



**CEO'S REMARKS AT THE SECOND EXECUTIVE FORUM FOR
THE ELECTRICITY SUPPLY INDUSTRY, JUNE 27TH 2018 -
KAMPALA SERENA HOTEL**

Honorable Minister of Energy and Mineral Development,
The Permanent Secretary, Ministry of Energy and Mineral
Development

The Chairman Electricity Regulatory Authority,
Managing Directors and Chief Executive Officers of
various entities under ESI,
Senior Government Officials,
Ladies and Gentlemen,

1. I would like to start by extending my gratitude to the
Hon. Minister for accepting our invitation to grace this
SECOND EXECUTIVE FORUM of heads of different
institutions under the Electricity Supply Industry.

2. I would also like to thank my colleagues – the Heads of different institutions in the Electricity Supply Industry for committing their time to this important dialogue.
3. Hon. Minister, and colleagues, allow me give some highlights of the year from the Regulator before I delve into today's theme.
 - a. I would like to inform you that today, you are being hosted by an ISO Certified ERA. On 30th May 2018, the Electricity Regulatory Authority (ERA), celebrated the ISO 9001:2015 Certification in Quality Management Systems. The Certification is culmination of dedicated efforts at achieving excellence in the service of our stakeholders.
 - b. A month ago, ERA participated in the Corporate Governance Awards 2018 held on 17th May 2018 at the Kampala Serena Hotel and won the **1st runner-up Award** in the category of **Public Sector Enterprises** (Commissions, Agencies and Parastatals). We were only a few inches from the overall winner - the National Social Security Fund.
 - c. Since August last year, we have been heavily engaged in stakeholder activities ensuring sector stakeholders are well informed of goings-on in the sector. In this period, we took the Members of

Parliament of the Natural Resources Committee on a tour of power projects currently under development, and power installations around the country. We have been involved in countrywide consumer education and awareness from district to district, and relatedly, we have also been in communities helping them access clean drinking water as part of our Corporate Social Responsibility. This activity has covered at least selected water sources in six Districts across the Country.

d. On the continental level, ladies and gentlemen, I would like to inform you that on the sidelines of the 2018 Africa Energy Forum (AEF) recently held in Mauritius, the African Development Bank released the Electricity Regulatory Index for Africa (ERI) report where Uganda was ranked 1st among 15 African countries surveyed. The Regulatory Index measures the level of development of regulatory frameworks in 15 African countries and examines their impact on the performance of their respective electricity sectors.

4. Having given those updates Hon. Minister, allow me present to you the theme for this year's Forum. The

Theme for this year's gathering is **Demand Growth and Accelerated Access to clean Energy**. This theme presents a good challenge for us as leaders of the sector because it speaks to the aspirations of the Government - to move the nation from a peasantry to an industrialized economy.

5. Hon. Minister, when we met for the inaugural ESI Executives Forum, we concurred that the attainment of electricity targets and aspirations by the GOU in respect to Vision 2040 requires a coordinated strategy that will define and harmonize our annual priorities and efforts across board, and eventually deliver the desired social economic transformation.
6. At that inaugural meeting, we subsequently came up with resolutions and action points for different institutions in respect to the attainment of our aspirations as a sector. A copy of the resolutions has been circulated. I trust that during presentations and discussions, the action entities will be kind enough to this Forum to provide an update on how far they have gone in the implementation process.
7. Hon. Minister, ladies and Gentlemen, the song on the minds of every electricity sector stakeholder right now is how we shall deal with the abundant electricity

generation the country is now enjoying. However, for us at ERA, it's not just how to absorb the additional available generation; instead, we are looking at a holistic approach to:

- a. Delivering Affordable Tariffs for electricity consumers;
- b. Accelerating Electricity Access and Growing Demand; and,
- c. Delivering Reliable Power Supply and improved Quality of Service.

8. At ERA, we have already set our focus on this GOU aspiration in our Business Plan 2017/18 - 2019/20 by anchoring this aspiration in our three major organizational priorities. We believe we can only be able to deliver these priorities by establishing Enabling Pillars and these have been set as:

- a) Stakeholder management
- b) Strong governance, risk and compliance management
- c) People, processes and Tools for institutional sustainability

9. As the Electricity Industry surpasses the 1000MW Generation Capacity at the end of this year when the big Hydro plants of Karuma and Isimba, and the

several mini-hydro plants get onboard, Hon. Minister there are related statistics that should concern us. These are energy losses and demand. When we met last June-

a. The losses were at 19%, today they stand at 17.5%.

b. Peak demand was 580MW, today its 637 but majorly on account of exports.

10. Implementation of measures focusing on reliable and adequate power supply through strengthening of the Transmission and Distribution infrastructure to promote access to and use of clean energy will remain prominent on the Authority's agenda, as we make our own contribution to the achievement of the Uganda Vision 2040.

11. I am pleased to note that as I speak, measures in this direction – including the Free Electricity Connection Policy (ECP), Energy Rebate Guidelines, and extension of power for industrial use have already been rolled out. A number of domestic consumer connection programs have also been lined up such the use of pre-wired ready boards.

12. Ladies and gentlemen, we need to put our effort together and encourage potential beneficiaries of

these programs to maximally utilize these mechanisms to increase uptake of the abundant electricity for industrialization and social economic transformation.

13. I strongly believe that the sector ability to successfully implement the above initiatives calls for a shared effort among ESI executives, Government, and the private sector. I appeal to all stakeholders to promote a consistent and powerful commitment to building a strong sector.

14. Hon. Minister, as I conclude my submission, I would like to emphasize some challenges that remain in our face, that as well require our harmonized effort to overcome. This challenges include:

- a. Improvement in the quality of service and supply
- b. Inadequacy of resources (human and financial)
to propel the sector to the desired efficiency
- c. An enabling law to tackle vices such as power thefts and vandalism of the network.

15. Hon. Minister, with your usual support, and the dedication of my colleagues in the sector, I have all the confidence that these challenges shall be surmountable. As conclude my speech, I appeal to my colleagues that we need to team up - and

adventure together to find new solutions to drive the Electricity Supply Industry forward. To that, colleagues, I add, it is only when we work in synergy as an industry that we can ensure that the dream of achieving Vision 2040 goals is realized in our country - Uganda.

**‘WORKING FOR SUSTAINABLE ELECTRICITY SUPPLY’
FOR GOD AND MY COUNTRY**