



WHO IS ERA?

Electricity Regulatory Authority (ERA) is a statutory Body established in the year 2000 in accordance with the Electricity Act 1999 (Chapter 145 Laws of Uganda) to regulate the generation, transmission, distribution, sale, export & import of electrical energy in Uganda. VISION To be an effective regulator that promotes safe, efficient, reliable and sustainable electricity supply.

MISSION:

To regulate the electricity industry in accordance with applicable laws, policies, standards and international best practice.

OUR GOAL:

Contributing to the development of a vibrant, well-regulated, private sector-driven, electricity sector capable of supporting Uganda's sustainable development and promoting the country's strategic interests in the regional Electricity Supply Industry (ESI).

CORE VALUES:

In seeking to achieve the vision and mission, ERA is guided by the following core values:

- Professionalism
- Integrity
- Innovation
- Transparency & Accountability
- Equal and Fair Opportunity
- Stakeholders Sensitivity
- Teamwork

FUNCTIONS OF THE AUTHORITY

- License competent operators and owners of Electricity Companies in Uganda's Electricity Supply Industry.
- Review and set the Electricity tariffs, prices, charges and other terms of supply of electricity after analysis and crucial stakeholder consultation.
- Supervise all power companies and ensure they comply with terms of licenses issued to them by ERA.
- Develop / establish and enforce sector performance standards.
- Advise the Energy Minister regarding the need for electricity sector projects.
- Focus on and approve equitable prices leading to fair return on investments and sustainability of electricity supply, while ensuring reasonable prices for users.

KEY OBJECTIVES OF THE AUTHORITY:

- To increase electricity generation to meet present and future demand through attraction of both private and public sector investment and integration of environmental concerns.
- To promote energy efficiency and demand side management practices.
- To strengthen national and regional electricity transmission and distribution infrastructure and enhance regional collaboration in electricity regulation.
- To increase technical, commercial and operational efficiency in electricity generation, transmission and distribution.
- To promote reasonable and fair pricing of electricity services.
- To promote objectivity, transparency and accountability to stakeholders.

Accomplishments and milestones of ERA

Since its establishment in 2000, the Electricity Regulatory Authority has registered several milestones during the execution of its mandate some of which are;

i. Creation of a favorable environment for private investment in the electricity supply industry in Uganda through the following initiatives:-

- a) Development and approval of Feed-in-Tariffs;
- b) Development of Standardized Power Purchase Agreements (PPAs), Implementation Agreements (IAs) and model licenses in consultation with development partners. This has resulted into the reduction in advisory service costs and the time required to negotiate the first initialing of a standardized PPA by a developer and Uganda Electricity Transmission Company Limited (UETCL) (from two months to half a day).
- c) Revision of License and Notice of Intended Application forms and accompanying guidelines;
- d) Development of due diligence tools for use in the evaluation and monitoring of projects to enhance the Authority's efficiency as manifested through the reduction in the licensing period from six (6) months to three (3) months; and,
- e) Monitoring compliance of projects from feasibility study stage to construction.

ii. Increase in the country's available generation capacity from 609.6 MW in 2010 to 359.5 MW in December 2015.

iii. Launch of the Global Energy Transfer for Feed-in-Tariffs (GET FIT) Program in 2013, with support from the Government of Uganda and Development Partners. The main purpose of the GET FIT Program was to fast-track development of renewable energy generation projects of 1 MW - 20 MW, promoted by private developers with a total installed capacity of about 170 MW /830 GWh per annum.

iv. To-date, the GET FIT program has approved 18 projects in various parts of Uganda, with a combined capacity of 152 MW. Under the GET FIT Solar Facility, the country will welcome the first grid-connected Solar Photovoltaic projects of 10 MW each in Soroti and Tororo Districts.

v. Support to UETCL to undertake the following projects to promote power trading and improve security of supply within the region:

a) Karuma - Nimule (Uganda) - Juba (South Sudan) 400kV line of 190 km to Nimule. This will interconnect Uganda and South Sudan.

b) Masaka-Mutukula (Uganda) - Mwanza (Tanzania) 220kV transmission line of 82 km. This will interconnect Uganda and Tanzania;

c) Nkenda-Mpondwe (Uganda) - Beni (Democratic Republic of Congo) 220 kV of 72 km. This project will interconnect Uganda and the Democratic Republic of Congo.

d) Mbarara-Mirama (Uganda) - Birembo (Rwanda) 220kV transmission line of 66 km. This line will interconnect Uganda and Rwanda.

e) Bujagali - Tororo (Uganda) - Lessos (Kenya) 220kV transmission line of 127 km length. The line will interconnect Uganda and Kenya.

vi. Support to UETCL for undertaking Projects for Improving Reliability and availability of the High Voltage network as follows:

a) The 260 km 132kV Tororo - Opuyo transmission line aimed at improving reliability and availability of power in Northern and Eastern Uganda.

b) The 234 km 220kV Nkenda - Fort Portal - Hoima transmission line that will increase transmission capacity and contribute to the evacuation of power plants in Hoima District.

c) The 160 km 132kV Mbarara - Nkenda transmission line funded by the African Development Bank (AfDB) that will improve reliability and availability of power in Western Uganda.

d) The 132kV 100 km Opuyo - Moroto transmission line and substation that will extend power to Karamoja region.

vii. Support to UETCL for undertaking Projects for evacuation of power plants as follows:

a) The 378 km 400kV Karuma interconnection project that will evacuate the proposed 600 MW Karuma Hydropower plant;

b) The Isimba interconnection project that will evacuate the proposed 183 MW Isimba Hydropower project.

c) The 10 km 400kV Ayago interconnection project that will evacuate the proposed 680 MW Ayago Hydropower plant; and,

d) Transmission line projects of 340 km that will evacuate 83 MW in Gulu District, 38 MW in Isingiro District, and 40 MW in the Mt. Elgon region.

viii. In 2012, the Authority took measures to prescribe a cost-reflective tariff for electricity. In 2014, ERA introduced the Quarterly Tariff Adjustment Methodology with which the tariff is adjusted on a quarterly basis for changes in Exchange Rate, Inflation, and the international price of fuel.

ix. Reduction in energy losses for the main distribution company, Umeme Limited, from 30% in 2010 to 19.5% as at the end of December 2015. This reduction is mainly attributed to significant investments approved by the Authority for licensees, and improved technologies in the distribution segment, including the introduction of the Prepayment Metering system.

x. Growth in the number of customers served by Umeme Limited, from 405,459 in 2010 to 794,000 customers to-date.

xi. Increase in the number of electricity distribution companies from one to 10 in 2016. The ten are:

- a) Umeme Limited
- b) Fersdult Engineering Services Limited
- c) West Nile Rural Electrification Company
- d) Uganda Electricity Distribution Company Limited
- e) Hydromax Limited
- f) Bundibugyo Electricity Cooperative Society (BECS);
- g) Kyegegwa Rural Energy Cooperative Society (KRECS);
- h) Pader-Abim Community Multi-Purpose Electric Cooperative Society (PACMECS);
- i) Kilembe Investments Limited (KIL); and,
- j) Kalangala Infrastructure Services Limited (KIS).

xii. Introduction of the Multi-year tariff to incentivize UETCL to operate more efficiently. This framework will incentivize UETCL to reduce transmission losses from 3.9% in 2012 to 3.3% in 2016.

xiii. Heightening of compliance monitoring among licensees to ensure technical, commercial, and operational efficiency in the generation, transmission and distribution segments.

xiv. Accelerating access to electricity in Uganda through determining costs and monitoring of the implementation of the Output-Based Aid program, with support from Development

Partners. So far, 102,000 consumers out of the target of 115,700 have benefited from the program that was launched in 2013.

xv. Promotion of energy efficiency through rollout of the Demand Side Management Strategy. One of the initiatives under this strategy is the distribution of free Light Emitting Diode (LED) bulbs to electricity consumers served by Umeme Limited, at a cost of US\$ 4.1 Million, with the aim of reducing electricity consumption at peak demand by 30 MW. Other initiatives under the strategy include Time of Use pricing for commercial/industrial consumers, energy audits of industrial operations, and creating consumer awareness on energy efficiency measures.

xvi. Development and review of Quality of Service Standards to improve performance of distribution licensees to ensure a minimum level of service to all consumers.

ERA Recognitions and Awards

Recognition builds a Brand. The most valuable asset a business has is its credibility, so building and protecting its credibility with stakeholders is one of the most important aspects on ERA's agenda. On Local and International scenes ERA has steadily gained traction in the eyes and minds of observers as illustrated here:

a) In 2015, ERA received an Award from the United Nations Department for Economic and Social Affairs (UN-DESA) in recognition of advancing access to Affordable, Reliable, Sustainable energy for all.

b) In 2015, ERA was rated by Bloomberg New Energy Finance 3rd in Africa, and 9th among 55 emerging economies in Africa, Asia, Latin America and the Caribbean [moving from a 10th position in 2014] on investment climate and policies for clean energy investments. This success is majorly attributed to the unique GET FIT program and other policies ERA has put in place to attract investment for clean energy companies and projects.

c) In 2015, ERA was nominated finalists for the Regulator of the Year Award for Excellence at the Power in Africa Awards, 2015 held in Dubai.

d) At the start of 2016, ERA was recognized and awarded the 'Best Public Sector Employer' in 2015 by Federation of Uganda Employers.