

GOVERNMENT NOTICE NO. 325 published on 23/12/2016

THE ELECTRICITY (MARKET OPERATION SERVICES) RULES, 2016

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THE ELECTRICITY ACT,  
(CAP. 131)

**RULES**

*(Made under section 45)*

THE ELECTRICITY (MARKET OPERATION SERVICES) RULES, 2016

PART I  
PRELIMINARY PROVISIONS

- Citation 1. These Rules may be cited as the Electricity (Market Operation Services) Rules, 2016.
- Application 2. These Rules shall govern the regulatory and licensing matters relating to the electricity market operation services in Mainland Tanzania.
- Interpretation 3. In these Rules, unless the context otherwise requires-  
Cap. 131 “Act” means the Electricity Act;  
Cap. 414 “administrator” means a person appointed by the Authority pursuant to rule 21(3) and section 16(2) (b) of the EWURA Act to manage the affairs of a licensee whose licence has been cancelled or suspended;  
“affiliate” means any legal entity holding shares in the licensee or any other legal entity in which the licensee is a shareholder;  
Cap. 414 “Authority” means the Energy and Water Utilities Regulatory Authority established under the provisions of the EWURA Act;  
“customer” means a person who receives market operation services from a licensee;  
“customer service charter” means a document prepared by the licensee and approved by the Authority setting minimum service standards including the procedure of receiving and

- settling complaints from customers, and metering issues;
- “distribution code” means the technical and procedural rules and standards prepared by the distribution licensee and approved by the Authority governing matters pertaining to the distribution services;
- Cap. 414 “EWURA Act” means the Energy and Water Utilities Regulatory Authority Act;
- “generation licensee” means an entity licensed by the Authority to provide electricity generation services;
- “Grid Code” means the technical and procedural rules and standards issued by the Authority on transmission and system operation;
- “inspector” means an officer of the Authority or agent appointed by the Authority to act as an inspector;
- “licence” means a licence issued by the Authority to conduct electricity market operation activity;
- “licensee” means the holder of a licence and includes any entity that is exempted pursuant to rule 14;
- “market operator” means the holder of a licence from the Authority responsible to administer wholesale trade in electricity;
- “market operation services” means all services that are necessary in order to administer wholesale market operations and includes-
- (a) registration of market participants and balance responsible parties (BRP);
  - (b) assignment of EIC codes to the market participants;
  - (c) registration of market participants for participation in auctions for crossborder capacities allocation;
  - (d) calculation of imbalance of BRP and distribution of compensations to BRP;
  - (e) ancillary services calculation;
  - (f) creation of reports on internal and crossborder trades;
  - (g) creation of monthly and annual reports on transmission network flows;
  - (h) creation of reports on the size of energy and peak loads for the companies taking over electricity from the transmission system; and
  - (i) creation of financing report including obligations of each market participant involved in auctions for

- crossborder transmission capacities;
- “market rules” means the technical and procedural rules approved and issued by the Authority governing matters pertaining to the administration of wholesale trade in electricity;
- “market participant” means a licensee, a generation licensee, a distribution licensee, transmission licensee, a system operation licensee or a large customer;
- “Power System Master Plan” means a planning document prepared by the Minister and updated on annual basis by the system operator dealing with indicative medium and long term plans for the expansion of the electricity system to cater for expected demand;
- “provisional licence” means an electricity system operation services licence issued by the Authority to allow the licensee to conduct preparatory activities necessary for issuance of a licence;
- “Prudent Utility Practices” means good practices, methods, and procedures which are attained by exercising a degree of skill, diligence, prudence, and foresight which would reasonably and ordinarily be expected from a skilled and experienced international distributor of electricity engaged in the same or a similar type of undertaking or activity in Tanzania and under the same or similar circumstances and conditions to those pertaining in Tanzania and satisfying the health, safety and environmental standards of reputable international electric supplying companies;
- “serious offence” means any of the offences listed in the Schedule;
- “service area” means an area specified in a licence in which a licensee is authorized by the Authority to conduct market operation activity either exclusively or together with others for a specified period of time;
- “system operation services” means all services that are necessary in order to dispatch generation and provide safe and efficient transport of electricity in the transmission system, resolve interruptions in transport of electricity and maintain and re-establish the energy balance in the transmission system, and the term “system operation activity” shall be construed accordingly;

“system operation licensee” means a person licensed by the Authority to provide system operation services;

“transmission licensee” means the holder of a license issued by the Authority and responsible to transmit electrical energy at 50 Hz by means of high voltage lines at voltage levels of 66 kV and above;

“transmission network” means a group of facilities and equipment belonging to a transmission licensee designed to transmit electric energy at 50 Hz by means of high voltage lines, at voltage levels of 66 kV and above that includes overhead lines, ground cables, sub-marine cable, dispatchers, transformers, communication networks, control stations and metering equipment; and

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

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## PART II LICENSING PROCEDURES

Obligation to  
apply for  
licence

4.-(1) A person shall not conduct any market operation activity without a licence unless exempted by the Authority pursuant to rule 14.

(2) The prohibition under sub-rule (1) shall not apply to the administrator who is appointed by the Authority pursuant to rule 18.

(3) A person who conducts any market operation activity without a licence shall, not later than three months after coming into force of these rules, apply to the Authority for a licence in respect of its market operation activity.

Penalty

5. Any person who contravenes the provisions of rule 4 commits an offence and shall be liable to a fine of ten million shillings.

Licence  
application  
procedure

6.-(1) An applicant for a licence shall apply to the Authority for a licence by filling in the appropriate form prescribed by the Authority, and shall lodge such application to the Authority,

together with such other documents or records as may be required by the Act, the EWURA Act and other applicable law.

(2) Notwithstanding the provision of sub-rule (1), an application for a licence shall be accompanied by-

- (a) certified copies of its registration documents;
- (b) proof of the financial and human capability to undertake market operation activity;
- (c) proof of land ownership and land use for the licensed facility, if any;
- (d) certified copy of any agreement relevant to the licensed facility;
- (e) transmission network development plan as set forth in the Power System Master Plan, including the influence of the transmission system development to the tariffs approved by the Authority;
- (f) information about the cross-border transmission capacities, if any; and
- (g) information demonstrating capability and availability of necessary hardware and software systems for electricity market management systems and where applicable statement of procurement or provision of above systems.

(3) An application for a licence shall be accompanied by an application fee prescribed by the Authority from time to time.

(4) The provisions of rules 4 and 6 shall not apply to any licensee who has applied and has been exempted pursuant to rule 14 from complying with the requirements of section 8 of the Act.

Publication of  
licence  
application

7.- (1) A licence application 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 public shall be invited to submit comments and representations within twenty one 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  
licence

8.-(1) The Authority shall, upon consideration of an application for a licence-

- (a) deny the application;
- (b) refer back an application;
- (c) grant an exemption pursuant to rule 14;
- (d) grant the application and issue a licence; or
- (e) grant a provisional licence subject to fulfillment of the general conditions set out in these rules and such other conditions as the Authority may determine.

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

- (a) the protection of the environment;
- (b) the applicant's record of compliance with the Act, these rules and other applicable laws;
- (c) economic efficiency and benefit to the applicant and the public in general;
- (d) technical and financial capability, material and human resources of the applicant and the organizational structure of the applicant necessary for meeting the requirements under the licence;
- (e) facilities compliance with health, safety and environmental protection requirements; and
- (f) any other matter relevant to the orderly conduct of system operation activity in Tanzania.

(3) The Authority may deny issuing a licence where it, *inter alia*, determines that-

- (a) the applicant does not have the financial capability to conduct system operations activity;
- (b) the applicant's activities may not be conducted in accordance with safety, health and environment requirements; or
- (c) the application has violated the mandatory requirements provided under the Act, the EWURA Act and any relevant applicable law.



Application for  
provisional  
licence

9.-(1) Any person seeking to conduct electricity system operation activity may, prior to applying for a licence, apply to the Authority for a provisional licence with a view to conducting some preparatory activities including assessments, studies, financial arrangements and other activities necessary for applying for a licence.

(2) The applicant shall lodge to the Authority an application form for a provisional licence which shall be in a prescribed format together with the following:

- (a) a business plan;
- (b) prescribed fee;
- (c) proof of financial capability;
- (d) a sketch map of the proposed service area;
- (e) any agreement relevant to the licensed activity; and
- (f) any other documentation or information the Authority may require.

Publication of  
provisional  
licence  
application

10.-(1) A provisional licence application received by the Authority shall be evaluated to verify its completeness and legality of information contained therein and thereafter a notice of the application 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 public shall be invited to submit their 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  
provisional  
licence

11. The Authority shall, after the expiration of the fourteen days deadline to submit comments under rule 10(2), evaluate such application and thereafter make a decision basing on-

- (a) the applicant's record of compliance with the Act, these rules and other applicable laws;

- (b) economic efficiency and benefit to the applicant and the public in general; and
- (c) comments or representations received from the public, if any.

Application for exemption

12.-(1) Any person may apply to the Authority to be exempted from complying with the requirements of section 8 of the Act.

(2) The application for exemption under sub-rule (1) shall be made in writing to the Authority stating the following:

- (a) description of the project including its shareholders;
- (b) description of a service area;
- (c) any agreement relevant to the provision of electricity system operation services; and
- (d) reasons for the exemption.

Publication of application for exemption

13.-(1) Upon receipt of the application under rule 12, the Authority shall publish a notice of the application 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 public shall be invited to submit their comments and representations within twenty one 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 exemption

14.-(1) After the conclusion of an inquiry process under rule 13, the Authority shall proceed to evaluate the application and make a decision either to grant or deny the application subject to such terms and conditions it may consider fit.

(2) The Authority shall, while making a decision whether to grant an exemption or not, take into consideration the following:

- (a) gravity of the reasons submitted in support of the exemption;
- (b) public interests to be protected; and

(c) comments or representations received from the public, if any.

(3) The term, obligations and rights to be provided in the exemption shall be specified in the Order to be published by the Authority in the *Gazette*.

The Authority to give reasons for its decisions

15. The Authority shall, in the event that it denies or refers back an application for a licence, provisional licence or an application for exemption, inform the applicant of such decision in writing, including the reasons thereof.

Validity and duration of licence

16.-(1) The term of a licence shall be twenty five years and that of a provisional licence shall be as determined by the Authority.

(2) A provisional licence shall remain valid for the term issued, unless when replaced by a licence to provide the services issued by the Authority, or when extended for such further period as the Authority may determine, upon written application by a licensee.

(3) Notwithstanding the provisions of sub-rules (1) and (2), a licence or a provisional licence shall cease to have effect if the respective licensee fails to conduct a licensed activity within six months after issuance of the licence.

Application for transfer of licence

17.-(1) A licence shall not be assigned or transferred to another person without a written approval of the Authority.

(2) Any transferee or assignee of a licence shall apply to the Authority by filling in the appropriate form prescribed by the Authority, and lodge it with the Authority, together with other documents or records as may be required by the Authority or applicable law.

(3) Notwithstanding the provisions of sub-rule (1), an application for a transfer or assignment of a licence shall not be entertained by the Authority unless it is endorsed by the transferor or assignor, as the case may be.

(4) An application for transfer of licence 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.

(5) Costs for publication of the notice under sub-rule (4) shall be borne by the Authority.

(6) 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.

(7) The Authority shall, after the expiration of the notice under sub-rule (6), evaluate the application together with comments received if any, and make a decision whether to grant or deny the application for transfer or assignment.

Change of  
name

18.-(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 accompanied by a certificate for change in name issued by relevant authorities.

Change of  
shareholding  
structure

19.-(1) Any change in shareholding structure of a licensee shall require a written approval of the Authority.

(2) A licensee intending to change its shareholding structure shall, before applying for the change in shareholding structure to the Registrar of Companies, apply for the approval to the Authority by submitting a letter to the Authority requesting for the approval.

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(3) A licensee shall, after getting the approval for change of shareholding structure from the Registrar of companies as required by the Companies Act, notify the Authority about such change.

(4) The Authority shall, before approving the application for change in shareholding structure under sub-rule (2), consult the Fair Competition Commission and the Tanzania Revenue

Authority.

Application for  
renewal of  
licence

20.-(1) A licensee may, within three months before expiration of a licence term, apply to the Authority for a renewal of a licence.

(2) An application for a renewal of a licence under sub-rule (1) shall be made by filling in an application form to be prescribed by the Authority.

(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 conditions of the licence which is due to expire.

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

Suspension and  
revocation of  
licence

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21.-(1) The Authority may revoke the licence where it determines that the licensee is unable to discharge its obligations under the Act, the EWURA Act or any other relevant law or where the licensee is convicted of any serious offence.

(2) Notwithstanding the provisions of sub-rule (1) the Authority may suspend a licence for a period up to twelve months where-

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(a) the licensee has been found to be in serious violation of the provisions of the Act, the EWURA Act or these Rules on matters relating to the protection of occupational health, public safety and environment; or

(b) the licensee fails to pay a regulatory levy to the Authority and such levy remains unpaid thirty days after it has become due, and the Authority has given the licensee notice in writing that such payment is overdue and the licensee has not paid

(3) Notwithstanding the provisions of sub-rules (1) and (2), the Authority may, in the event of suspension or revocation of a

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Cap. 414 licence and subject to the provisions of the Act and the EWURA Act, appoint an administrator to manage the affairs of the licensee for such period as the Authority may determine.

Appeal 22. Any person who is aggrieved by the decision of the Authority under rules 8, 11, 14, 20(3) or 21 may appeal to the Tribunal pursuant to the provisions of the Fair Competition Act.

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**PART III  
GENERAL OBLIGATIONS OF A LICENSEE**

Obligation to provide services 23.-(1) A licensee shall conduct a market operation activity pursuant to the provisions of the Act, the EWURA Act, any existing relevant law and any agreement provided that the provisions of the agreement are not at variance with the provisions of these Rules, the Act, the EWURA Act or any other relevant law.

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(2) Without prejudice to the generality of sub-rule (1), a licensee shall-

- (a) conduct market operation activity in a service area;
- (b) charge a fee to customers at the amount that shall be approved by the Authority; and
- (c) carry out all works related to the conduct of market operation activity, including engineering, construction, rehabilitation, operation and maintenance of a licensed facility in accordance with relevant laws and Prudent Utility Practices.

(3) A licensee shall, while conducting system operations activity, observe rules and guidelines issued by the Authority in matters related to transfer of control and payment of fees and levies.

Cap. 414 (4) A licensee shall conduct market operation activities without any discrimination and bias, pursuant to agreements, if any, the Act, the EWURA Act and other applicable law and shall under no circumstances stop to conduct the market operation activity save as provided for in these Rules and relevant laws.

Compensation for loss suffered 24.-(1) A licensee shall be obliged to compensate any person who has suffered any loss of life or property as a result of a

market operation activity.

(2) Any person who has suffered loss to life or property as a result of a system operations activity shall first lodge a complaint with a licensee with a view to reaching an amicable settlement.

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

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

Customer  
service charter

25.-(1) A licensee shall, within one year after receipt of a licence, prepare and submit to the Authority for approval, a customer service charter.

(2) The customer service charter to be prepared under the provisions of sub-rule (1) shall describe the services available to the customers including-

- (a) expediting procedures;
- (b) service levels;
- (c) compensation for loss and non-fulfillment of obligations by a licensee;
- (d) complaint handling process; and
- (e) timely fulfillment of orders and requests.

(3) The Authority shall approve any modifications or amendments to the charter described under sub-rule (1).

(4) The customer service charter described under sub-rule (1) shall include licensee's commitment to-

- (a) deal with customers through a system that ensures speed and accuracy in completing transactions;
- (b) introduce a formal process for managing customer complaints;
- (c) computerize all services rendered to customers and new service applicants;
- (d) prepare and publicize any periodic meetings with

- customer representatives for the purpose of-
- (i) exchanging information or views of the parties;
  - (ii) clarifying the mutual duties, rights and responsibilities;
  - (iii) improving customer services; and
  - (iv) conducting any other appropriate activity aimed at improving customer services.
- (e) establish and properly furnish service centre to receive-
- (i) customer complaints and inquiries;
  - (ii) orders; and
  - (iii) bill payments;
- (f) publish names and locations of service centers.
- (5) A licensee shall-
- (a) establish a mechanism pursuant to which it will receive outage and power reduction reports or any reports related to the quality and reliability of electricity system operations;
  - (b) maintain a special register of information comprising of the-
    - (i) identity of the complainant;
    - (ii) type of complaint or malfunction;
    - (iii) location and time of the occurrence complained of; and
    - (iv) time required to correct such complaint or malfunction;
  - (c) on a monthly basis, deliver a detailed statement to the Authority in respect of the frequency and duration of all malfunctions and outages.

Compliance  
audit

26.-(1) A licensee shall, as directed by the Authority from time to time, conduct an audit of its compliance with-

- (a) these Rules;
- (b) any agreement relevant with the conduct of the market operation activity;
- (c) customer service charter;



- (d) Grid Code;
- (e) market rules;
- (f) relevant laws; and
- (g) any relevant codes and standards.

(2) The compliance audit described under sub-rule (1), shall be conducted by an independent auditor or any other expert who has the requisite expertise hired by a licensee.

(3) Costs associated with the audit described under sub-rule (2), shall be paid by the Authority.

(4) A licensee shall, within ninety days after completion of the audit described under sub-rule (1), deliver to the Authority the results of such audit.

Service  
Performance  
Report

27. A licensee shall provide the Authority with a detailed statement of market operation services performance, including-

- (a) total capacity available and energy sold as the Authority may require; and
- (b) details on export and import capacity available.

Annual Report

28. A licensee shall submit to the Authority its annual report not later than thirty days after receipt of the audited accounts.

#### PART IV GENERAL FINANCIAL OBLIGATIONS

Financial  
reporting

29.-(1) A licensee shall, within ninety days after the start of its financial year, submit to the Authority its approved budget for such financial year, which budget shall include details on its operating revenue and capital and operating expenses.

(2) A licensee shall provide all financial information required by the Authority in a form prescribed by the Authority which information shall include-

- (a) a quarterly report on its commercial and financial performance not later than thirty days after the end of each quarter; and

(b) auditor's report on financial statements for each financial year together with the management letter not later than one hundred and eighty days after the end of financial year.

(3) A licensee shall submit to the Authority its audited accounts not later than thirty days after receipt of the audited accounts.

Maintenance of separate accounts

30. A licensee shall maintain a separate set of accounts for provision of activities not related to the market operation activity.

Prohibition to cross subsidization

31. A licensee shall ensure that there is no cross subsidization between its market operation activity and any other activity including activities of affiliates.

PART V  
GENERAL TECHNICAL OBLIGATIONS

Terms of service

32.-(1) A licensee shall comply with any directions given by the Authority related to the terms upon which the licensee may provide market operation services.

(2) A licensee shall publish terms of market operation services and appropriate fees in such a manner as the Authority shall prescribe.

(3) Without prejudice to the generality of sub-rules (1) and (2), a licensee shall as soon as practicable, after the receipt of a request for market operation services from any person in the service area-

- (a) offer to conclude a contract to provide market operation services to such person; and
- (b) upon concluding the contract, provide market operation services pursuant to such contract and applicable law and a licence:

Provided that, a licensee shall not provide market operation services where-

- (a) the service requested will result into instability to the distribution network or the transmission network;

- (b) a licensee has been informed by a customer or other electricity system operator from another jurisdiction that compliance with the requirement to provide system operation services would result in high risks to the safety of the Grid, any person, land, building or other property;
  - (c) taking into account all circumstances, it is not reasonable for a licensee to provide system operation services, provided, however, that a licensee shall: refer any question as to whether the circumstances are reasonable to the Authority for determination and in any event not later than five working days after the licensee's receipt of the request;
  - (d) the provision of market operation services is likely to result to breach of-
    - (i) any relevant law;
    - (ii) the market rules;
    - (iii) the Grid Code;
    - (iv) the distribution code; and
    - (v) other applicable codes and standards.
- (4) A licensee shall not reduce or discontinue system operations services to a customer unless such customer has failed to-
- (a) pay the agreed fee; or
  - (b) comply with the conditions of service,
- and such failure has not been cured within fourteen days after receiving from the licensee a written notice to do so.

Compliance  
with codes,  
standards and  
rules

33.-(1) A licensee shall provide market operations services in compliance with-

- (a) the Grid Code;
  - (b) the market rules;
  - (c) the distribution code; and
  - (d) any other relevant codes and standards.
- (2) A licensee shall comply with the performance standards established by the Authority.

Performance standards

34.-(1) A licensee shall, not later than six months after receipt of a licence, submit to the Authority for approval a report comprising the criteria against which the provision of market operation services can be measured.

(2) Notwithstanding the provisions of sub-rule (1), the Authority may make amendments to the criteria described under sub-rule (1), and in the event it does so, it shall notify a licensee of such amendments.

(3) A licensee shall provide market operation services in a manner calculated to achieve applicable performance standards and targets.

(4) A licensee shall periodically review the approved performance criteria and, upon the conclusion of such review, deliver to the Authority-

- (a) a report comprising the findings of such review; and
- (b) any proposed revisions arising from such findings for approval.

(5) A licensee shall report annually to the Authority on the provision of its market operation services taking into account the performance standards referred to under sub-rule (1).

Separation of services

35.-(1) A licensee shall secure the complete and effective separation of market operation services, including full operational and managerial independence, from any affiliate or related undertaking of the licensee, or any other services of the licensee.

(2) A licensee's arrangements to accomplish the obligation described under sub-rule (1), shall be subject to the approval of the Authority.

Safety and security of services

36. A licensee shall provide its customers with contact information that they may use to notify the licensee of any matter or incident related to the availability of market operation services that-

- (a) causes danger or requires urgent attention; or
- (b) affects or is likely to affect the security of supply, availability or quality of market operation services.

*Electricity (Market Operation Services)*

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*G.N. No. 325 (contd.)*

Fee disclosure

37. A licensee shall immediately after approval by the Authority of its fee application, publish fees in respect of its system operations services-

- (a) in not less than two newspapers of wide circulation, one in Kiswahili and one in English;
- (b) by posting such information on its website; and
- (c) by making such information available at its bill payment centers.

Service interruptions

38. A licensee shall notify the Authority and a customer in writing in the event of market operation service interruption for emergency repair that affects market operations services for more than twenty four hours.

Notice of service interruption

39.-(1) Where a licensee intends to carry out preventive maintenance, replacement, restoration or any other construction that may lead to an interruption or reduction of market operations services, the licensee shall issue a public notice thereof, not less than two days prior to undertaking such activity.

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

Inspection

40.-(1) An inspector shall have the right of access, at any reasonable time, to any of the premises of a licensee and may require the licensee to furnish such information and to produce such document or records for the information of the inspector with a view to enabling the inspector to determine whether the provisions of the Act, EWURA Act or rules made thereunder are complied with.

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(2) An inspector may, at all reasonable times and upon giving sufficient notice to the occupier of his intention, enter any premises to which system operation services is undertaken for the purpose of inspecting and testing the premises, hardware, software, meters, fittings, works and apparatus for the system operation services installed in order to ascertain if the provisions of the Act, EWURA Act or rules made thereunder are complied with.

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(3) During inspection, an inspector may-

- (a) make copies of the report of an application software

or take extracts from any book, accounts or records kept by the licensee under the relevant law; and

- (b) inspect machinery, equipment, appliances, meters, fittings and apparatus.

(4) An inspector shall, subject to instructions given and upon conclusion of an inspection, prepare and submit a report to the Authority, and the Authority shall take the appropriate action to the findings and recommendations of the inspector's report.

Prohibited  
Acts to  
inspectors and  
meter  
inspectors

41. A licensee shall not-

- (a) hinder or obstruct an inspector or meter inspector in the exercise of any of the powers conferred upon him by these Rules, the Act and applicable law;
- (b) use abusive, threatening or insulting language to an inspector or meter inspector;
- (c) refuse or fail to comply with any lawful order, direction or notice of an inspector or a meter inspector; and
- (d) when required by an inspector or a meter inspector to answer a question, refuse or fail to answer such question to the best of the licensee's knowledge, information and belief.

Offence

42. Any person who contravenes the provisions of rule 41 commits an offence and shall, on conviction, be liable to a fine of not less than three million shillings or imprisonment for a term not less than one year or to both.

## PART VI GENERAL PROVISIONS

General  
Penalty

43. Any person who contravenes any provisions of these Rules for which no specific penalty is prescribed, commits an offence and is liable-

- (a) in case of first offence, be liable to a fine of ten million shillings; and
- (b) in case of subsequent offence be liable to an additional fine of five million shillings for every

contravention of offence.

Liability of  
licence for acts  
of agent

44. A licensee who employs an agent, clerk, servant or other person, shall be answerable and liable for any acts or omissions of such persons in so far as the actions or omissions concern the system operation activity.

Authority to  
Supplement  
Procedures

45. Where procedures for any matter or thing required to be prescribed in these Rules are not provided for, the Authority may do whatever is necessary and permitted by the Act, the EWURA Act and applicable law to enable it to effectively and completely adjudicate on the matter before it.

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SCHEDULE

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List of Serious Offences  
*(Made under Rule 3)*

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1. All offences listed under section 12 of the Anti-Money Laundering Act, Cap. 256;
2. All offences related to tax evasion which attracts a fine of ten million shillings or more or an imprisonment term of six months or more; and
3. Any other offences as shall be determined by Order of the Authority.

Dar es Salaam,  
....., 2016

FELIX NGAMLAGOSI,  
*Director General*