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THE PETROLEUM ACT
(CAP.392)

RULES

(Made under section 259(1))

THE PETROLEUM (NATURAL GAS)(TRANSMISSION AND
DISTRIBUTION ACTIVITIES) RULES, 2018

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THE PETROLEUM ACT
(CAP.392)

RULES

(Made under section 259(1))

THE PETROLEUM (NATURAL GAS)(TRANSMISSION AND DISTRIBUTION
ACTIVITIES) RULES, 2018

PART I
PRELIMINARY PROVISIONS

- Citation 1. These Rules may be cited as the Petroleum (Natural Gas) (Transmission and Distribution Activities) Rules, 2018.
- Application 2. These Rules shall govern on natural gas transmission and distribution activities and related matters in the Mainland Tanzania.
- Interpretation 3. In these Rules, unless the context otherwise requires:
Cap. 392 “Act” means the Petroleum Act;
“applicable law” means any principal law, treaty, convention, 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 the regulation of natural gas transmission and distribution activities;
- Cap. 130 “approved specification” means any specification or standard in relation to a natural gas product applied by the Authority and as approved by the Tanzania Bureau of Standards pursuant to the Standards Act, or any other standards that are widely used for Natural Gas Industry Best Practices;
- Cap 414 “Authority” means the Energy and Water Utilities Authority established under the provisions of the EWURA Act;
“Best International Petroleum Industry Practices” means practices in accordance with the most up todate international standards that are generally accepted in the international natural gas industry for the conduct of transmission and

- distribution activities taking into account the relevant safety, economic, technological and environmental aspects;
- “compliance order” means an order issued by the Authority pursuant to section 39 of the EWURA Act;
- Cap. 191 “Council” means the National Environment Management Council established under the provisions of the Environment Management Act;
- “Distribution Network” means all pipelines and parts of physical facilities through which natural gas products move in transportation, including, pipes, valves, and other appurtenances attached to the pipe, metering stations, pressure reducing station gas holders, and fabricated assemblies;
- “distribution activity” means the activity of receiving, treating and delivering gas through an interconnected system of gas pipelines that has a maximum operating pressure under normal conditions not exceeding 10 bar gauge and any other approved equipment;
- “distribution licence” means a licence issued by the Authority to an entity to undertake a distribution activity;
- “distribution licensee” means a holder of a distribution licence;
- “emergency” means a present or imminent event, outside the scope of normal operations, that requires prompt co-ordination of resources to protect the health, safety or welfare of people or to limit damage to property and the environment;
- “emergency response plan” means a comprehensive plan to protect the public that includes criteria for assessing an emergency and procedures for mobilizing response personnel and agencies, establishing communications and ensuring coordination of the emergency response;
- Cap. 414 “EWURA Act” means the Energy and Water Utilities Authority Act;
- “facility” means a place or petroleum infrastructure constructed and meeting internationally acceptable standards and includes pipelines, storage, buildings, compression stations and, pumping stations, pump house, firefighting systems in respect of which a regulated activity is carried out;
- “facility surface lease” means the area leased by a licensee for, installation or facility connected to a pipeline, but does not include an access road to the installation or facility;
- “flowing water” means water within a creek, stream, river, lake, ocean or other body of water;
- “gas infrastructure” for purpose of these Rules means facilities

for gas gathering, processing, transportation and distribution, liquefaction, re-gasification, storage, compressor stations, and for connection to end users;

“hand excavation” means excavation of a pipeline or part of a pipeline by hand and includes excavation by water or air jets;

“incident” means any of the following events:

- (a) an event that involves a release of gas from a pipeline, or of liquefied natural gas, liquefied petroleum gas, refrigerant gas, or gas from an LNG facility, and that results in death or personal injury, monetary loss or unintentional estimated gas loss of three million cubic feet or more;
- (b) an event that results in an emergency shutdown of a licensed facility;
- (c) an event that is significant in the judgment of the licensee, even though it did not meet the criteria of paragraphs (a) or (b) of this definition;
- (d) any other significant event that may adversely affect the conduct of a licensed activity;

“inspector” means an officer or an agent of the Authority appointed by the Authority to perform the functions of inspection as required under the Act and applicable law;

“leak” means the escape of natural gas from a pipeline in a manner that does not immediately impair the operation of the pipeline;

“licence” means an authorization issued by the Authority to undertake a licensed activity;

“licence fee” means a fee payable by a licensee as shall be prescribed by the Authority from time to time;

“licensee” means the holder of a licence;

“licensed activity” means the activity licensed in a licence;

“LNG” means a natural gas, predominantly methane, CH₄ that has been converted temporarily to liquid form for ease of storage or transportation;

“Minister” means the minister responsible for natural gas affairs;

“National Oil Company” means the Tanzania Petroleum Development Corporation which is established under the Tanzania Petroleum Development (Establishment) Order and the abbreviations “NOC” shall be construed accordingly;

“natural gas” means any hydrocarbons produced from the contract area which at a pressure of one atmosphere and temperature of sixty degree Fahrenheit (60°F) or 14.9°C are in a gaseous state at the wellhead, and include residue gas after the extraction of liquid hydrocarbons therefrom, both associated and non-associated natural gas, and all of its constituent elements produced from any well in the contract area and all non-hydrocarbon substances therein;

“natural gas leakage” means a non-expected release of gas from a pipeline or other containment into a living area or any other area that can create a potentially dangerous situation;

“NPGIS” means an integrated and centralised information system containing appropriate data processing technology and covering all midstream and downstream gas activities and related installations, principal market activities, relevant statistics of the country and international reference data;

“Operations and Maintenance Manual” means a document prepared by a licensee under rule 96 containing procedures for pipeline operations, corrosion control, emergency control, maintenance plan and repairs. The manual shall include a provision for evaluation and mitigation of stress corrosion cracking when the licensed pipeline has disbanded or non-functional external coatings;

"operator" means a person who conducts a regulated activity;

“% SMYS” means the hoop stress level expressed as a percentage of the specified minimum yield strength of the pipe based on nominal wall thickness;

“polymeric” means consisting of either thermoplastic or thermo set polymer engineering materials;

“regulated activity ”means an activity necessary to operate transmission and distribution facility and includes all activities in this respect of such facility and any activity reasonably required in connection with transmission or distribution of natural gas by a pipeline or any other means;

“standards” means any specification or standards in relation to a petroleum product and natural gas applied by the Authority and as approved by the Tanzania Bureau of Standards pursuant to the Standards Act, or any other standards that are widely used for Best International Petroleum Industry Practices;

“Specified Minimum Yield Strength” (SMYS) means the stress value used to determine how much pressure a pipe can handle before it weakens;

“surface construction activity” means construction activity that is concentrated at the surface of the ground or at a depth of less than 30 centimeters and that does not result in a reduction of the earth cover over a pipeline to a depth that is less than the cover provided when the pipeline was installed;

“tariff” means a schedule or list of prices, rates, charge and fees for gas services rendered to any customer, and conditions attached thereto communicated publicly to regulate those activities that are subject to economic regulation;

“transmission activity” means delivering of natural gas from processing, re-gasification or storage facilities using pipelines that have a normal operating pressure exceeding 10 bar gauge, special trucks, ships or any other means;

“transmission licence” means a licence issued by the Authority to an entity to undertake a transmission activity;

“transmission licensee” means a holder of a transmission licence;

“transmission network” means all pipelines with a normal operating pressure exceeding 10 bar gauge and parts of physical facilities through which natural gas products move including, pipes, valves, and other appurtenances attached to the pipe, metering stations, pumping stations, and fabricated assemblies; and

“Tribunal” means the Fair Competition Tribunal established under the provisions of the Fair Competition Act.

Cap.285

PART II
APPLICATION FOR CONSTRUCTION APPROVAL

Application
for a
construction
approval

4.-(1) No person shall construct a facility without seeking and obtaining a construction approval from the Authority in a manner provided herein.

(2) The construction approval sought under this rule shall relate to:

- (a) construction of new natural gas transmission or distribution facilities;
- (b) relocation of existing natural gas transmission or distribution facilities;
- (c) major replacement of existing natural gas transmission or distribution facilities; and
- (d) major repair of the existing natural gas transmission or distribution facilities.

(3) For the purpose of sub-rule (2) major replacement or repair means a replacement or repair not exempted under Rule

10 of these rules.

(4) Any person who intends to construct a facility shall lodge an application with the Authority by filling in the application form prescribed in the First Schedule.

(5) Any person who contravenes sub-rule (1) commits an offence and shall, upon conviction, be liable to a fine of not less than twenty million shillings or imprisonment for a term of not less than three years or both.

(6) Where in the Distribution Network there is a custody transfer point or where there is a need to quantify the amount of gas and the facility to quantify the gas exists either as a self-individual or as an integral part of the infrastructure, the applicant shall be required to seek approval from Weights and Measures Agency before submitting its application for a construction approval.

Application to be accompanied by a fee

5.-(1) An application for a construction approval under rule 4(2) shall be accompanied by a non-refundable application fee as shall be prescribed by the Authority.

(2) The Authority shall, within thirty days from the date of receipt of an application, notify the applicant in writing of the approval of application.

Publication of a construction approval

6.-(1) An application for a construction approval 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 costs of publication of notices under sub-rule (1) shall be borne by the Authority.

(3) 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.

Grant of a construction approval

7.-(1) The Authority may, upon consideration of an application for construction approval:

(a) deny the application;

(b) grant the application and issue a construction approval;

or

(c) refer back the application.

(2) The Authority shall, while making a decision whether to grant or deny a construction approval, consider:

- (a) the applicant's compliance to land use laws;
- (b) the applicant's compliance to health, safety and environmental requirements; and
- (c) whether the facility provide for access to third party.

(3) The Authority shall cause to be published in the *Gazette* a construction approval issued under sub-rule (1).

(4) The applicant shall, after issuance of an approval by the Authority, be notified to come and collect the approval.

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

Duration of a construction approval

8.-(1) A construction approval issued by the Authority in rule 7 shall remain in force for such period as the Authority may allow provided that, in the event the holder of the said approval fails to commence construction within twenty-four months from the date it was issued such construction approval shall cease to have effect.

(2) The Authority may, upon an application by a holder of a construction approval extend the duration of the construction approval to such period as it may think fit.

Notice of commencement

9. Any person with a construction approval shall issue a notice of commencement to the Authority of construction thirty days prior to the commencement of construction.

Exemption from construction approval

10.-(1) No application for a construction approval shall be required:

- (a) for the replacement or repair of parts of a pipeline or parts of a pipeline liner if:
 - (i) the length of that pipeline or pipeline liner is less than one hundred metres and if such replacement or repair is carried out wholly within the existing right of way;
 - (ii) the sections of the pipeline or pipeline liner to be replaced or repaired require material equivalent to the original material or exceed the requirements and suitability for purpose of the original material; and
 - (iii) the replaced sections of pipeline or pipeline liner are removed; and
- (a) for removal of a replaced pipeline or pipeline liner.

(2) Notwithstanding the provision of sub-rule (1), any person who is exempted from the requirement of obtaining

construction approval shall be required to:

- (a) notify the Authority of any replacement or repair undertaken; and
- (b) submit to the Authority as and when required any information related to its activity.

Construction approval obligations

11.-(1) A person issued with a construction approval shall ensure the right of way boundaries for the pipeline are surveyed before the commencement of construction.

(2) The regulated entity is exempted from the requirements of subsection (1) with respect of repairs or modifications to a facility within the existing right of way unless the repairs or modifications require an additional right of way.

(3) The person issued with a construction approval shall, at all times, comply with technical standards and specifications as specified in the Act, regulations, these Rules, codes and guidelines made thereof.

Suspension and revocation of a construction approval

12.-(1) The Authority may, by notice in the *Gazette*, suspend or revoke construction approval if any of the terms and conditions thereof have not been complied with.

(2) Where the Authority intends to revoke, suspend or amend a construction approval it shall, at least twenty-one days before the date of intended revocation, suspension or amendment notify the holder of such approval about the intention and the reasons thereof.

(3) Notwithstanding the provisions of sub-rules (1) and (2) the Authority may, by notice in the *Gazette*, withdraw or suspend a construction approval on the application or with the consent of the holder of such approval.

(4) The Authority may, by notice published in the *Gazette*, reinstate a construction approval revoked or suspended under sub-rule (1) if satisfied that the reasons for the revocation or suspension no longer exist.

PART III
LICENCE PROCEDURES

Obligation to obtain a licence

13.-(1) No person shall conduct a regulated activity without a licence.

(2) Any person who contravenes the provisions of sub-rules (1) of this rule commits an offence and shall, on conviction, be liable to a fine of not less than twenty million shillings or imprisonment for a term not less than two years but not

exceeding five years or both.

(3) Notwithstanding the penalty prescribed under sub-rule (2), the Authority shall, in the event it determines that any person has contravened the provisions of sub-rule (1) enter upon any building, premises or facility and close it down.

Licensing requirements

14.-(1) No person shall be issued with a transmission or distribution licence unless the application meets the necessary technical and financial requirements which include:

- (a) possession of a transmission or Distribution Network that is constructed in accordance with applicable law and internationally acceptable standards;
- (b) possession of adequate skilled personnel with relevant technical skills; and
- (c) proof of financial capability.

(2) Notwithstanding the generality of sub-rule (1), the Authority may issue a licence with specific conditions to be fulfilled within a prescribed time to an applicant who fails to meet some of the requirements in sub-rule (1).

Application for a licence

15.-(1) An applicant for a licence shall apply to the Authority for a licence by filling in the form prescribed in the Second Schedule.

(2) The application for a licence under sub-rule (1) shall be accompanied by a duly signed integrity pledge in the form provided in the Third Schedule and a non-refundable application fee to be prescribed by the Authority.

Publication of application

16.-(1) A licence application in rule 15, 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 costs of publication of notices under sub-rule (1) shall be borne by the Authority.

(3) 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.

Grant of a licence

17.-(1)The Authority may, upon consideration of an application for a licence:

- (a) deny the application;
- (b) grant the application and issue a licence; or
- (c) refer back the application.

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

- (d) contribution of regulated activity to meet future gas needs by customers;
- (e) compliance with the policies of the Government;
- (f) compliance to land ownership and land use laws;
- (g) submitted local content plans based on the regulations;
- (h) risk analysis of the regulated activity;
- (i) contribution of regulated activity to competitive conditions in the gas industry;
- (j) social and environmental impact of regulated activity;
- (k) compliance of the facility on matters including:
 - (i) safety;
 - (ii) health;
 - (iii) security
 - (iv) handling of hazardous substances; and
 - (v) environment;
- (l) impact that regulated activity may have on health and safety of employees and the public;
- (m) cost of activities and the effect on gas prices to customers;
- (n) economic efficiency of the facility and benefit to the public in general of the facility;
- (o) technical, administrative and financial capabilities of the applicant in relation to regulated activity for which the licence is sought;
- (p) viability of the source of natural gas;
- (q) the basis for potential demand for distribution or other related facilities;
- (r) any representations and objections to the regulated activity made by the public pursuant to sub-rule 16(3);
- (s) a detailed emergency preparedness plan towards any accident or incident;
- (t) duplication with other pipelines;
- (u) the applicant's record of compliance with the Act, these rules and other applicable laws; and
- (v) public interests that may be affected by the regulated activity.

(3) After issuance of a licence, the applicant shall be notified to come and collect it upon payment of a licence fee.

Refusal of an application

18.-(1) The Authority shall refuse an application of a licence if it is satisfied that:

- (a) the application does not comply with the provisions of the Act, regulations and these rules;
- (b) the applicant has submitted false information in relation to the application of a licence;
- (c) the applicant has been convicted of corruption, money laundering, economic crime or tax evasion;
- (d) the applicant refuses to sign the integrity pledge; and
- (e) if no consent of the aggregator and/or NOC is granted pursuant to section 125(4) and 9(3) of the Petroleum Act, respectively.

(2) The Authority shall, in the event that it denies an application for a licence, within fourteen days from the date of decision inform the applicant of such decision in writing, including the reasons thereof.

Validity of a licence

19.-(1) Unless revoked or suspended, every licence granted under these Rules shall be valid for a period described on a licence however, the Authority may, on the written application of a licensee, extend or reduce the period for such further period as may determine.

(2) Notwithstanding sub-rule (1), the Authority shall revoke a licence of any licensee who fails to conduct the regulated activity for a period of six consecutive months during the licence term provided that the licensee provide the reason why the licence should not be revoked within twenty-one days.

Application for transfer of a licence

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

(2) Any transferor or assignor of a licence shall apply to the Authority by filling in the appropriate form prescribed in the Fourth Schedule.

(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 transferee or assignee.

(4) An application received by the Authority under sub-rule (2) of this rule 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) If the applicant fails to comply with the requirements for transfer of a licence by reason of insufficient information in the application, the Authority shall within seven days, notify such applicant on such insufficiency and direct the Applicant to correct the deficiencies within thirty days from the date of service.

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

(7) 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.

(8) 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 as the case may be.

Change of name

21.-(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 about such change, which shall be accompanied by a certificate of change in name issued by the Registrar of Companies.

Modification of licence conditions

22.-(1) The Authority may, modify any of the term or condition of the licence, along with such fees as the Authority may determine.

(2) Notwithstanding the requirement in sub rule (1), the Authority may, on its own motion initiate the modification process of the terms and conditions of a licence provided that, a notice of at least sixty days to the licensee informing the intention to modify the licence is issued.

(3) A licensee shall, where the capacity is increased by construction of a pipeline, be required to apply for modification of a licence.

Application for relocation or alteration of a facility

23.-(1) A licensee seeking relocation or alteration of the pipeline shall lodge an application in the format prescribed in the Fifth Schedule.

(2) On receipt of the application referred to in sub-rule (1), the Authority may require written comments from the persons or stakeholders affected by a facility alteration, relocation or addition.

(3) A licensee shall notify the Authority when the work pursuant to a direction under this part has been completed.

(4) After receiving a notice referred to in subrule (1), the Authority may amend the licence to include such change.

Change of shareholding structure

24.-(1) A licensee may change its shareholding structure pursuant to the provisions of these Rules and applicable laws.

(2) A licensee who has changed its shareholding structure shall, within thirty days after such change, notify the Authority in writing about such change.

Application for renewal of a licence

25.-(1) A licensee who wishes to renew its licence may, at least two years before expiration of licence, apply to the Authority for renewal of a licence.

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

(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 Act, regulations, these Rules, applicable laws and the conditions of the licence which is due to expire.

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

(5) Notwithstanding the provisions of sub-rule (3) the Authority shall not renew the licence of a licensee who has, during the term of the licence which has expired or is due to expire, resisted or willfully neglected to comply with any order given by the Authority to the said licensee.

Suspension or revocation of a licence

26.-(1) A licence may be suspended or revoked by the Authority if a licensee:

- (a) violates any of the provisions of the Act or conditions attached to the licence which affects the conduct of regulated activity;
- (b) obtained a licence by fraud or deliberate submission of false information or statements;
- (c) fails to comply with obligations conferred within the terms stated in the licence ;
- (d) persistently fails to comply with the approved local content plans;
- (e) interrupts services to other users without authorization of the Authority;

- (f) carries on business in a manner that is detrimental to the welfare or interest of other users;
- (g) violates the tariffs, rates and charges established by the Authority;
- (h) persistently fails or refuses to submit information to the NPGIS;
- (i) fails to comply with the applicable health, safety, service, quality or environmental standards, or any other additional standards as may be stated in the licence ; or
- (j) is convicted or found guilty of an offence relating to corruption, money laundering, economic crimes or tax evasion.

(2) The Authority shall not suspend or revoke a licence, unless a twenty-one days' notice of intention to suspend or revoke the said licence has been issued to a licensee.

(3) Notwithstanding the provisions of sub-rule (1), the Authority may waive the licence suspension if it is satisfied that a licensee has abstained from the act that caused the suspension and the reason for suspension no longer exists.

(4) The Authority shall, in the event it revokes a licence, and after consultation with the Minister, take necessary steps in order to ensure continuity of licensed activity in the service area under that licence.

Special
protection to
NOC

27. Notwithstanding the provisions of these Rules:

- (a) NOC shall apply for a licence and the Authority shall issue such licence;
- (b) the requirements set forth under rules 15, 18 (2) and 19 shall not be applicable to licence application by NOC; and
- (c) the licence issued to NOC shall neither be suspended nor revoked and where the circumstances warrant the suspension or revocation of such licence; the Authority shall recommend to the Minister for appointment of the administrator of NOC who shall replace the Management of NOC.

PART IV

OBLIGATIONS OF A LICENSEE

Sub-Part I- General Obligations of a Licensee

Compliance

28. A licensee shall at all times:

with
applicable
laws, codes
and standards

- (a) comply with:
 - (i) the Act;
 - (ii) regulations;
 - (iii) these Rules;
 - (iv) any applicable law;
 - (v) guidelines, orders and directives of the Authority;
 - (vi) applicable codes and standards on safety, hazardous substances, security, health and environment;
 - (vii) terms and conditions of a licence; and
 - (viii) the Best International Petroleum Industry Practices;
- (b) provide efficient and effective services consistent with the principles of uniformity, homogeneity, regularity, safety, timely and continuity;
- (c) serve prompt notice to the Authority concerning any event that implies modification of conditions for provision of service;
- (d) timely, publish and provide information concerning available capacity and capacity that is not contracted for;
- (e) keep and maintain customer service register to receive complaints and emergency reports;
- (f) give attention to emergency reports made by end-users without undue delay;
- (g) obtain and maintain an insurance cover of the licensed facility;
- (h) adhere to approved Local Content Plan;
- (i) not to engage in any activity that interfere with competition, impedes or may impede either proper implementation of the regulated activity or any regulated activity of other licensees;
- (j) operate and maintain the facility in accordance with the applicable standards and in a manner that does not endanger public health, safety and environment;
- (k) operate pipeline facilities and conduct pipeline construction and operations in accordance with the maximum noise level limitations specified by the standards;
- (l) inform the Authority as soon as practicable, but in any event not more than one hour after the occurrence of a hazardous situation or incident related to its regulated activity, occurring within its facility, provided that a detailed report including the steps taken or proposed to

- be taken to remedy such situation or to eliminate or minimize the hazard arising from such situation be submitted within time as stipulated in the Emergency Response Plan;
- (m) when the facility is left unattended, ensure that it is left in the safest condition possible;
 - (n) employ a sufficient number of qualified personnel to ensure that the conduct of its regulated activity complies with these terms and conditions;
 - (o) submit to the Authority correct formal data, records, samples and information as the Authority may require;
 - (p) notify the Authority of any change of its address, name or location not later than seven days after such change;
 - (q) notify the Authority for approval thirty days before it installs additional facility related to its regulated activity;
 - (r) notify the Authority and its customers in writing ninety days prior to a planned decommissioning of a regulated activity;
 - (s) ensure that any service to be provided in the course of the regulated activity shall be just and reasonable and the licensee shall not show undue discrimination against any particular person of any class or description as regards any aspect of any service under this licence ;
 - (t) accord full cooperation to the Authority during inspection, investigation or monitoring exercise over the facility;
 - (u) establish and maintain records pursuant to the Act, regulations, these Rules, applicable laws, orders and directives of the Authority;
 - (v) provide the Authority with full access to its records, documents, sites and assets pursuant to these Rules and applicable laws;
 - (w) submit to the Authority the quantity of gas received from the aggregator and transported to the distribution operators;
 - (x) charge to customers a tariff as approved by the Authority;
 - (y) not discriminate between customers or classes of customers regarding access, tariff, conditions or service except for objectively justifiable and identifiable grounds approved by the Authority;
 - (z) not to keep any sources of ignition, instruments or products in or near a facility that might pose a risk of fire or otherwise;

- (aa) not abandon a facility other than in accordance with the Act, regulations, these Rules, licence conditions, and applicable laws or directives of the Authority;
- (bb) display a licence or a certified copy thereof in an open place at a facility; and
- (cc) as soon as practicable, but in any event not later than thirty days after it becomes aware of the fact, notify the Authority:
 - (i) if it is unable to conduct its activity or
 - (ii) if the conduct of its regulated activity would or might lead to the breach of any of these Rules or materially affect its operation.

Protection of
lives and
property

29.-(1) A licensee shall, while transporting, storing, keeping, handling, conveying, using or disposing of any natural gas, take such precautions and exercise such care as may be reasonable under the circumstances in order to:

- (a) avoid endangering the safety or health of any person, or the safety of any person's property; and
- (b) prevent risk of significant environmental harm.

(2) A licensee shall dispose of waste in a manner and at a place intended for the safekeeping, dumping and recycling of such products pursuant to applicable law and Best International Petroleum Industry Practices.

(3) A licensee shall appoint an adequate number of health, safety and environment officers to address and be responsible on health, safety and environment matters related to the licensed activity.

Compensation
for loss
suffered

30.-(1) A licensee shall be obliged to compensate any person who has suffered any injury, loss of life or property or the environment as a result of the licensed activity.

(2) Any person who has suffered injury, loss of life or property or environment as a result of a licensed activity shall first lodge a complaint with a licensee whose licensed activity has caused such loss with a view to reaching an amicable settlement.

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

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

person.

Maintenance
of records,
provision and
disclosure of
information

31.-(1) A licensee shall at all times:

- (a) keep complete and accurate records and data related to its regulated activity; and
- (b) in accordance with the Authority's requirements and pursuant to its directions, promptly provide to the Authority documents, records, sample or information related to its regulated activity.

(2) Any person who refuses to furnish information or statement as required under sub-rule (1) (b) of this rule or furnishes false information or statement to the Authority shall be liable on conviction to a fine of not less than ten million Tanzania Shillings or to imprisonment for a term of not less than two years or both.

National
Petroleum
and Gas
Information
System

32.-(1) A licensee shall, through internet or short message services (sms) lodge to the NPGIS periodic reports and other information as may be prescribed by the Authority.

(2) A licensee who fails or refuses to provide information to the NPGIS as required by sub-rule (1) commits an offence and its licence shall be subject to suspension or revocation pursuant to rule 26

Confidential
information

33.-(1) Any information received by the Authority from a licensee pursuant to these Rules and applicable law shall be presumed not to be confidential unless stated so by the licensee and the Authority shall evaluate such information and inform the licensee accordingly.

(2) A licensee shall not be entitled to withhold information from the Authority on the ground that it is confidential.

(3) A licensee may request the Authority not to circulate specific data or information that it has provided to the Authority, provided, that only the Authority shall determine that such information is confidential.

(4) The Authority shall limit or prohibit the publication of any information to the public in the event it makes a determination that such information is confidential.

(5) Notwithstanding the provisions of sub-rules (1), (2) and (3), any information as to health safety and environment shall not be treated to be confidential.

Customer

34. Subject to approval by the Authority and as specified

- service standards in the guidelines issued by the Authority a distributor licensee shall:
- (a) establish:
 - (i) a customer service charter;
 - (ii) service quality standards;
 - (iii) performance standards;
 - (iv) procedures for handling customer's complaints;
 - (v) programmes to inform the public on services related issues;
 - (vi) an office to receive and respond to questions, concerns and complaints related to its business; and
 - (b) maintain trained staff to address customer issues in a timely and transparent manner.
- Separation of accounts 35. A licensee shall, at all times, maintain separate financial accounts in respect of regulated activity from other business activities.
- Compliance with environmental laws 36.-(1) A licensee shall comply with the requirements of the Act, all applicable environmental laws and standards related to a licensed facility.
(2) Subject to applicable law a licensee shall:
 - (a) take all necessary preventive measures to avoid pollution resulting from operating its pumping stations, or networks;
 - (b) observe strict environmental, health, and industrial safety standards as required by applicable law; and
 - (c) perform an environmental audit related to licensed activity in accordance with applicable law.(3) A licensee shall dispose of a waste in a manner and at a place intended for the safekeeping and dumping of such products pursuant to applicable law and Best International Petroleum Industry Practices.
- Sanctions for violation of environmental laws Cap.191 37. In the event the Authority determines that a licensee has violated these Rules or any applicable law on matters related to protection of the environment it shall take appropriate actions pursuant to provisions of the Environment Management Act and other applicable laws.
- Sub Part-II
Technical obligations of a licensee
- General technical obligations of 38. A licensee shall at all times:
 - (a) maintain the highest natural gas quality and standard throughout the pipeline;

licensee

- (b) submit in the format provided by the Authority; length and diameter of a pipeline or pipeline segments as the case may be number of compressor stations, main line valves, maximum allowable operating pressure (MAOP), flow rate, and pipeline capacity;
- (c) prepare and maintain a manual containing procedures for pipeline operations, distribution, corrosion control, integrity management, operations and maintenance, buried pipe locator, line markers, way leave management, effective leakage management, safety work permit or any other information as may be required by the Authority;
- (d) conduct training exercise in carrying out Emergency Response Plans;
- (e) ensure that it is capable of adequately responding to gas leakages;
- (f) ensure that the way leave and its surface condition is properly maintained in such a manner that:
 - (i) there is no encroachment or development within the pipeline way leave;
 - (ii) the pipeline crossing road, railway and water body is properly monitored;
 - (iii) pipeline markers at adequate intervals with warning signs and emergency contact numbers are present at all places;
- (g) ensuring pipelines and related facilities are inspected regularly to maintain facility integrity and the same shall be conducted at:
 - (i) right of way and grading;
 - (ii) ditching;
 - (iii) line up and pipe surface inspection;
 - (iv) welding;
 - (v) coating;
 - (vi) tie-in and lowering;
 - (vii) backfilling, compaction and clean up;
 - (viii) pressure testing; and
 - (ix) special services for testing and inspection of activities including but not limited to station construction, river crossings, electrical installation, non-destructive tests, corrosion control, as may be required by the Authority;
- (h) ensure the availability of adequate fire-fighting equipment;
- (i) decommission a facility pursuant to these Rules and

- applicable laws;
- (j) ensure that a facility and related equipment are calibrated, recalibrated or functional checks of the equipment performed for correct measurements and are in good working condition in accordance with manufacturer specifications, required standards and Best International Petroleum Industry Practices; and
- (k) promptly notify the Authority of any unaccounted for natural gas.

Emergency
Preparedness
and Response
Plan

39.-(1) A licensee shall prepare and maintain an Emergency Preparedness and Response Plan for the facility in accordance with Best International Petroleum Industry Practices and shall submit a copy to the Authority for review.

(2) Notwithstanding the provision of sub-rule (1), a licensee shall prepare emergency procedures manual which shall provide:

- (a) contingency plans;
- (b) a method of classifying incidents and response actions for specific incidents;
- (c) procedures for accessing essential safety and environmental information;
- (d) organizational structure and resources to manage the emergency, including trained personnel, equipment and facilities;
- (e) duties, responsibilities and authorities of all personnel involved in the emergency response, including job descriptions and checklists;
- (f) communication protocols and coordination and liaison measures with relevant governmental emergency response organizations;
- (g) a process for periodic review and updates of emergency response plans and personnel evacuation plans;
- (h) a description of the safety equipment and medical equipment;
- (i) communication systems designed and protected to enable operation in an emergency;
- (j) all reasonably practicable steps to ensure safety and environmental protection;
- (k) prompt and effective response to a notice of each type of emergency, including the following:
 - (i) gas detected inside or near a building;
 - (ii) fire located near or directly involving a pipeline facility;
 - (iii) explosion occurring near or directly involving a

pipeline facility; and

(1) natural disaster.

(3) A licensee shall, in liaison with appropriate fire, police and other public responsible institutions, train the operating personnel responsible for emergency action on the procedures for emergency response.

(4) A licensee shall establish and maintain adequate means of communication with appropriate fire, police, and other public emergency response institutions.

(5) A licensee shall establish a continuing educational program to enable customers, the public, government organization and person engaged in excavation related activities to recognize a gas pipeline emergency.

Warning signs

40.-(1) A licensee shall, prior to the commencement of construction and during operations of a facility install, update and maintain facility warning signs:

- (a) at each side of the crossing where a pipeline crosses a highway, road, railway or watercourse;
- (b) within the land acquired for the pipeline and facing the highway, road, railway or watercourse;
- (c) within distribution networking area; and
- (d) if the pipeline right of way adjoins the right of way of a highway, road or railway, on the common boundary of the right of way but not within the right of way of the highway, road or railway.

(2) A licensee shall install temporary warning signs while surface restoration activities are in progress but shall install permanent warning signs in as soon as surface restoration activities are completed.

(3) A licensee shall, regardless of the operational status of the pipeline and for all pipelines, including abandoned pipelines, maintain pipeline warning signs and shall replace any pipeline warning sign that becomes defaced, worn out or illegible or that is missing or destroyed.

(4) If a pipeline or part of a pipeline has been removed, any existing warning signs in the area from which the pipeline or part of the pipeline has been removed shall also be removed.

Line markers

41.-(1) A licensee shall place and maintain line marker as close as practical over each buried main and pipeline or distribution line:

- (a) at each crossing of a public highway and railroad; and
- (b) wherever necessary to identify the location of the distribution line or main to reduce the possibility of

damage or interference.

(2) Line markers must be placed and maintained along each section of a main and distribution line that is located above ground in an area accessible to the public or at any other location where it is necessary as a warning for public safety.

(3) The following words shall be written legibly on a background of sharply contrasting color on each line marker:

(a) the word “warning” “Caution” or “Danger” followed by the words “Gas (or name of gas transported) Pipeline” all of which, except for markers in heavily developed urban areas, must be in letters at least 1 inch (25 millimeters) high with ¼ inch (6.4 millimeters) stroke and the words must be translated to Kiswahili Language; and

(b) the name of the company and the telephone number (including area code) where the company can be reached at all times.

Colour coding

42. A licensee shall, in order to facilitate identification especially during product deliveries, ensure the pipelines and related equipment are identified by the following colour coding:

- (a) natural gas - yellow ochre
- (b) steam - silver-grey
- (c) water - blue

Compliance with specifications and standards

43.-(1) A licensee shall comply with the approved specifications and standards pertaining to natural gas, material, design, construction, testing, operation, maintenance and equipment which are consistent with these Rules and applicable laws.

(2) The Authority may, by notice in the *Gazette*, apply, any specification or standard of the Tanzania Bureau of Standards or any other equivalent specification or standard adopted or approved by the Tanzania Bureau of Standards (TBS).

(3) A licensee shall not deviate from any approved specifications and standards without prior approval of TBS, and shall not grant such an approval unless it is satisfied that such deviation is for public interest and will not negatively affect public safety and the environment.

Approval of non-standard materials or methods

44.-(1) An applicant or licensee who proposes to use materials, components or methods for pipeline construction or repair other than those included in the approved standard shall apply to the Authority for approval of using non-approved standards.

(2) In case a licensee proposes to use materials referred to in

subsections (1) shall ensure that the Authority has been provided with sufficient technical information concerning the material to allow the Authority to determine whether the material is acceptable for the proposed use.

(3) If the Authority is satisfied that the materials, components or methods referred to in subsections (1) are acceptable for the proposed use, the Authority may approve the use of such materials, components or methods, subject to any restrictions on or conditions the Authority considers necessary.

(4) If the pipeline is required to be altered because of a change in its surroundings, the Authority may, on application, determine whether the pipeline is suitable and safe for continued service under the original standards to which it was built and if satisfied may exempt the licensee from any or all of the requirements of standards.

Pipeline design

45-(1) Transmission and distribution pipeline shall be designed with sufficient wall thickness, or shall be installed with adequate protection, to withstand anticipated external pressure and loads that will be imposed on the pipeline after installation.

(2) The pipeline shall be designed with enough flexibility to prevent thermal expansion or contraction from causing excessive stress in the pipe or unusual loads at joints, or undesirable forces or moments at points of connection to equipment, or at anchorage or guide points.

(3) The design pressure for pipeline shall be determined in accordance with the formula prescribed in the material specification and standards issued by Tanzania Bureau of Standards.

Equipment pressure ratings, design of pressure, relieving and limiting devices

46.-(1) A licensee shall ensure that any valve, flange, fitting or other component connected to a pipeline has a manufacturer's rating that is equal to or greater than the maximum allowable operating pressure or maximum operating pressure as the case may be, authorized by the Authority.

(2) A licensee shall, if the applicable manufacturing standard or specification does not address the proposed service temperature, ensure the pressure ratings for all other components are de-rated to suit the service.

(3) A licensee shall ensure pressure relief station or pressure limiting station or group of those stations installed to protect a pipeline have enough capacity, and shall be set to ensure the following:

(a) the pressure shall not cause the unsafe operation of any

connected and properly adjusted gas utilization equipment; and

- (b) where failure of the pressure-control system, or other causes, could result in the maximum allowable operating pressure of the piping being exceeded by more than 10% or by 35kPa, whichever is the greater.

(4) A licensee shall install pressure control systems to allow pipeline operations at or below the maximum allowable operating pressure or maximum operating pressure as the case may be.

Instrument,
control,
sampling
pipe and
components

47.-(1) This rule applies to the distribution design of instrument, control and sampling pipe and components and it does not apply to permanently closed systems, such as fluid-filled temperature-responsive devices.

(2) All materials employed for pipe and components must be designed to meet the particular conditions of service and the following:

- (a) each takeoff connection and attaching boss, fitting, or adapter must be made of suitable material, be able to withstand the MAOP and temperature of the pipe or equipment to which it is attached, and be designed to satisfactorily withstand all stresses without failure by fatigue;
- (b) pipe or components that may contain fluids must be protected by heating or other means from damage due to freezing;
- (c) pipe or components in which fluids may accumulate must have drains or drips;
- (d) pipe or components subject to clogging from solids or deposits must have suitable connections for cleaning;
- (e) the arrangement of pipe, components, and supports must provide safety under anticipated operating stresses;
- (f) each joint between sections of pipe, and between pipe and valves or fittings, must be made in a manner suitable for the anticipated pressure and temperature condition. Slip type expansion joints must not be used. Expansion must be allowed for by providing flexibility within the piping itself;
- (g) each control line must be protected from anticipated causes of damage and must be designed and installed to prevent damage to any one control line from making both the regulator and the over-pressure protective device inoperative; and

(h) suitable precautions shall be taken to protect against corrosion.

Transmission
line valves

48.-(1) A transmission licensee shall ensure that transmission line, other than offshore segments, have sectionalizing block valves spaced as follows:

- (a) in location class 4, every 8 kilometers;
- (b) in location class 3, every 16 kilometers;
- (c) in location class 2, every 24 kilometers; and
- (d) in location class 1, every 32 kilometers.

(2) The location classes are as prescribed in the Sixth Schedule.

Structural
design
requirements
of vaults

49.-(1) A licensee shall ensure that underground vault or pit for valves, pressure relieving, pressure limiting, or pressure regulating stations, are accessible and meets the loads which may be imposed upon it to protect installed equipment.

(2) There shall be enough working space so that all of the equipment required in the vault or pit can be properly installed, operated and maintained.

Sealing,
venting, and
ventilation

50. A licensee shall ensure each underground vault or closed-top pit are sealed, vented or ventilated in accordance to the technical specifications as provided in these Rules.

Casing and
modification
under
highway, road
or railway

51.-(1) A licensee shall extend casing or thicker-wall pipe for the full width of the right-of-way of the highway, road or railway.

(2) Coated carrier pipe shall be independently supported at each end of the casing and insulated from the casing throughout the cased section, and casing ends shall be sealed using a durable, electrically nonconductive material.

(3) The requirement in sub-rule (1) shall apply to new or the modification of an existing highway, road or railway that requires the upgrading of an existing pipeline.

Precaution
during
construction

52.-(1) A licensee shall ensure that care must be taken during the handling or storing of pipe, casing, coating materials, valves, fittings and other materials to prevent damage.

(2) In the event pipe is yard coated or mill coated, adequate precautions shall be taken to prevent damage.

(3) A licensee shall ensure inconvenience to the resident's area is minimized and safety of the public is given prime

consideration.

Ditch

53. A licensee shall ensure depth, width and grade of ditch for the pipeline is appropriate for the route location, surface use of the land, terrain features, and loads imposed by roadways and railroads.

Installation of pipe in the ditch

54.-(1) The fitting of a pipe shall be done with adequate care to fit in the ditch without the use of external force to hold it in place until the backfill is completed in order to minimize the yield strength stresses that is induced to the pipeline by construction on pipelines operating at stresses of 20% SMYS or more.

(2) When long sections of a pipeline that have been welded alongside the ditch are lowered in, care shall be exercised so as not to jerk the pipe or impose any strains that may kink or put a permanent bend in the pipe.

(3) Backfilling shall be performed in a manner to provide firm support under the pipe, provided that, if there are large rocks in the material to be used for backfill, care shall be taken to prevent damage to the coating as per approved specifications.

Protection from hazards

55. A licensee shall take all practicable steps to protect each facility from washouts, floods, unstable soil, landslides, or other hazards that may cause the pipeline to move, damage or sustain abnormal loads.

Approval for crossings against roads and railways

56.-(1) A licensee shall, prior to the construction of a pipeline crossing railway, roads and other utilities, seek and obtain approval from the pertinent Authority of the facility to be crossed.

(2) Notwithstanding the provisions of sub-rule (1), a distribution licensee shall install mechanical reinforcement, structural protection, or suitable pipe to reduce the stress or redistribute the external loads acting on the pipeline if the sum of the circumferential stresses caused by internal pressure and newly imposed external loads exceeds 0.72 SMYS.

Underground clearance

57.-(1) A licensee shall ensure the pipeline is installed with at least 300 millimeters of clearance from any other underground structure not associated with the pipeline.

(2) Pipeline shall be installed with enough clearance from any other underground structure to allow proper maintenance and to protect against damage that might result from proximity to other structures.

Minimum earth cover	<p>58. Unless otherwise authorized by the Authority, the minimum earth cover for any transmission pipeline shall at all times be the greater of the minimum earth cover specified in standards or as adopted by the Tanzania Bureau of Standards (TBS) and, as the case may be:</p> <ul style="list-style-type: none">(a) 1.4 meters within the right of way of a highway;(b) 1.1 meters within the right of way of a road; and(c) 0.8 meters in any other place.
Nature of crossing railroads and highways Crossing over existing pipeline	<p>59. Pipeline shall cross the railroad or highway perpendicularly or as close perpendicularly as possible.</p> <p>60.-(1) When an existing pipeline is to be crossed by a new road or railroad, the operating company shall reanalyze the pipeline in the area to be crossed in terms of the new anticipated external loads and install mechanical reinforcement, structural protection, or suitable pipe to reduce the stress if the sum of the circumferential stresses caused by internal pressure and newly imposed external loads exceeds 72%SMYS.</p> <p>(2) Operating company referred under sub-rule (1) shall mean a company, institution or authority in charge of the said construction project.</p>
Impact Factor	<p>61. A licensee shall apply impact factor as issued by the Tanzania Bureau of Standards.</p>
Casing Vents	<p>62. A person with construction approval shall install the facility with casing vents in a manner that:</p> <ul style="list-style-type: none">(a) it shall extend 0.608 metres from ground and be of a minimum Nominal Pipe Size 2 (NPS2), one at each end of the casing;(b) it shall terminate with goosenecks, facing down; and(c) the vent pipe at the lower end of the casing shall be connected to the bottom of the casing, while the vent pipe at the higher end of the casing shall be connected to the top of the casing.
Inspection and casing testing	<p>63.-(1) A licensee shall, before installation, inspect visually the section of carrier pipe used at the crossing for defects and radiographically or other non destructive methods for all girth welds.</p> <p>(2) After a cased crossing is installed, the licensee shall test the carrier pipe to determine whether it is electrically isolated</p>

from the casing pipe.

Cathodic protection of a casing

64.-(1) A licensee shall review cathodic protection system at cased crossings to check the effectiveness of cathodic protection of the pipeline and keep records.

(2) Test stations with test leads attached to the carrier pipe and casing pipe should be provided at each cased crossing.

External corrosion control for buried or submerged pipelines

65.-(1) A licensee shall:

(a) ensure pipelines, servicelines, pipe-type and bottle-type holders installed are externally coated and cathodically protected unless it can be demonstrated by test that the materials are resistant to corrosion in the environment in which they are installed; and

(b) ensure within twelve months after installation electrically inspect the buried or submerged system.

(2) Notwithstanding the requirement in sub-rule (1):

(a) if cathodic protection is not installed, the piping system shall be electrically inspected at intervals not exceeding five years; and

(b) the system shall be cathodically protected if electrical inspection indicates that a corrosive condition exists.

Coating System

66. A licensee shall ensure pipecoating is inspected, both visually and by an electric holiday detector just prior to lowering pipe into ditch and shall repair and re-inspect in the event damage to the coating is detrimental to effective corrosion control.

Protective coatings and surface preparation

67.-(1) A licensee shall apply external protective coating for the purpose of controlling external corrosion and shall ensure that:

(a) each external protective coating which is an electrically insulating type have low moisture absorption and high electrical resistance;

(b) each external protective coating is inspected just prior to lowering the pipe into the ditch and backfilling and any damage to coating shall be repaired; and

(c) if coated pipe is installed by boring, driving, or other similar method, precautions shall be taken to minimize damage to the coating during installation.

(2) The holder shall test the integrity of the coating as soon as the pipeline is fully installed and repair should be effected

with approved material and procedure at any defects in the coating.

Cathodic protection system

68.-(1) A licensee shall control the corrosion of metallic surfaces by using cathodic protection and shall be installed not later than one year after completion of construction.

(2) Notwithstanding the generality in sub-rule (1), a licensee shall ensure:

- (a) cathodic protection is controlled not to damage the protective coating, pipe, or components;
- (b) the owners of known underground structures which may be affected by installation of a cathodic protection system is notified of said installation and where necessary, joint bonding surveys shall be conducted by parties involved;
- (c) cathodic protection system is compatible with coating used on the pipeline; and
- (d) sufficient test stations or other contact points for electrical measurement to determine the adequacy of cathodic protection are established and maintained.

Monitoring of cathodic protection

69.-(1) The pipeline that is under cathodic protection shall be tested at least once each calendar year, but with intervals not exceeding fifteen months, to determine whether the cathodic protection meets the requirements.

(2) Each cathodic protection rectifier or other impressed current power source shall be inspected four times each calendar year, but with intervals not exceeding 3.5 months, to ensure that it is operating.

(3) Each reverse currents witch, each diode, and each interference bond whose failure would jeopardize structure protection shall be electrically checked for proper performance four (4) times each calendar year, but with intervals not exceeding 3.5months.

(4) A licensee shall take prompt remedial action to correct any deficiencies indicated by the monitoring.

(5) Protective coating or paint used to prevent corrosion of pipe and components exposed to the atmosphere shall be maintained in a serviceable condition, and such protective coating or paint, as well as bare pipe and components not coated or painted shall be inspected at intervals not exceeding 18 months, but at least once every calendar year.

Electrical
isolation

70.-(1) A licensee shall ensure:

- (a) the buried or submerged pipeline is electrically isolated from other underground metallic structures, unless the pipeline and the other structures are electrically interconnected and cathodically protected as a single unit;
- (b) the insulating devices are installed where electrical isolation of a portion of a pipeline is necessary to facilitate the application of corrosion control provided that, where a combustible atmosphere is anticipated precautions shall be taken to prevent arcing;
- (c) inspection and electrical tests are conducted; and
- (d) protection against damage due to fault currents or lightning where a pipeline is located in close proximity to electrical transmission tower footings, ground cables or counterpoise, or in other areas where fault currents or unusual risk of lighting may be anticipated.

(2) Where a pipeline is located in close proximity to electrical transmission tower footings, ground cables or counterpoise, or in other areas where fault currents or unusual risk of lighting may be anticipated, it must be provided with protection against damage due to fault currents or lightning and protective measures must also be taken at insulating devices.

(3) Except for unprotected copper inserted in ferrous pipe, each pipeline shall be electrically isolated from metallic casings that is part of the underground system.

Interference
currents

71.-(1) Each licensee whose pipeline system is subjected to stray currents shall have in effect a continuing programme to minimize the detrimental effects of such currents.

(2) Each impressed current type cathodic protection system or galvanic anode system shall be designed and installed so as to minimize any adverse effects on existing adjacent underground metallic structures.

Existing
piping system

72. A licensee shall establish procedures for determining the external condition of its existing buried or submerged piping systems and shall take appropriate action for the conditions found, including:

- (a) examining and studying records available from previous inspections and conduct additional inspections where the need for additional information is indicated;
- (b) installing cathodic protection on all buried or submerged piping systems that are coated with an

- effective external surface coating material; and
- (c) operating pressures on bare piping systems shall not be increased until they are electrically inspected and other appropriate actions are taken regarding condition of pipe and components.

Corrective
measures

73.-(1) In the event corrosion exists, the licensee shall take appropriate corrective measures to ensure piping system, public or employee safety are maintained and these may include:

- (a) provisions for proper and operation of continuous cathodic protection facilities;
- (b) application of protective coating;
- (c) installation of galvanic anode;
- (d) application of impressed current;
- (e) electrical isolation;
- (f) stray current control;
- (g) other effective measures; or
- (h) any combination of the above.

(2) A licensee shall, where pipeline and components are exposed to the atmosphere, ensure protection against external corrosion by use of corrosion resistant steel or application of protective coating or paint are applied.

(3) A licensee may, in the case of internal corrosion of piping, use corrosion inhibitor, biocides, internal lining, cathodic protection or augmented to mitigate the internal corrosion.

Internal
corrosion

74.-(1) A licensee shall ensure interior surface of a pipeline conveying a corrosive or potentially corrosive fluid is protected against corrosion.

(2) A licensee shall establish procedures for determining the corrosive effect of the gas and the internal condition of its existing piping system and take appropriate action for the condition found.

Placing
pipeline into
operation

75.-(1) A licensee shall not place a pipeline into operation until:

- (a) a pressure test meets the standard issued by the Tanzania Bureau of Standards;
- (b) the pipeline test pressure has been reduced to a level no greater than the proposed maximum operating pressure and, if necessary, the pipeline has been purged; and
- (c) all tie-ins have been completed and inspected.

(2) If the licensee engages a contractor to perform a pressure

test referred to in sub-rule (1), the contractor shall be independent of:

- (a) the contractor who constructed the plant; and
- (b) any person who participated in the fabrication of any of the components to be tested.

(3) If a pressure test referred to in sub-rule (1) is performed by the licensee, it shall be performed under the direct supervision of an agent engaged by a licensee who:

- (a) has sufficient expertise, knowledge and training to perform it competently; and
- (b) is independent of:
 - (i) any contractor who constructed the plant or facility or any person who participated in the fabrication of any of the components to be tested;
 - (ii) a contractor or lessee referred to in these Rules; or
 - (iii) any contractor engaged to perform the test.

(4) All logs, charts and other records of a pressure test referred to in subsection (1) shall be dated and signed by the person supervising the test.

Notice to Authority of pressure test

76. A licensee shall, at least seven days before the test begins, notify the Authority of the pressure testing of all or any part of its transmission pipeline.

Conditions for pressure testing

77. A licensee shall ensure pressure test is conducted in a manner that:

- (a) the pipeline to be tested is buried during operation with the full depth of earth cover applied;
- (b) the protection of persons, environment and property in the vicinity of the pipeline is maintained; and
- (c) notifies the Authority of any leak or break that occurs in a pipeline during pressure testing.

Maximum length of pipe to be pressure tested
Hydrostatic test

78. The Authority may specify the maximum length of pipe to be tested in any test.

79. A licensee shall ensure pressure test of a pipeline is at least 1.25 times the maximum allowable operating pressure if it is to be installed in a Class 1, and 2 locations and to at least 1.5 times the maximum allowable operating pressure if it is to be installed in a Class 3 or 4 location and maintained for at least 24 hours.

Recording
pressure test
results

80.-(1) A licensee shall keep records or chart of a pressure test for the full test period, with the commencement and termination points of the test identified.

(2) A licensee may use electronic pressure-recording instruments if:

- (a) a permanent paper copy of the test data is retained; and
- (b) the sampling rate and instrument sensitivity are sufficient to properly identify the expected deviations from normal test pressure.

(3) The range of the pressure-recording instrument referred to in this sub-rule (3) shall be recorded on the chart face or on the permanent paper copy of the test data.

(4) Each pressure-recording instrument shall be periodically calibrated to maintain accuracy to within 2% of its range, and the Authority may require verification of such calibration.

Unsatisfactor
y test

81. The Authority may, if evidence of satisfactory testing is not provided to the Authority on request, order for the pipeline be:

- (a) de-pressured;
- (b) purged, if necessary; and
- (c) pressure tested.

Alternative
methods for
establishing
pipeline
integrity

82. A licensee may apply to the Authority for approval to establish the integrity of the pipeline by methods other than pressure testing.

Pressure
testing above
100% SMYS

83. If a pipeline is to be tested at a pressure that would cause a hoop stress greater than 100% SMYS, a licensee shall:

- (a) use liquid test media;
- (b) develop a detailed test procedure and submit a copy of it to the Authority on request;
- (c) plot a pressure-volume curve starting at 80% SMYS; and
- (d) prior to pressure testing, develop a detailed plan for spill containment and cleanup that can be implemented immediately in the event of a leak or break and submit a copy of the plan to the Authority on request.

Pressure near
test head
assembly

84. A licensee shall ensure test pressure for any part of a pipeline that is within 20 meters of the connection with the test head assembly is limited to a hoop stress level that is not greater than 90% SMYS.

- Minimum test pressure 85. A licensee shall use a minimum test pressure of not less than 700 kilopascals for any pipeline, unless the Authority approves a lower test pressure.
- Contingency plans for liquid test media 86.-(1) A licensee shall comply with the liquid test media requirements if:
(a) the licensee intends to test a pipeline using a liquid test medium other than fresh water; and
(b) one or more of the following matters will apply in respect of the test:
(i) the volume of the test section will exceed 500 cubic meters;
(ii) the hoop stress level during the test is expected to exceed 100% SMYS; and
(iii) the pipeline will cross or be within 100 metres of flowing water at the time of pressure testing.
(2) If none of the matters described in sub-rule (1) (b) shall apply in respect of the test, a licensee shall, prior to the start of pressure testing, develop and maintain contingency plans.
- Approval of gaseous test media 87.-(1) In the event, a licensee proposes to use air or another gaseous medium to pressure test a pipeline section that has an internal volume larger than 125 cubic meters or is known or suspected to be corrosion or any other condition that could potentially cause the pipeline to break during testing, the licensee shall first submit to the Authority for approval a detailed proposal for the test.
(2) The proposal shall include a fully documented engineering evaluation that demonstrates the proposed testing procedure is safe, implementable and sufficiently sensitive to detect leaks enough to ensure the protection of people, environment and property in the vicinity of the pipeline.
- Release of gaseous test media 88. A licensee shall ensure that, any release of gaseous medium after the completion of a pressure test is vented or flared in accordance with noise control levels and flaring, incinerating and venting procedures.
- Duration of test 89.-(1) Notwithstanding the test durations specified in these rules, a licensee may pressure test a pipeline or section of a pipeline less than 75 metres in length or a pipeline permanently located above ground for a minimum of one hour.
(2) A licensee may apply to the Authority to pressure test a

pipeline or section of a pipeline other than one referred to in sub-rule (1) for a shorter period than the minimum specified in these rules.

Pressure testing of vessels or manifolds

90. If an in-line pressure vessel or prefabricated manifold has been shop pressure tested on a pipeline it shall not require a field pressure test.

Retest

91.-(1) The Authority may require a pipeline to be retested if, it is in the Authority's opinion that, it may be unsafe for the pipeline to continue to be operated at the licensed operating pressure.

(2) The Authority shall issue a notice of at least fourteen days to the licensee prior to undertaking re-test.

Control of pressure of gas delivered from distribution feeder mains

92.-(1) A distribution licensee shall install and maintain pressure control facility of the distribution system to the maximum actual operating pressure of 414 kPa or 4.14 bar.

(2) Notwithstanding the provision of sub-rule (1), no other pressure limiting device is required if the maximum actual operating pressure is below 414kPa or 4.14 bar and a service regulator has the following characteristics:

- (a) a regulator capable of reducing distribution line pressure to pressures recommended for household appliances;
- (b) a single-port valve with proper orifice for the maximum gas pressure at the regulator inlet;
- (c) a valve seat made of resilient material designed to withstand abrasion of the gas, impurities in gas, cutting by the valve, and to resist permanent deformation when it is pressed against the valve port;
- (d) pipe connections to the regulator not exceeding the Normal Pipe Size (NPS) 2 (50 millimetres) in diameter;
- (e) a regulator that, under normal operating conditions is able to regulate the downstream pressure within the necessary limits of accuracy, and to limit the build-up of pressure under no-flow conditions to prevent a pressure that would cause the unsafe operation of any connected and properly adjusted gas utilization equipment;
- (f) maximum safe value;
- (g) relief valve vented; and
- (h) a self-contained service regulator with no external static or control lines.

(3) If the pressure control facility is or below 414kPa or 4.14 bar and does not meet the features in sub-rule (2) and service regulator fails, the licensee shall use suitable protective devices

to prevent unsafe over pressuring of the customer's appliances.

(4) If the maximum actual operating pressure of the distribution system exceed 414 kPa or 4.14 bar, the licensee shall regulate and limit, the pressure of gas delivered to the customer by using:

- (a) a service regulator qualified under sub-rule (2) installed with a relief valve or an automatic shutoff between the upstream regulator and service regulator to limit the pressure on the inlet of the service regulator to 414kPa or 4.14 bar or less in case the upstream regulator fails to function properly;
- (b) a service regulator and a monitoring regulator set to limit, to a maximum safe value, the pressure of the gas delivered to the customer;
- (c) a service regulator with a relief valve vented to the outside atmosphere, with the relief valve set to open so that the pressure of gas going to the customer does not exceed a maximum safe value; or
- (d) a service regulator and an automatic shutoff device that closes upon a rise in pressure downstream from the regulator and remains closed until manually reset.

Operating
pressure

93.-(1) A licensee shall, unless otherwise authorized by the Authority, operate and maintain its pipeline in accordance with the maximum allowable operating pressure permitted by the Authority.

(2) If two or more pipelines are connected and their licensed maximum operating pressures differ by more than 5% of the lowest licensed maximum operating pressure, a pressure control system and overpressure protection shall be installed to ensure that the pipeline with the lowest maximum operating pressure will not be subjected to a pressure greater than its licensed maximum operating pressure.

(3) Unless otherwise authorized by the Authority, the maximum operating pressure of a section of a pipeline shall be determined using the test pressure recorded or calculated at the highest point in the section.

Design of
pressure
relief and
limiting
devices

94. Distribution pressure-control systems shall be installed where supply from any source makes it possible to pressurize the piping above its maximum operating pressure. Such pressure-control systems shall be set to operate at or below the maximum operating pressure. Except for rupture discs, each pressure relief

or pressure limiting device shall:

- (a) be constructed of materials such that the operation of the device will not be impaired by corrosion;
- (b) have valves and valve seats that are designed not to stick in a position that will make the device inoperative;
- (c) be designed and installed so that it can be readily operated to determine if the valve is free, can be tested to determine the pressure at which it will operate, and can be tested for leakage when in the closed position;
- (d) have support made of noncombustible material;
- (e) have discharge stacks, vents, or outlet ports designed to prevent accumulation of water, ice, or snow, located where gas can be discharged into the atmosphere without undue hazard;
- (f) be designed and installed so that the size of the openings, pipe, and fittings located between the system to be protected and the pressure relieving device and the size of the vent line, are adequate to prevent hammering of the valve and to prevent impairment of relief capacity;
- (g) where installed at a district regulator station to protect a pipeline system from over pressuring, be designed and installed to prevent any single incident such as an explosion in a vault or damage by a vehicle from affecting the operation of both the overpressure protective device and the district regulator;
- (h) except for a valve that will isolate the system under protection from its source of pressure, be designed to prevent unauthorized operation of any stop valve that will make the pressure relief valve or pressure limiting device inoperative; and
- (i) where appropriate, protected with rain caps to prevent the entry of water.

Change in
pressure

95. A licensee shall apply for approval to convert a pipeline to convey a substance other than the substance authorized by the licence or to provide for a change in the licensed maximum allowable operating pressure of a pipeline.

Operations
and
maintenance
manual

96.-(1) A licensee shall, within six months after being issued with a licence, prepare the Operations and Maintenance Manual and submit the same to the Authority for review and approval.

(2) A licensee shall use the Operations and Maintenance Manual, together with the provisions of the Act, these Rules,

licence terms and conditions in addressing operation and maintenance issues related to a licensed activity.

Duty to
conduct
inspection

97.-(1) A licensee shall, in accordance with the inspection intervals determined in the integrity management component of the Operations and Maintenance Manual, inspect the pipeline to assess:

- (a) the surface conditions on and adjacent to the right of way;
- (b) indications of any leak in the pipeline;
- (c) any construction activity performed by others;
- (d) any encroachment or development near the pipeline right of way;
- (e) steel pipeline system and determine the effectiveness of external corrosion mitigation procedures; and
- (f) any operating or discontinued metallic pipelines in a pipeline system to determine the necessity for, and the suitability of, internal corrosion mitigation procedures.

(2) Notwithstanding the provisions of sub-rule (1)(e), an inspection or test for external corrosion mitigation is not required for a pipeline being used as a conduit for a pulled-through freestanding liner unless the outer pipeline is being used as a secondary containment vessel.

No fees for
inspection
and
supervision
Material
balance
inspection

98. A licensee shall perform inspections or supervision as required under these Rules without charging any fee to a party carrying out the surface construction activity.

99. A licensee shall use sound engineering practices to derive measurement uncertainties and ensure interpretation of material balance records of leak trend is established.

Exemption
for lined
metallic
pipelines

100. The evaluation for internal corrosion mitigation shall not apply for metallic pipelines containing a full contact polymeric liner unless there is reason to believe that corrosive fluids have entered the annular space between the liner and the pipe.

Preventive
maintenance

101.-(1) A licensee shall conduct periodic preventive maintenance, servicing and function testing of the automatically actuated emergency shutdown devices and check valves and the safety systems, including any associated sensors or operating systems.

(2) The inspection referred to in sub-rule (1) shall be conducted at an interval prescribed in the Operations and Maintenance Manual provided such interval shall not exceed eighteen months between two inspections.

(3) A licensee shall verify and document that the actual

pipeline operating conditions and the automatically actuated emergency shutdown device closure parameters are as defined within the engineering assessment conducted.

(4) A licensee shall, pursuant to the Operations and Maintenance Manual, replace and rehabilitate facility components that:

- (a) are nearing the end of their useful economic life; or
- (b) deteriorate for any reason.

(5) A licensee shall plan and schedule annual and other long-term maintenance activities.

(6) The maintenance plans and schedules described in sub-rule (5) shall be designed:

- (a) pursuant to the Operations and Maintenance Manual, these Rules or guidelines issued by the Authority; and
- (b) to minimize aggregate delivered costs of natural gas.

Notice of maintenance activity

102. A licensee shall notify the Authority at least forty-eight hours prior to commencing:

- (a) instrumented internal inspections of the pipeline; and
- (b) any activity that may result in interruption of the delivery of a licensed activity.

Notice of service interruptions

103.-(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 or distribution services, issue a public notice in English and Kiswahili, not less than three days prior to undertaking such activity.

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

Preparation for emergency situations

104. A licensee shall take such actions as may be reasonably required in the Operations and Maintenance Manual to:-

- (a) prepare for emergencies;
- (b) restore the transmission and distribution network; and
- (c) take part in exercises and tests.

Emergency repairs and rehabilitation

105.-(1) A licensee shall, in the event of damaged plant and equipment that might pose danger or a risk of injury to the public or to property, immediately upon being made aware of such damage, remove such danger or risk prior to conducting any emergency repairs or rehabilitation.

(2) A licensee shall promptly repair damaged parts of the

facility and shall reconnect the consumers as quickly as possible.

(3) A licensee shall conduct all required replacement and rehabilitation activities pursuant to the Operations and Maintenance Manual, these Rules and licence terms and conditions.

(4) A licensee shall, in the event of service interruption or reduction of transmission or distribution services due to emergency for more than twenty-four hours, issue a notice to the public in both Kiswahili and English Language; informing them about such interruption or reduction in transmission or distribution service and the intended date and time for restoration of service.

Asset
Integrity
Management
Plan

106.-(1) A licensee shall prepare and maintain an asset integrity management plan, and shall file a copy with the Authority for review.

(2) The asset integrity management plan shall provide for:

- (a) additional direction on how to evaluate internal inspection results to identify anomalies;
- (b) clarifying requirements for conducting risk assessment for integrity management;
- (c) expanding mandatory data collection and integration requirements for integrity management, including data validation;
- (d) requiring additional post-construction quality inspections to address coating integrity and cathodic protection issues;
- (e) safety features for pipeline launchers and receivers; and
- (f) systematic approach to verify a pipeline's MAOP and requiring licensee to report MAOP exceedances.

Ground
disturbance
in absence of
pipeline right
of way

107.-(1) No person shall undertake a ground disturbance within five (5) meters of the centerline of a pipeline where there is no pipeline right of way without the approval of:

- (a) a licensee of the pipeline; or
- (b) the Authority, if approval cannot reasonably be obtained from a licensee.

(2) For the purposes of these Rules, the distance from the perimeter of the area in which a person proposes to undertake a ground disturbance within which the person shall take all precautions reasonably necessary to ascertain whether a pipeline exists before commencing any work, operation or activity is thirty meters.

Preparation

108.-(1) After obtaining approval, the person proposing to

for ground
disturbance

undertake ground disturbance within the controlled area of a pipeline shall for the purpose of identifying and mark the location of the pipeline notify the licensee of the pipeline at least two days and not more than ten days prior to commencing the ground disturbance, provided that, in computing the period Saturdays, Sundays and holidays shall be excluded.

(2) Unless a longer period is agreed, a licensee shall within two days from the date of notice referred in sub rule (1) exclusive of Saturday, Sunday and public holiday identify and mark the location of a pipeline referred to in sub-rule(1).

(3) Notwithstanding the provisions of sub-rule (2), a licensee shall accurately mark on the surface of the ground the horizontal position and alignment of the pipeline with clearly distinguishable warning signs and markers at adequate intervals, and provide documentation of the markings to the person proposing to undertake the ground disturbance.

(4) The provisions of sub-rules (3) shall not apply if:

- (a) the ground disturbance is proposed to be undertaken in the controlled area outside the right of way of an existing pipeline;
- (b) the right of way or pipeline is clearly separated from the proposed ground disturbance by a fence;
- (c) highway, road or other visible improvement; and
- (d) the exemption from the requirements of sub-rules (3) is agreed to by the licensee of any affected pipeline.

(5) The requirement for two days' notice and all the requirements of sub-rules (2), do not apply if a ground disturbance is undertaken in connection with the restoration of essential public services in an emergency or containment of an environmental emergency and the alternative notification, location and excavation procedures are agreed to by a licensee of any affected pipeline.

Erection of
temporary
fencing

109.-(1) The person responsible for the proposed ground disturbance shall, before commencing a ground disturbance in the controlled area of a pipeline where uncontrolled access over the pipeline by equipment may cause damage to the pipeline, erect temporary fencing of the pipeline right of way to limit access.

(2) The location of crossings and the precautions to be taken to protect pipelines from damage at those locations shall be determined and agreed to by a licensee and the person responsible for the proposed ground disturbance and failing agreement, either party may apply to the Authority for a

decision.

Approval of
ground
disturbance

110.-(1) When approval for a ground disturbance is requested from a licensee pursuant these Rules, such licensee shall respond in writing within twenty one days from the date the approval is requested.

(2) An approval granted by the Authority pursuant to these Rules may contain terms and conditions the Authority considers appropriate in the circumstances.

Duties of
licensee and
person
undertaking
ground
disturbance

111.-(1) A licensee of an existing pipeline who has been notified of a proposed ground disturbance shall:

- (a) have a representative inspect the pipeline before the commencement of the ground disturbance to ensure that the identifying and marking referred to in sub-rule 108 (2) and (3) have been properly carried out;
- (b) ensure that its representative has in his or her possession when on the site of the ground disturbance a copy of the written approval for the ground disturbance;
- (c) ensure that its representative has completed a supervisory level training course in ground disturbance practices and is currently certified to supervise a ground disturbance; and
- (d) carry out any inspections of the ground disturbance that are necessary to ensure the continued safety of the pipeline.

(2) The person responsible for a ground disturbance shall keep all pipeline warning signs or markers referred to in sub-rule (3) of rule 108 visible and legible for the duration of the ground disturbance and shall replace or relocate them if necessary.

(3) A person undertaking a ground disturbance who exposes any part of a pipeline shall notify the licensee at least twenty four hours prior to backfilling the pipeline, and on being so notified, a representative of the licensee shall inspect without delay the exposed part of the pipeline before backfilling to ensure that no damage has occurred.

(4) A licensee shall retain a record of any inspections conducted under sub-rule (3) for a period of two years from the date the record is made and shall submit a copy of the record to the Authority on request.

Safety of
adjacent
pipeline

112. If in the opinion of the Authority it is desirable to do so, the Authority may require that an existing pipeline located adjacent to a ground disturbance in the controlled area of a

pipeline be de-pressured, operated at a reduced pressure or otherwise protected throughout the period of the ground disturbance.

Exposing pipeline

113.-(1) An excavation conducted for the purpose of locating a pipeline shall be done by hand excavation until the pipeline is sufficiently exposed to enable it to be identified.

(2) A representative of the licensee shall be present at the time the pipeline is being exposed, unless the licensee and the person undertaking the ground disturbance agree otherwise.

(3) A person proposing to undertake a ground disturbance that will cross or be carried out within five meters of an existing pipeline shall, before commencing any mechanical excavation, locate and expose the existing pipeline by hand excavation procedures.

(4) After a pipeline has been located in accordance with this section, no person shall use or cause to be used mechanical excavation equipment within six hundred millimeters of the pipeline or within any distance beneath a pipeline, except under the direct supervision of a representative of the licensee of the existing pipeline.

(5) If a proposed ground disturbance will be parallel to and within five meters of a pipeline, the pipeline may be exposed at intervals along the pipeline, with the length of the intervals being at the discretion of the licensee of the existing pipeline or at the Authority's direction.

(6) A licensee shall, if a pipeline is to be exposed, apply to the Authority for the approval to use pipeline exposure procedures.

Vehicles crossing pipeline

114. No person shall operate a vehicle or equipment across a pipeline at a point that is not within the upgraded and traveled portion of a highway or public road without obtaining approval from the licensee of the pipeline unless:

- (a) the vehicle or equipment is used for farming operations;
- (b) the vehicle is an off-highway vehicle; or
- (c) the vehicle is a private passenger vehicle and has a nominal chassis rating of not greater than three quarters (3/4) of a tonne.

No fees for ground disturbance activities

115. A licensee shall locate and mark a pipeline, perform inspections and supervise a ground disturbance as required under these Rules without charging any fee to the party undertaking the ground disturbance.

Surface
pipelines

116.-(1) A licensee of an existing pipeline, who intends to install a surface pipeline for temporary service shall do so in consultation with the Authority.

(2) A licensee shall install:

- (a) a form of pressure-relieving device if any possibility of a pressure increase above the allowable maximum operating pressure exists due to a rise in ambient air temperature or solar heating;
- (b) a system to allow for adequate expansion or contraction due to temperature change;
- (c) temperature monitoring equipment if the pipeline material has temperature limitations;
- (d) suitable restraints to adequately control lateral or vertical movement; and
- (e) any other safety or operational systems the Authority considers appropriate.

(3) A licensee shall take additional precautions, including adding extra pipeline warning signs, entry and exit signs or providing other warnings to indicate the presence of a surface line, when:

- (a) equipment may be working in the vicinity of the pipeline;
- (b) off-road vehicular traffic may endanger the pipeline; or
- (c) any conditions may obscure or endanger the pipeline.

Leakage
surveys

117.-(1) A licensee shall establish operating and maintenance procedure, provision for regular surveys for detecting leaks.

(2) A licensee shall conduct periodic leakage surveys in accordance with these Rules.

Control and
response to a
natural gas
leakage

118.-(1) A licensee shall, in the event of gas leakage:

- (a) take all necessary steps pursuant to Best International Petroleum Industry Practices and emergency response plan to remedy the effect of such leakage; and
- (b) as soon as practicable and in any event not more than twenty-four(24) hours after the occurrence of such natural gas leakage, inform the Authority about such leakage.

(2) In the event a licensee fails to comply with sub-rule (1) of this rule within the period of time established by the Authority, the Authority may, by written notice, order such licensee to take such steps as the Authority may require in order to remedy the

effect of such leakage at its own cost.

(3) Any licensee who fails to comply with an order of the Authority issued pursuant to sub-rule (2) of this rule commits an offence, and on conviction, shall be liable to a fine of not less than ten million shillings or to imprisonment for a term not less than two years or both.

(4) Without prejudice to the provisions of sub-rules (1), (2) and (3), any person who is affected by any leakage of natural gas and seeks redress, shall first lodge a complaint and the Authority shall deal with such complaint in accordance with the provisions of Cap. 414.

Report of
leak, break or
contact
damage

119. A licensee shall, in the event there is a report of leakage break or contact damage, submit to the Authority a written report indicating:

- (a) the time the leak, break or contact damage occurred;
- (b) the approximate quantity of substance lost, if any;
- (c) the method of repair, if applicable;
- (d) the conditions that caused or contributed to the leak, break or contact damage and any substantiating reports;
- (e) the steps to be taken to prevent similar occurrences in the future; and
- (f) any other information that the Authority may request.

Intentional
release of gas

120.-(1) Unless otherwise authorized by the Authority, a licensee shall not intentionally release from a pipeline into the atmosphere any non-distribution specification gas unless the gas is burned in an approved manner or otherwise treated to meet the required specifications.

(2) The provisions of sub-rule (1) shall not apply when the gas referred to in sub-rule (1) is vented intermittently:

- (a) from the annulus of a lined pipeline during a liner inspection;
- (b) during the removal of corrosion coupons, provided that the coupon loop or fitting has been purged with gas; or
- (c) from a pig sender or receiver that has been purged with gas.

(3) Gas vented intermittently in accordance with sub-rule (2) (a) shall not require an approval of the Authority.

Leak
detection and
odorization

121.-(1) A distribution licensee shall ensure that, lines that are installed in locations where abnormal physical movements or abnormal external loadings could cause failure or leakage are periodically foot patrolled, with the patrol frequencies determined by the severity of the conditions that could cause

failure or leakage and the consequent hazards to safety.

(2) A licensee shall establish in their operating and maintenance procedure, provision for regular surveys for detecting leaks.

(3) Leak located by leakage surveys detected by smellor reported by public shall, not later than twenty four (24) hours be investigated promptly and repaired.

(4) Where repaired or abandoned piping is reactivated, it shall be tested to confirm that it is gas-tight:

- (a) each company shall conduct periodic leakage surveys in accordance with this section;
- (b) the type and scope of the leakage control program must be determined by the nature of the operations and the local conditions, but it must meet the following minimum requirements:
 - (i) a leakage survey with leak detector equipment must be conducted in business districts, including tests of the atmosphere in gas, electric, telephone, sewer and water system manholes, at cracks in pavement and sidewalks, and at other locations providing an opportunity for finding;
 - (ii) gas leaks, at intervals not exceeding fifteen months, but at least once each calendar year;
 - (iii) a leakage survey with leak detector equipment must be conducted outside business districts as frequently as necessary, but at intervals not exceeding 5 years. However, for unprotected distribution lines, survey intervals must not exceed 3 years; and
 - (iv) in addition to all above requirements, every service line must be visually inspected for signs of leakage, such as dead vegetation and gas smell in the air from buried pipe or above ground piping at the meter, at the time of every meter reading by the Meter Reader. All suspected leaks shall be reported to the Company the same day.

Natural gas
odorization
requirements
for gas
distribution

122.-(1) A distribution licensee shall odorize any gas distributed through distribution system or used for domestic purposes in a compressor plant, which does not naturally possess a distinctive odor, with a suitable gas odorant in sufficient continuous quantity to make the gas detectable by the sense of smell at gas concentration of 20% of lower explosive limit (20% LEL) .

(2) A licensee shall conduct concentration tests of the gas supplied through its facilities which requires odorization by

using odorization equipment designed for the type and injection rate of odorant being used that complies with the following:

- (a) the odorant may not be deleterious to persons, materials, or pipe;
- (b) the products of combustion from the odorant may not be toxic when breathed nor may they be corrosive or harmful to those materials to which the products of combustion will be exposed;
- (c) the odorant may not be soluble in water to an extent greater than 2.5 parts to 100 parts by weight; and
- (d) equipment for odorization must introduce the odorant without wide variations in the level of odorant.

PART V

DISCONTINUANCE, ABANDONMENT AND DECOMMISSIONING

Discontinuan
ce and
abandonment

123. A licensee shall not discontinue or abandon a pipeline except in accordance with these Rules:

- (a) if the Authority has suspended or cancelled the licensee's licence because the licensee has contravened the Act, these Rules or an order or direction of the Authority;
- (b) if the Authority has notified the licensee that in the opinion of the Authority the pipeline may constitute an environmental or safety hazard;
- (c) if the licensee is a corporation registered, incorporated or continued under the Tanzanian law that is not active or has been dissolved or if the corporate registry status of the licensee is struck or rendered liable to be struck under any legislation governing corporations;
- (d) if the pipeline is associated with a facility that has been abandoned or has been ordered to be abandoned by the Authority and the pipeline is not used for any other facility;
- (e) if the licensee has sold or disposed of the licensee's interest in the pipeline and has not transferred it to a person who is eligible to hold a licence for the pipeline; or
- (f) where otherwise ordered to do so by the Authority.

Discontin-
uance or
abandonment
of pipeline
and
resumption of
a facility

124.-(1) A licensee shall not return to active flowing service a facility that has not seen active flowing service within the last twelve months without approval from the Authority.

(2) Unless otherwise authorized by the Authority, a licensee required under sub-rule (1) to discontinue or abandon a pipeline or part of a pipeline shall notify the Authority ninety days prior

to such discontinuance or abandonment.

(3) When a pipeline or part of a pipeline is discontinued, the licensee shall ensure that the pipeline or the part of the pipeline that is discontinued is:

- (a) physically isolated or disconnected from any operating facility or other pipeline;
- (b) purged with fresh water, air or inert gas, any of which may include the addition of internal corrosion inhibitors if a licensee is prepared to mitigate the environmental effects that could occur as a result of accidental release or spillage;
- (c) protected by suitable internal and external corrosion control measures;
- (d) not isolated or disconnected in a manner that results in an adjoining operating pipeline having fittings or connection points; and
- (e) left in a safe condition.

(4) If a pipeline or part of a pipeline cannot be physically isolated or disconnected from an operating facility or pipeline, it shall not be discontinued or abandoned but shall be maintained as an operating pipeline and its integrity shall be taken into account in the licensee's overall pipeline integrity management programme.

(5) Without prejudice to the generality in sub-rule (3), when a pipeline or part of a pipeline is abandoned, the licensee shall-

- (a) remove any surface equipment, including pig traps, risers, block valves and line heaters, unless they are located within the boundaries of a facility that will continue to have other licensed equipment operating after the pipeline abandonment;
- (b) cut off the pipeline or the part of the pipeline to be abandoned below surface at pipeline level, except when it is located within the boundaries of a facility that will continue to have other licensed equipment operating after the pipeline abandonment;
- (c) purge the pipeline with fresh water, air or inert gas, none of which may contain added chemicals or corrosion inhibitors;
- (d) remove cathodic protection from the pipeline;
- (e) permanently plug or cap all open ends by mechanical means or welded means; and
- (f) identify all ends with a permanent tag that indicates the licensee, licence and line number, other end points, date of abandonment and abandonment media left inside the

pipeline.

(6) A licensee shall, when an existing pipeline is exposed for any purpose and reveals a stagnant fluid trap or dead leg in an operating segment of the pipeline that resulted from a previous discontinuance or abandonment, remedy the stagnant fluid trap or dead leg by:

- (a) removing and replacing the affected parts of the pipeline;
- (b) establishing permanent access to the affected parts of the pipeline and subjecting them to a scheduled inspection programme;
- (c) confirming and documenting that the contained fluids are non-corrosive; or
- (d) some other method acceptable by the Authority.

(7) If the pipeline or the part of the pipeline to be discontinued or abandoned is either polymeric in composition or contains a polymeric liner, a licensee shall monitor the internal atmosphere for a period of time sufficient to determine that the polymeric materials are not evolving any hazardous gaseous constituents that would prevent the pipeline from complying with sub-rules (3) (c) and (f).

Site
Restoration

125.-(1) The Authority shall, after confirming that the area where a licensed facility has been constructed has been restored to its original state by a licensee, issue a certificate of compliance to such licensee.

(2) For the purposes of sub-rule (1) of this rule "restore" means to:

- (a) return the area in which a licensed facility is located to its original and natural state as it was prior to the installation of such facility; or
- (b) render the area in which a licensed facility is located, or part thereof, compatible with its intended after-use, including:
 - (i) removing buildings, structures, plant and debris;
 - (ii) establishing compatible contours and drainage;
 - (iii) replacing topsoil, re-vegetation, slope stabilization; and
 - (iv) infilling excavations.

(3) The Authority shall, before issuing a certificate of compliance under sub-rule (1), consult the Council.

Decommissioning
Procedures

126.-(1) A licensed facility may, subject to the provisions of the Act and these Rules, be decommissioned.

(2) A licensee seeking to decommission a licensed facility shall notify the Authority not less than thirty days prior to such decommissioning in order to enable the Authority make necessary inspections and to issue the necessary approvals.

PART VI
PENALTIES AND REMEDIAL MEASURES

Penalties and
remedial
measures

127. The Authority may, without prejudice to other specific penalties prescribed in these Rules and applicable law, where it determines that a licensee is in violation of these Rules or applicable law:

- (a) issue a warning;
- (b) issue a Compliance Order restraining a licensee from continuing violation of these Rules, licence conditions, the Act or applicable law;
- (c) restrict the conduct of a licensed activity;
- (d) order a licensee to remedy any situation as a result of such violation;
- (e) issue a partial suspension of a licence for such period the Authority may determine;
- (f) suspend a licence for such period the Authority may determine; or
- (g) revoke a licence .

PART VII
GENERAL PROVISIONS

Inspection of
a facility

128.-(1) The Authority may inspect a facility pursuant to these Rules and applicable law.

(2) The Authority shall have the right of access to inspect a facility, equipment and documents, and the licensee of the facility shall render such assistance to an inspector as may be required in the course of such inspection.

(3) Notwithstanding the generality of sub-rule (2) of this rule an inspector shall have the right and obligation to enter upon any facility for the purpose of conducting an inspection.

(4) During inspection an inspector may:

- (a) take samples of any substance or articles stored in a facility;
- (b) make copies or take extracts from any book, accounts or records kept on a licensed facility;
- (c) inspect machinery, equipment, appliances, meters, fittings and apparatus; and
- (d) inspect any common carrier, facility, or installation.

(5) During inspection an inspector shall, with an order in

writing, have the right and obligation to enter upon any facility and close it down where he determines that a licensed activity is being conducted in contravention of the Act, regulations, these Rules, applicable laws or terms and condition of a licence.

(6) An inspector may while discharging his obligation under sub-rule (5) of this rule seek the assistance of law enforcement institutions including the police and such institution shall provide the requested assistance to the inspector.

Investigation
of a licensed
activity

129.-(1) The Authority may on its own or a complaint by a third part, initiate investigation of a licensed activity relating to technical, economic and safety issues in the delivery of service to consumers:

- (a) on incidents that result into damage of natural gas infrastructure, injury or loss of life or property; and
- (b) investigations and enquiries into activities of licensees.

(2) Upon investigation, the Authority concludes that a licensee has not complied with the Act, regulations, these Rules, condition of its licence, or any applicable law, the Authority may issue a compliance order or penalty pursuant to the Act and these Rules.

Prohibited
acts against
inspectors

130.-(1) A licensee shall not:

- (a) hinder or obstruct the Authority in the exercise of any of the powers conferred upon it under these Rules;
- (b) use abusive, threatening or insulting language to an employee or inspector of the Authority;
- (c) deny or fail to comply with a requirement, directive or notice of the Authority; and
- (d) when required by the Authority to answer a question, deny or fail to answer such question to the best of his knowledge, information and belief.

(2) Any person who contravenes the provision of sub-rule (1) of this rule commits an offence and shall be liable, on conviction, to a fine of twenty million Tanzania Shillings or to imprisonment for a term not less than five years or both.

Audits

131.-(1) A transmission licensee shall, within three years of issuance of the licence or within such period as may be approved by the Authority, conduct technical audit of its operations. Subsequent audits shall be arranged by the licensee not later than every ten years of the first audit or such other period, as may be prescribed by the Authority.

(2) The criteria for the prequalification of technical auditors and terms of reference shall be developed by the licensee and

submitted in writing to the Authority for its approval. Such technical auditors shall be appointed by the licensee in strict accordance with the criteria approved by the Authority.

(3) The Authority may, by a notice to the licensee of a transmission, inform the licensee of an audit to be conducted under this section of:

- (a) records related to the transmission pipeline, including prescribed programs, to determine whether the licensee was, during the period covered by the audit, in compliance with the Act, these Rules; and
- (b) the competency of personnel in supervisory or operational positions at its facilities.

(4) An audit contemplated by a notice given under sub-rule (1) shall:

- (a) be conducted by the Authority or by a person authorized by the Authority who is independent of the licensee and of any contractor engaged by the licensee to perform any services pertaining to an authorized activity related to the facilities;
- (b) licensee and of any contractor engaged by the licensee to perform any services pertaining to an authorized activity related to the facilities; and
- (c) shall be conducted during the period specified in the notice.

(5) A licensee to whom the notice is given pursuant to sub-rule (1) shall:

- (a) make available to the auditor for inspection and copying any records required by the auditor;
- (b) make every part of the transmission pipeline is available for inspection by the auditor;
- (c) make available for interviewing by the audit or any personnel having responsibility for preparing or monitoring any records related to the facilities or for operating the facilities; and
- (d) ensure the co-operation of its employees and other personnel at the facilities with the conduct of the audit.

(6) A person conducting an audit under this rule shall prepare a report respecting the audit which shall include all cases of non-compliance that have been noted.

(7) On completion of the audit exercise, the Authority:

- (a) shall provide copy of the audit report to a licensee;
- (b) shall make the report available for public inspection during normal business hours at the Authority's office and post on the website a notice stating that the report is

available;

(c) may order a licensee to take any corrective action to remedy any 'case of non-compliance noted in the report; and

(d) may publish or distribute copies of the report.

Authority to supplement procedures as needed

132. Where procedures are not provided for in these Rules, the Authority may do whatever is necessary and permitted by law to enable it to effectively and completely adjudicate on any matter before it.

Appeal

133. Any person who is aggrieved by the decision made by the Authority under Part II and III of these Rules may lodge an appeal to the Tribunal pursuant to the provisions of the Fair Competition Act.

Cap 285

PART VIII
TRANSITIONAL PROVISIONS

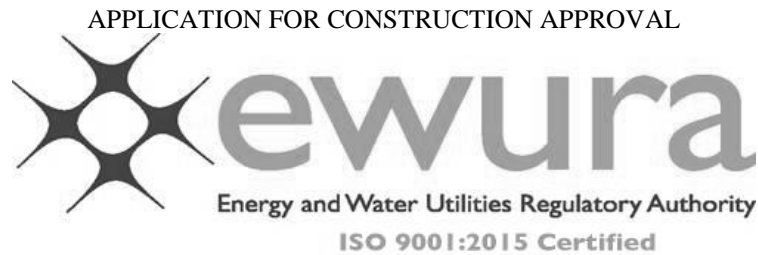
Transitional provisions

134.-(1) Any person who conducts a regulated activity whether licensed or not shall within twelve months after coming into force of these Rules, adjust its operations to comply with the provisions of these Rules.

(2) Where any lawful act or thing required or permitted to be done by or under the Act was done before the effective date of the Act, that act or thing shall be deemed to have been done under or by virtue of the Act.

FIRST SCHEDULE

(Made under Rule 4(4))



7TH Floor, LAFP Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama
P O Box 72175, Dar es Salaam, Tanzania
Tel: +255-22 2923513-18; Fax: +255-22 2923519
Email: info@ewura.go.tz Website: <http://www.ewura.go.tz>

For EWURA Use Only	
Date Received:	Docket Number:
Time Received:	Received by:

IMPORTANT NOTES: Please complete this form and return the relevant enclosures to the Authority.

In order to avoid unnecessary delays, please answer all items in full and submit to EWURA a complete form with all necessary enclosures. No application will be processed until it has been found to be complete.

When completing this form, PRINT IN BLUE OR BLACK INK ONLY. Where options are given tick the relevant box. Leave no item unanswered or un-ticked. If an item seems not applicable to the specific application, you should indicate with block capitals N/A meaning Not Applicable. Please ensure that all the required documents are enclosed and that each separate sheet of information attached to the application corresponds to a specific item in the application.

Part1A – General Particulars	
1. Name of Applying Entity: <input type="text"/>	FOR EWURA USE ONLY Details match with registration authorities? <input type="checkbox"/> Yes <input type="checkbox"/> No Further action required?
2. Registration (attach documents) <input type="text"/> (a) Certificate of Incorporation No.....	

(b) Memorandum and Articles of Association (c) TIN No (d) VAT No	
--	--

(a) Physical address: (b) Postal address: (c) Landline: (d) Facsimile: (e) Cellular Phone: (f) E-mail: (g) Website address:	Date requested Date received. All details completed in full? <input type="checkbox"/> Yes <input type="checkbox"/> No Further information required? Date requested Date received.
(a) Contact name: (b) Position in organisation:	Date requested Date received.

3. If the applicant is a Joint Venture with other entity, provide particulars:

(a) Official Names of Directors: (b) Official Names of Partners: (c) Nationality: (d) Shareholding (%): (e) Physical address: (f) Postal address: (g) E-Mail:	Further action required? Date requested Date received.
---	--

Part1B – Details of Construction

4. Type of construction approval applied for:

- (a) Natural Gas Transportation
- (b) Natural Gas Distribution
- (c)
- (d) Other (specify)

FOR EWURA USE ONLY

Further information required?

Further action required?

Date received.

5. Type of application

- (a) New
- (b) Extension

6. Application Fee amount and method of payment

- (a) Amount: TShs.....
 US\$
- (b) Mode: Cash Cheque Other
 (specify)

Yes No

7. Fees Payment Receipt No.

Yes No

Part 1C – Financial Information

8. Provide Certified Audited Financial Statements and Accounts for the last 3 years (or latest 3 years) prior to application.

- last year last 2 years last 3 years

All documents submitted in full?

Yes No

Part1D– Extension of a Construction Approval

9. Extension applied for:

- a) Natural Gas Transportation
- b) Natural Gas Distribution

FOR EWURA USE ONLY

Further information required?
 Yes No

10. Please provide reference number of the existing application approval

Is reference number correct?

Yes No

Further information required?

Yes No

11. Provide the Duration of Extension

Yes No

Yes No

Part2 – Enclosures

12. Provide your application with the following documents

- Project document showing:*
- *Project definition*
 - *Technical analysis*
 - *Financial and economic analysis*
 - *Project implementation schedule*
 - *The proposed route or corridor of the pipeline*
 - *Maximum operating pressure*
 - *Technical and financial experts profiles*
- Site Maps*
- Land-use Plan*
- Proof of Land Use Rights*
- Environmental Impact Assessment Certificate*
- Safety Policy*

Further information required?

Yes No

<input type="checkbox"/> <i>relevant contracts, agreements, permits, conventions, or memorandum of understanding</i>	FOR EWURA USE ONLY

13. State the specific areas to which regulated gas will be supplied.

Further information required?

Yes No

Part3– Declaration by the Applicant

I..... (insert name) being..... (insert title/position) hereby declare that I am authorized to make this application on behalf of the applicant (*insert the name of the applicant.....*). I further declare that to the best of my knowledge the information supplied herein are correct.

SWORN/AFFIRMED at.....
 by the said.....who is identified to me by...../known to me personally the latter being known to me personally thisday of20...

.....
DECLARANT

BEFORE ME:

COMMISSIONER FOR OATHS

NOTE:

If this application form is completed electronically it must be printed out, signed before a Commissioner of Oaths and shall, with the necessary supporting documents be submitted to EWURA Headquarter office or at Zonal Office

SECOND SCHEDULE

(Made under Rule 15(1))

APPLICATION FOR A LICENCE

TRANSMISSION/DISTRIBUTION OF NATURAL GAS



7TH Floor, LAPF Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama
P O Box 72175, Dar es Salaam, Tanzania
Tel: +255-22 2923513-18; Fax: +255-22 2923519
Email: info@ewura.go.tz Website: <http://www.ewura.go.tz>

For EWURA Use Only

Date Received:	Docket Number:
Time Received:	Received by:

IMPORTANT NOTES: Please complete this form and return the relevant enclosures to the Authority.

In order to avoid unnecessary delays, please answer all items in full and submit to EWURA a complete form with all necessary enclosures. No application will be processed until it has been found to be complete.

When completing this form, **PRINT IN BLUE OR BLACK INK ONLY**. Where options are given tick the relevant box. Leave no item unanswered or un-ticked. If an item seems not applicable to the specific application, you should indicate with block capitals N/A meaning Not Applicable. Please ensure that all the required documents are enclosed and that each separate sheet of information attached to the application corresponds to a specific item in the application.

Part1A – General Particulars

1. Name of Applying Entity: <input type="text"/>	FOR EWURA USE ONLY match with registration authorities? <input type="checkbox"/> Yes <input type="checkbox"/> No
2. Registration (<i>attach documents</i>)	

<p>(a) <i>Certificate of Incorporation No.....</i></p> <p>(b) <i>Memorandum and Articles of Association</i></p> <p>(c) <i>TIN №</i></p> <p>(d) <i>VAT №</i></p>	Further action required?
---	--------------------------

3. Physical and Postal address

<p>(a) <i>Physical address:</i></p> <p>(b) <i>Postal address:</i></p> <p>(c) <i>Landline:</i></p> <p>(d) <i>Facsimile:</i></p> <p>(e) <i>Cellular Phone:</i></p> <p>(f) <i>E-mail:</i></p> <p>(g) <i>Website address:</i></p> <p>(h) <i>Contact name</i></p> <p>(i) <i>Position in organisation</i></p>	<p style="text-align: right;">Date requested</p> <p style="text-align: right;">Date received.</p> <p>All details completed in full?</p> <p style="text-align: center;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p style="text-align: center;">FOR EWURA USE ONLY</p>
---	--

4. If the applicant is a Joint Venture with other entity, provide particulars:

<p>(a) <i>Official Names of Directors:</i></p> <p>(b) <i>Official Names of Partners:</i></p> <p>(c) <i>Nationality:</i></p> <p>(d) <i>Shareholding (%):</i></p> <p>(e) <i>Physical address:</i></p> <p>(f) <i>Postal address:</i></p> <p>(g) <i>E-Mail:</i></p>	<p style="text-align: center;">Further action required?</p> <p style="text-align: right;">Date requested</p> <p style="text-align: right;">Date received.</p>
---	---

Part1B – Details of Application

5. Type of licence applied for:

<p>(a) <input type="checkbox"/> <i>Natural Gas Transportation</i></p> <p>(b) <input type="checkbox"/> <i>Natural Gas Distribution</i></p>	<p style="text-align: center;">FOR EWURA USE ONLY</p> <p>Further information required?</p> <p>Further action required?</p>
---	---

6. Type of application

(a) <input type="checkbox"/> <i>New</i> (b) <input type="checkbox"/> <i>Renewal</i> (c) <input type="checkbox"/> <i>Extension</i>	Correct fees paid? <input type="checkbox"/> Yes <input type="checkbox"/> No Further action required? FOR EWURA USE ONLY Action completed?
7. Application Fee (a) <i>Amount:</i> <input type="checkbox"/> <i>TShs.....</i> <input type="checkbox"/> <i>US\$</i> (b) <i>Mode:</i> <input type="checkbox"/> <i>Cash</i> <input type="checkbox"/> <i>Cheque</i> <input type="checkbox"/> <i>Other (specify)</i>	
8. Fees Payment Receipt No.	

Part1C – Financial Information

9. Provide financial capability either- (a) <i>an audited financial statement; or</i> (b) <i>a bank guarantee or a credit facility; or</i> (c) <i>a bank statement showing a credit balance; or</i> (d) <i>an unequivocal letter of comfort from a financial institution or a bank.</i>	FOR EWURA USE ONLY All documents submitted in full? <input type="checkbox"/> Yes <input type="checkbox"/> No
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10. Bankers financial references in Tanzania (a) <i>Banker’s Name</i> (b) <i>Address</i> (c) <i>Contact Person</i> <i>Please continue on a separate sheet (if necessary)</i>	Further information required? Date requested
--	---

Part2A – Project Description

(This Part shall not be applicable for Applicants renewing licences and Applicants granted with a Construction Approval by the Authority) 11. Provide detailed description of the project and attach the detailed: <input type="checkbox"/> <i>Feasibility Study Report of the proposed project including without</i>	
---	--

<p>limitation details of:</p> <ul style="list-style-type: none"> — Technical analysis — Project implementation schedule <p><input type="checkbox"/> Site Maps</p> <p><input type="checkbox"/> Land-use Plan</p> <p><input type="checkbox"/> Environmental Impact Assessment Certificate</p> <p><input type="checkbox"/> Land Rights</p> <p><input type="checkbox"/> Contracts, Agreements, Permits, Conventions, or Memorandum of Understanding</p>	<p>Further information required?</p> <p style="text-align: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
Part 2B – Enclosure	
<p>12. Provide your application with the following enclosure (this part shall not apply unless the documents previously submitted to the Authority is of no use due to expire of major modification of the facility)</p>	<p style="text-align: center;">FOR EWURA USE ONLY</p> <p>Further information required?</p> <p style="text-align: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<div style="border: 1px solid black; padding: 5px;"> <ul style="list-style-type: none"> <input type="checkbox"/> Business Plan <input type="checkbox"/> Gas Sales Agreement(s) <ul style="list-style-type: none"> <input type="checkbox"/> Gas Supply Agreement(s) <input type="checkbox"/> Commissioning Report <input type="checkbox"/> As-built Project Drawings <input type="checkbox"/> Emergency Response Plan <input type="checkbox"/> Commissioning Plan <input type="checkbox"/> Distribution System Plan <input type="checkbox"/> Integrity Pledge <input type="checkbox"/> Local Content Plan <input type="checkbox"/> Others (if any) </div>	<p>Further information required?</p> <p style="text-align: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>13. State the specific areas to which regulated gas will be supplied.</p> <div style="border: 1px solid black; height: 40px; width: 100%;"></div>	<p>Further information required?</p> <p style="text-align: right;"><input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p style="text-align: right;">Date received.</p>

Part3– Declaration by the Applicant

I.....(insert name) being.....
(insert title/position) hereby declare that I am authorized to make this application on behalf of the applicant (*insert the name of the applicant.....*). I further declare that to the best of my knowledge the information supplied herein are correct.

SWORN/AFFIRMED at.....
by the said.....who is identified to
me by...../known to } me personally
.....
the latter being known to me personally this } **DECLARANT**
.....day of20...

BEFORE ME:

COMMISSIONER FOR OATHS

NOTE:

If this application form is completed electronically it must be printed out, signed before a Commissioner of Oaths and shall, with the necessary supporting documents be submitted to EWURA Headquarter office or at Zonal Office

—————
THIRD SCHEDULE
—————

(Made under Rule 15(2))
—————

CORPORATE INTEGRITY PLEDGE

1. We do believe that, unethical business practices and corruption have been one of the biggest impediments to sustainable economic growth and prosperity in Tanzania and has been eroding public confidence in the Government and its institutions ability to serve its citizen fairly;
2. As a company involved in petroleum activities in Tanzania, we acknowledge our responsibility to ensure good governance because it is necessary for continued growth and business sustainability. We also acknowledge the importance of conducting our business with the highest standards of transparency, ethics and integrity;
3. While the Government and Prevention and Combating of Corruption Bureau (PCCB) have their own initiatives for reducing corruption and other unethical practices, we realize that those initiatives cannot succeed without individual and collective commitment from business community to level the playing field and to build integrity in the business environment.
4. In view of the foregoing, we pledge the following:
 - (a) not, through any of our employees, representatives or agents, to involve in any form of bribery, corruption whether direct or indirect or unethical behavior in whatever form;
 - (b) to clearly communicate with all employees and business partners about stance on fighting all forms of bribe, corruption and other unethical behavior in whatever form;
 - (c) to maintain and share with our employees the code of conduct which will be a guide in executing our daily business operations in order to comply with high ethical standards of conduct and anti-corruption laws;
 - (d) to conduct regular training on anti-bribery and anti-corruption to our employees and business partners in order to ensure that they are updated and knowledgeable of the Company' s policy in implementing this pledge;
 - (e) to conduct integrity risk assessment that will help to identify corruption risks inherent in business operations and apply effective measures;
 - (f) to maintain appropriate financial reporting mechanisms that are accurate and transparent;
 - (g) to enter into integrity pacts with business partners and government agencies when dealing with procedures related to the bidding and procurement of supplies, materials, equipment, and construction;
 - (h) to maintain channels by which employees and other stakeholders can raise ethical concerns and report suspicious circumstances in confidence without

- risk of reprisal, and a designated officer will be tasked with investigating all reports received and taking appropriate action;
- (i) to refrain from engaging in business with parties who have demonstrated unethical business practices;
 - (j) not to engage in any arrangements that undermines or is prejudicial to the national security; and
 - (k) to maintain a proper insurance cover against losses, injuries or damage to environmental, communities, individual and properties that may be occasioned in the course of carrying business.
5. To ensure collective action in preventing any unethical and corrupt behavior and the highest standards of ethics, integrity and transparent in business transactions in Tanzania, we commit to:
- (a) support a nationwide initiative intended to create fair market conditions, transparency in business transactions, and ensure good corporate governance;
 - (b) participate in roundtable discussions, meetings, and forum to identify the key concerns and current problems affecting the private sectors related to integrity and transparency in business transactions;
 - (c) share the international best practices, tools and concepts which are intended to be used by all participating entities to achieve the goals of the nationwide integrity behavior initiative;
 - (d) participate in the creation of key measures and control activities intended to ensure transparency, integrity and ethical business practice;
 - (e) support the development of an audit and certification program (including a training program for advisers and auditors) that will offer a toolbox for enterprises to introduce and implement ethical practices in their business processes; and institutionalize the whole process to promote sustainability of the integrity initiative.
6. To confirm our commitment to this pledge, we hereby commit ourselves as a company and individuals to be bound in all aspects by this integrity pledge and shall be responsible for all the consequences which may result to non-compliance to this pledge.
7. To fight any form of corruption practices whereby zero tolerance action will be taken against any employee, staff or other person involved in corruption in relation to the business, regardless of position and status;
8. To report any corrupt or unethical practices that occur in the business place to the appropriate Authority;
9. We shall also ensure that our employees and agents comply with this pledge and in any event of non-compliance we commit ourselves to be responsible for their action.

Signed by for and on behalf of
..... this day
of [2018]

Signature

Designation:.....

Witness

Name:.....

Signature:.....

Designation:.....

FOURTH SCHEDULE

(Made under Rule 20(2))

APPLICATION TO TRANSFER A LICENCE



7TH Floor, LAPF Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama
P O Box 72175, Dar es Salaam, Tanzania
Tel: +255-22 2923513-18; Fax: +255-22 2923519
Email: info@ewura.go.tz Website: <http://www.ewura.go.tz>

This section to be completed by the Current Licensee			
	Current Licensee to complete as appropriate		
Current Licensee's name			
Name and address of the Transferor			
Reason for Transfer (attach documentary proof)			
Address of the Licensed Facility			
	Postcode		Tel No.

Petroleum (Natural Gas)(Transmission and Distribution Activities)
GN. No. 176 (contd.)

	Email	
Licence Particulars	Type of Licence :	
	Licence No:	
	Licence Duration:	
	Expiry Date:	

I agree to the Licence being transferred to the applicant(s) below:			
Name and physical Address of the Transferee :		Date:	
Business Organisation (Sole proprietor, Company, Partnership)		Position:	
Principal Officer (only if the transferee is a company or partnership)		Date:	Company Seal
		Signature:	
Names of Partners or Shareholders		1.	
		2.	
		3.	
		4.	
		5.	
		6.	
		7.	

This section to be completed by the Applicant(s)
<ol style="list-style-type: none"> 1. I the undersigned, being the new occupier of the premises detailed in the application, hereby apply for the transfer of the current licence and I hereby declare that the information stated herein in regard to the transferee are true to the best of my knowledge. 2. In the event of a licence being transferred: <ol style="list-style-type: none"> (a) I agree to abide by the conditions laid down by EWURA and applicable laws, and not to alter in any way the approved arrangements of the facility without the written approval of EWURA, nor use the said facility for any other purpose than those prevailing at the time the licence is transferred; (b) the licence shall have the like effect in all respects as if no transfer had been

made; and (c) all duties and responsibilities that were to be fulfilled by the transfer or automatically shift to the transferee as if no transfer was made.			
Date			
Signed:		Position:	
Print Name			

Ownership of the site comprising the licensed facility. If the transferor is not the owner of the site (i.e. a tenant), enter below the name and address of the owner or owners, as the case may be:			
Details	Transferor to complete if applicable		
Name (of owner)			
Address:			
Post Code		Tel No.	
Email			

Fee TZS	Payable to: EWURA Account: 01J1022244000; CRDB Holland Branch.
<p>Notes</p> <ol style="list-style-type: none"> 1. The applicant(s), (if an individual person or partnership) must be over 18 years of age. 2. By signing the form both the transferee and transferor declare that they are authorized to make this application and that the information supplied there herein is correct. 3. This application together with the appropriate fee, should be forwarded to the Director General, EWURA at 7TH Floor, LAPF Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama, P.O Box 72175, Dar es Salaam. 		

The application should be attached with the following documents:-

1. The original copy of a valid EWURA licence in respect of the licensed facility;
2. Certified copy of tax Clearance in respect of the licensed facility;
3. Lease/ Sale agreement stamp duty paid;
4. Company Registration documents;
5. Proof of payment of transfer application fee; and
6. Any other document that will be required at the time of transfer

FIFTH SCHEDULE

(Made under Rule 23(1))

APPLICATION FORMAT FOR FACILITY RELOCATION OR ALTERATION



7TH Floor, LAPP Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama
P O Box 72175, Dar es Salaam, Tanzania
Tel: +255-22 2923513-18; Fax: +255-22 2923519
Email: info@ewura.go.tz Website: <http://www.ewura.go.tz>

	Particulars	Response
1.	Name of the licensee	
2.	Licence Number	
3.	Licensed activity	
4.	Describe the nature of alteration or relocation	
5.	Describe the financial implication (how the project will be funded)	
6.	Describe the environmental and social impact including remedial measures (attach any relevant document)	
7.	Time frame of the proposed alteration or relocation	
8.	Any other relevant information	

Dar es Salaam,
May, 2018

NZINYANGWA E. MCHANY,
Director General