



REPORT OF THE PUBLIC HEARING HELD IN RESPECT OF THE APPLICATIONS FOR THE 2017 ANNUAL ELECTRICITY TARIFFS



9TH DECEMBER 2016, IMPERIAL ROYALE HOTEL, KAMPALA

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1.1 INTRODUCTION

Pursuant to Section 75 of the Electricity Act, 1999, Cap 145 of the Laws of Uganda, the Electricity Regulatory Authority (ERA) received Tariff and Budget Applications for the year 2017, from Uganda Electricity Generation Company Limited (UEGCL), Eskom Uganda Limited, Uganda Electricity Distribution Company Limited (UEDCL), Umeme Limited, and a five-year Multi-Year Tariff Application from Uganda Electricity Transmission Company Limited (UETCL).

Pursuant to the provisions of the Electricity (Applications for Permit, License and Tariff Review) Regulations, 2007, a notice of a Public Hearing was published in the Daily Monitor newspaper dated 4th November 2016, in respect of the applications, and accordingly, the Authority convened a Public Hearing at the Imperial Royale Hotel, Kampala, on 9th December 2016.

The Public Hearing was presided over by Dr. Sarah Wasagali Kanaabi, a Member of the Authority, on behalf of the Chairman of the ERA Board. The Program of the Public Hearing is attached as Annex 1.

1.2 OBJECTIVES OF THE PUBLIC HEARING

The Public Hearing was held to:

- (i) Provide an opportunity for ERA to receive information from electricity consumers and other stakeholders, which could be useful in arriving at a fair and just decision in respect of the Tariff and Budget Applications submitted by the five (5) licensees.
- (ii) Provide for comments, questions and answers from stakeholders in respect to the Applications by UEGCL, UEDCL, Eskom Uganda Limited, Umeme Limited, and UETCL.
- (iii) Increase awareness about the mandate of the Electricity Regulatory Authority in the Electricity Supply Industry.

1.3 REGISTRATION

The Presiding Officer requested all the participants present to register their attendance. A copy of the record of attendance is attached as Annex 2. The Public Hearing was notably attended by the following:

- (i) A Member of the ERA Board, Management and Staff;
- (ii) Representatives of Government Ministries (Ministry of Energy and Mineral Development, and Ministry of Education and Sports);
- (iii) The Licensees that submitted Tariff and Budget applications, namely: UEGCL, UEDCL, Eskom Uganda Limited, Umeme Limited, and UETCL;
- (iv) Other Licensees, including Kinyara Sugar Limited, Kakira Sugar Limited, and Sugar Corporation of Uganda Limited;
- (v) Large Industrial and Commercial Consumers;
- (vi) Representatives of Consumer Advocacy Groups; and,
- (vii) The Media.

1.4 OPENING REMARKS BY THE PRESIDING OFFICER

The Presiding Officer, Dr. Sarah Wasagali Kanaabi, a Member of the Board of the Electricity Regulatory Authority (representing the Board Chairman) opened the Public Hearing at 10:00am. She welcomed the participants and thanked them for attending the Public Hearing. Dr. Wasagali further noted as follows:

- (a) Tariff setting was one of the Authority's critical functions; and electricity Tariffs were set in line with the Licenses issued to the different companies and budget applications submitted by the licensees to ERA.
- (b) In order to ensure reliability and transparency of the Tariff setting process, the Authority in 2014 adopted the Quarterly Tariff Adjustment mechanism to take care of movements in the macro-

economic factors and changes in dispatch levels per technology, which impacted the revenue requirement of licensees.

- (c) The Authority would continue to explore all avenues to ensure that the price of electricity, especially for production processes and value addition was affordable.
- (d) The Tariff and Budget Applications received by the Authority from the different licensees had been uploaded onto the ERA website, giving opportunity to the general public to review the applications and submit their views to the Authority.
- (e) The Public Hearing was a platform for the applicants (licensees) to justify the costs incurred during the generation, transmission and distribution of electricity; and that the Authority was mandated to ensure that the costs were prudent.
- (f) The Authority would consider the comments received from the participants at the Public Hearing while determining the applicable Tariffs for the respective licensees for the year 2017. Further to the above, Dr. Wasagali declared the Public Hearing open.

1.5 RULES OF PROCEDURE GOVERNING THE PUBLIC HEARING

The rules of procedure governing the Public Hearing were read out to the participants by the Legal Consultant, on behalf of the Secretary to the Authority, as highlighted below:

- (a) The Licensees (UETCL, UEGCL, UEDCL, Eskom Uganda Limited, and Umeme Limited) would each make a presentation highlighting the salient aspects and justifications of the respective tariff applications.
- (b) Individuals and organizations which would have registered to make formal presentations would be called upon to make their presentations one by one, in the order of registration.
- (c) Other participants who wished to make brief comments or raise questions would indicate their intention to speak by show of hands, and the Presiding Officer would have the discretion to choose who

to speak depending on the available time. The Presiding Officer would endeavor to give equal opportunity to those who wished to express their views.

- (d) The Public Hearing would be conducted in English. Participants who wished to use other languages would, with the permission of the Presiding Officer, do so subject to availability of a credible interpreter.
- (e) Those selected to speak would mention their names, and if representing a Group, mention the Group or organization's name and particulars such as an address.
- (f) Speakers would be expected to be brief, focused and relevant to the subject matter. Irrelevant, abusive statements and statements intended to disrupt, annoy or embarrass any presenter would not be allowed. All mobile phones would be switched off or maintained in silent mode.
- (g) The Presiding Officer would at their discretion limit or extend the time for any presentation.
- (h) A presenter would be required to substantiate any allegation and present any evidence if it was relevant and would result in a just and fair hearing.
- (i) All questions would be directed to the Presiding Officer and the audience would be expected to observe discipline and order; and remain silent and avoid interruption of a speaker.
- (j) The decision of the Authority would not be made at the Public Hearing but at a formal meeting of the Authority which would take into account the information and views made or expressed at the Public Hearing.

2.1 PRESENTATION BY THE ELECTRICITY REGULATORY AUTHORITY

The Authority's presentation was delivered by the Manager Pricing, Mr. Vianney Mutyaba. The presentation focused on the Tariff setting process and related matters, as highlighted:

- (i) ERA derives the mandate to set Tariffs from Section 75 of the Electricity Act, the Tariff Code Regulations (2003), the Electricity (Application for Permit, License and Tariff Review) Regulations, 2007, and the Quarterly Tariff Adjustment Methodology, among others.
- (ii) In setting Tariffs, the Authority aims to protect consumer interests, to ensure reasonable returns to investors, to ensure fair and equitable prices, and to promote efficiency and reliability, among other objectives.
- (iii) The Authority employs a six-step Tariff Review process. This includes receipt of applications from the licensees, consultation with stakeholders, technical evaluation, technical review, consideration by the Authority, and approval by the Authority.
- (iv) The Electricity end-user Tariffs are computed in order to recover the reasonable costs of generation, transmission and system operation, and distribution and supply of power.
- (v) The key Tariff determinants include power purchase costs, investment-related costs, Operation and Maintenance costs, exchange rate, fuel prices, target energy losses, and target non-collection rates.

2.2 PRESENTATION BY UGANDA ELECTRICITY GENERATION COMPANY LIMITED

The presentation of UEGCL was made by the company's Chief Finance Officer, Mr. Joshua Karamagi. The presentation highlighted the following:

- (i) UEGCL owns the Nalubaale (183 MW) and Kiira (200 MW) Hydro-electric power stations that were concessioned out to Eskom Uganda Limited in 2002 for a period of 20 years, under a Concession and Assignment Agreement.
- (ii) Under the Concession and Assignment Agreement, UEGCL has a right to bill Eskom Uganda Limited for debt service, depreciation, Return on Equity, and administrative costs.

- (iii) The budget drivers for UEGCL include the Kiira and Nalubaale power stations with an average generation capacity of 140 MW, a staff compliment of 29, seven (7) Board Members, Exchange rate of UGX/USD 3700, Inflation rate of 5%, Consumer Price Index of 2.35%, Bank of Uganda rate of 16%, and an average lending rate of 23%.
- (iv) UEGCL's concession fees are expected to increase from UGX 8.6 Billion as approved by ERA in 2016 to UGX 105 Billion. The increase of 96.4 Billion relates to the following:
 - (a) Provision for depreciation (UGX 19.4 Billion);
 - (b) Return on Equity (UGX 67.2 Billion) as provided for in the Concession and Assignment Agreement;
 - (c) Staff costs of UGX 4.6 Billion;
 - (d) Administration costs of UGX 3.4 Billion; and,
 - (e) Capital Expenditure at UGX 1.6 Billion.
- (v) The licensee's administration expenses are expected to increase from the 2016 forecast of UGX 4.6 Billion to UGX 8.0 Billion due to among other drivers, stamp duty for share capital increase of UGX 531 Billion, consultancies for listing and Small Hydropower Projects (SHP) development advice of UGX 600 Million, and SHP Licenses of UGX 200 Million.
- (vi) The capital expenditure budget line of UGX 2 Billion is mainly for replacement of five eight-year old vehicles at UGX 1.2 Billion, acquisition of Human Resource and Compliance software at UGX 420 Million, and furniture and computers at UGX 450 Million.

2.3 PRESENTATION BY UGANDA ELECTRICITY DISTRIBUTION COMPANY LIMITED

The presentation by UEDCL was delivered by the Head of Finance, Mr. Paul Mwesigwa. The presentation highlighted the following:

- (i) UEDCL is 100% owned by the Government of Uganda. The company owns the distribution network below 33kV that was leased to Umeme Limited on a 20-year concession arrangement that runs up to 2015. UEDCL currently employs 121 staff; and is involved in other businesses

such as the pole plant and management of the territories of the Rural Electrification Agency.

- (ii) The key achievements of the company during the year 2016 included: conducting of quarterly reviews of the state of the distribution network of Umeme Limited; verification of the assets added by Umeme Limited onto the distribution network; production of high quality creosote poles; and distribution of power in the territories of the Rural Electrification Agency.
- (iii) During the year 2016, the company faced challenges that included: use of its concessional and added assets from 2005 to-date without depreciation and Return on Equity financing; unpaid Uganda Electricity Board and Government of Uganda obligations such as retrenchment expenses; unfulfilled Escrow account financing; and wayleave claims.
- (iv) The company's proposed budget for the year 2017 comprises of the following:
 - (a) Revenue of UGX 6.6 Billion, which is expected from lease fees and administrative subsidies. This revenue will cater for Distribution Operations and Maintenance Costs of UGX 6.3 Billion;
 - (b) Extraordinary costs including a charge for depreciation of UGX 10.6 Billion for Umeme Limited's use of the UEDCL assets;
 - (c) Wayleaves compensation of UGX 1.6 Billion;
 - (d) Regulatory fees of UGX 0.9 Billion;
 - (e) Consultant, network needs worth UGX 0.3 Billion;
 - (f) Legal fees of UGX 6.7 Billion for pensioners of Uganda Electricity Board; and,
 - (g) Escrow account fees of US\$ 20 Million.

2.4 PRESENTATION BY ESKOM UGANDA LIMITED

The presentation by Eskom Uganda Limited was made by the company's Acting Finance Director, Mr. Steven Byaruhanga. The presentation highlighted the following:

- (i) Eskom Uganda Limited maintained the plant availability for the Nalubaale and Kiira Power stations at 95%. The company registered zero injuries to staff and a low tariff component below UGX 40/kWh.
- (ii) As part of the company's Corporate Social Responsibility Policy, 10% of Eskom's profits were invested into the community.
- (iii) As part of the Energy Sector Skills pool, Eskom Uganda Limited was training 25 Engineers on behalf of UEGCL, for the operation of the Karuma and Isimba Power Stations.
- (iv) The budget drivers for Eskom Uganda Limited were lease fees, Operation and Maintenance Costs, and License fees which were approved by the Authority for the period 2015-2018.
- (v) It was assumed that the current water release of 1000 cumecs would be maintained by the Directorate of Water Resources Management and as such, an average of 177 MW per hour would be generated from the Nalubaale-Kiira complex providing 51% of the country's generation requirement.
- (vi) The investment requirement by Eskom Uganda Limited was expected to be US\$ 7.8 Million to address obsolete and aged parts of the equipment.

2.5 PRESENTATION BY UGANDA ELECTRICITY TRANSMISSION COMPANY LIMITED

The presentation of UETCL was delivered by the company's Head of Finance, Mr. George Rwabajungu. The presentation highlighted the following:

- (i) The key budget drivers for UETCL for the period 2017-2019 were identified as the following:
 - (a) Projected average growth in energy demand of 12% due to unlocking of suppressed demand, development of industrial parks and expected load of 450 MW by various electricity consumers;

- (b) Increase in the number of Independent Power Producers from the current 18 to over 40 by the end of 2021;
 - (c) Reduction in the Transmission Energy Loss factor from the current 3.88% to 3.08% by the end of 2021;
 - (d) Expanded grid network from the current 1,592km to over 7,973km of circuit length by the end of 2021;
 - (e) Increased number of substations and switch stations from the current 17 to 55, with corresponding transformation capacity (MVA) increasing from 1,480.5 to 11,033.50 by the end of 2021;
 - (f) Demarcation of the transmission lines corridor and land for substations to deter encroachment;
 - (g) Funding and financing costs for the new head office, and increased number of staff;
 - (h) Debt service to the Government of Uganda for the Karuma and Isimba loans, starting in the year 2020; and,
 - (i) Costs for projects under pre-feasibility and feasibility study stages that were not funded by the Government of Uganda.
- (ii) It was projected that net purchase costs would increase from UGX 1.07 Trillion in 2017 to UGX 1.54 Trillion by 2021, while the operating expenses would increase from UGX 56 Billion in 2017 to UGX 64 Billion in 2021. Capital expenditure was projected to increase from 28.9 Billion in 2017 to UGX 75.9 Billion in 2021, while debt service costs would increase from UGX 1 Billion in 2017 to UGX 70 Billion in 2021.

2.6 PRESENTATION BY UMEME LIMITED

The presentation of Umeme Limited was made by the licensee's Deputy Managing Director, Mr. Sam Zimbe. The presentation highlighted the following:

- (i) Umeme Limited has to-date made several investments in the distribution network. These include: 9 new substations, 12 refurbished substations, 193.6km of new Medium Voltage lines, 4,299.9km of refurbished Medium Voltage lines (33kV and 11kV), refurbished Low Voltage lines, 500,000 new Connections, Prepayment Metering Technology, and Automated Metering infrastructure.

- (ii) The critical success factors for the operations of Umeme Limited going forward included investments in Loss Reduction projects, tough Laws and penalties coupled with advocacy and public awareness to curb power theft.
- (iii) The total Revenue Requirement of Umeme Limited for the year 2017 amounted to UGX 741,838 Million. This comprised of Investment Costs (UGX 441,026 Million), Net Operating Costs (UGX 152,418 Million), Other Reconciliations (UGX 142,979 Million), and Lease Payments (UGX 5,422 Million).
- (iv) For the period 2017-2025, Umeme Limited targets to deliver 56 new substations, 11 refurbished substations, 2,073km of new Medium Voltage lines, 3,000km of refurbished Medium Voltage lines (33kV and 11kV), completion of Prepayment retrofitting +/- 250,000, and 1.8 Million new Connections.

3.1 DISCUSSION SESSION

The contributions made by participants during the Public Hearing were as follows:

- (i) *Mr. Farhan Nakhoda of Kakira Sugar Works* observed that the Uganda Electricity Generation Company Limited ought to cover the costs and roles associated with the Karuma and Isimba Large Hydropower Projects.
- (ii) *Mr. Philip Ggayi of the Ministry of Energy and Mineral Development* requested UETCL to indicate the transmission segment's contribution to the electricity Tariff if the payments for power purchase costs had been excluded from the computation.
- (iii) *Mr. George Agaba of Tullow Oil* noted that only Eskom Uganda Limited and Umeme Limited had highlighted the aspect of Health and Safety in their presentations. He requested Umeme Limited to elaborate on the fatalities registered by the company in the preceding year; and ERA to enforce licensee investment in the health and safety of their employees.

(iv) *Mr. Dickens Kamugisha of the African Institute for Energy Governance (AFIEGO)* posed the following questions:

(a) Will the 51% contribution to the country's energy requirement as projected by Eskom Uganda Limited for the year 2017 translate into reduced electricity Tariffs?

(b) What is the progress on the amendment of the Electricity Act?

(c) Why are not other generation companies that contribute to the cost build-up of the electricity end-user Tariffs represented at the Public Hearing?

(d) Is affordability and cost reflectiveness meaningful given the few electricity consumers existing in rural areas? How are consumers in rural areas segregated from those in urban areas?

(v) *Mr. John Bisoke of Toro and Mityana Tea Company* noted that the Authority had highlighted affordability of electricity as a priority in the Electricity Supply Industry. This notwithstanding, demand for electricity in the rural areas was still low. As such, factories there did not consume as much as 500 kVA, which led to unfavourable Tariff categorization and resultant non-competitiveness of businesses.

(vi) *Mr. Moses Otimong of the Eastern Uganda Millers and also Town Clerk for Kapchorwa District:*

(a) Noted that the Time of Use Tariff did not favour Small Scale Industries that undertook the bulk of their operations during daytime. He requested ERA to cater for the interests of such consumers.

(b) Observed that the electricity bills issued by Umeme Limited were inclusive of Value Added Tax. However, millers also filed Value Added Tax returns with Uganda Revenue Authority, which could be a matter of double taxation.

(c) Proposed that the Authority considers holding Public Hearings in respect of the Tariff at regional level. The regional consultations would in-turn feed into the main Public Hearing in Kampala.

(vii) *Mr. David Sempa Lubowa of the Water and Electricity Consumers Association (WECA) noted that:*

- (a) The budget estimates presented by UEGCL were high, which could have a negative impact on electricity Tariffs. He requested for justification of the estimates.
- (b) Considering the projects planned for implementation by UETCL, the company would require more money for wayleave compensation, compared to the UGX 1.6 Billion provided for in the budget. Further, Mr. Lubowa inquired about the progress of compensation of people affected by development of the new Western line (Mbarara – Nkenda 132 kV transmission line).

(viii) *Mr. Francis Mujjuni of Tibet Hima Mining Company Limited:*

- (a) Noted that only Eskom Uganda Limited had explicitly stated its proposed Tariff for the year 2017, while the other four (4) licensees were not explicit on the Tariff.
- (b) Asked for elaboration on Umeme Limited's contribution to the overall electricity end-user Tariff.
- (c) Noted that while determining the Tariff, the Authority should consider Umeme Limited's strategy on combating power theft.
- (d) Requested for justification of the UGX 1.2 Billion projected for purchase of five vehicles and the UGX 19.4 Billion provision for depreciation by UEGCL. This cost was thought to be on the higher side.

(ix) *Mr. Fred Mubiru of Johnrick Trading Company Limited:*

- (a) Requested that the Authority makes adjustments to Time of Use categorization by way of creating a longer peak time, so as to favour consumers that carry out production during the night.
- (b) Observed that service fee amounts on the bills provided by Umeme Limited were never constant; and asked for clarification

on the right amount of service fee that consumers are obligated to pay.

(c) Noted that some items such as pension funds were recurrent in the UEDCL budget; and requested for an explanation on this.

(x) *Mr. Richard Sserwadda of Lubaga Grain Millers Association:*

(a) Requested that UEGCL provides information on how much power the company generates and sells to Umeme Limited, indicating whether or not there was any surplus.

(b) Proposed that since there were a number of players in the Electricity Supply Industry, the Government of Uganda could consider merging them, with a view to reduce on the revenue requirement of the Industry.

(c) Requested that ERA explains the mechanisms it employs to ensure that distribution licensees strictly charge consumers the electricity end-user Tariffs approved by the Authority.

(d) Requested that Umeme Limited provides consumers with itemized bills.

(e) Requested the Authority to intervene in metering-related issues that affect electricity consumers.

(f) Requested Umeme Limited to explain the initiatives the company had in place for growing customer connections, the benefits of these initiatives for existing customers, and benefits of reduced Energy Losses.

3.2 RESPONSES BY THE ELECTRICITY REGULATORY AUTHORITY

(i) The Karuma and Isimba Hydropower Projects had been licensed by ERA as quasi-Independent Power Producers, whose operational costs were embedded within the costs of transmission and power generation.

(ii) The Public Hearing at-hand only considered licensees that had presented Tariff and Budget applications to the Authority. Other

Independent Power Producers had pre-determined costs thus it was not necessary to discuss these at the Public Hearing held in respect of the Tariff. Nonetheless, the Authority had held consultations close to the people affected by various power projects before issuing Licence instruments. The Tariffs for the respective Independent Power Producers were accordingly determined basing on the Licence Terms and Conditions and the Power Purchase Agreements signed with UETCL.

- (iii) The Operation and Maintenance Costs for the Karuma and Isimba Hydropower Projects were determined as stipulated by the corresponding Licence instruments.
- (iv) The Electricity Amendment Bill was before Parliament, and would be presented to Parliament in due course.
- (v) With the current water release regime allowed by the Directorate of Water Resources Management, Bujagali Energy Limited produced about 67% of the country's generation capacity, while Eskom Uganda Limited provided the spinning reserve (energy bank).
- (vi) The Authority would be available for further discussion on the issue of Time of Use pricing with the millers, who were encouraged to embrace production at off-peak periods.
- (vii) All power generated was sold by the generation companies to UETCL through the Power Purchase Agreement framework. In the fourth quarter of 2016, Bujagali Energy Limited contributed 44.6% of the Tariff cost, Eskom Uganda Limited contributed 3.8%, and other generation companies contributed 10.4% of the Tariff cost, resulting into a total contribution by the generation segment of 58.8%. The contribution of UETCL stood at 4.9%, while Umeme Limited accounted for 32.8% of the Tariff cost.
- (viii) Umeme Limited should increase sensitization of consumers on the options available for them to obtain the information that they may require from the licensee, such as detailed electricity bills.

3.3 RESPONSES BY UGANDA ELECTRICITY TRANSMISSION COMPANY LIMITED

- (i) The costs incurred for the Karuma and Isimba Hydropower Projects were mainly for debt service and construction of interconnection lines. These costs had been included in the UETCL budget.
- (ii) Health and Safety of employees was a priority for UETCL. The cost of this had been included in the UETCL budget.
- (iii) While the projected expenditure on wayleave compensation was low, that was the proportion claimable in the Tariff for the year 2017. Additional portions would be claimed in the respective Tariff years of project(s) implementation.
- (iv) Funding for compensation of persons affected by development of the new Western line (Mbarara – Nkenda 132 kV transmission line) would be acquired from the Consolidated Fund.

3.4 RESPONSES BY UMEME LIMITED

- (i) Umeme Limited did not register any fatalities attributable to the company's operations in the year 2016. There were 14 fatalities due to illegal power connections. In 2017, the company would focus on eliminating illegal connections through initiatives such as use of ready boards.
- (ii) In respect of affordability of the electricity Tariff, the current Tariff Structure provided for a Lifeline Tariff (a charge of UGX 150 applicable for the first 15 units consumed in a month) that benefitted most of the customers in rural areas. About 150,000 customers were estimated to belong to the Lifeline band.
- (iii) The benefits of reduced Energy Losses were already incorporated in the Tariff, which would otherwise be higher.
- (iv) Umeme Limited offered a variety of platforms through which customers could obtain relevant information at no cost.
- (v) The Regulator approved Automatic Meter Reading technology with which consumers could electronically access their meters even

when the meter boxes were locked. Further, Umeme Limited had developed an application that enabled consumers to access account information. Consumers were encouraged to maximally utilize the available platforms and new technologies.

3.5 RESPONSES BY ESKOM UGANDA LIMITED

- (i) While Eskom Uganda Limited projected a 51% energy dispatch in the year 2017, the company would not guarantee that this would translate into Tariff reduction, considering that there were other contributors to the electricity end-user Tariff.

3.6 RESPONSES BY UGANDA ELECTRICITY GENERATION COMPANY LIMITED

- (i) The provision for depreciation of UGX 19.4 Billion was based on the useful life of the UEGCL assets. Regardless of the assets replaced by Eskom Uganda Limited, depreciation was still applicable.
- (ii) The five (5) vehicles due for replacement were over eight years old. The average price of the vehicles was reasonable as per the market prices.

3.7 RESPONSES BY UGANDA ELECTRICITY DISTRIBUTION COMPANY LIMITED

- (i) While UEDCL had over the last three years presented projections for legal fees and funds for compensation of former Uganda Electricity Board employees, these projections had never been allowed by the Regulator, which explained their reoccurrence in the UEDCL budget.

4.1 SUMMARY OF PROCEEDINGS

The Legal Consultant, ERA, summarized the proceedings of the Public Hearing as follows:

- (i) The licensees had time to make their presentations.

- (ii) Copies of all the presentations made at the Public Hearing, with the exception of that for Eskom Uganda Limited, had been availed to the participants. Eskom Uganda Limited committed to submit its presentation in due course.
- (iii) From the applications submitted by the licensees, it was clear that all the licensees would require additional revenue for their operations.
- (iv) The applications indicated need for increased investments in the Electricity Supply Industry mainly targeting to increase: efficiency, transmission capacity, Quality of Supply and Service, and ultimately, access to electricity.
- (v) It was imperative that the legal regime introduced tough and deterrent measures to curb power theft.
- (vi) The amendment of the Electricity Act was in advanced stages.
- (vii) Going forward, the Authority would focus on maintaining Sustainable electricity Tariffs.

4.2 CLOSURE OF THE PUBLIC HEARING

The Presiding Officer, Dr. Sarah Wasagali Kanaabi, noted that the Authority had taken note of the observations and comments made by the participants at the Public Hearing. She emphasized that the decision taken by the Authority in respect of the Tariffs for the year 2017 would be independent and based on the views of stakeholders.

Dr. Wasagali also noted that as a Regulator, the primary role of ERA was to ensure Safe and Reliable Electricity Supply.

The Presiding Officer further thanked the participants for attending the Public Hearing, which she declared closed at 1:30pm.

ANNEX 1: PROGRAM OF THE PUBLIC HEARING



2017 Tariff Review Public Hearing Program

(Under regulation 18(5) of the Electricity (Application for Permit, License and Tariff Review) Regulations, 2007)

Time	Activity	Lead person
08:30am	Registration	ERA
09:00am	Opening remarks	Chairperson
09:15am	Rules for the Public Hearing	Secretary to the Authority - ERA
09:20am	Overview on the submissions	Director Economic Regulation - ERA
09:30am	UEGCL Presentation	UEGCL
09:45am	UEDCL Presentation	UEDCL
10:00am	Eskom Uganda Limited Presentation	Eskom Uganda Limited
10:15am	UETCL Presentation	UETCL
10:30am	Umeme Limited Presentation	Umeme Limited
10:45am	Tea Break	All
11:05am	Discussion	Chairperson
12:05pm	Summary of Proceedings	Secretary to the Authority - ERA
12:30pm	Conclusion and Closure	ERA

APPENDIX 1: ATTENDANCE LIST FOR THE 2017 TARIFF PUBLIC HEARING

No.	NAME	ORGANISATION	PHONE NUMBER	EMAIL
1.	MR. DAVID SEMPA L.	WECA	0714-341704	dsempa@yahoo.com
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