

# DIRECTIVE No. ERA/004/2017

### INTERCONNECTION CODE AND STANDARD WHEELING AGREEMENTS

### TO: ALL LICENSEES

Directive under Section 10 (e) of the Electricity Act, 1999, (Chapter 145 of the Laws of Uganda), to licensees involved in interconnection activities and wheeling of electricity.

#### 1.0 INTRODUCTION

The Electricity Regulatory Authority ('ERA'/ 'Authority') at its 284th meeting held on 8<sup>th</sup> September 2017, approved and adopted the Interconnection Code and Wheeling Agreement Templates for implementation by licensees in Uganda that are involved in interconnection activities and wheeling of electricity.

#### **OBJECTIVE** 2.0

The overall objective of the Interconnection Code and Wheeling Agreement is to develop an elaborate framework to enable reliable and efficient evacuation and transmission of electricity in the Electricity Supply industry (ESI) of Uganda, in accordance with allowable national and international technical - economic standards.

#### **STATUS QUO** 3.0

The Interconnection Code and Wheeling Agreement considers the technical and economic requirements for connecting utilities to the existing grid system during interconnection and wheeling activities and more specifically comprised of;

- (a) Interconnection Code;
- (b)Wheeling Agreement for wheeling of electricity by the System Operator through an embedded distribution licensee;

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- (c) Wheeling Agreement for wheeling of electricity by the System Operator through an adjacent distribution licensee; and,
- (d) Wheeling Agreement for wheeling of electricity from a generation licensee/Independent Power Producer.

# NOW THEREFORE, IN ACCORDANCE WITH;

- (i) Section 10 (e) the Electricity Act, 1999 which requires the Authority to make and enforce directives to ensure compliance with licences issued under the Act;
- (ii) Section 10 (p) of the Electricity Act which empowers the Authority to approve standards for the quality of electricity supply services provided;
- (iii) Section 10 (q) which requires the Authority to approve codes of conduct in respect of the operation of Transmission and Distribution Systems;
- (iv) Section 11 (2) (e) which requires all licensees to connect to Transmission Systems and Facilities in Uganda on a non-discriminatory basis on terms and conditions that are fair and reasonable and, when practicable, ensure that licensees connect to Distribution Systems and Facilities;
- (v) Section 58 (1) which provides that a holder of a distribution licence shall provide access to all existing and potential users of the distribution network on the payment of fees and other charges for network services, as may be approved by the Authority;

The Electricity Regulatory Authority, hereby issues this Directive No. ERA/004/2017 as follows;

- All licensees involved in interconnection projects/activities and wheeling of electricity in the Electricity Supply Industry are hereby directed to adopt and implement the approved Interconnection Code and Standard Wheeling Agreements.
- 2. Each licensee that is currently involved in the wheeling of electricity must submit for the Authority's approval, an initialled Wheeling Agreement in the approved format, by the 15<sup>th</sup> day of December 2017.

This Directive No. ERA/004/2017 shall take effect on the 3<sup>rd</sup> of November 2017.

Issued this 31st day of October 2017.

Eng. Ziria Tibalwa Waako

CHIEF EXECUTIVE OFFICER