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Kenya

Energy Act

The Energy (Electricity Regulatory Accounts) Regulations, 2022

Gazette Notice 10556 of 2023

Legislation as at 11 August 2023

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The Energy (Electricity Regulatory Accounts) Regulations, 2022 (Gazette Notice 10556 of 2023)
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ENERGY ACT

THE ENERGY (ELECTRICITY REGULATORY ACCOUNTS) REGULATIONS, 2022

GAZETTE NOTICE 10556 OF 2023

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Part I – GENERAL PROVISIONS

1. Citation

These Regulations may be cited as the Energy (Electricity Regulatory Accounts) Regulations.

2. Interpretations

In these Regulations, unless the context otherwise requires any word or expression defined for the purposes of the Act shall have the same meaning ascribed thereto when used in these Regulations;

“**Act**” means the Energy Act ([Cap. 314](#));

“**Activity-based**” means a methodology for the allocation of costs in relation to the way resources are consumed and with reference to the causation of cost at the level of business activities;

“**Associate**” means bodies corporate that are subsidiaries to the same body corporate or where one of the body corporates is a subsidiary of the other;

“**Auditor**” means an independent person qualified under the Companies Act ([Cap. 486](#)) and who is prequalified by the Authority to carry out an audit under these Regulations;

“**Authority**” means the Energy and Petroleum Regulatory Authority established by section 9 of the Act;

“**Beneficial owner**” has the meaning assigned to it under the Companies Act ([Cap. 486](#));

“**Cabinet Secretary**” means the Cabinet Secretary for the time being responsible for energy;

“**Consumer**” has the meaning assigned to it under the Act;

“**Cost Allocation**” means the process of correctly identifying, aggregating and assigning a single cost to more than one business activity, process or service in a manner that prevents cross subsidization;

“**Financial Year**” means the period of twelve months in respect of which a licensee prepares its accounts in accordance with the requirements of the Companies Act ([Cap. 486](#));

“**IFRS**” means the International Financial Reporting Standards developed by the International Accounting Standards;

“**Licence**” means a license issued by the Authority under the Act;

“**Licensee**” means a holder of any licence issued under the Act;

“**Regulatory accounts**” means the prescribed system of accounts or framework used by licensees and holders of certificates of exemption to provide financial data and information to the Authority in a specific and consistent format as set out in these Regulations;

“Regulatory asset base” means tangible and intangible assets used for the regulated activity, that are directly related to the regulated activity and are used in tariff calculation (except third-party-funded assets);

“Regulatory financial performance” means financial performance in relation to the form of tariff control and any forecasts and assumptions made and disclosed by the Authority at the time of determining that tariff control;

“Related or affiliated licensee” means—

- (a) any subsidiary of a licensee or holder of a certificate of exemption;
- (b) any company in which the shareholders of a licensee or holder of a certificate of exemption hold an aggregate beneficial interest not less than twenty percent;
- (c) any company whose directors are accustomed or under an obligation whether formal or informal to act in accordance with the shareholders of a licensee or holder of a certificate of exemption; or
- (d) a subsidiary or associate.

“Separate businesses” means separation of business activities referred to in these Regulations;

“Statutory accounts” means accounts laid before the company in its general meeting in accordance with the Companies Act, 2015;

“Subsidiary” has the meaning assigned to it under the Companies Act ([Cap. 486](#));

“Tariff controlled licensee” means a licensee subject to the Energy (Electricity Tariffs) Regulations, 2022; and

“Vertically integrated business” means an electricity undertaking or a group of undertakings where the same person or the same persons are entitled, directly or indirectly, to exercise control, and where the undertaking or group of undertakings perform at least one of the functions of transmission or distribution, and at least one of the functions of generation or supply of electricity.

3. Purpose of Regulations

The purpose of these regulations is to prescribe reporting procedures and requirements for licensees and holders of certificate of exemption, for purposes of achieving uniformity and consistent reporting of elements that are required for tariff setting, approval and monitoring.

4. Applications

These Regulations shall apply to any person who—

- (a) has a licence issued under sections [117](#) and [119](#) of the Act for the generation, importation or exportation, transmission or distribution of electrical energy or for the retail supply of electrical energy to consumers; or
- (b) has a certificate of exemption issued under the Act.

Part II – REGULATORY REPORTING REQUIREMENTS

5. Requirement to Keep Records for Separate Business

- (1) A licensee or a holder of a certificate of exemption shall—
 - (a) keep or cause to be kept, for a period of a minimum of seven years, such accounting and other records as are necessary to ensure that all of the revenues, costs, assets, liabilities, reserves, and provisions of, or reasonably attributable in accordance with these Regulations, to the licensed or exempted activity;

- (b) keep the regulatory accounts in the manner set out in the First Schedule to these Regulations;
 - (c) map its existing chart of accounts to the uniform chart of accounts set out in the Second Schedule to these Regulations; and
 - (d) keep the regulatory accounts in Kenya Shillings unless exempted by the Authority.
- (2) In keeping the accounts and records referred to in subregulation (a) the licensee shall ensure that each of the following business activities of the licensee are separately identifiable—
 - (a) system operation;
 - (b) electricity generation/importation/exportation;
 - (c) electricity transmission;
 - (d) electricity distribution;
 - (e) electricity supply activities;
 - (f) electricity retail activities; and
 - (g) any other corporate activities.
- (3) Subject to the exemptions in Regulation 6, in addition to statutory accounts required under any other written law:
 - (a) A licensee shall in the case of a generating licensee, prepare generation summary statements from the accounting and other records referred to in Regulation 5(1) in the form and with content specified in the Third Schedule in respect of each installation within the generating plant for which a license would be required under sections 117 and 119 of the Act.
 - (b) In respect of all other licensees, prepare regulatory accounts from the accounting and other records referred to in Regulation 5(1) in the form and with the content specified in Regulation 10.
- (4) The accounting records maintained under these Regulations shall ensure—
 - (a) licensees segregate accounting records between licensed activities or services in a vertically integrated business;
 - (b) holders of certificate of exemption to segregate accounting records between exempted activities or services in a vertically integrated business;
 - (c) licensees and holders of certificate of exemption to segregate regulated business from non-regulated business; and
 - (d) they apply the prescribed principles and methodologies for cost allocation under these Regulations.

6. Exemptions

- (1) A licensee may apply to the Authority for an exemption from the application of these Regulations.
- (2) The Authority shall consider the application made under subregulation (1) and the reasons advanced thereof by the licensee and may grant an exemption where—
 - (a) it is satisfied with the form and manner in which the records and accounts of the licensee are kept and audited; or
 - (b) such exemption is provided for in the licence.
- (3) A licensee exempted under this regulation shall maintain its books of accounts in accordance with IFRS.

7. Regulatory Reporting Periods

- (1) Regulatory reporting periods shall start at the end of any previous regulatory reporting period and end at the start of any subsequent regulatory reporting period.
- (2) Unless otherwise specified in writing by the Authority:
 - (a) All licensees' regulatory reporting periods shall coincide with the licensees' financial years.
 - (b) A regulatory reporting period for every licensee shall commence in the financial year immediately succeeding the effective date of these regulations.

8. Form and Content of Regulatory Accounts

- (1) The form and content of regulatory accounts shall be as follows:
 - (a) Except where otherwise required or permitted by these Regulations, regulatory accounts shall comply with standards appropriate for the preparation of annual financial statements.
 - (b) Regulatory accounts shall be prepared to present fairly, in all material respects and in accordance with these Regulations:
 - (i) a statement of income and the regulatory financial performance for the regulatory reporting period of each of the licensee's separate businesses and, in aggregate, of the licensee as per the Fourth Schedule;
 - (ii) the financial position at the end of the regulatory reporting period of the licensee;
 - (iii) the fixed assets at the end of the regulatory reporting period of each of the licensee separate businesses as per the Third Schedule;
 - (iv) regulatory Asset Base at the end of the regulatory reporting period of each of the licensee separate businesses as per the Fifth Schedule; and
 - (v) The cash flows of the licensee for the regulatory reporting period.
 - (c) Regulatory accounts shall comprise—
 - (i) a segmental statement of regulatory financial performance, which may take the form of a segmental statement of comprehensive income, analyzed with reference to the business activities referred to in Regulation 5(2) and in the form of the Fourth Schedule;
 - (ii) a statement of the financial position for the licensee;
 - (iii) a statement of changes in equity for the licensee;
 - (iv) a statement of cash flows for the licensee;
 - (v) a segmental statement of fixed assets in accordance with Regulation 10 and in the form of the Third Schedule;
 - (vi) a segmental statement of the Regulatory Asset Base prepared in accordance with the Energy (Electricity Tariffs) Regulations, 2022, analyzed with reference to the business activities referred to in Regulation 5(2) and in the form of the Third Schedule; and
 - (vii) any other related notes, where appropriate in the form of to these regulations.
 - (d) Regulatory accounts shall be accompanied by—
 - (i) a directors' report;
 - (ii) a corporate governance statement;

- (iii) a business review;
 - (iv) a report of the auditor on the regulatory accounts;
 - (v) a statement of the accounting policies adopted;
 - (vi) a tariff control statement disclosing, in respect of the fiscal year;
 - (a) the values of all tariff control measures, specified by the Authority in accordance with the Energy (Electricity Tariffs) Regulations, 2022;
 - (b) the computation of all tariff control constraints, specified by the Authority in accordance with the Energy (Electricity Tariffs) Regulations, 2022;
 - (c) the monetary value of any material variances, distinguishing between variances in fuel cost tariffs and other variances, in the form of Sixth Schedule;
 - (d) other statements providing statistics relating to service performance, asset performance, asset condition, other asset characteristics, operational matters, as the Authority may from time to time specify.
- (2) The Authority may permit adaptations of the format and presentation of regulatory accounts to reflect IFRS and other conventions familiar to users or potential users of regulatory accounts.
- (3) In presenting the regulatory financial accounts, the licensee shall provide comparative information which shall include—
- (a) information relating to the prior regulatory reporting period; and
 - (b) information relating to forecasts and assumptions in respect of the regulatory reporting period made and disclosed by the Authority at the time of determining any relevant tariff control.
- (4) The licensee shall give prominence to comparative information under subregulation (3)(b) in relation to the regulatory financial performance of each of the licensee's separate businesses and, in aggregate, of the licensee
- (5) Unless otherwise provided for in these regulations, regulatory accounts shall be prepared on a basis that is consistent with the licensee's statutory accounts. A reconciliation of consolidated income and equity with amounts disclosed in the licensee's statutory accounts shall be presented in respect of any material differences.
- (6) Where there are any material differences between the basis of preparation, the presentation of information or allocation of costs in the regulatory accounts and any information used by the Authority when determining the relevant tariff basis, regulatory accounts shall disclose sufficient information to permit users of regulatory accounts to understand the impact of these differences on the regulatory financial performance of the licensee and its separate businesses and on the financial position of the licensee.

Part III – COST ALLOCATIONS

9. Segmental Statement of Fixed Assets

- (1) For the purpose of preparing a segmental statement of fixed assets, the value of the licensee's fixed assets in the company's statutory accounts shall be allocated to the separate activities referred to in Regulation 5(2) in relation to the dominant purpose or function of the fixed asset.
- (2) The purpose or function of a fixed asset should be assessed in relation to its role, if any, in the licensee's electrical systems, the purpose for which the asset was acquired and its expected use over its economic life.

- (3) Where the dominant purpose or function of a fixed asset is to support a single business activity referred to in Regulation 5(2), or derives from such a business activity, that asset shall be allocated to that activity.
- (4) Where a fixed asset relates to the conveyance of electrical energy from one business activity to another, such as a transformer, it shall be treated as supporting the upstream activity.
- (5) Where a fixed asset does not have a dominant purpose or function that relates to a single business activity—
 - (a) If the asset forms part of the licensee's electrical systems, it shall be allocated to the upstream activity that it relates to;
 - (b) Otherwise, it shall be allocated to corporate activities.
- (6) For the purpose of this regulation, fixed assets include all non-current assets that would, were they to be acquired during the currency of these regulations, be eligible for inclusion as additions to the Regulatory Asset Base in accordance with the Energy (Electricity Tariffs) Regulations, 2022.

10. Other Asset and Liability Allocations

For the purpose of preparing a statement of financial position, unless the licensee considers that the financial position of its separate businesses can be considered as distinct from its financial position and it would be misleading to a reader of the regulatory accounts not to do so, liabilities and non-fixed assets need not be allocated to the licensee's separate businesses.

11. Cost Allocations

- (1) Operating costs, including depreciation, shall be allocated to the separate businesses referred to in Regulation 5(2) in relation to the way resources are consumed and with reference to the causation of cost at the level of business activities (activity-based).
- (2) Costs which are incurred in respect of more than one activity, or which are not readily attributable to a single activity, shall be allocated objectively using a reasonable methodology, having regard to the materiality of the allocations, on:—
 - (a) a cost-allocation methodology that materially meets best practice standards of activity-based allocation, or
 - (b) where an activity basis cannot be computed at a reasonable cost, an alternative basis that provides a reasonable proxy for an activity-based allocation of costs in the light of best available information about the causation of cost.
- (3) The Authority may require licensees to develop activitybased cost allocation systems.
- (4) Except where costs do not relate to services supported by regulated tariffs, such as costs of corporate activities set out under Regulation 5(2)(g), all other costs shall be fully allocated to the other activities of the holder where they fall under Regulations 5(2)(a) to (f), as appropriate.
- (5) The allocation of depreciation of fixed assets will reflect the usage of assets and will not necessarily reflect the balance sheet allocation of fixed assets under Regulation 10, as inter-activity recharges of depreciation.

12. Revenue Allocations

- (1) Revenues shall be allocated as follows—
 - (a) In respect to tariff-controlled licensees, revenues from the following tariffs shall be allocated in accordance with the business activities set out in Regulation 5(2) as follows:
 - (i) System operation tariffs shall be allocated to activities under Regulation 5(2)(a).

- (ii) Fuel cost tariffs shall be allocated to activities under Regulation [5\(2\)\(b\)](#).
 - (iii) Non-fuel power procurement tariffs shall be allocated to activities under Regulation [].
 - (iv) Electricity transmission tariffs shall be allocated to activities under Regulation [5\(2\)\(c\)](#).
 - (v) Electricity distribution tariffs shall be allocated to activities under Regulation [5\(2\)\(d\)](#).
 - (vi) Retail supply activity tariffs shall be allocated to activities under Regulation [5\(2\)\(e\)](#) and [\(f\)](#).
- (b) Other revenues shall be allocated in relation to the nature of the services provided and the allocation of the costs that are associated with providing those services.

13. Asset Base Valuation Adjustment

In order to ensure the regulatory accounts, present fairly the regulatory financial position of the licensee and of its separate business activities:

- (a) The regulatory accounts balance sheet shall include adjustments to reflect any material difference between the book values of the licensee's net assets, excluding financing liabilities, and the Authority's assessment of the Regulatory Asset Base under the Energy (Electricity Tariffs) Regulations, 2022.
- (b) The regulatory accounts balance sheet shall incorporate an balance on any regulatory fuel cost recovery provision maintained in accordance with the Energy (Electricity Tariffs) Regulations, 2022, treating any accumulated surplus as a liability and any accumulated deficits (negative balance) as an asset.

14. Transactions with Related Licensee's

The regulatory accounts shall include an explanatory note disclosing the following:

- (a) The nature and scale of transactions with related or affiliated licensee's, analyzed by party and in enough detail for a user of regulatory accounts to understand components of the regulatory financial performance and statement of financial position that would be mainly affected.
- (b) Confirmation, where appropriate and material to the regulatory accounts, that transactions with related or affiliated licensees are negotiated on an arm's length basis and on normal commercial terms.
- (c) Whether transactions with related or affiliated licensees were subject to competitive tendering.
- (d) Estimates of the effects on the comprehensive income, balance sheet and cash flows of any material transactions or groups of transactions that are not negotiated on an arm's length basis and on normal commercial terms.

15.

- (1) The licensee shall prepare a directors' report, a regulatory corporate governance statement and a regulatory business review.
- (2) Subject to the following, the licensee may include summarized extracts of the corresponding statements in the licensee's statutory accounts.
- (3) The regulatory business review shall include commentary on the licensee's financial performance in relation to the Authority's forecasts and other assumptions made and disclosed at the time it determined the relevant tariff control, any major events and changes to the business environment not anticipated in those assumptions and the impact on the position of investors and users.

- (4) The regulatory corporate governance statement shall provide a description of the licensee's approach to generating value for investors and users under the incentive arrangements established by the Authority.

16. Audit

- (1) The Authority shall pre-qualify auditors for the purposes of auditing the regulatory accounts once every year.
- (2) A licensee or holder of certificate of exemption shall procure an audit from the prequalified list under subregulation (1) to undertake an audit of its regulatory accounts and generation summary statements.
- (3) The auditor shall submit to the Authority the audited regulatory accounts and generation summary statements within three months after the end of the financial year.
- (4) The licensee or holder of certificate of exemption shall not procure services from the same auditor for a period of more than three consecutive years.

Part V – COMPLIANCE AND ENFORCEMENT

17. Incentives

The Authority shall review licensee compliance with these Regulations within three years of the Regulations coming into force, and subject to findings of the review, the Authority shall establish incentive mechanisms to facilitate compliance as appropriate.

18. Disputes and Appeals

- (1) Any complaints and/or disputes under these regulations shall be referred to the Authority for resolution in accordance with the Energy (Complaints and Disputes Resolution) Regulations, 2022 or any replacement of the same.
- (2) Any person who is dissatisfied/aggrieved by a decision of the Authority shall lodge an appeal with the Energy and Petroleum Tribunal.

19. Penalties

- (1) A licensee or holder of a certificate of exemption who does not maintain and submit information in accordance with these Regulations commits an offence and is liable on conviction to a fine of not less than one hundred thousand shillings.
- (2) In the case of a continuing offence, Director's of a licensee or holder of a certificate of exemption shall be liable upon conviction to a penalty of six (6) months imprisonment.
- (3) The fines or penalties in these Regulations are without prejudice to the Authority's right to suspend or revoke the licensee's licence or certificate in accordance with the Act.
- (4) Any fines or penalties which are not paid shall be a civil debt recoverable summarily.

Part VI – TRANSITIONAL PROVISIONS AND COMMENCEMENT

20. Transitions

The accounting processes that a licensee has in place at the commencement of these Regulations shall continue until the start of the licensee's financial year immediately succeeding the effective date of these

Regulations, upon which the licensee's regulatory reporting period and system of accounting shall be aligned to and prepared in compliance with these Regulations.

21. Commencement

These Regulations commence immediately upon their gazettment by the Cabinet Secretary.

FIRST SCHEDULE (r. 5(1)(b))

REGULATORY ACCOUNT FORMAT

1. General information including—

- (a) the name of licensee or holder of a certificate of exemption:
- (b) the reporting period:
- (c) the name, title and contact of accounting officer:
- (d) legal status:
- (e) the nature of share capital including the issued, subscribed, paid up share capital, premium on issue of shares, discount on issue of shares and redeemable capital:
- (f) the details of directors who held office at any time during the year: and
- (g) any changes that have occurred to the company including change in directorship and ownership of property of the company.

2. Control over licensee or holder of a certificate of exemption and state—

- (a) the name of the controlling company:
- (b) the manner in which control was held; and
- (c) the extent of control.

3. Companies controlled by licensee including names of all companies, business, trusts and similar organisations controlled directly or indirectly by the licensee at any time during the year.

4. Remuneration of officers- name, title and salary of officers whose salary is over KSh. 12,000,000/- per annum.

5. Change in structure during the year including—

- (a) change in name; and
- (b) changes in and important additions to franchise rights.

6. Financial summary including—

- (a) comparative balance sheet including assets and other debits;
- (b) comparative balance sheet including liabilities and other credits;
- (c) income statement for the year;
- (d) reconciliation with statutory financial statements including balance sheet and income statement;
- (e) statement of retained earnings for the year; and
- (f) cash flow statement for the year.

7. Explanatory notes to uniform system of accounts, changes to the business environment not anticipated and the impact on the position of the licensee or a holder of a certificate of exemption.

8. Non-utility property owned or under finance lease including—

- (a) type of property;
 - (b) property value at the beginning of the year;
 - (c) additions and any disposals; and
 - (d) accumulated depreciation.
9. Electric plant leased to others including—
- (a) a description of the property;
 - (b) the authorisation or lease agreement;
 - (c) expiration of the lease; and
 - (d) accumulated depreciation.
10. Electric plant held for future use including—
- (a) the date entered on accounts of a licensee or holder of certificate of exemption; and
 - (b) expected date of use.
11. Construction work in progress including—
- (a) a description of the project; and
 - (b) percentage of completion at the end of the year.
12. Investment in subsidiary or affiliate companies including;
- (a) a description of the investment;
 - (b) the date of acquisition;
 - (c) the equity in the subsidiary or affiliate; earnings from the subsidiary or affiliate; and
 - (d) gain or loss from disposal of investment.
13. Long term advances, deposits and prepayments including—
- (a) long term security deposits; and
 - (b) long term prepayments.
14. Inventory.
15. Accounts receivables, allowance for bad and doubtful debts and trade debts (age analysis) including—
- (a) explanations relating to provision of doubtful and bad debts; and
 - (b) bad and doubtful debts in respect of disconnected customers.
16. Details of source of finance and associated costs including—
- (a) concession loans;
 - (b) debentures;
 - (c) bank loans;
 - (d) liability subject to finance lease;
 - (e) advances from subsidiaries or affiliate companies; and
 - (f) other short-term loans.
17. Taxes payable including—

- (a) provisional tax;
- (b) payments; and
- (c) adjustments, if any.

18. Operating revenue including—

- (a) sale of electricity;
- (b) concession lease income;
- (c) maximum demand charge;
- (d) wheeling and interconnection income;
- (e) sale of electric poles;
- (f) carbon credits; and
- (g) other electric charges.

19. Research development, demonstration activities and associated costs.

		Heading 1	Heading 2
10101010	Leasehold land	Assets	Land and buildings
10101020	Freehold Land	Assets	Land and buildings
10101030	Land Rights	Assets	Land and buildings
10101040	Buildings and fixtures Leased	Assets	Land and buildings
10101050	Buildings and fixtures owned	Assets	Land and buildings
10101060	Leasehold improvements	Assets	Land and buildings
10101070	Reservoirs, waterways, dams	Assets	Machinery and equipment
10101080	Waterwheels, turbines and generators	Assets	Machinery and equipment
10101090	Roads, Railroads and bridges	Assets	Machinery and equipment
101010100	Accessory electric equipment	Assets	Machinery and equipment

		Heading 1	Heading 2
101010110	Boiler plant equipment	Assets	Machinery and equipment
101010120	Engine and engine driven generator	Assets	Machinery and equipment
101010130	Turbo generator units	Assets	Machinery and equipment
101010140	Reactor plant equipment	Assets	Machinery and equipment
101010150	Fuel holders, producers and accessories	Assets	Machinery and equipment
101010160	Prime movers	Assets	Machinery and equipment
101010170	Generators	Assets	Machinery and equipment
101010180	Measurement and testing equipment	Assets	Machinery and equipment
101010190	Electric plant purchase	Assets	Machinery and equipment
101010200	Other installation on customers premises	Assets	Machinery and equipment
101010210	Load management controls-utility premises	Assets	Machinery and equipment
101010220	Transport equipment	Assets	Machinery and equipment
101010230	Other utility plant	Assets	Machinery and equipment
10102140	Experimental electric plant unclassified	Assets	Machinery and equipment

		Heading 1	Heading 2
10102150	Electric plant in the process of reclassification	Assets	Machinery and equipment
10102160	Electric plant held for future use	Assets	Machinery and equipment
10102170	Electric plant and equipment leased to others	Assets	Machinery and equipment
10102180	Completed construction not classified-electric	Assets	Machinery and equipment
10102190	Construction work in progress	Assets	Machinery and equipment
10102200	Renovation work in progress	Assets	Machinery and equipment
10102210	Non-utility property owned or under lease	Assets	Machinery and equipment
10102220	Rural electrification projects	Assets	Machinery and equipment
10102230	Electric plant acquisition adjustments	Assets	Machinery and equipment
10102240	Other electric plant adjustments	Assets	Machinery and equipment
10102250	Other utility plant	Assets	Machinery and equipment
10102260	Transformer Station Equipment – Normally Primary above 50Kv	Assets	Machinery and equipment
10102270	Distribution Station Equipment- Normally Primary below 50 Kv	Assets	Machinery and equipment

		Heading 1	Heading 2
10102280	Storage battery equipment	Assets	Machinery and equipment
10102290	Poles, lowers and fixtures	Assets	Machinery and equipment
10102300	Overhead conductors and devices	Assets	Machinery and equipment
10102310	Underground conduit	Assets	Machinery and equipment
10102320	Underground conductors and devices	Assets	Machinery and equipment
10102330	Linc transformers	Assets	Machinery and equipment
10102340	Services	Assets	Machinery and equipment
10102350	Meters	Assets	Machinery and equipment
10102360	Leased property on customer's premises	Assets	Machinery and equipment
10108090	Accumulated depreciation on water wheels, turbines and generators	Assets	Accumulated depreciation
10108100	Accumulated depreciation on roads, railroads and bridges	Assets	Accumulated depreciation
10108110	Accumulated depreciation on accessory electric equipment	Assets	Accumulated depreciation
10108120	Accumulated depreciation on boiler plant equipment	Assets	Accumulated depreciation

		Heading 1	Heading 2
10108130	Accumulated depreciation on engine and engine-driven generator	Assets	Accumulated depreciation
10108140	Accumulated depreciation on turbo generator units	Assets	Accumulated depreciation
10108150	Accumulated depreciation on reactor plant equipment	Assets	Accumulated depreciation
10108160	Accumulated depreciation on li.1el holders, producers and accessories	Assets	Accumulated depreciation
10108170	Accumulated depreciation on prime movers	Assets	Accumulated depreciation
10108180	Accumulated depreciation on generators	Assets	Accumulated depreciation
10108190	Accumulated depreciation on measurement and testing equipment	Assets	Accumulated depreciation
10108200	Accumulated depreciation on electric plant	Assets	Accumulated depreciation
10108210	Accumulated depreciation on experimental electric plant unclassified	Assets	Accumulated depreciation
10108220	Accumulated depreciation on electric plant in the process of reclassification	Assets	Accumulated depreciation

		Heading 1	Heading 2
10108230	Accumulated depreciation on experimental electric plant held for li.1turc use	Assets	Accumulated depreciation
10108240	Accumulated depreciation on electric plant and equipment leased to others	Assets	Accumulated depreciation
10108250	Accumulated depreciation on implemented construction not classified	Assets	Accumulated depreciation
10108290	Accumulated depreciation on motor vehicles-general	Assets	Accumulated depreciation
10108300	Accumulated depreciation on motor vehicles-network operations	Assets	Accumulated depreciation
10108310	Accumulated depreciation on specialized trucks	Assets	Accumulated depreciation
10108320	Accumulated depreciation on goodwill	Assets	Accumulated depreciation
10108330	Accumulated depreciation on franchises and consents	Assets	Accumulated depreciation
10108340	Accumulated depreciation on computer software	Assets	Accumulated depreciation
10108350	Accumulated depreciation on miscellaneous intangible plant	Assets	Accumulated depreciation

		Heading 1	Heading 2
10108360	Accumulated depreciation on office furniture and equipment	Assets	Accumulated depreciation
10108370	Accumulated depreciation on computer equipment-hardware	Assets	
10108380	Accumulated depreciation on stores equipment	Assets	Accumulated depreciation
10108390	Accumulated depreciation on fire and safety system	Assets	Accumulated depreciation
10201020	Investment in associated companies	Assets	Group companies (intercompany investments)
10201030	Investment in subsidiary company	Assets	Group companies (intercompany investments)
10202010	Term finance certificate	Assets	Investments and financial instruments
10202020	Deposit certificates	Assets	Investments and financial instruments
10202030	Sinking fund	Assets	Investments and financial instruments
10202040	Other special or collateral funds	Assets	Investments and financial instruments
10202050	Long term security deposits	Assets	Investments and financial instruments
10202060	Long term repayments	Assets	Investments and financial instruments

		Heading 1	Heading 2
10202070	Other long term receivables	Assets	Investments and financial instruments
10305010	Unrecovered plant and regulatory study costs	Assets	Deferred charged
10305020	Preliminary survey and investigation charges	Assets	Deferred charged
10305030	Development charge deposits/receivables	Assets	Deferred charged
10305040	Deferred development costs	Assets	Deferred charged
10305050	Deferred losses from disposition of utility plant	Assets	Deferred charged
10305060	Un-amortized loss on required debt	Assets	Deferred charged
10305070	Preliminary survey and investigation charges	Assets	Deferred charged
10306010	Research and development costs	Assets	Deferred charged
10305050	Derivative instrument asset	Assets	Deferred charged
10305060	Deferred tax asset	Assets	Deferred charged
10305070	Miscellaneous deferred debits	Assets	Deferred charged
10306010	Loans to staff	Assets	Loans and receivables
10305050	Prepayments	Assets	Prepayment and other current assets
10203020	Derivative instrument asset	Assets	Derivative financial asset

		Heading 1	Heading 2
10404010	Derivative instrument asset hedges	Assets	Derivative financial asset

SECOND SCHEDULE (r. 5(1)c)**CHART OF ACCOUNTS**

		Heading 1	Heading 2
10101010	Leasehold land	Assets	Land and buildings
10101020	Freehold Land	Assets	Land and buildings
10101030	Land Rights	Assets	Land and buildings
10101040	Buildings and fixtures Leased	Assets	Land and buildings
10101050	Buildings and fixtures owned	Assets	Land and buildings
10101060	Leasehold improvements	Assets	Land and buildings
10101070	Reservoirs, waterways, dams	Assets	Machinery and equipment
10101080	Waterwheels, turbines and generators	Assets	Machinery and equipment
10101090	Roads, Railroads and bridges	Assets	Machinery and equipment
101010100	Accessory electric equipment	Assets	Machinery and equipment
101010110	Boiler plant equipment	Assets	Machinery and equipment
101010120	Engine and engine driven generator	Assets	Machinery and equipment

		Heading 1	Heading 2
101010130	Turbo generator units	Assets	Machinery and equipment
101010140	Reactor plant equipment	Assets	Machinery and equipment
101010150	Fuel holders, producers and accessories	Assets	Machinery and equipment
101010160	Prime movers	Assets	Machinery and equipment
101010170	Generators	Assets	Machinery and equipment
101010180	Measurement and testing equipment	Assets	Machinery and equipment
101010190	Electric plant purchase	Assets	Machinery and equipment
101010200	Other installation on customers premises	Assets	Machinery and equipment
101010210	Load management controls-utility premises	Assets	Machinery and equipment
101010220	Transport equipment	Assets	Machinery and equipment
101010230	Other utility plant	Assets	Machinery and equipment
10102140	Experimental electric plant unclassified	Assets	Machinery and equipment
10102150	Electric plant in the process of reclassification	Assets	Machinery and equipment
10102160	Electric plant held for future use	Assets	Machinery and equipment

		Heading 1	Heading 2
10102170	Electric plant and equipment leased to others	Assets	Machinery and equipment
10102180	Completed construction not classified-electric	Assets	Machinery and equipment
10102190	Construction work in progress	Assets	Machinery and equipment
10102200	Renovation work in progress	Assets	Machinery and equipment
10102210	Non-utility property owned or under lease	Assets	Machinery and equipment
10102220	Rural electrification projects	Assets	Machinery and equipment
10102230	Electric plant acquisition adjustments	Assets	Machinery and equipment
10102240	Other electric plant adjustments	Assets	Machinery and equipment
10102250	Other utility plant	Assets	Machinery and equipment
10102260	Transformer Station Equipment – Normally Primary above 50Kv	Assets	Machinery and equipment
10102270	Distribution Station Equipment- Normally Primary below/50 Kv	Assets	Machinery and equipment
10102280	Storage battery equipment	Assets	Machinery and equipment
10102290	Poles, lowers and fixtures	Assets	Machinery and equipment
10102300	Overhead conductors and devices	Assets	Machinery and equipment

		Heading 1	Heading 2
10102310	Underground conduit	Assets	Machinery and equipment
10102320	Underground conductors and devices	Assets	Machinery and equipment
10102330	Linc transformers	Assets	Machinery and equipment
10102340	Services	Assets	Machinery and equipment
10102350	Meters	Assets	Machinery and equipment
10102360	Leased property on customer's premises	Assets	Machinery and equipment
10108090	Accumulated depreciation on water wheels, turbines and generators	Assets	Accumulated depreciation
10108100	Accumulated depreciation on roads, railroads and bridges	Assets	Accumulated depreciation
10108110	Accumulated depreciation on accessory electric equipment	Assets	Accumulated depreciation
10108120	Accumulated depreciation on boiler plant equipment	Assets	Accumulated depreciation
10108130	Accumulated depreciation on engine and engine-driven generator	Assets	Accumulated depreciation
10108140	Accumulated depreciation on turbo generator units	Assets	Accumulated depreciation

		Heading 1	Heading 2
10108150	Accumulated depreciation on reactor plant equipment	Assets	Accumulated depreciation
10108160	Accumulated depreciation on li.l el holders. producers and accessories	Assets	Accumulated depreciation
10108170	Accumulated depreciation on prime movers	Assets	Accumulated depreciation
10108180	Accumulated depreciation on generators	Assets	Accumulated depreciation
10108190	Accumulated depreciation on measurement and testing equipment	Assets	Accumulated depreciation
10108200	Accumulated depreciation on electric plant	Assets	Accumulated depreciation
10108210	Accumulated depreciation on experimental electric plant unclassified	Assets	Accumulated depreciation
10108220	Accumulated depreciation on electric plant in the process of reclassification	Assets	Accumulated depreciation
10108230	Accumulated depreciation on experimental electric plant held for li.l turc use	Assets	Accumulated depreciation
10108240	Accumulated depreciation on electric plant and equipment leased to others	Assets	Accumulated depreciation

		Heading 1	Heading 2
10108250	Accumulated depreciation on implemented construction not classified	Assets	Accumulated depreciation
10108290	Accumulated depreciation on motor vehicles-general	Assets	Accumulated depreciation
10108300	Accumulated depreciation on motor vehicles-network operations	Assets	Accumulated depreciation
10108310	Accumulated depreciation on specialized trucks	Assets	Accumulated depreciation
10108320	Accumulated depreciation on goodwill	Assets	Accumulated depreciation
10108330	Accumulated depreciation on franchises and consents	Assets	Accumulated depreciation
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10108350	Accumulated depreciation on miscellaneous intangible plant	Assets	Accumulated depreciation
10108360	Accumulated depreciation on office furniture and equipment	Assets	Accumulated depreciation
10108370	Accumulated depreciation on computer equipment-hardware	Assets	

		Heading 1	Heading 2
10108380	Accumulated depreciation on stores equipment	Assets	Accumulated depreciation
10108390	Accumulated depreciation on fire and safety system	Assets	Accumulated depreciation
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10202050	Long term security deposits	Assets	Investments and financial instruments
10202060	Long term repayments	Assets	Investments and financial instruments
10202070	Other long term receivables	Assets	Investments and financial instruments
10305010	Unrecovered plant and regulatory study costs	Assets	Deferred charged
10305020	Preliminary survey and investigation charges	Assets	Deferred charged

		Heading 1	Heading 2
10305030	Development charge deposits/receivables	Assets	Deferred charged
10305040	Deferred development costs	Assets	Deferred charged
10305050	Deferred losses from disposition of utility plant	Assets	Deferred charged
10305060	Un-amortized loss on required debt	Assets	Deferred charged
10305070	Preliminary survey and investigation charges	Assets	Deferred charged
10306010	Research and development costs	Assets	Deferred charged
10305050	Derivative instrument asset	Assets	Deferred charged
10305060	Deferred tax asset	Assets	Deferred charged
10305070	Miscellaneous deferred debits	Assets	Deferred charged
10306010	Loans to staff	Assets	Loans and receivables
10305050	Prepayments	Assets	Prepayment and other current assets
10203020	Derivative instrument asset	Assets	Derivative financial asset
10404010	Derivative instrument asset hedges	Assets	Derivative financial asset

THIRD SCHEDULE [(r.5(3)a, r.8(b)iii, r.8(c)v and r.8(c)vi)]**FORM OF GENERATION SUMMARY STATEMENTS**

GenerationSummary Statements							Heading 2
	<i>Name of installation 1</i>	<i>Name of installation 2</i>	<i>Name of installation 3</i>	<i>Name of installation 4</i>	<i>Name of installation 5</i>	<i>Name of installation 6</i>	<i>Name of installation 7</i>
Type (Geothermal, hydro, diesel, etc.)							
Capacity (MW electricity)							
Availability (hours)							
Output for the year (GWh)							
Sales of electricity							
Electricity for own use							
Sales of heat							
Heat for own use							

GenerationSummary Statements							Heading 2
<i>Ksh thousands or Ksh millions</i>							
Revenues from sales of electricity							
Under PPA with single buyer							
Under FiT							
Other							
Revenues from sales of heat							
Other revenues							
Total revenues							
Fuel costs							
Water and other consumables							
Salary, wages and other people costs							

GenerationSummary Statements							Heading 2
	Other operating expenditure						
	Depreciation						
	Net income/ (costs)						
	Tangible fixed assets, including software licences						
	Tangible fixed assets at the start of the year						
	Additions						
	Grants and other contributions						
	Disposals						
	Depreciation						
	Tangible fixed assets at the end of the year						

FOURTH SCHEDULE [(r. 8(b)i and r.8(c)i)]**FORMAT FOR REGULATORY FINANCIAL PERFORMANCE STATEMENT**

Regulatory financial performance									
	System operation	Single buyer	Electricity generation	Electricity transmission	Electricity distribution	Electricity retail activities	Corporate	Consolidation adjustments	Total
Operating income									
Tariff charges									
Power procured by single buyer									
Power purchased other than by single buyer									
Generation fuel costs									
Operating expenditure									
Depreciation and related items									
Operating profits									
Finance income									
Finance costs									
Profit before tax									
Income tax expense									
Profit for the year									

FIFTH SCHEDULE [(r.8(b)iv)]**FORMAT FOR ANALYSIS OF THE REGULATORY ASSET BASE**

Regulatory Asset Base									
	System operation	Single buyer	Electricity generation	Electricity distribution	Electricity distribution	Electricity distribution	Electricity distribution	Corporate activities	Consolidation adjustments
<i>KSh. thousands or KSh. millions</i>									
Movements in the Regulatory Asset Base									
Regulatory Asset Base at the start of the year									
Additions									
Customer contributions (connection charges etc.)									
Government and other grants									
Internal transfers									
Proceeds of disposals, or fair value if higher									
Regulatory depreciation for the year									
Balance at the end of the year									

SIXTH SCHEDULE [(r.8(d)(vi)(c))]**FORMAT FOR ANALYSIS OF TARIFF CONTROL VARIANCES**

<i>Tariff Control Variances</i>									
	<i>System operation</i>	<i>Single buyer</i>	<i>Electricity generation</i>	<i>Electricity transmission</i>	<i>Electricity distribution</i>	<i>Electricity retail</i>	<i>Corporate activities</i>	<i>Total</i>	
<i>KSh. thousands or KSh. millions</i>									
Movements in prices control variances									
Cumulative variances at the start of the year									
Variances applied in control formulae for the year									
Net variances brought forward									
Tariff control variances for the year									
Cumulative variances at the end of the year									