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THE ELECTRICITY ACT  
(CAP 131)

THE ELECTRICITY (SUPPLY SERVICES) RULES, 2016

*(Made under section 45)*

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THE ELECTRICITY ACT  
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*(Made under section 45)*

PART I  
PRELIMINARY PROVISIONS

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|----------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Citation       | 1. These Rules may be cited as the Electricity (Supply Services) Rules, 2014.                                                                                                                                                                                           |
| Application    | 2. These Rules shall govern the regulatory and licensing matters related to the provisions of electricity supply services in Tanzania.                                                                                                                                  |
| Interpretation | 3. In these Rules, unless the context otherwise requires:                                                                                                                                                                                                               |
| Cap. 131       | “Act” means the Electricity Act;                                                                                                                                                                                                                                        |
|                | “affiliate” means any legal entity holding shares in the licensee or any other legal entity in which the licensee is a shareholder;                                                                                                                                     |
|                | “applicable law” means any principal law, treaty, proclamation, regulation, rule, order or by-law that is customarily treated in Tanzania as having legally binding force and which is relevant to matters pertaining to regulation of the electricity supply services; |

- “Authority” means the Energy and Water Utilities Regulatory Authority established under the provisions of the EWURA Act;
- Cap. 340 “Certification Authority” means the Weights and Measures Agency established under the Weights and Measures Act;
- “customer” means a person that receives or purchases supply activity from a licensee;
- “customer service charter” means a document prepared by the licensee and approved by the Authority setting minimum service standards including the procedure of receiving and settling complaints from customers, metering and connections handling;
- “distribution code” means the technical and procedural rules and standards prepared by the licensee and approved by the Authority governing matters pertaining to the distribution services;
- “electricity supply” means the sale, resale, lease, lease-purchase or loan of electricity to customers, exclusive of any such transaction with either itself or a subsidiary;
- Cap. 414 “EWURA Act” means the Energy and Water Utilities Regulatory Authority Act;
- “generation facility” means premises, electric energy producing equipment including its auxiliary equipment, transformers, fuel handling equipment, switch-yard and interconnection facilities that is necessary for performing the generation activity as shall be specified in a licence;
- “generation activity” means electricity generation services;
- “generation licensee” means an entity licensed by the Authority to provide generation services;
- “import licence” means a licence issued by the Authority to an entity to conduct electricity import services;
- “inspector” means an officer of the Authority or agent appointed by the Authority pursuant to rule 54 to act as an inspector;

“large customer” means a customer that receives electricity supply at voltages higher than 1 kV;

“licence” means a licence issued by the Authority to conduct supply activity;

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

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

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

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

“meter inspector” means an independent entity appointed by the Authority in writing to verify on meter accuracy as required under rule 50;

“metering equipment” means meters, time-switches, measurement transformers, metering protection and isolation equipment, circuitry and their associated data storage and data communications equipment and wiring which are part of the active energy and reactive energy measuring equipment at or relating to a site;

“participation agreement” means an agreement between the market operator and each market participant, concluded pursuant to the market rules;

“Prudent Utility Practices” means those good and prudent practices, methods, and procedures which are attained by exercising that degree of skill, diligence, prudence, and foresight which would reasonably and ordinarily be expected from a skilled and experienced international distributor of electricity engaged in the same or a similar type of undertaking or activity in Tanzania and under the same or similar circumstances and conditions to those pertaining in Tanzania and satisfying the health, safety and environmental standards of reputable

international electric supplying companies;

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

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

“supply activity” means an activity that is ordinary and necessary to the provision of electricity supply services; and supply services shall be construed accordingly;

“supply agreement” means an agreement entered between a licensee for the sale of electricity to customers, exclusive of any such transaction with either itself or a subsidiary;

“supply code” means the technical, procedural rules and standards of that name issued by the Authority governing issues pertaining to supply services;

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

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

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

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

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

equipment;

Cap 285 “Tribunal” means the Fair Competition Tribunal established under the provisions of the Fair Competition Act; and

“use-of-system agreement” means an agreement between a licensee on one hand and a distribution licensee or the transmission licensee on the other hand governing the commercial terms related to distribution network tariffs and transmission network tariffs.

## PART II LICENSING PROCEDURES

Obligation to Apply for a Licence 4. - (1) No person shall conduct any supply activity without a licence unless exempted by the Authority pursuant to rule 14.

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

(3) Notwithstanding the provisions of sub-rules (1) and (2) any person who has been conducting supply activity with a licence issued by an institution other than the Authority shall within six months from coming into force of these rules, apply for a licence and the Authority shall proceed issuing a licence which shall contain terms and conditions not less favourable than those contained in the licence issued by an institution other than the Authority.

Penalty 5. - (1) Any person who contravenes the provisions of rules 4 (1), (2) and (3) shall be liable to a fine of ten million shillings.

(2) Notwithstanding the penalty prescribed in sub-rule (1) any person who contravenes the provisions of rule 4 (3) may, in addition to the penalty in sub-rule (1), have its licence revoked.

Licence Application 6. – (1) An applicant for a licence shall apply to the Authority for

Procedure      a licence by filling in the appropriate form prescribed by the Authority, and shall lodge such application to the Authority, together with such other documents or records as may be required by the Act, the EWURA Act and other applicable law.

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

- (a) certified copies of its registration documents;
- (b) proof for the availability of electric energy to be supplied like the existence of a power purchase agreement, import licence or use-of-system agreement;
- (c) proof of the financial capability for the supply activity;
- (d) description of a service area; and
- (e) if an environmental assessment study has been conducted, a certified copy of the document setting out the outcome of such study.

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

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

Publication of a Licence Application      7. – (1) A licence application received by the Authority shall be evaluated to verify its completeness and legality of information contained therein and thereafter a notice of the application shall be published in at least two newspapers of wide circulation in Tanzania one in English and another in Kiswahili with a view to soliciting comments and representations on the application.

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

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

- (a) deny the application;
- (b) refer back an application;

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

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

- (a) the protection of the environment;
- (b) the applicant's record of compliance with the Act, these rules and other applicable laws;
- (c) economic efficiency and benefit to the applicant and the public in general; and
- (d) any other matter relevant to the orderly conduct of supply activity in Tanzania.

(3) The Authority may deny issuing a licence where it determines that:

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

Application  
for a  
Provisional  
Licence

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

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

- (a) a business plan;
- (b) prescribed fee;
- (c) proof of financial capability;

- (d) a sketch map of the proposed service area;
- (e) power purchase agreement, memorandum of understanding or letter of intent, if any; and
- (f) any other documentation or information the Authority may require.

Publication  
of a  
Provisional  
Licence  
Application

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

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

Grant of a  
Provisional  
Licence

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

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

Application  
for  
Exemption

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

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

- (a) description of the project including its shareholders;
- (b) description of a service area;
- (c) any relevant agreement which may have an impact on the availability of supply services; and
- (d) reasons for the exemption.

|                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|-------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Publication of an Application for Exemption     | <p>13. - (1) Upon receipt of the application in rule 12, the Authority shall publish a notice of the application in at least two newspapers of wide circulation in Tanzania one in English and another in Kiswahili with a view to soliciting comments and representations on the application.</p> <p>(2) The public shall be invited to submit their comments and representations within twenty-one days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the application.</p>                                                                                                                                                                                                                              |
| Grant of Exemption                              | <p>14. - (1) At the conclusion of an inquiry process in rule 13 the Authority shall proceed evaluating the application and make a decision either granting or denying the application subject to such terms and conditions it may deem fit.</p> <p>(2) The Authority shall while making a decision whether to grant an exemption or not, take into consideration the following:</p> <ul style="list-style-type: none"><li>(a) gravity of the reasons submitted in support of the exemption;</li><li>(b) public interests to be protected; and</li><li>(c) comments or representations received from the public, if any.</li></ul> <p>(3) The term, obligations and rights to be provided by an exemption shall be specified in the Order to be published by the Authority in the <i>Government Gazette</i>.</p> |
| The Authority to Give Reasons for its Decisions | <p>15. The Authority shall, in the event that it denies or refers back an application for a licence, provisional licence or an application for exemption inform the applicant of such decision in writing, including the reasons thereof.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| Validity and Duration of a Licence              | <p>16. – (1) The term of a licence and that of a provisional licence shall be clearly stated on the face of such licence or provisional licence, as the case may be.</p> <p>(2) A provisional licence shall remain valid for the term issued, unless when replaced by a licence to provide the services issued by the Authority, or when extended for such further period as the Authority may determine, upon written application by a licensee.</p>                                                                                                                                                                                                                                                                                                                                                           |

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

Application  
for Transfer  
of a Licence

17. - (1) No licence shall be assigned or transferred to another person without a written approval of the Authority.

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

(3) Notwithstanding the provisions of sub-rule (1) no application for a transfer or assignment of a licence shall be entertained by the Authority unless it is endorsed by the transferor or assignor, as the case may be.

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

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

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

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

Change of  
Name

18. - (1) A licensee may change its name pursuant to the

provisions of these rules and applicable law.

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

Change of  
Shareholding  
Structure

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

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

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

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

Application  
for Renewal  
of a Licence

20. – (1) A licensee may, within three months before expiration of a licence term, apply to the Authority for a renewal of a licence.

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

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

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

Licence  
Suspension  
and

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

- Revocation      where the licensee is convicted of any serious offence.
- (2) Notwithstanding the provisions of sub-rule (1) the Authority may suspend a licence for a period up to twelve months where:
- (a) the licensee has been found to be in serious violation of the provisions of the Act, the EWURA Act or these rules on matters relating to the protection of occupational health, public safety and environment; or
  - (b) the licensee fails to pay a regulatory levy to the Authority and such levy remains unpaid thirty days after it has become due and the Authority has given the licensee notice in writing that such payment is overdue and the licensee has not paid
- (3) Notwithstanding the provisions of sub-rules (1) and (2) the Authority may in lieu of suspending or revoking a licence, and subject to the provisions of the Act and the EWURA Act, appoint an administrator to replace management of a licensee, and manage the affairs of the licensee for such period the Authority may determine.
- Appeal      22. Any person may, if aggrieved by the decision of the Authority in rules 8, 11, 14 or 21 appeals to the Tribunal pursuant to the provisions of the Fair Competition Act.

PART III  
GENERAL OBLIGATIONS OF A LICENSEE

- Obligation to Provide Services      23.-(1) A licensee shall conduct a supply activity pursuant to the provisions of the Act, the EWURA Act, any applicable law and any agreement provided that the provisions of the agreement are not at variance with the provisions of these rules, the Act, the EWURA Act or any other applicable law.
- (2) Without prejudice to the generality of sub-rule (1) a licensee shall be required to:
- (a) conduct supply activity in a service area;
  - (b) charge the tariff to customers; and
  - (c) carry out all works related to the conduct of supply activity, including engineering, construction, rehabilitation, operation and maintenance of the

facilities in accordance with applicable law and Prudent Utility Practices.

(3) A licensee shall while conducting supply activity observe the rules and guidelines issued by the Authority in matters related to, *inter alia*,

- (a) tariffs;
- (b) tariff methodology;
- (c) transfer of control; and
- (d) payment of fees and levies.

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

Compensation for Loss Suffered

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

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

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

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

Customer Service Charter

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

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

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

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

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

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

(5) A licensee shall:

- (a) establish a mechanism pursuant to which it will receive outage and power reduction reports or any reports related to the quality and reliability of electricity supply;
- (b) maintain a special register of information comprising:
  - (i) the identity of the complainant;
  - (ii) the type of complaint or malfunction;
  - (iii) the location and time of the occurrence complained of; and

- (iv) the time required to correct such complaint or malfunction;
- (c) on a monthly basis, deliver a detailed statement to the Authority in respect of the frequency and duration of all malfunctions and outages.

Compliance  
Audit

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

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

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

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

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

Service  
Performance  
Report

27. A licensee shall provide the Authority with a detailed statement of supply services performance, including number of customers, number of new connections and total energy and capacity sold as the Authority may require.

Annual  
Report

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

#### PART IV GENERAL FINANCIAL OBLIGATIONS

Financial  
Reporting

29. – (1) A licensee shall within 90 days after the start of its financial year submit to the Authority its approved budget for such financial year, which budget shall include details on its:

- (a) operating revenue; and
- (b) capital and operating expenses.

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

- (a) a quarterly report on its commercial and financial performance not later than thirty days after the end of each quarter; and
- (b) auditor's report on financial statements for each financial year together with the management letter not later than 180 days after the end of financial year.

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

Maintenance  
of Separate  
Accounts

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

Prohibition  
to Cross  
Subsidi-  
zation

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

#### PART V

#### GENERAL TECHNICAL OBLIGATIONS

Terms of  
Supply

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

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

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

- (a) offer to conclude a contract to supply services to the premises where such supply service is requested; and
- (b) upon concluding the contract, provide supply services pursuant to such contract and applicable law and a licence.

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

- (a) the premises where supply services are to be provided is not connected to the distribution network or the transmission network;
- (b) the premises where supply services are to be provided have been de-energized by the system operator or distribution licensee;
- (c) a licensee has been informed by the system operator or distribution licensee that compliance with the requirement to supply would result in high risks to the safety of any person, land, building or other property;
- (d) taking all circumstances into account, it is not reasonable for a licensee to provide supply services, provided, however, that a licensee shall:
  - (i) refer any question as to whether the circumstances are reasonable to the Authority for determination and in any event no later than five working days after the licensee's receipt of the request; and
  - (ii) where the licensee already supplies electricity to the single premises where supply is requested, give not less than three months notice of its intention to discontinue supply or such shorter notice as has been approved by the Authority; or
- (e) to do so would be likely to involve a licensee in a contravention or breach of:
  - (i) the applicable law;
  - (ii) the market rules;
  - (iii) the supply code;
  - (iv) the distribution code; and
  - (v) other applicable codes and standards.

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

- (a) pay the agreed tariff or charge; or
- (b) comply with the conditions of supply;

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

- Supply Agreement
33. – (1) A licensee shall pursuant to the market rules and any rules issued by the Authority and not later than one year after receipt of a licence, conclude a supply agreement with each customer.
- (2) A licensee shall ensure that its supply agreement contains at a minimum, the following information:
- (a) its identity and the address.
  - (b) the scope of the services to be provided;
  - (c) the level of quality and the time of initial connection;
  - (d) the type of maintenance and customer service support offered;
  - (e) the means by which customers may obtain information concerning tariffs;
  - (f) the duration of the contract;
  - (g) conditions for the renewal or termination of the contract; and
  - (h) any compensation or refund arrangements in the event that contracted quality service levels are not met.
- An Agreement with Market Operator
34. – (1) A licensee shall, subsequent to the market opening and as appropriate, conclude an agreement with the market operator.
- (2) A licensee shall conclude an electricity power purchase agreement with a generation licensee, a distribution licensee or another licensee in order to meet customer requirements.
- (3) A licensee may, subject to applicable law, conclude the agreements described in sub-rule (2) in order to engage in cross-border electricity trade.
- (4) A licensee shall as appropriate conclude:
- (a) an agreement with the relevant system operator governing the system operator's fee;
  - (b) a use-of system agreement with a transmission licensee; and
  - (c) a use-of system agreement with one or more distribution licensees.
- (5) A licensee shall, prior to entering into any agreement described under this Part, notify the Authority and provide a draft of the said

agreements to the Authority for its approval.

Compliance  
with Codes,  
Standards  
and Rules

35. – (1) A licensee shall provide supply services in compliance with:

- (a) applicable law;
- (b) the market rules;
- (c) the supply code;
- (d) the distribution code; and
- (e) any other relevant codes.

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

Performance  
Standards

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

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

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

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

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

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

Separation  
of Services

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

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

Load  
Profiling

38. A licensee shall deliver to the Authority:

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

Purchase of  
Electricity,  
Goods and  
Services

39. - (1) A licensee shall purchase electricity from a generation licensee or a distribution licensee on such terms and conditions as shall be specified in the power purchase agreement.

(2) A licensee shall purchase required goods and services on the basis of industry best practices including price, performance, reliability, quality, and delivery.

(3) The provisions of sub-rule (2) shall not apply to the purchase of any good or service where the terms and conditions of such purchase are required by the licence, an industry code or rule, or any other arrangement required or approved by the Authority.

Safety and  
Security of  
Supply

40. A licensee shall provide its customers with contact information that they can use to notify the licensee of any matter or incident related to the availability of the supply services that:

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

Detection  
and  
Prevention  
of Theft,  
Damage and  
Meter  
Interference

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

- (a) theft of electricity in the service area;
- (b) damage to or fault in any electric plant, electricity meter or any equipment for provision of supply services in the

service area;

- (c) interference with any electricity meter in the service area; and
- (d) any unrecorded consumption of electricity.

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

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

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

(4) A licensee shall inform the owner of its policy in respect of incidents described in sub-rule (3) and of the circumstances in which the licensee requires such owner to remedy the incidents by the use of:

- (a) substitution of alternative meters;
- (b) provision of prepayment meters; and
- (c) discontinuation of supply to the premises at which the incident occurred.

Tariff  
Disclosure

42. – (1) A licensee shall immediately after approval by the Authority of their tariff application, publish tariffs in respect of its supply services:

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

centers.

(2) Where the supply services are deregulated the licensee shall publish tariffs in accordance with sub-rule (1) at the time and frequency as shall be designated by the Authority.

(3) A licensee shall provide to any person who requests, accurate tariff information, including any rules related to tariffs established by the Authority to any person who requests it.

Efficient  
Energy Use

43. A licensee shall promote energy efficient administration under consumption and to stimulate economic rational use and conservation of electricity.

Service  
Interruption

44. A licensee shall notify the Authority in writing in the event of a service interruption for emergency repair, rehabilitation or preventive maintenance that affects supply services for more than 24 hours.

Notice of  
Service  
Interruptions

45. – (1) A licensee shall, when intending to carry out preventive maintenance, replacement, restoration or any other construction that may lead to an interruption or reduction of transmission services, issue a public notice thereof, not less than two days prior to undertaking such activity.

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

Metering

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

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

Calibration  
of Meters

47. A licensee shall ensure that a meter used to ascertain the value of supply of electrical energy consumed by a customer is calibrated and sealed by the Certification Authority.

Meter  
Reading

48. - (1) A licensee shall read meters in order to verify amount of electrical energy consumed at least:

(a) once in every six months for large customers; and

(b) once in every three months for other customers.

(2) A licensee shall estimate the electrical energy consumed during the period when a meter is stopped or is malfunctioning pursuant to market rules.

Meter  
Inspection  
and Testing

49. - (1) A licensee shall inspect and test a meter of any customer in order to verify amount of electrical energy consumed at least once in every:

- (a) twelve months for large customers; and
- (b) twenty-four months for other customers.

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

(3) Meter inspection exercise shall be witnessed by a customer or, in his absence, any adult relative or friend, local government leaders of the respective area or police officers.

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

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

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

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

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

(9) A licensee may prepare manual or internal rules of procedure that may be used by its officials in regulating the manner in which inspection and testing of a meter shall be conducted, provided however, the said manual or rules of procedure shall be in line with the requirements of the Act and these rules.

Meter  
Accuracy  
Verification

50. – (1) If any dispute arises between any customer and a licensee as to whether any meter or other apparatus, by which the value of supply is ascertained, whether belonging to the consumer or to the licensee, is or not in proper order for correctly registering that value or as to whether that value has been correctly registered by any meter or other apparatus, that dispute shall be determined upon the application of either party by a meter inspector whose decision shall be final and binding to all parties and the reading of the meter shall be conclusive as to the value of the supply, in the absence of fraud.

(2) A licensee and a customer or their duly appointed representatives shall have the right to witness the verification of meter accuracy in sub-rule (1).

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

Preparation  
of  
Supplementa  
ry Bills

51. - (1) A licensee shall be allowed to prepare supplementary bills where:

- (a) the results in rule 50 have indicated that there were some errors in preparation of bills or the meter has malfunctioned and a customer has agreed in writing on such errors or malfunctioning; or
- (b) a report from meter inspector has indicated that the meter has malfunctioned.

(2) Notwithstanding the provisions of sub-rule (1) a supplementary bill to be prepared by a licensee pursuant to sub-rule (1) shall not exceed a period of:

- (a) twelve months counted from the date of last inspection, for large customers; and
- (b) twenty-four months counted from the date of last inspection, for other customers.

- Removal of Meters from the Customer's Premises
52. – (1) No meter or apparatus used to ascertain the value of electric energy consumed shall be removed from the customer's premises for testing and verification of accuracy pursuant to rule 50 unless the customer or its representative is present.
- (2) Before any meter or apparatus used to ascertain the value of electric energy consumed is removed a licensee shall read the final readings of such meter or apparatus, record details of the outer structure of the meter or apparatus, photograph it and thereafter sign a sheet of paper containing the above details and the customer shall counter sign it.
- (3) A meter or an apparatus used to ascertain the value of electric energy consumed may be removed from the premises of a customer in the absence of the customer where:
- (a) the customer has waived in writing its rights to witness the removal; or
  - (b) the attendance of the customer or its representative cannot be procured.
- Appeal
53. Any person who is aggrieved by a supplementary bill prepared pursuant to rule 51 may refer the matter to the Authority for a decision and the Authority shall deal with such matter as a complaint received under the provisions of the EWURA Act.
- Appointment and Duties of Inspectors
54. – (1) The Authority may, from time to time, appoint one or more fit and proper persons to be inspectors for the purpose of the Act and these rules.
- (2) No person shall be appointed as an inspector unless:
- (a) he possesses a minimum of a diploma in electrical, electromechanical or chemical engineering from a recognized institution;
  - (b) he has a proven experience in electrical installation and inspection for a period not less than five years; and
  - (c) he is of unquestionable integrity and reputation.
- (3) The inspectors shall, in discharging their duties under these rules, be paid by the Authority such sum as shall be determined by it from time to time.

(4) It shall be a duty of an inspector to:

- (a) supervise the construction works and the reception of electric lines and plant, to inspect and test the electric lines and plant after construction with a view to ensuring that the works are in accordance with the terms of the Act and other relevant laws;
- (b) conduct an inquiry into the cause of any accident affecting the safety of the public, if directed by the Authority;
- (c) test the variation of pressure on the consumer's terminals if and when required by any consumer or to make such other inspection and testing of the service lines, apparatus and works of any licensee upon the consumer's premises as may be necessary to ascertain whether the licensee has complied with the provisions of the Act, these rules and other relevant laws; and
- (d) any other duty as may be required of an inspector under the provisions of the Act, EWURA Act, these rules or any other relevant laws.

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

(6) An inspector may at all reasonable times and upon giving sufficient notice to the occupier of his intention, enter any premises to which electricity is supplied for the purpose of inspecting and testing the electric supply lines, service lines, meters, fittings, works and apparatus for the supply and use of electricity installed in the premises and of ascertaining if the provisions of the Act, EWURA Act or rules made thereunder are complied with.

(7) During inspection, an inspector may:

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

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

Prohibited  
Acts to  
Inspectors

55. A licensee shall not:

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

Offence

56. Any person who contravenes the provisions of rule 55 commits an offence and shall, on conviction, be liable to a fine of not less than three million shillings or imprisonment for a term not less than one year.

## PART VI GENERAL PROVISIONS

General  
Penalty

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

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

Penalty for  
Continued  
Contravention

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

Authority to  
Supplement  
Procedures

59. Where procedures are not provided for in these rules, the Authority may do whatever is necessary and permitted by the Act, the EWURA Act and applicable law to enable it to effectively and

completely adjudicate on the matter before it.

FIRST SCHEDULE

List of Serious Offences

*(Made under Rule 3)*

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

*The Electricity (Supply Services) Rules*

*G.N. No. 175 (contd)*

SECOND SCHEDULE

METER AUDIT AND INSPECTION FORM

*(Made under Rule 49)*

PART I

METER AUDIT

DATE: .....

REGION: .....

**A: CUSTOMER'S DATA**

Customer Name: .....

Street: .....

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

Account No.: .....

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

Meter Reading: .....

Total Units To-date: .....

**Tokens Downloaded**

1. ....

2. ....

3. ....

4. ....

5. ....

**B: PHYSICAL OBSERVATION OF METER (Tick the Applicable)**

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

|          |  |      |  |
|----------|--|------|--|
| Tampered |  | Okay |  |
| Tampered |  | Okay |  |
| Damaged  |  | Okay |  |

**C: INSTALATION LAYOUT**

|              |  |             |  |
|--------------|--|-------------|--|
| Outside      |  | Inside      |  |
| Before Meter |  | After Meter |  |

*The Electricity (Supply Services) Rules*

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Location

..... Fused

..... of Removable Mater Bypass

|     |  |    |  |
|-----|--|----|--|
| Yes |  | No |  |
|-----|--|----|--|

**D: REQUIREMENTS FOR WIRING CORRECTION**

Meter Replacement By a CT-Operated

Meter Replacement By a Whole - Current

Meter Cable Replacement Needed

Size of Cable Needed

Length of Cable Needed

|                      |  |    |  |
|----------------------|--|----|--|
| Yes                  |  | No |  |
| Yes                  |  | No |  |
| Yes                  |  | No |  |
| .....mm <sup>2</sup> |  |    |  |
| .....meters          |  |    |  |

**Remarks:**

**Auditors**

1. ....

2. ....

3. ....

**Customer Representative:** .....

**PART II**

**INSPECTION FORM**

Date:

.....

REGION:

.....

DISTRICT:

.....

**A: CUSTOMER'S DATA**

Customer's Name: .....

Street:

.....

Telephone/Mobile No. ....

**B: GPS COORDINATES**

Account No.:

.....

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

Meter Reading: .....

*The Electricity (Supply Services) Rules*

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Total Unit To-date: .....

**C: PHYSICAL OBSERVATION OF METER (Tick the Applicable)**

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

|          |  |      |  |
|----------|--|------|--|
| Tampered |  | Okay |  |
| Tampered |  | Okay |  |
| Damaged  |  | Okay |  |

**INSTALLATION  
LAYOUT**

Meter Location

|              |  |             |  |
|--------------|--|-------------|--|
| Outside      |  | Inside      |  |
| Before Meter |  | After Meter |  |
| Yes          |  | No          |  |

Position of Cut-Outs (Fuses)

Possibility of Removable Meter Bypass

**D: REQUIREMENTS FOR WIRING CORRECTION**

Meter Replacement by  
CT-Operated  
Meter Replacement  
Needed  
Size of Cable Needed  
Length of Cable Needed  
Remarks

|     |  |    |  |
|-----|--|----|--|
| Yes |  | No |  |
| Yes |  | No |  |
| Yes |  | No |  |

**E: INSPECTORS**

1. ....

2. ....

Witnessed by:.....

**NOTES:**

1. Electricity supply will be discontinued if customer will be found using electricity contrary to laid down regulation;
2. Inspections will be conducted by authorized staff who may be accompanied by other officials.
3. Power will be disconnected and customer will be notified in writing steps to be taken before restoration of power supply.

Dar es salaam  
4<sup>th</sup> May, 2014

FELIX NGAMLAGOSI  
***Director General***