.

(4) No expenditure shall be made out of the funds of the Authority unless the estimates in respect of the expenditure have been approved in the manner provided by this section.

(5) The Authority shall not incur any expenditure exceeding its budget without the approval of the Minister.

24. Power to operate bank accounts

(1) The Authority shall open and maintain bank accounts as are necessary for the performance of the functions of the Authority.

(2) The Authority shall ensure that all money received by or on behalf of the Authority is banked as soon as practicable after being received.

(3) The Authority shall ensure that no money is withdrawn from or paid out of the bank accounts of the Authority without its authority.

25. Borrowing powers

The Authority may, with the prior approval of the Minister and the Minister responsible for finance with the approval of Parliament, borrow money from any source as may be required for meeting the obligations and for discharging the functions of the Authority under this Act.

26. Application and investment of surplus funds

(1) The funds of the Authority may be applied—

- (a) for the payment or discharge of its expenses, obligations or liabilities incurred in connection with the performance of its functions or exercise of its powers under this Act; and
- (b) for the payment of any remuneration or allowances payable under this Act.

(2) Subject to subsection (1), the funds of the Authority may be invested—

- (a) in fixed deposit with a bank approved by the Authority;
- (b) in treasury bills and securities of the Government; or
- (c) in such other manner as may be approved by the Authority after consultation with the Minister and the Minister responsible for finance, but not in any business licensed under this Act.

(3) Where, at the end of a financial year, and after

- (a) setting aside the amount required for its capital expenditure and operations;
- (b) making provision for bad and doubtful debts;
- (c) making provision for depreciation of assets; and

(d) taking into consideration any other contingencies, any surplus is made from its operations, the Authority shall declare the surplus to the Minister responsible for finance, and it shall be paid into the Electricity Development Fund.

27. Financial year of Authority

The financial year of the Authority shall be the period of twelve months commencing on the 1st day of July and ending on the 30th day of June of the following year.

28. Accounts and audit

(1) The Authority shall keep proper accounts of its income and expenditure and records in relation to them.

(2) The Authority shall, within four months after the end of each financial year, cause to be prepared and submitted to the Auditor General for auditing by the Auditor General or an auditor appointed by the Auditor General, a statement of account of the Authority for that financial year in a form approved by the Minister responsible for finance.

(3) The Auditor General or an auditor appointed by the Auditor General is entitled to inspect all books, papers and other records of the Authority relating to all matters dealt with in any statement of account required to be prepared under subsection (2).

(4) The Auditor General shall, within two months after receiving the accounts of the Authority under subsection (2), cause them to be audited and shall deliver to the Authority and the Minister a copy of the audited accounts together with the report of the Auditor General on the audit.

(5) The Minister shall, as soon as possible after receiving the report of the Auditor General under subsection (4), cause the report to be laid before Parliament.

PART V—LICENSING**29. Notice of intended application**

(1) A person who intends to establish a project for which a licence is required under this Act shall notify the Authority of the intended project.

(2) The notice given under subsection (1) shall be in the prescribed form and shall as far as possible contain—

- (a) information on the financial and legal status and the technical and industrial competence and experience of the intended applicant;
- (b) a description of the project and the time plan for the execution of the project;
- (c) a review of the use of land for the project and the relation of the project to local authorities;
- (d) a review of public and private measures necessary to carry out the project;
- (e) information relating to permissions required from public authorities;
- (f) a description of the impact of the project on electricity supply, socioeconomics, cultural heritage, the environment, natural resources and wildlife; and
- (g) any other relevant information requested by the Authority.

30. Publication of advertisement

(1) The Authority shall, within thirty days after receipt of a notice under section 29, cause the notice to be published in the *Gazette* and in at least one national newspaper of wide circulation in Uganda.

(2) Publication of a notice under subsection (1) shall—

- (a) contain a summary of the notice; and
- (b) inform members of the public that the notice may be inspected at the offices of the Authority and at a public office within the jurisdiction of the local governments affected by the project.

(3) The Authority shall invite directly affected parties and affected public agencies to make comments on the notice within a fixed period of not less than thirty days after publication of the notice.

31. Permits

(1) The Authority may, not more than thirty days after the receipt of the comments under section 30, issue a permit in the prescribed form to the intended applicant.

(2) A permit issued under subsection (1) shall allow the intended applicant to carry out studies and any other activity that may be necessary to enable the intended applicant to prepare an application for a licence.

32. Authority may invite applications

Notwithstanding sections 29, 30 and 31, the Authority may, through a fair, open and competitive process in accordance with procedures prescribed by the Authority, by regulations, in consultation with the Minister, invite applications for any licence under this Act.

33. Applications

(1) An application for a licence shall be submitted to the Authority and shall contain—

- (a) the legal and financial status of the applicant;
- (b) a technical and economic description of the project;
- (c) a description of how the project fits in with the existing and planned power supply system;
- (d) the planned time of commencement and completion of the construction of the project;
- (e) a view of the adaption of the project to the landscape, including necessary maps and drawings;
- (f) the impact of the project on public interests and possible mitigation;
- (g) the results of assessments, including environmental impact assessments, and studies carried out and reports of those assessments and studies;
- (h) impacts of the project on private interests, including the interests of affected landowners and holders of other rights; and
- (i) consents and permits required under any other law.

(2) An application shall be accompanied by an evaluation by the applicant of all comments made under section 30.

(3) The Authority shall, within thirty days after receipt of the application, confirm in writing to the applicant that the application is complete in all aspects.

(4) The Authority—

- (a) may require an applicant to make such arrangements as may be satisfactory to the Authority for the execution of a bond or other form of security for the performance and observance of the conditions to which the licence may be subject; and
- (b) shall require the applicant to take the necessary insurance policies to protect against liabilities that may arise as a result of activities done under the licence.

34. Processing of applications

The Authority shall process all applications for a licence expeditiously and in any case not later than one hundred eighty days after the Authority receives the application.

35. Publication of notice of applications

(1) The Authority shall, within forty-five days after receiving the application, cause a notice of the application to be published in the *Gazette* and in at least one national newspaper of wide circulation in Uganda.

(2) A notice published under subsection (1) shall—

- (a) indicate the receipt of the application for a licence;
- (b) contain a description of the nature and location of the proposed undertaking;
- (c) inform members of the public that the application may, within the limits of commercial confidentiality, be inspected at the offices of the Authority;
- (d) invite directly affected parties and local authorities in areas affected by the project who object to the granting of the licence, whether on personal, environmental or other grounds, to lodge with the Authority an objection within a specified time, being not less than thirty days of the notice.

36. Objection to grant of licence

An affected party may lodge with the Authority an objection to the grant of a licence, setting out the grounds of the objection.

37. Factors to be considered for application

(1) The Authority shall, in granting or rejecting an application for a licence, take into consideration, as far as is adequate for the project applied for—

- (a) the energy needs of the country, region or community;
- (b) the impact of the operations of the undertaking on the social, cultural and recreational life of the community;
- (c) the need to protect the environment and to conserve the natural resources;
- (d) land use and siting or route of the project;
- (e) the costs of the project;
- (f) the ability of the applicant to operate in a manner designed to protect the health and safety of users of the service for which the licence is required and other members of the public who would be affected by the operations of the applicant;
- (g) the technical, economic and financial capacity of the applicant to render the service for which the licence is required;
- (h) energy efficiency;
- (i) any representations and objections made under section 36;
- (j) other public and private interests affected by the operation for which the licence is required; and
- (k) the price or tariff offered.

(2) Notwithstanding subsection (1), the Authority shall, in granting a licence, take into consideration the policies of the Government and any other matter that the Authority may consider likely to have a bearing on the operations of the applicant.

(3) The Authority may, in granting a licence under subsection (1), classify the licence taking into account the size and technology to be used or market segment to be served by the licensee.

38. Refusal to grant licence

(1) The Authority shall, where it refuses to grant a licence, give the applicant a statement of its reasons for the refusal within thirty days after the refusal.

(2) Any person aggrieved by the refusal of the Authority to grant a licence may appeal to the Tribunal.

39. Other licences

Except for the promotion of efficiency and fair competition, nothing in this Act shall prevent the holder of a licence who has fulfilled all the obligations under that licence from applying for and obtaining any other licence under this Act.

40. Authority may order compliance

(1) Where the Authority is of the opinion that a licensee is contravening a condition of a licence or a requirement under this Act, or regulations, codes or standards made under this Act, the Authority shall direct the licensee to comply with that condition or requirement.

(2) A notice containing the direction to comply under subsection (1) shall be sent to the licensee and other directly affected parties and shall—
(a) contain the relevant licence condition or requirement of legislation to which the breach is related;
(b) contain the acts, omissions or other facts which, in the opinion of the Authority, constitute a contravention of the condition or requirement;
(c) specify the period within which the licensee may rectify the breach or contravention; and
(d) specify the period, not being less than twenty days from the date of receiving the notice, within which representations or objections may be made by the licensee or directly affected parties.

(3) All representations and objections made under subsection (1) shall be considered before the Authority notifies the licensee and directly affected parties of its decision to either

(a) uphold the order of compliance;

- (b) vary the original order of compliance; or
- (c) withdraw the order of compliance.

(4) The licensee may, within twenty days from the date of receiving the decision, appeal to the Tribunal against a decision of the Authority under subsection (3).

41. Emergencies

(1) Where the Authority, following consultation with the relevant licensee and a directly affected party, is satisfied that a licensee is contravening or is likely to contravene a condition of a licence or any requirement under this Act or regulations, codes or standards made under this Act, and where the Authority is satisfied that immediate action is necessary—

- (a) to protect public health, safety, the environment; or
- (b) to prevent the dissipation of property or assets,

it may direct the licensee to take immediate action to discontinue or refrain from that practice.

(2) Where the licensee does not take action under subsection (1), the Authority may take action on behalf of the licensee at the cost of the licensee.

42. Revocation of licence

(1) The Authority may revoke a licence where it is satisfied that the licensee is not operating in accordance with the terms and conditions of the licence or provisions of this Act or any regulations, codes or standards made under this Act if the breach—

- (a) inflicts significant damage on public or private interests affected by the breach;
- (b) lasts for a considerable period of time;
- (c) takes place repeatedly; or
- (d) causes the Authority to have strong reasons to believe that the licensee may not be able to fulfill his or her obligations under the licence or this Act.

(2) The Authority shall give a licensee forty-five days' notice to show cause why the licence should not be revoked and the notice shall be published in the *Gazette* and in one or more newspapers circulating in the area where the breach occurred.

- (3) A notice under subsection (2) shall set out—
- (a) the relevant condition of the licence or the requirement of legislation to which the breach is related;
 - (b) the acts, omissions or other facts which, in the Authority's opinion, constitute a contravention of the condition or legislation, and the reasons why the Authority is of the opinion that any of the circumstances mentioned under subsection (1) exists; and
 - (c) the period not being less than twenty-eight days from the date of issuing of the notice within which representations or objections may be made by the licensee.
- (4) A decision made by the Authority to revoke a licence after considering all representations and objections received under this Act and other relevant factors may be appealed by the holder of the revoked licence to the Tribunal within thirty days after receipt of the decision of the Authority.
- (5) Where a licence is revoked, the Authority shall take such action as is necessary to ensure that the supply of service to consumers is not unduly interrupted as a result of the revocation.
- ### **43. Modification of licence**
- (1) The Authority may modify the terms and conditions of a licence if the benefits of the public interest of such modification significantly exceed the disadvantages of the licensee.
- (2) The Authority shall, before making modifications under subsection (1), give notice to the licensee
- (a) stating that it intends to make the modifications and setting out their effect;
 - (b) stating the reasons for modification and why it is of the opinion that the grounds for modification under subsection (1) are fulfilled; and
 - (c) specifying the period, not being less than thirty days from the date the licensee received the notice, within which representations or objections with respect to the intended modification may be made.
- (3) The Authority shall take into account all representations and objections before notifying the licensee of its decision to—
- (a) modify the licence as intended;

- (b) vary the intended modification; or
- (c) withdraw the intended modification.

(4) Where the licensee is aggrieved by the decision of the Authority, the licensee may, within twenty-eight days after receipt of a notice given under subsection (3), appeal to the Tribunal.

(5) The Authority shall, following an appeal to the Tribunal under subsection (4) and, taking into account the results of the appeal—

- (a) modify the licence;
- (b) vary the intended modification; or
- (c) withdraw the proposed modification.

(6) The modification of a licence by the Authority shall be effected by—

- (a) publishing the notice in such manner as the Authority considers appropriate for the purpose of bringing the notice to the attention of the public.

44. Application for modification by licensee

(1) Where, in the opinion of a licensee, a condition of its licence has become unduly onerous and is impacting on its ability to fulfill its obligations under the licence, it may apply in writing to the Authority requesting that the licence be modified, setting out—

- (a) the provision of the licence which it requires to be modified;
- (b) the reason why either that condition has become unduly onerous or how circumstances have changed, rendering that condition unduly onerous;
- (c) the proposed modification; and
- (d) any other evidence in support of the application.

(2) The Authority may modify a licence under this section only if a condition of the licence has become unduly onerous and is significantly impacting on the licensee's ability to fulfill the obligations under the licence.

(3) The Authority shall, on receipt of the application, review the application and communicate its opinion to the licensee within thirty days of receipt of the notice.

(4) The Authority may make a decision to—
(a) approve the application of the licensee for modification of the licence;
(b) make modifications different from those stated in the application;
(c) require further information from the licensee before making its decision; or
(d) reject the application to modify the licence,
and any such refusal shall be accompanied by a written report stating the reasons for the refusal.

(5) Where the Authority approves the application of the licensee under subsection (4)(a), it shall publish a notice of its intention to modify the licence in such manner as the Authority considers appropriate for the purpose of bringing the notice to the attention of the public, and the public shall be invited to make representations or objections to the Authority within thirty days.

(6) Where no representations or objections are made under subsection (5), the modification of the licence shall be effected.

(7) Where representations or objections are made, the Authority may request further information from the licensee, and within thirty days after receiving the required information, the Authority shall make a decision.

(8) Where the licensee is aggrieved by the decision of the Authority under this section, the licensee may within twenty-eight days after receipt of the decision of the Authority, appeal to the Tribunal.

45. Duration of licence

(1) Subject to any other provision of this Act, a licence shall remain in force for the period specified in the licence, but that period shall not in any case exceed forty years from the date of issue.

(2) A licensee may, within three years before the expiry of a licence, apply to the Authority for the renewal of the licence.

(3) The Authority may renew a licence on such terms and conditions determined by the Authority, and on payment to the Authority of the prescribed fee.

(4) This section does not apply to licences for hydropower generation of a capacity not exceeding ten megawatts.

46. Transfer of licence

(1) A licence shall not be transferred without the written consent of the Authority.

(2) A licensee may apply to the Authority, in the prescribed form and manner, for the transfer of a licence.

(3) An application under subsection (2) shall be accompanied by the application in the prescribed form of the person to whom the licensee intends to transfer the licence; and the prescribed transfer fee shall be paid on the approval of the transfer.

(4) The Authority shall satisfy itself of the legal, technical and financial competence of the transferee.

(5) In this section—

“control”, as used with respect to any person, means the possession, directly or indirectly, of the power to direct or cause the direction of the management of that person, whether through the ownership of shares, voting, securities, partnership or other ownership interests, agreements or otherwise; and

“transfer of licence” includes the acquisition of control of the licence holder.

(6) The Authority shall not unreasonably withhold consent to any application to transfer unless the Authority has reason to believe that the public interest is likely to be prejudiced by the transfer.

(7) A licensee may, within thirty days after receiving the decision of the Authority not to consent to a transfer, appeal against the refusal to the Tribunal.

47. Performance of activities

A licensee under this Act shall carry out activities in accordance with the licence, this Act and regulations made under this Act.

48. Records and reports

- (1) A licensee shall keep records and prepare reports relating to the operations of the licensee.
- (2) The Authority shall, by statutory instrument, make regulations prescribing the contents of records and reports required under subsection (1).
- (3) A licensee shall, at the request of the Authority and at the cost of the licensee, provide all available information about the technical, financial, hydrological or environmental issues and any other relevant information relating to the operations of the licensee.
- (4) A licensee shall keep financial records of his or her operations in accordance with requirements specified by the Authority.
- (5) The Authority shall require licensees undertaking more than one licensed operation to keep separate financial records for each operation.

49. Removal of installations

- (1) The licensee shall, on the expiry of the licence, remove at his or her own expense and to the satisfaction of the Authority, all installations considered by the Authority as inappropriate for further operations.
- (2) The removal of installations under subsection (1) shall be in accordance with the National Environment Act and any other relevant law.

50. Notice of accidents

- (1) A licensee shall send to the Authority notice of any accident which has occurred in any part of the works of the licensee or electric supply line, together with notice of any loss of life or serious personal injury occasioned by the accident.
- (2) A licensee who fails to send notice to the Authority under subsection (1) as soon as possible after the occurrence of the accident has become known to the licensee commits an offence.

(3) Nothing in subsection (1) shall absolve a licensee from the requirement to comply with the provisions of any other written law relating to accidents.

PART VI—LICENCES

51. Generation licence

(1) A person shall not construct, own or operate a generating station of a capacity of or exceeding 0.5 megawatts or such other capacity as may be determined by the Authority by regulations, without a generation licence.

(2) The Authority shall, subject to the payment of the prescribed fee, register a generating station constructed, owned and operated for commercial purposes of a capacity not exceeding 0.5 megawatts.

52. Reversion of hydropower plant

(1) On the expiry of a licence for a hydropower plant with a generation capacity exceeding ten megawatts, the plant, including all existing installations, property and rights needed for power generation, shall be transferred to the Government without any compensation being paid to the licensee.

(2) The power plant and installations transferred under subsection (1) shall be operational and well maintained at the time of transfer.

(3) The Minister shall, by regulations, prescribe the procedure for the transfer to the Government of the hydropower plant, installations and property referred to in subsection (1).

(4) This section does not apply where fifty percent or more of the power plant, or of the company which owns the power plant, is owned by the Government.

53. Transmission licence

A person shall not construct, own or operate an installation for the transmission of electricity without a transmission licence granted by the Authority.

54. Licensee to provide access

(1) A holder of a transmission licence shall provide access to all existing and potential users of the transmission network on the payment of fees and other charges for network services, as may be approved by the Authority.

(2) A licensee shall provide the Authority with such information as the Authority may prescribe to enable the Authority to approve the fees and charges under subsection (1).

55. System operator

(1) The Authority shall designate a person holding a transmission licence to be a system operator and license that person—

- (a) to coordinate the power supply system to obtain instantaneous balance between the generation and consumption of electricity;
- (b) to be responsible for dispatching generation installations;
- (c) to coordinate transmission outages;
- (d) to monitor the import and export of electricity;
- (e) to prepare forecasts of capacity requirements;
- (f) to make rules, with the approval of the Authority, for the dispatch of generating installations; and
- (g) to perform such other functions as may be prescribed by the Authority in the licence or by regulations.

(2) In the performance of the functions of the system operator, the system operator shall not show undue preference to any person or execute any kind of undue discrimination of any parties affected by the decisions of the system operator.

(3) The system operator may recover all reasonable costs connected with the execution of the functions of the system operator under this section.

(4) All licensees shall comply with the decisions of the system operator in connection with the execution of the functions of the system operator under this Act or regulations made under this Act.

56. Bulk supplier

(1) The Authority shall designate a bulk supplier who will be responsible for transmission and sale of electricity in bulk to distribution and sales companies.

(2) The terms and operating conditions of a bulk supplier shall be specified in the sales licence.

(3) Notwithstanding subsection (1), the Authority may, by regulations, prescribe the terms under which a licensee may supply electricity in bulk to a holder of a distribution licence, transmission licence or directly to a specified class or category of customers.

(4) The terms prescribed in regulations made under subsection (3) shall not provide for undue preference to a specific class or category of customers.

57. Distribution licence

(1) A person shall not distribute electricity without a distribution licence granted by the Authority.

(2) The area of distribution shall be defined in the distribution licence.

(3) The Authority may, by instrument of authorisation, delegate to a local government its power to license distribution systems with annual sales of less than four gigawatt hours.

(4) The Authority may withdraw the delegation if the bulk supplier does not exercise its functions in accordance with the authorisation.

58. Access to users

(1) A holder of a distribution licence shall provide access to all existing and potential users of the distribution network on the payment of fees and other charges for network services, as may be approved by the Authority.

(2) A licensee shall provide the Authority with such information as the Authority may prescribe to enable the Authority to approve the fees and charges under subsection (1).

(3) Where a holder of a distribution licence cannot, due to any reason, other than lack of capacity or technical conditions, allow access to the distribution system, a consumer may apply to the Authority for permission to access the distribution system and construct an electric supply line to the premises of the consumer.

(4) The Authority may, upon receipt of an application under subsection (3), order the holder of a distribution licence to allow the consumer to connect to the distribution system on such terms and conditions as the Authority may prescribe, including the method through which the consumer may recover the costs for constructing the electric supply line and access by other consumers to the electric supply line.

(5) Where a connection is made to the distribution system on the application of the distribution licence holder, the Authority may direct the owner of the line constructed under subsection (3) to transfer the ownership of the line to the distribution licence holder on such terms, including terms as to compensation, as may be agreed between the distribution licence holder and the consumer.

(6) The quality of the distribution services shall be in accordance with standards prescribed by the Authority.

59. Sale licence

(1) The sale of electricity shall be subject to a sale licence granted by the Authority.

(2) The Authority may, by instrument of authorisation, delegate to a competent person, including a local government, the power to issue licences to sell electricity within the jurisdiction of the local government to a licensee, provided that the annual sales of the licensee are less than four gigawatt hours.

(3) The Authority may withdraw the delegation under subsection (2) if the person or local government does not exercise its functions in accordance with the authorisation.

60. Export and import licences

(1) A person shall not import or export electricity without an export or import licence, as the case may be, granted by the Authority.

(2) An agreement for the import or export of electricity shall accompany an application for a licence under subsection (1).

61. Prohibition of unlicensed activity

Any person who—

- (a) generates, transmits or distributes electricity for the purpose of giving a supply to any premises or enabling a supply to be so given;
- (b) sells electricity to any premises; or
- (c) exports or imports electricity,

except under the authority of or under an exemption given under this Act, commits an offence.

PART VII—RURAL ELECTRIFICATION**62. Obligations of Government**

The Government shall undertake to promote, support and provide rural electrification programmes through public and private sector participation in order to—

- (a) achieve equitable regional distribution access to electricity;
- (b) maximise the economic, social and environmental benefits of rural electrification subsidies;
- (c) promote expansion of the grid and development of off-grid electrification; and
- (d) stimulate innovations within suppliers.

63. Rural electrification strategy and plan

(1) The Minister shall prepare a sustainable and coordinated rural electrification strategy and plan for Uganda for the approval of Cabinet.

(2) The Minister shall, once in each year, submit to Parliament an annual report on the progress and achievement of the plan which shall contain information relating to—

- (a) the expansion of the main-grid;
- (b) the development of isolated and mini-grid systems for relatively concentrated areas with a potential for productive use;
- (c) the renewable energy power generation for sale to the main-grid and for mini-grids; and
- (d) the installation of solar photovoltaic systems for isolated settlements that cannot be economically connected to the grid.

(3) The Minister shall periodically evaluate the impact of the rural electrification programme.

(4) The Minister may, with the approval of the Cabinet, amend the rural electrification strategy and plan.

64. Electricity Development Fund

(1) The Minister shall establish a fund to be known as the Electricity Development Fund.

- (2) The money of the Fund shall consist of
- (a) money appropriated by Parliament;
 - (b) any surplus made from the operations of the Authority and declared to the Minister responsible for finance under section 26(3); and
 - (c) donations, gifts, grants and loans acceptable to the Minister and the Minister responsible for finance.

(3) The Minister shall—

- (a) administer the Fund in accordance with this Act;
- (b) develop criteria for eligibility to receive financial support from the Fund;
- (c) define the subsidy level that will provide maximum access to electricity; and
- (d) carry out any other functions necessary for promoting development of the electricity supply industry.

(4) The Minister shall lay before Parliament, the approved annual estimates of revenue and expenditure drawn from the Fund in accordance with section 12 of the Public Finance Management Act.

(5) The Minister shall, by statutory instrument, make regulations for the management of the Fund.

65. Criteria for subsidy access

(1) The eligibility criteria for the subsidy level defined under section 64(3)(c) shall be developed through open and public consultation.

(2) The Minister shall determine the criteria and the appropriate level of the subsidy, taking into account—

- (a) the rate of progress of rural electrification;
- (b) the resources available from the Fund;
- (c) the extent to which the proposed activity demonstrates support for rural development, taking into account the priorities of the local community;
- (d) the level of community and investor commitment to the proposed activity;
- (e) the extent to which the proposed activity can demonstrate technical, economic and financial viability after the initial subsidy; and
- (f) the extent to which the proposed activity makes appropriate use of renewable energy resources.

66. Rural electrification database

The Minister shall maintain a national rural electrification database to assist in the monitoring of progress and establishment of the targets of rural electrification.

PART VIII—USE OF LAND FOR INSTALLATIONS

67. Power of licensee to use land

(1) A licensee authorised by the Authority either generally or on a particular occasion may place and maintain electric supply lines in, over or

upon any land and for that purpose it shall be lawful, upon written authorisation by the Authority, for the licensee or the representative of the licensee—

- (a) at all times, on reasonable notice, to enter upon any land and put up any posts which may be required for the support of any electric supply lines;
- (b) to fasten to any tree growing on that land a bracket or other support for the line;
- (c) to cut down any tree or branch which is likely to injure, impede or interfere with any electric supply line; and
- (d) to perform any activity necessary for the purpose of establishing, constructing, repairing, improving, examining, altering or removing an electric supply line, or for performing any other activity under this Act.

(2) A licensee shall not, in the exercise of the powers conferred under this section, except with the consent of the owner of the land under, over, along, across, in or upon which any electric supply line is placed—

- (a) acquire any right other than that of the user of the land under, over, along, across, in or upon which an electric supply line or post is placed and for the reason of that exercise;
- (b) exercise those powers in respect of any land vested in or under the control or management of a local government or other public authority, except in accordance with the procedure set out in section 68.

(3) A licensee shall do as little damage as possible to the land and to the environment and shall ensure prompt payment of fair and adequate compensation to all interested persons for any damage or loss sustained by reason of the exercise of the powers under this section.

(4) A licensee shall, except for the maintenance or repair of an electric supply line, before entering any private land for the purposes specified under subsection (1), give sixty days' notice to the owner of the land, stating as fully and accurately as possible the nature and extent of the acts intended to be done.

(5) The owner of the land for the purposes specified in subsection (1) may, within thirty days after the receipt of the notice under subsection (4), lodge a written objection with the Authority; and the Authority shall specify a date to inquire into the objection.

(6) If no objection is lodged within the time specified under subsection (5), the licensee may enter the land and do all or any of the acts specified in the notice given under subsection (4).

(7) The Authority may, taking into account the conclusions of any inquiry under subsection (5), authorise either unconditionally or subject to such terms and conditions as the Authority considers fit, any of the acts mentioned in the notice given under subsection (4).

(8) Any person aggrieved by the decision of the Authority may, within sixty days, appeal to the Tribunal.

(9) A licensee authorised by the Authority under this Part, or whose licence falls under section 52 shall, for the purposes of this Act, be an authorised undertaker within the meaning of the Land Act.

68. Procedure for using public land

(1) Where a licensee authorised by the Authority intends to enter land under the management or control of the Uganda Land Commission or a district land board, the licensee shall give thirty days' notice to the Uganda Land Commission or a district land board, stating the nature and extent of the acts intended to be done.

(2) The Uganda Land Commission or a district land board may, within thirty days after the receipt of the notice under subsection (1), permit the licensee to exercise any of the powers under section 67, subject to conditions, including the payment of any fee or compensation, as the case may be, for the use of land, the time or mode of execution of any works or for any other related activity undertaken by the licensee under that section.

(3) Where a licensee considers unacceptable the terms set by the Uganda Land Commission or a district land board to use the land specified in the notice referred to under subsection (1), the licensee may, after the expiration of the notice, apply to the Authority for a decision on the matter; and the Authority may specify a date to inquire into and decide upon the matter.

(4) The Authority may, taking into account the conclusions of an inquiry under subsection (3), authorise, either unconditionally or subject

to such terms and conditions as the Authority considers fit, any of the acts mentioned in the notice given under subsection (1).

(5) A person aggrieved by the decision of the Authority under subsection (4) may, within thirty days of the decision, appeal to the Tribunal.

69. Removal or alteration of electric supply line

(1) On application by the owner of land in, over or upon which a licensee has placed an electric supply line under section 67, the Authority may, upon presentation of convincing evidence, order the licensee, subject to any condition that may be imposed by the Authority, to alter the position of the line or remove it.

(2) Where an electric supply line is removed or its position is altered under subsection (1), the cost of removal or alteration of the line shall be borne by the owner of the land.

(3) On application by a local council or other public authority, the Authority may, upon presentation of convincing evidence—

- (a) order the licensee, subject to conditions that the Authority may determine, to alter the route of any electric supply line situated or proposed to be situated within the jurisdiction of the local council or other public authority; or
- (b) prohibit the construction or maintenance by the licensee of any electric supply line, except as directed by the Authority.

(4) Any person aggrieved by the decision of the Authority under subsection (3) may, within thirty days after the decision is made, appeal to the Tribunal.

70. Compensation

(1) Any question as to the entitlement of any person to compensation for right of use or as to the sufficiency of compensation under section 67(3) shall, in default of agreement, be determined as if the land had been acquired under the Land Act and the Land Acquisition Act.

(2) A claim for compensation under this section shall be lodged with the Authority within one year of the date of the act of the operator which gave

rise to the claim, except that the time for lodging the claim may be extended on application to the Authority, showing sufficient reasons for the extension.

(3) Any person aggrieved by the decision of the Authority may, within thirty days after the decision is made, appeal to the Tribunal.

71. Compulsory acquisition of land

(1) If a licensee determines that the licensee requires the acquisition of land, or an interest in land greater than the right of use necessary for the purpose of providing or maintaining electricity supply lines as provided in sections 67 and 68, the licensee may, with the approval of the Authority, request action by the Minister responsible for lands in accordance with this section.

(2) The Authority shall not unreasonably withhold or delay approval under subsection (1).

(3) The Authority shall provide a copy of the approval to the Minister responsible for lands and to the owner of or the person having interest in the land.

(4) Where the Minister responsible for lands is satisfied that the land or interest in land is required for the purpose of providing or maintaining electricity supply services to the public, and that the land or interest in land is required in the public interest, regardless of whether the licensee is a public or private entity, the Minister shall pursue the acquisition of the land on behalf of the licensee in accordance with the Constitution, the Land Act and the Land Acquisition Act.

(5) The licensee shall, where the Minister acquires land on behalf of the licensee under subsection (4), bear all the costs involved.

PART IX—INSPECTION

72. Reports

Every licensee shall, at the end of every financial year, prepare and submit to the Authority, in a form prescribed by the Authority, a report on the operations

and services of the licensee and the extent to which the conditions of the licence are being followed.

73. Inspectors

(1) The Authority may appoint inspectors for the purposes of verifying compliance by a licensee with this Act and with the decisions of the Authority under this Act.

(2) The Authority shall issue to an inspector a certificate of identity verifying the appointment of the inspector and authorising the inspector to exercise the powers conferred on him or her by this Act.

(3) An inspector exercising powers conferred on him or her by this Act shall, if requested by the person appearing to be in charge of any premises entered by the inspector in accordance with subsection (1), or by any person in relation to whom the power is sought to be exercised, produce to that person the certificate issued under subsection (2).

(4) Subject to subsection (3), an inspector may enter and inspect at any reasonable time, any premises owned by, or under the control of a licensee in which the inspector believes on reasonable grounds to be a document or information relevant to the enforcement of this Act, and examine the document or information or remove the document or information for examination or reproduction, as the case may be.

(5) An inspector shall sign for any information or document removed by him or her under subsection (4) and shall leave a copy with the licensee.

(6) The owner or person in charge of premises entered by an inspector shall—
(a) give the inspector all reasonable assistance to enable the inspector to carry out the duties of the inspector under this Act;
(b) and
give the inspector all information requested by him or her.

74. Investigations

(1) The Authority may investigate any licensee or system operator who commits any act or omission in breach of fair competition.

(2) A person with a complaint of a breach of fair competition against a licensee or system operator shall lodge a complaint to the Authority; and the Authority shall, if it appears that a breach of competition has been committed, investigate the act or omission and, where appropriate, take steps to remedy the breach.

(3) In this section, a licensee is in breach of fair competition if the licensee conducts any activity, alone or together with others, the effect of which, in the opinion of the Authority, is intended to have or is likely to have the effect of restricting, distorting or otherwise preventing competition in connection with any activity licensed under this Act, or which is prejudicial to the interests of the consumers.

(4) A licensee found to be in breach of fair competition by the Authority shall pay such amount of compensation to the consumer for any loss caused to the consumer as the Authority may determine.

PART X—TARIFFS

75. Tariffs and terms of supply

(1) The tariff structure and terms of supply shall be in accordance with principles of tariff calculation and terms of supply prescribed by the Authority taking into account the total revenues of the licensee from tariffs covering all reasonable costs and a reasonable rate of return.

(2) An application for a licence shall contain—
(a) a proposal for terms of supply and for fixing the tariffs, including total tariff revenues;
(b) the structure of calculation of tariffs; and
(c) information about existing and planned investments and the present and future quantity of electricity transmitted, distributed or sold.

(3) A proposal under subsection (2) shall be in accordance with principles prescribed by the Authority under subsection (1).

(4) The methodologies and procedures of tariff calculation and terms of supply shall be approved by the Authority and included in the licences.

(5) The Authority may prescribe different tariffs and terms of supply for different classes of consumers.

(6) A licensee shall not, in fixing tariffs and terms of supply under this section, show undue preference or discrimination among customers similarly situated, having regard to—

- (a) the place and time of supply;
- (b) the quantity of electricity supplied;
- (c) consumer load and power factor; and
- (d) the purpose for which the supply is taken.

(7) The holder of a generation licence shall pay to the district local government in which the renewable energy generating station is situated, a royalty agreed upon by the licensee and the district local government.

(8) The Authority shall, by regulations, prescribe the maximum royalties payable by generation licensees of renewable energy projects under subsection (7).

(9) Where the licensee and the district local government fail to agree upon the royalty, the Authority shall determine the royalty to be paid to the district local government by the licensee.

(10) Where the generating station is situated in more than one district local government area, the royalty paid under subsection (7) shall be shared proportionately among the district local governments.

(11) The Authority shall prescribe, in the instrument of delegation, the procedures for the approval of tariffs of licensees subject to regulation by local governments under section 14.

(12) An application for a distribution licence shall include a net metering plan for all customer categories.

(13) The application shall be granted after satisfying the requirements of net metering as provided for in the regulations.

PART XI—RIGHTS AND DUTIES OF CONSUMERS**76. Duties of consumers**

(1) A consumer shall comply with safety regulations made by the Authority.

(2) A consumer who fails to comply with regulations made under subsection (1) commits an offence.

77. Supply of electricity

(1) Subject to this Part and to any regulations made to give effect to this Part, a licensee shall, upon being required to do so by the owner or occupier of any premises—

- (a) supply electricity to those premises; and
- (b) so far as may be necessary for that purpose, provide supply lines or any electrical plant or equipment.

(2) Where a person requires a supply of electricity under subsection (1), that person shall give to the licensee a notice, in writing, specifying

- (a) the premises in respect of which the supply is required;
- (b) the day on which the supply is required to commence;
- (c) the maximum power which may be required at any time; and
- (d) the minimum period for which the supply is required to be given.

(3) Where the licensee receives from any person a notice under subsection (2) requiring the licensee to supply electricity to any premises and—

- (a) the licensee has not previously given a supply of electricity to those premises;
- (b) the supplying of electricity requires the provision of supply lines or electrical equipment or plant; and
- (c) other circumstances exist which make it necessary or expedient for the licensee to do so,

the licensee shall, as soon as practicable after receiving the notice, give to that person a notice in accordance with subsection (4).

(4) A notice under subsection (3) shall—

- (a) state the extent to which the proposals specified in the notice under subsection (2) are acceptable to the licensee;
 - (b) state whether the prices to be charged by the licensee will be determined by a tariff under section 75 or by a sale agreement and specify the tariff or the terms of the agreement;
 - (c) specify any payment which the person will be required to make under section 75; and
 - (d) specify any security, which the person will be required to give under section 80.
- (5) In this section and in sections 75, 76, 78, 79 and 80—
- (a) a reference to giving a supply of electricity includes a reference to continuing to give such a supply;
 - (b) a reference to requiring a supply of electricity includes a reference to requiring such a supply to continue to be given; and
 - (c) a reference to the provision of a supply line or an item of electrical equipment or plant is a reference to the provision of such a line or item either by the installation of a new one or by the modification of an existing one.
- (6) Subject to this Act, where a licensee defaults in supplying electricity to a consumer to whom the licensee is required to give a supply of electricity under this Part, the consumer may appeal to the Authority.
- (7) Notwithstanding subsections (5) and (6), a licensee may interrupt the supply of electricity to a consumer for such periods as may be necessary for carrying out inspections, tests, repairs, alterations, reconstructions or the making of new connections, and the licensee shall, except in the case of an emergency, give twenty-four hours' notice by advertisement in a local newspaper or other media to a consumer whose supply it intends to interrupt and who may reasonably be expected to require a supply during the period of interruption.
- (8) Where damage or loss is caused to the consumer by the negligence of the licensee in the exercise of powers conferred on the licensee by this Part, the consumer is entitled to prompt payment of fair and adequate compensation by the licensee for the damage or loss sustained as a result of the exercise of those powers.

(9) Compensation shall not be paid under subsection (8) unless a written claim for compensation has been lodged with the licensee within six months after either the consumer learning of the act giving rise to the claim, or the completion of any works in respect of which compensation is sought, whichever is later.

(10) A dispute as to the liability of the licensee to pay compensation under subsection (8) or the amount of that compensation shall be determined by the Tribunal.

(11) In this Part, “licensee” means the holder of a distribution licence.

78. Fees of licensee

Where a supply line or electrical equipment or plant is provided to a consumer by the licensee, the licensee may require the consumer to pay such access fees and other charges for services as may be approved by the Authority, having regard to the circumstances.

79. Exceptions to duty to supply electricity

(1) Nothing in section 77 shall be taken as requiring a licensee to give a supply of electricity to any premises where—

- (a) a supply of electricity is already being given to the premises by another licensee;
- (b) the supply referred to in paragraph (a) is given wholly or partly through the supply lines of the licensee and electrical equipment or plant;
- (c) the licensee is prevented from supplying electricity by circumstances beyond the control of the licensee;
- (d) circumstances exist by reason of which the licensee’s supplying of electricity will or may involve a breach of regulations made under this Act; or
- (e) it is not reasonable in the circumstances to supply electricity.

(2) This section does not apply in relation to a supply of electricity which is being given to any premises unless the licensee has given to the occupier or to the owner, if the premises are not occupied, a notice of not less than seven working days of the intention of the licensee to discontinue the supply of electricity.

(3) A person refused a supply of electricity by a licensee under this section may make a complaint to the Authority, and the Authority shall take such action against the licensee as the Authority deems necessary in accordance with this Act.

80. Security

(1) A licensee may require a person who requires a supply of electricity under section 77 to give to the licensee reasonable security for all money that may become due to the licensee—

- (a) in respect of the electricity supply; or
- (b) where the supply line or electrical plant or equipment has to be provided under section 77, in respect of the provision of that facility.

(2) Where a person fails to give the security required under subsection (1) the licensee may, if the licensee thinks fit, refuse to give the supply or equipment until the security has been given.

PART XII—OFFENCES AND PENALTIES

81. Offences relating to installations and equipment

(1) Any person who tampers with, or adjusts any installation or part of an installation, or manufactures or imports or sells any equipment so as to cause or to be likely to cause harm to human life or damage to any equipment or other property, commits an offence and is liable, on conviction, to a fine not exceeding fifty currency points or to imprisonment for a term not exceeding five years, or both.

(2) Any person who, without the consent of the licensee or the Authority, affixes or causes to be affixed any advertisement, bill or notice or any paper against or upon or otherwise defaces any building, post or bracket or other equipment or the enclosure thereof used for or in connection with any electrical installation commits an offence, and is liable, on conviction, to a fine not exceeding ten currency points.

(3) Any person who by any rash or negligent act or omission causes injury or damage to any person or property in respect of any installation or equipment or part thereof commits an offence, and is liable, on conviction,

to a fine not exceeding thirty currency points or to imprisonment for a term not exceeding three years, or both.

(4) Any person who damages any meter or other instrument used on or in connection with any licensed installation for recording the output or consumption of energy commits an offence and is liable, on conviction, to a fine not exceeding twenty currency points or to imprisonment for a term not exceeding two years, or both.

(5) Any person who, in contravention of section 61, uses, works or operates, or permits to be used, worked or operated any installation commits an offence and is liable, on conviction, to a fine not exceeding three hundred currency points and to a further fine not exceeding five currency points for every day or part of a day during which the offence continues after conviction.

(6) Any person who, in contravention of section 61, supplies energy from an installation to or for the use of any person commits an offence and is liable, on conviction, to a fine not exceeding two hundred currency points and to a further fine not exceeding five currency points for every day or part of a day during which the offence continues after conviction.

82. Offences relating to supply of electricity and electrical works

(1) A licensee who, without the express authority of the Authority, supplies electricity or lays down any supply lines or constructs any electrical works outside the distribution area specified in the licence commits an offence and is liable, on conviction, to a fine not exceeding one hundred currency points.

(2) Any unauthorised line or work referred to under subsection (1) may, after conviction of the licensee, be removed by order of the Authority; and if the order of the Authority is not complied with, the reasonable costs of removal may be recovered from the licensee.

83. Offences relating to licences

A licensee who without lawful excuse fails to comply with any term or condition of the licence commits an offence and is liable, on conviction, to a fine not exceeding ten thousand currency points and in the case of a

continuing contravention, to an additional fine of five hundred currency points for every day or part of a day during which the offence continues.

84. Offences by body corporate

(1) Where an offence committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of a director, manager, secretary or other similar officer of the body corporate or any person who was purporting to act in any such capacity, he or she, as well as the body corporate, commits that offence and is liable to be prosecuted and punished accordingly.

(2) An individual who commits an offence under subsection (1) is liable, on conviction, to a fine or to imprisonment for a term prescribed by the relevant section under this Act.

85. Power of Authority to impose fine

(1) Where the Authority is satisfied that a licensee—
(a) has contravened or is contravening any term or condition of a licence; or
(b) has failed or is failing to achieve any standard of performance prescribed under this Act, regulations or a licence,
the Authority may impose on the licensee a fine not exceeding five thousand currency points.

(2) The Authority shall, before imposing a fine under subsection (1), give notice to a licensee—

- (a) stating that the Authority proposes to impose a fine and the amount of the fine proposed to be imposed;
- (b) setting out the condition or the standard of performance which the licensee has contravened;
- (c) specifying the acts or omissions which, in the opinion of the authority, constitute the contravention; and
- (d) specifying the period within which representations or objections with respect to the proposed fine may be made.

(3) The Authority shall consider any representations made by a licensee before imposing a fine under this section.

(4) Upon reaching a decision, the Authority shall serve a notice on the licensee within seven days after the date of the decision stating—

- (a) that the Authority has imposed a fine on the licensee and the amount of the fine;
- (b) the relevant condition or the standard of performance contravened by the licensee;
- (c) the specific act or omission which, in the opinion of the authority, constitutes the contravention; and
- (d) the specific date by which the fine is required to be paid.

(5) For the purposes of tariff calculation, the penalty imposed under this section shall not form part of the allowable regulated costs of the licensee.

(6) A licensee aggrieved by the decision of the Authority, shall appeal to the Tribunal within twenty-eight days of receipt of the notice of the decision under subsection (4).

86. Offences relating to registration

Any person who fails or neglects to register any installation under section 51(2) commits an offence and is liable, on conviction, to a fine not exceeding ten currency points and a further fine not exceeding one currency point for every day or part of a day during which the offence continues after conviction.

87. Damage to public lamps, etc.

Any person who, negligently and without lawful authority, extinguishes or damages any public lamp or defaces any post, bracket or other means of support of a public lamp commits an offence and is liable, on conviction, to a fine not exceeding twenty thousand currency points or to imprisonment for a term not exceeding ten years, or both.

88. Interference with meters, works or public lamps

(1) A person commits an offence who—

- (a) cuts, removes, takes away or transfers any electric supply line, material, meter or public lamp from a tower, pole or any other installation or site where the electric supply line, material, meter or public lamp may be stored or situated including during transportation, without the consent of the licensee or the owner;

- (b) stores or otherwise keeps in his or her premises, any electric supply line, material, meter or public lamp without the consent of the licensee or owner;
- (c) moves from one place to another any electric supply line, material, meter or public lamp without the consent of the licensee or owner;
- (d) without authorisation connects any meter, indicator or apparatus with any electric supply line through which electricity is supplied by a licensee or disconnects a meter, indicator or apparatus from any electric line;
- (e) without authorisation reconnects any meter, indicator or apparatus with any electric supply line or other works being the property of a licensee when the electric supply line has been cut or disconnected;
- (f) lays or causes to be laid or connects up any works for the purpose of communicating with any other works belonging to a licensee; or
- (g) damages any meter, indicator, or apparatus belonging to a licensee or alters the index of any meter, indicator or apparatus or prevents any meter, indicator or apparatus from duly registering.

(2) A person who commits an offence under subsection (1) is liable, on conviction, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding twelve years, or both.

(3) A person convicted of a subsequent offence under this section is liable to a fine not exceeding one hundred thousand currency points or to imprisonment for a term not exceeding fifteen years, or both.

(4) A person who receives stolen electric supply lines or materials knowing or having reason to believe the same to be stolen property, commits an offence and is liable, on conviction, to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding fifteen years, or both.

89. Diversion of energy and damage to supply lines

Any person who, wilfully or negligently, causes energy to be diverted from its proper course or to be wasted, or who breaks, throws down, causes to fall or damages any supply line, post, pole or other equipment, installation or any part thereof, as the case may be, connected with the supply of energy, commits an

offence and is liable, on conviction, to a fine not exceeding twenty thousand currency points or to imprisonment for a term not exceeding ten years, or both.

90. Theft of electricity

- (1) A person who—
 - (a) taps, makes or causes to be made any connection with overhead, underground or underwater lines or cables or service wires or service facilities of a licensee;
 - (b) tampers with a meter, installs or uses a current reversing transformer, loop connection or other device or method which interferes with accurate or proper registration, calibration or metering of electric current; or
 - (c) damages or destroys an electricity meter, apparatus, equipment or wire or causes or allows the electricity meter, apparatus, equipment or wire to be so damaged or destroyed as to interfere with the proper or accurate metering of electricity, to abstract, consume or use electricity,

commits an offence and is liable, on conviction, to a fine not exceeding twenty thousand currency points or to imprisonment for a term not exceeding ten years, or both.

(2) Where the electricity abstracted, consumed, or used in an offence under subsection (1)—

- (a) does not exceed 10 kilowatts, the convicted person shall, in addition to a penalty imposed under subsection (1), be liable to pay ten times the cost of the abstracted, used or consumed load calculated at the prevailing tariff; and
- (b) exceeds 10 kilowatts, the convicted person shall, in addition to a penalty imposed under subsection (1), be liable to pay twenty times the cost of the abstracted, used or consumed load calculated at the prevailing tariff.

91. Interference with electrical installations

- (1) A person shall not, without the lawful permission of the Authority or the licensee, as the case may be, undertake any work or engage in any activity in the vicinity of any electrical installation or part of the installation in a manner likely to interfere with any electrical installation or to cause danger to any person or property.

(2) Any person who contravenes this section commits an offence and is liable, on conviction, to a fine not exceeding twenty currency points or to imprisonment for a term not exceeding two years, or both.

92. Installation of electrical wiring

(1) A person shall not install any electrical wiring or extension to existing wiring on any premises without first obtaining an installation permit issued by the Authority.

(2) Any person who contravenes this section commits an offence and is liable, on conviction, to a fine not exceeding twenty currency points or to imprisonment for a term not exceeding two years, or both.

93. General penalty

A person convicted of an offence under this Act for which no penalty is expressly provided, is on conviction, liable to a fine not exceeding fifty thousand currency points or to imprisonment for a term not exceeding twelve years, or both and in case of a continuing offence, to a fine not exceeding five hundred currency points for every day or part of a day during which the offence continues.

94. Compensation

Any person who removes, destroys or damages, whether wilfully or otherwise, any installation or any part of an installation or a public lamp, post, bracket or other means of support of a public lamp, or other instrument used in connection with any installation for recording the output or consumption of energy is, in addition to any penalty to which he or she may be liable under this Act, liable to pay full compensation for the damage he or she has done; and the compensation is recoverable by civil action or suit before court.

95. False information

(1) Any person who knowingly provides false or incorrect information to the Authority commits an offence.

(2) Any person convicted of an offence under this section is liable to a fine not exceeding ten currency points or to imprisonment for a term not exceeding one year, or both.

96. Compensation order

(1) Any person convicted of an offence under this Act may be held liable for any loss or damage caused by the offence and may be ordered by the court, in addition to any penalty imposed by the court for the offence, to pay an amount of compensation for the damage.

(2) An order made under subsection (1) may be enforced as if it were a judgment in a civil action or suit before a court.

PART XIII—ELECTRICITY DISPUTES TRIBUNAL

97. Establishment of Electricity Disputes Tribunal

(1) There is established a tribunal to be known as the Electricity Disputes Tribunal.

(2) The Tribunal shall consist of a chairperson, a vice chairperson and five other members.

98. Chairperson and Vice Chairperson of Tribunal

(1) The Minister, in consultation with the Judicial Service Commission, shall appoint the Chairperson and Vice Chairperson of the Tribunal.

(2) A person is not qualified to be appointed Chairperson or Vice Chairperson of the Tribunal unless the person is qualified to be a judge of the High Court.

99. Appointment of other members

(1) The other members of the Tribunal shall be appointed by the Minister on the recommendation of the Public Service Commission.

(2) A member of the Tribunal may be appointed on a part-time or full time basis.

100. Qualifications for appointment

A person may only be appointed as a member of the Tribunal if the person is of high moral character and proven integrity and has proven experience in at least one of the following areas—

- (a) technical knowledge, either in the generation, transmission or distribution of electricity;
- (b) law or administration;
- (c) finance or economics;
- (d) the energy industry; or
- (e) environment.

101. Tenure of office

A member of the Tribunal shall hold office for five years and is eligible for re-appointment.

102. Conditions of appointment

Subject to this Act, a member of the Tribunal shall hold office on such terms and conditions as are prescribed in the letter of appointment.

103. Disqualification from appointment to Tribunal

A person shall not be appointed a member of the Tribunal or be requested to give technical advice who—

- (a) is a shareholder, a member of the board, an employee, or the holder of a licence, of any entity engaged in providing services to the electricity industry likely to cause a conflict of interest;
- (b) is an undischarged bankrupt or has made any arrangements with his or her creditors;
- (c) is incapacitated by mental or physical illness;
- (d) has been convicted of any offence involving moral turpitude in Uganda or elsewhere; or
- (e) is otherwise unable or unfit to discharge the functions of member of the Tribunal or to give technical advice.

104. Oath of office

A person who is appointed a member of the Tribunal shall, before assuming the duties of office, take and subscribe the Oath of Allegiance and the Judicial Oath in the Fourth Schedule to the Constitution.

105. Termination of appointment

- (1) This section applies to all members of the Tribunal.
- (2) A member of the Tribunal may resign from office by notice in writing delivered to the Minister.
- (3) The Minister may, in consultation with the Judicial Service Commission, in the case of the Chairperson and the Vice Chairperson, and in consultation with the Public Service Commission, in the case of the other members of the Tribunal, remove from office the Chairperson, the Vice Chairperson or a member of the Tribunal who—
 - (a) is unable to perform the functions of his or her office arising from infirmity of body or mind;
 - (b) misbehaves or conducts himself or herself in a manner unbecoming of the office of member of the Tribunal;
 - (c) is incompetent;
 - (d) becomes an undischarged bankrupt;
 - (e) fails to disclose to the Tribunal any interest in any contract or matter before the Authority in accordance with section 106; or
 - (f) is convicted of an offence and sentenced to imprisonment for a term of six months or more by a competent court in Uganda or outside Uganda.

106. Disclosure of interest

Where a member of the Tribunal, as constituted for the purposes of a proceeding, has any interest, pecuniary or otherwise, that could conflict with the proper performance of the functions of the member, the member shall disclose the interest to the parties to the proceedings and shall not take part in the proceeding or exercise any powers in relation to the matter to which the proceeding relates.

107. Official seal

- (1) The Tribunal shall have a seal which shall be judicially noticed.
- (2) The seal of the Tribunal shall be affixed by or with the Authority of the Tribunal to such documents as are required by direction of the Chairperson to be sealed with the seal of the Tribunal.

108. Arrangement of business

- (1) Subject to this Act, the Chairperson is responsible for ensuring the orderly and expeditious discharge of the business of the Tribunal.
- (2) Where the Chairperson of the Tribunal is unable to discharge his or her functions owing to absence, illness or any other cause, the Vice Chairperson shall discharge the functions of the Chairperson until the Chairperson resumes duty.
- (3) Where there is a vacancy in the office of the Chairperson of the Tribunal by reason of death, resignation or otherwise, the Vice Chairperson shall act as the Chairperson of the Tribunal until a new Chairperson is appointed.
- (4) Without limiting the operation of subsection (1), the Chairperson shall give directions relating to—
 - (a) the arrangement of the business of the Tribunal;
 - (b) the places at which the Tribunal may sit generally; and
 - (c) the procedure of the Tribunal at a particular place.
- (5) The times and places of the hearings of the Tribunal shall be determined by the Chairperson with a view to securing a reasonable opportunity for applicants to appear before the Tribunal with as little inconvenience and expense as is practicable.

109. Constitution of Tribunal for exercise of powers

- (1) The Tribunal shall be constituted for a proceeding when three of the members are present.

(2) The Chairperson shall preside at all sittings of the Tribunal and in the absence of the Chairperson, the Vice Chairperson shall preside.

(3) The Chairperson of the Tribunal may constitute the Tribunal into panels with each panel consisting of at least three members.

(4) The powers of the Tribunal may be exercised by a sitting of all the members of the Tribunal or by panels of the Tribunal.

(5) Where panels are constituted, the Chairperson of the Tribunal may by notification make provisions as to the distribution of the business of the Tribunal amongst the panels and provide for the matters to be dealt with by each panel.

(6) The Chairperson of the Tribunal may, on his or her initiative or on application by a party, and if satisfied with the reasons for the request, transfer a case pending before one panel to another panel for disposal.

110. Technical advice

(1) The Tribunal may seek technical advice from persons whose specialised knowledge or experience may assist the Tribunal in its proceedings.

(2) A person giving technical advice shall cease to advise the Tribunal if that person—

- (a) is subsequently disqualified from appointment in accordance with section 103;
- (b) fails to disclose to the Tribunal any interest in the electricity sector or in a contract or other matter before the Authority or the Tribunal; or
- (c) subsequently acquires any interest in the electricity sector.

111. Remuneration

A member of the Tribunal or a person giving technical advice to the Tribunal shall be paid an allowance that may be determined by the Minister.

112. Funds of Tribunal

The funds of the Tribunal shall consist of—

- (a) money appropriated by Parliament for enabling the Tribunal to perform its functions; and
- (b) grants or donations from sources approved by the Minister and the Minister responsible for finance.

113. Tribunal to open and operate bank accounts

(1) The Tribunal shall, with the authority of the Accountant General, open and maintain bank accounts as are necessary for the performance of the functions of the Tribunal.

(2) The bank accounts of the Tribunal shall be operated in accordance with the Public Finance Management Act.

- (3) The Registrar of the Tribunal shall ensure that—
 - (a) all money received by or on behalf of the Tribunal is banked as soon as practicable; and
 - (b) no money is withdrawn from or paid out of any of the bank accounts of the Tribunal without the authority of the Chairperson.

114. Estimates

(1) The Tribunal shall, in accordance with the Public Finance Management Act prepare and submit to the Minister and the Minister responsible for finance for approval, a budget containing the estimates of income and expenditure of the Tribunal for the next financial year.

(2) The Tribunal shall not incur any expenditure exceeding the budget without the written approval of the Minister responsible for finance.

115. Financial year of Tribunal

The financial year of the Tribunal shall be the period of twelve months commencing on the 1st day of July and ending on the 30th day of June of the following year.

116. Accounts

The Tribunal shall—

- (a) keep proper books of accounts and all records relating to the transactions and affairs of the Tribunal;
- (b) within two months after the end of the financial year, prepare annual financial statements for the preceding financial year;
- (c) within two months after the end of each financial year, submit the annual accounts to the Auditor General; and
- (d) publish an annual report with its audited accounts within six months after the end of the financial year.

117. Audit

The Auditor General or an auditor appointed by the Auditor General shall, in each financial year, audit the accounts of the Tribunal in accordance with the National Audit Act.

118. Jurisdiction of Tribunal

- (1) The Tribunal shall have jurisdiction to hear and determine all matters relating to the electricity sector, referred to the Tribunal.
- (2) For the avoidance of doubt, the jurisdiction of the Tribunal does not include the trial of any criminal offence or the hearing of any dispute that a licensee and any other party may have agreed to settle in accordance with their agreement.
- (3) The Tribunal shall, in the exercise of its jurisdiction under this Act, have all the powers of the High Court.

119. Power of review and appeals from Tribunal

- (1) The Tribunal may, on its own motion or upon application by an aggrieved party, review its judgments and orders.
- (2) Judgments and orders of the Tribunal shall be executed and enforced in the same manner as judgments and orders of the High Court.
- (3) Any person aggrieved by a decision of the Tribunal may, within thirty days from the date of the decision or order, appeal to the High Court.

(4) The law applicable to appeals from the High Court in civil matters shall, with the necessary modifications or other adjustments as the Chief Justice may direct, apply to appeals from the Tribunal to the High Court.

(5) Except in the case of an appeal under this section, it shall not be lawful for any court or Tribunal to entertain any action or proceeding of any nature for the purpose of questioning any judgment, finding, ruling, order or proceeding of the Tribunal.

(6) Any person aggrieved by the decision of the High Court under this section may, within thirty days of the date of the decision, appeal to the Court of Appeal.

120. Procedure of Tribunal

(1) The Tribunal shall meet as and when there is need to exercise its jurisdiction under this Act.

(2) A decision of the Tribunal or panel of a Tribunal shall be binding if the decision is supported by a majority of the members.

(3) A witness before the Tribunal shall have the same immunities, obligations and privileges as a witness before the High Court.

(4) The Tribunal shall conduct its proceedings without procedural formality but shall observe the rules of natural justice.

(5) Except as prescribed in this Act, the Tribunal may regulate its own procedure.

121. Registrar of Tribunal

(1) The Tribunal shall have a registrar who shall be a person qualified to be a registrar of the High Court and who shall be appointed by the Minister in consultation with the Judicial Service Commission.

(2) The Registrar shall be responsible for the day-to-day administration of the Tribunal, the keeping of a public record of the discussions of the Tribunal and the processing of the papers of the Tribunal.

(3) The Tribunal shall have a registry and such other staff appointed by the Tribunal, in consultation with the Public Service Commission as may be necessary for the functioning of the registry.

122. Immunity of members and employees of Tribunal

No action, suit, prosecution or other proceeding may be brought or instituted personally against a person who is or was a member of the Tribunal or employee of the Tribunal in respect of any act done or omitted to be done in good faith in the discharge of any function under this Act.

PART XIV—MISCELLANEOUS

123. Exemptions

(1) The Authority may, by statutory order, grant an exemption from the requirement to hold a licence for the generation, distribution or sale of electricity by categories of persons or by a particular person, for the promotion of rural electrification where the generation capacity does not exceed two megawatts, but that exemption shall not preclude the Authority from exercising its other regulatory functions under this Act.

(2) An exemption granted to persons of a particular class shall be published in such manner as the Authority considers appropriate for bringing the exemption to the attention of persons of that class.

(3) An exemption granted by the Authority under this section shall be in writing and may be revoked in accordance with any term contained in the exemption.

(4) Unless previously revoked, an exemption will continue in operation for such period as may be specified in or determined by or under the exemption.

124. Administrative procedures

The Minister shall, in consultation with the Authority, lay down administrative procedures for the regulation of electricity distribution and sales to consumer activities involving generation systems of a capacity not exceeding two megawatts.

125. Annual and other reports

(1) The Authority shall, within four months after the end of each financial year, submit to the Minister, a statement of the activities of the Authority for the preceding financial year, containing such information as the Minister may require.

(2) The Authority shall also submit to the Minister such other reports on the activities of the Authority or on any other matter as the Minister may require.

126. Common seal and other instruments of Authority

(1) The common seal of the Authority shall—
(a) be in a form to be determined by the Authority; and
(b) not be affixed to any document except by order of the Authority.

(2) The common seal of the Authority shall be authenticated by the signatures of the Chief Executive Officer and two other members of the Authority.

(3) An instrument or contract which, if executed or entered into by a person other than a body corporate would not require to be under seal, may be executed or entered into on behalf of the Authority by the Chief Executive Officer or by any member of the Authority or any other person, if that member of the Authority or other person has been duly authorised by resolution of the Authority to execute or enter into the instrument or contract, as the case may be.

(4) Every document purporting to be an instrument or contract executed or issued by or on behalf of the Authority in accordance with this section shall be deemed to be so executed or issued until the contrary is proved.

127. Documents to be public documents

(1) Subject to subsection (2), all applications for licences and documents related to resolution of disputes, handling of cases regarding breaches of safety or technical regulations or any other matter dealt with by the Authority shall be regarded as public documents.

(2) The Authority may, on its own motion or on the application of a licensee, exempt such documents, as the Authority may prescribe, from access to the public under subsection (1) in order to prevent the revealing of business secrets and other sensitive matters.

(3) The Authority shall keep a register in which shall be entered the particulars of—

- (a) every exemption granted to a licensee;
- (b) every licence granted by the Authority;
- (c) every modification or revocation of a licence;
- (d) every compliance order or revocation of a compliance order; and
- (e) every requirement imposed and every consent or approval given by the Authority under the terms of a licence.

(4) All decisions of the Authority shall be in writing, and the Authority shall give reasons for every decision made by it.

128. Immunity of members and staff of Authority

(1) A member of the Authority or of a committee of the Authority is not personally liable for any action done or omitted to be done by the member in good faith, without negligence, for the purpose of carrying into effect the provisions of this Act.

(2) An officer or employee of the Authority or other person acting on behalf of the Authority is not liable for any act done by him or her in good faith, without negligence, for the purpose of carrying into effect the provisions of this Act.

129. Procedure for dealing with complaints from consumer

(1) A person aggrieved by a decision or action of a licensee may apply to the licensee for redress.

(2) A licensee shall establish procedures for dealing with complaints from the consumers or potential consumers of the service of the licensee.

(3) The procedures referred to under subsection (2) shall be approved by the Authority.

(4) A licensee shall publish the approved procedures in such a manner as the Authority may require.

(5) The Authority may direct the licensee to review the procedures or the manner in which the licensee operates and make modifications to the procedures.

(6) The Authority shall issue guidelines for better implementation of this section.

130. Regulations

(1) The Authority may, by statutory instrument, in consultation with the Minister, make regulations relating to—

- (a) safety standards;
- (b) technical equipment and skills;
- (c) the quality of deliverance of electricity;
- (d) tariffs;
- (e) licensing;
- (f) compliance requirements;
- (g) net metering;
- (h) the procedures for the special committees appointed under section 12;
- (i) the fees to be charged under this Act; and
- (j) any other matter necessary or convenient for giving full effect to this Act.

(2) Regulations made under subsection (1) may, in respect of any contravention of any of the regulations—

- (a) prescribe a penalty of a fine not exceeding four thousand currency points or imprisonment for a term not exceeding eight years, or both;
- (b) in the case of a continuing contravention, prescribe an additional penalty not exceeding five hundred currency points in respect of each day on which the offence continues;
- (c) prescribe a higher penalty not exceeding four thousand five hundred currency points or imprisonment for a term not exceeding nine years, or both in respect of a second or subsequent contravention; or

(d) provide for forfeiture of anything used in the commission of the offence.

(3) The Minister shall lay the Regulations made under this section before Parliament for information.

131. Grid code

The Authority shall, by statutory instrument, make regulations to establish a grid code.

132. Power to amend Schedules

(1) The Minister may, by statutory instrument, with the approval of Cabinet, amend Schedule 1 to this Act.

(2) The Minister may, by statutory instrument, amend Schedule 2 to this Act.

133. Successor company

The Minister shall, in accordance with the Public Enterprises Reform and Divestiture Act, cause to be incorporated under the Companies Act, a successor company or companies to assume all the duties, objectives and functions of the Uganda Electricity Board, except those to be exercised by the Authority under this Act, and to take over the property, rights and liabilities to which the Uganda Electricity Board is entitled or subject to.

134. Shareholding of successor company

The three successor companies; the Uganda Electricity Generation Company Limited, the Uganda Electricity Transmission Company Limited and the Uganda Electricity Distribution Company Limited formed and registered in accordance with the requirements of section 28 of the Public Enterprises Reform and Divestiture Act shall continue to exist subject to the following—

- (a) sections 24 and 28(3) of the Public Enterprises Reform and Divestiture Act shall cease to apply to the successor companies; and
- (b) the shareholding of the successor company incorporated under section 133 shall be the Minister responsible for electricity as the

- majority shareholder and the Minister responsible for finance as the minority shareholder;
- (c) the board of directors and the secretary of every successor company incorporated under section 133 shall cooperate with the Minister in the transfer of shares under this section.
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SCHEDULES

Schedule 1

Sections 2, 132(1)

Currency Point

A currency point is equivalent to twenty thousand shillings.

Schedule 2

Sections 11, 132(2)

Meetings of Authority and Other Matters

1. Meetings of Authority

(1) The Authority shall meet for the discharge of business at least once in every month or upon a request in writing to the Chairperson by at least three members of the Authority.

(2) The Authority shall meet at such time and place as the Chairperson may appoint.

(3) The Chairperson may also call a special meeting of the Authority.

(4) A meeting of the Authority shall be convened by a notice to each member issued and signed by the Secretary at least fourteen days before the meeting, except that a shorter notice may be given for a special meeting.

(5) The Chairperson shall preside at all meetings of the Authority, and in the absence of the Chairperson, a member elected by the members present shall preside.

2. Quorum

The quorum at a meeting of the Authority shall be three members.

3. Minutes of meetings of Authority

(1) The Secretary shall cause to be recorded and kept minutes of all meetings of the Authority in a form approved by the Authority.

(2) The minutes recorded under this paragraph shall be submitted to the Authority for confirmation at the next meeting of the Authority following that to which the minutes relate and when so confirmed shall be signed by the Chairperson and the Secretary in the presence of the members present at the latter meeting.

4. Decisions of Authority

(1) The decisions of the Authority shall be by majority vote.

(2) Each member shall have one vote; and the Chairperson shall not have a casting vote except in circumstances where, for whatever reason, the constitution of the Authority amounts to an uneven number.

5. Decision by circulation of papers

(1) Subject to subparagraph (2), a decision of the Authority may be made by circulation of the relevant papers among members of the Authority and the expression of their views in writing; except that any member is entitled to require that the decision be deferred until the subject matter has been considered at a meeting of the Authority.

(2) A decision made by circulation of papers under this paragraph is not valid unless the decision is supported by four members of the Authority.

6. Validity of meetings not affected by vacancy, etc.

The validity of any proceedings of the Authority shall not be affected by any vacancy among the members of the Authority or by any defect in the appointment of any of them.

7. Disclosure of interest

(1) A member of the Authority who is in any way directly or indirectly interested in a matter being considered at a meeting of the Authority or in

which the spouse of the member is interested in a private capacity shall, as soon as practicable after the commencement of the meeting, disclose the nature of the interest to the meeting.

(2) A member making a disclosure under subparagraph (1) shall not take part in any consideration or discussion of, or vote on, any question relating to the matter.

(3) A disclosure of interest made under this paragraph shall be recorded in the minutes of the meeting at which the disclosure of interest is made.

8. Service of documents and other notices

A notice or other document may be served on the Authority by delivering the notice or other document to the office of the Secretary or by sending the notice or other document by prepaid registered post addressed to the Secretary.

9. Authority may regulate procedure

Except as otherwise provided under this Act, the Authority may regulate its own procedure.

History: Act 6/1999; S.I. 42/1999; Cap. 145 (Revised Edition, 2000); S.I. 18/2002; S.I. 24/2021; Act 4/2022

Cross References

Constitution

Companies Act, Cap. 106

Interpretation Act, Cap. 2

Land Acquisition Act, Cap. 235

Land Act, Cap. 236

Local Governments Act, Cap. 138

National Audit Act, Cap. 170

National Environment Act, Cap. 181

Public Enterprises Reform and Divestiture Act, Cap. 78

Public Finance Management Act, Cap. 171