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**REGULATION N° 03/R/EL-EWS/RURA/2019 GOVERNING THE  
SIMPLIFIED ELECTRICITY LICENSING FRAMEWORK FOR  
RURAL ELECTRIFICATION IN RWANDA**

**June 2019**

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**Table of Contents**

**CHAPTER ONE: GENERAL PROVISIONS ..... 5**

**Article one: Purpose ..... 5**

**Article 2: Definitions of Terms ..... 5**

**Article 3: Scope of application ..... 6**

**CHAPTER II. REGISTRATION AND LICENSING REGIME ..... 6**

**Article 4: Projects subject to registration ..... 6**

**Article 5: Required documents for registration of Very Small Isolated Grids ..... 6**

**Article 6: Time Limit for rendering a Decision over the registration application ..... 6**

**Article 7: Operation of very small isolated grid ..... 7**

**Article 8: Periodic submission of report on very small isolated grid’s activities ..... 7**

**Article 9: Projects subject to a Simplified Electricity License ..... 7**

**Article 10: Required documents to apply for a simplified license ..... 7**

**Article 11: Required technical information to apply for a simplified license ..... 8**

**Article 12: Simplified License application process ..... 9**

**Article 13: Simplified License application review ..... 9**

**Article 14: Criteria for a simplified license issuance ..... 9**

**CHAPTER III. LICENSE CONDITIONS ..... 10**

**Article 15: Term of Simplified Licenses and Registration ..... 10**

**Article 16: Simplified License renewal ..... 10**

**Article 18: Simplified License Modification ..... 11**

**Article 19: License Transfer ..... 11**

**Article 20: Procedures for simplified license transfer ..... 12**

**Article 21: Simplified License Revocation ..... 12**

**Article 22: Simplified license revocation proceedings ..... 12**

**Article 23: Register of Licenses and Registrations ..... 13**

**Article 24: Appeal on simplified license matters ..... 13**

**CHAPTER IV. EXCLUSIVITY RIGHTS AND COMPLIANCE WITH TECHNICAL GUIDELINES ..... 14**

**Article 25: Rights of Isolated Grids ..... 14**

**Article 26: Conditions for removal of exclusivity right to Isolated Grids ..... 14**

<b>Article 27: Compliance with technical guidelines .....</b>	<b>14</b>
<b>CHAPTER V. EXPANSION OF OTHER NETWORKS .....</b>	<b>15</b>
<b>Article 28: Expansion of a network of a Large Distribution Network Licensee .....</b>	<b>15</b>
<b>Article 30: Obligations of the Large Distribution Network Licensee.....</b>	<b>16</b>
<b>Article 31: Selling assets of Isolated Grids.....</b>	<b>16</b>
<b>Article 32: Price or compensation for Isolated Grid assets.....</b>	<b>16</b>
<b>Article 33: Tariff setting for Isolated Grids.....</b>	<b>16</b>
<b>Article 34: Merger of Isolated Grids .....</b>	<b>17</b>
<b>CHAPTER VI. MONITORING AND ENFORCEMENT .....</b>	<b>17</b>
<b>Article 35: Simplified License Monitoring Requirements.....</b>	<b>17</b>
<b>Article 36: License or Registration Enforcement Action .....</b>	<b>17</b>
<b>Article 37: Administrative sanctions .....</b>	<b>18</b>
<b>CHAPTER VII. TRANSITIONAL AND FINAL PROVISIONS .....</b>	<b>18</b>
<b>Article 38: Transitional period .....</b>	<b>18</b>
<b>Article 39: Repealing provision .....</b>	<b>19</b>
<b>Article 40: Commencement.....</b>	<b>19</b>
<b>ANNEX I: LICENSE APPLICATION FORM.....</b>	<b>20</b>
<b>ANNEX 2: APPLICATION AND SIMPLIFIED LICENSE FEES .....</b>	<b>23</b>

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## **PREAMBLE**

The Regulatory Board of the Rwanda Utilities Regulatory Authority;

PURSUANT to Law n° 09/2013 of 01/03/2013 establishing Rwanda Utilities Regulatory Authority (RURA) and determining its mission, powers, organization and functioning especially in Articles 2, 4, 20, 21 and 48;

PURSUANT to Law n° 21/2011 of 23/06/2011 governing Electricity in Rwanda especially in Articles 13 and 26 and the Law modifying Law n°21/2011 of 23/06/2011 governing electricity in Rwanda as modified to date especially in Article 2,3 and 4;

CONSIDERING the need to revise the Regulation n° 01/R/EL-EWS/RURA/2015 governing the Simplified Licensing Framework for Rural Electrification in Rwanda to ensure sustainability of isolated grids projects and improve the quality of service by isolated grid developers;

Considering the validation workshop held in Kigali City on the 21<sup>st</sup> of June 2019;

And whereas upon due consideration and deliberation in its Session of 27<sup>th</sup> June 2019.

Hereby issues the following regulation:

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## **CHAPTER ONE: GENERAL PROVISIONS**

### **Article one: Purpose**

The purpose of this Regulation is to put in place a simplified regulatory framework so as to expedite licensing for rural electrification projects.

### **Article 2: Definitions of Terms**

Unless the context otherwise requires, the following terms shall have the following meanings:

- 1. Guidelines on Minimum Technical Requirements for Mini-Grids:** guidelines No 02/GL/EL-EWS/RURA/2019 on Minimum Technical Requirements for Mini-Grids in Rwanda.
- 2. Isolated Grid or Mini-Grid:** a distribution network without connection, whether direct or indirect, to a transmission network that is operated by the transmission Licensee;
- 3. KVA:** kilo-Volt Ampere;
- 4. KVAr:** Kilo-Volt Ampere Reactive;
- 5. KWh:** Kilo-Watt hour;
- 6. Large Distribution Network:** A licensed electricity distribution network with at least [20,000] active customer connections;
- 7. License:** refers to any document issued by the Regulatory Authority which authorizes the licensee to carry out the activities specified in the license under the conditions prescribed therein;
- 8. Licensee:** any person who holds one of the licenses issued by the Regulatory Authority under this Regulation;
- 9. Person:** an individual or organization which is legally permitted to enter into a contract, and be sued if it fails to meet its contractual obligations;
- 10. Registrant:** A person who holds a registration certificate issued by the Regulatory Authority which authorises him to carry out activities specified in the registration certificate under the conditions prescribed therein
- 11. Regulatory Authority:** Rwanda Utilities Regulatory Authority (RURA);
- 12. Small Isolated Grid:** An isolated grid that has a net generation capacity that is between 50 kW and 1000kW;
- 13. Small Power Distribution:** Distribution and trade of electrical power in grid connected rural areas using electricity purchased in part or entirely from one or a combination of transmission licensees, or one or more other distribution licensees, or one or more Small Power Producers and with less than 20,000 active customer connections and a capacity below 1MW;
- 14. Small Power Producers:** Licensed generators with an installed capacity below a level defined by the Regulatory Authority from time-to-time but currently 1MW.
- 15. Very Small Isolated Grid:** An isolated grid that has a net generation capacity that is smaller than 50 kW.

### **Article 3: Scope of application**

This regulation applies to:

- a. A person carrying out or intending to carry out generation, distribution and trade of electrical power using an Isolated Grid in rural areas; and
- b. A person carrying out or intending to carry out the distribution and trade of electrical power in rural areas using electricity purchased in part or entirely from one or a combination of a transmission licensee, one or more other distribution licensees, or from a Small Power Producer.

This regulation does not apply to Large Isolated Grid that, at the time of commissioning or subsequently following expansion, has a total net generating capacity that is connected to the Isolated Grid of more than one (1) MW.

## **CHAPTER II. REGISTRATION AND LICENSING REGIME**

### **Article 4: Projects subject to registration**

A person who intends to carry out to develop and operate a Very Small Isolated Grid must register with the Regulatory Authority.

The application for registration is submitted to the Regulatory Authority for each Very Small Isolated Grid using the designated form provided by the Regulatory Authority.

### **Article 5: Required documents for registration of Very Small Isolated Grids**

An application for a registration of a Very Small Isolated Grid must be accompanied by the following documents:

- a. Company registration certificate specifying that electricity services are one of the businesses to carry out;
- b. A copy of the Concession Agreement or Memorandum of Agreement with the Government;
- c. District Authorization approving planned activities at the site;
- d. Where applicable, an Environmental Impact Assessment Certificate;
- e. A Business Plan outlining the applicant's financial and technical capacity to carry out proposed activities.

### **Article 6: Time Limit for rendering a Decision over the registration application**

The Regulatory Authority issues its decision as promptly as possible, but in no event later than sixty (60) days following receipt of a complete application, except where unusual circumstances require a longer period of review in order to render a fair and reasonable decision.

**Article 7: Operation of very small isolated grid**

No person shall commence commercial operation of a Very Small Isolated Grid without a registration notice from the Regulatory Authority and before the latter has certified that the facility is in compliance with all required minimum safety requirements.

**Article 8: Periodic submission of report on very small isolated grid's activities**

The Registrant must submit to the Regulatory Authority every twelve (12) calendar months after initial registration a report of the mini grid's activities, including the number and types of connections, and any information about major changes to the isolated grid or its customer base that occurred during the prior twelve (12) months.

The Regulatory Authority may request additional information when deemed necessary.

**Article 9: Projects subject to a Simplified Electricity License**

A person intending to carry out the following activities must apply for a Simplified Electricity License:

- a. Small Isolated Grids that, at the time of commissioning or subsequently following expansion, have total net generation capacity that is connected to the Isolated Grid of between 50 kW and 1000 kW; and
- b. Small Power Distribution networks that, at the time of commissioning or subsequently following expansion is connected to the Isolated Grid of at least one (1) MW.

The Regulatory Authority requires a separate License for each Small Isolated Mini Grid or Small Power Distributor facility and shall not consider the sum total of net generation capacity as the basis for determining whether the mini grid is classified as a Small Isolated Mini Grid.

Applicants may submit multiple applications to the Regulatory Authority at the same time. When doing so, applicants shall pay a separate License Application fee for each application.

No person shall commence commercial operation of a Small Isolated Grid unless he or she possesses a Simplified Electricity License and the Regulatory Authority has certified that the facility is in compliance with all required safety standards.

**Article 10: Required documents to apply for a simplified license**

An application for a simplified license must be accompanied by the following documents:

- a. An application letter addressed to the Director General
- b. Filled application form

- c. A copy of the Concession agreement or Memorandum of Agreement with the Government;
- d. Company registration certificate specifying that electricity services are one of the businesses to carry out;
- e. A copy of the District Authorization approving planned activities at the site;
- f. Proof of ownership or other permission for the land to be used for the generation facility;
- g. Where applicable, an Environmental Impact Assessment Certificate;
- h. A Business Plan outlining the applicant's financial and technical capacity to carry out proposed activities; and
- i. A copy of the feasibility study of the project
- j. A proof of payment of the application fee as prescribed in Annex 2 of this Regulation.

The business plan shall also include the following administrative information:

- a. Applicant's affiliated companies;
- b. Applicant's internal organizational structure;
- c. Description of the geographic territory planned to host activities for which the applicant requests a simplified license;
- d. The qualifications of key employees responsible for supervision of the preparation for the project; and
- e. Any other information deemed necessary by the Regulatory Authority

**Article 11: Required technical information to apply for a simplified license**

An applicant for a simplified license must provide the following technical information where applicable:

- a. A sufficient description adequately specifying the actual or proposed location of each generating plant operated or intended to be operated under the simplified license if granted;
- b. The number of generating plants operated or to be operated;
- c. The date when any proposed generating plants are expected to be commissioned;
- d. The maximum power (kW, kVA, kVA<sub>r</sub>) expected to be available from each generating plant at any one time;
- e. A sufficient description adequately specifying the actual or proposed locations of the electric supply lines constituting the intended distribution system and the area to which the application relates;
- f. An indication of the extent to which, and the locations in which, those electric supply lines will be placed underground and overhead;
- g. Particulars of the person from whom, and the points at which, the applicant to receive the electricity which he will distribute as well as particulars of the expected connection points and quantities;
- h. Point of interconnections to the transmission or other distribution systems ( if any);
- i. Forecasted annual maximum demands in his distribution system (kW) and energy (kWh) to be distributed; and
- j. The detailed list of current physical facilities to be covered by the license, with tables of the technical standards schemes and parameters of the facilities.

## **Article 12: Simplified License application process**

An applicant for a simplified license under this Regulation must complete the application form specified in Annex 1 of this Regulation and the form is collected from the Regulatory Authority headquarters or website;

The simplified license application must be accompanied by a cover letter which contains:

- a. a statement describing the type of license required;
- b. the term of the license requested;
- c. in the case of an application for the renewal of a license, any significant change in license terms and conditions requested compared to the current license.

The simplified license application form, with all attachments, must be signed by the applicant or his/her authorized representative.

All confirmations or certifications required for the simplified license application must be submitted in a verified copy.

## **Article 13: Simplified License application review**

Following submission of the simplified license application, the Regulatory Authority examines the application in accordance with the requirements prescribed herein;

An incomplete application is considered as a defective filing and the Regulatory Authority may require the applicant to submit additional information or particulars or documents as considered necessary for the purpose of assessing the application;

Any applicant who has not made full payment of all regulatory fees due to the Regulatory Authority under a prior license is considered to be a defective filing until full payment of the outstanding balance is made;

The Regulatory Authority issues its decision as promptly as possible, but in no event later than sixty (60) days following receipt of a complete application, except where unusual circumstances require a longer period of review in order to render a fair and reasonable decision.

The sixty (60) days' period does not include the time for the applicant to respond or the Regulatory Authority to request for additional information.

## **Article 14: Criteria for a simplified license issuance**

The Regulatory Authority issues a simplified license to an applicant that demonstrates the following:

- a. The applicant fulfils all technical, operational, safety and other conditions in accordance with applicable laws, regulations, and standards;

- b. The applicant has demonstrated the technical and financial capacity and readiness to perform all related activities applied for and to provide safe and reliable services in accordance with all applicable laws, regulations and standards;
- c. The applicant has sufficient employees with appropriate qualifications to perform its activities;
- d. The applicant has demonstrated the capacity to provide accounting reports and other financial information that might be required by the Regulatory Authority from time to time;
- e. The applicant and key members of management have not been found liable for any significant civil or criminal violation of an economic or environmental law or law related to fraud in Rwanda or another country;
- f. The applicant has not had a license revoked or been found liable for significant license violations in Rwanda or another country within the past ten (10) years;
- g. The applicant fulfils all established criteria for the protection of the environment;
- h. The applicant has right, title and interest to conduct the proposed activities on the site selected, or can obtain such right, title and interest through expropriation proceedings;
- i. The applicant must demonstrate that he will comply with all applicable laws and other regulations, including but not limited to, the Regulatory Authority regulations and decisions;
- j. Any other substantive criteria determined by the Regulatory Authority to fully protect the public health, safety and welfare;

### **CHAPTER III. LICENSE CONDITIONS**

#### **Article 15: Term of Simplified Licenses and Registration**

The Regulatory Authority considers fifteen (15) years as the norm for the term for a registration and License for a very Small Isolated Grid, Small Isolated Grid and Small Power Distribution.

The applicant may request a specific period of time for the license term in the application;

If the applicant applies for a license whose terms deviate from the norm, it must submit evidence of good cause justifying the deviation.

The Regulatory Authority may issue a license with a term that deviates from the norm but cannot issue a License for a period of time beyond twenty-five (25) years.

#### **Article 16: Simplified License renewal**

The simplified license holder must file an application for any simplified license renewal no more than three hundred and sixty-five (365) days and no less than one hundred and eighty (180) days prior to the expiration of the simplified license he holds.

The simplified license renewal proceeding is subject to the same procedures as an initial simplified license application;

### **Article 17: Term of renewed simplified license**

The term of renewed license is five (5) years.

Applicant for renewal may request a different duration if he provides good reason, but the Regulatory Authority has discretion over the term of the renewed License in such cases.

In all cases, the term of the renewed license commences when the Regulatory authority approves the license renewal.

If the Regulatory Authority has not yet decided on a license renewal application before the expiry of the license, the terms and conditions of the expired license shall remain in effect until the Regulatory Authority gives its decision on the license renewal application.

### **Article 18: Simplified License Modification**

A simplified license modification proceeding may be initiated by the Regulatory Authority or by the request of the licensee;

The Regulatory Authority may modify a simplified license before the expiration of the license term when it determines that an amendment of the simplified license is needed in order to respond to:

- a. The inability of the simplified license holder to comply with controlling license provisions due to events beyond the simplified licensee's control;
- b. Significant non-compliance by the licensee with current simplified license provisions or other Regulatory Authority rules, decisions or orders.

### **Article 19: License Transfer**

Transfer of a simplified license including the direct or indirect sale, assignment, conveyance, lease or other transfer of assets or activities subject to a simplified license to a different individual or institution shall be subject to a prior written approval of the Regulatory Authority;

Such approval is granted after consideration of the matter and if the proposed transferee meets all the conditions for granting the relevant simplified license;

Failure to comply with such requirements shall amount to simplified license suspension or revocation.

## **Article 20: Procedures for simplified license transfer**

A simplified license transfer proceeding is initiated by an application from the licensee. Until the Regulatory Authority has issued an approval of the transfer, no licensee may attempt to transfer its simplified license to a third party

A simplified license transfer proceeding is conducted in the same manner as review of a simplified license application. The transferee is considered as the applicant to assume the simplified operational license. The term of the simplified license and the license terms and conditions shall remain the same as the original license's term, unless the license transferee requests a license modification as part of the transfer proceedings.

In the circumstances where a licensee's technical or financial status raises questions about security of supply or other service quality deficiency for its customers, the Regulatory Authority may request an independent review and, based on this independent review, commence a license modification or transfer proceeding in order to ensure that a license is transferred to a third person, in order to provide secure supply for customers.

Prior to initiating a license transfer or modification proceeding, the Regulatory Authority issues a "Show Cause Order" to the Licensee whose license may be transferred. The Licensee is given a maximum of thirty (30) calendar days from the day it received the "Show Cause Order" to provide justification as to why it should retain its existing license and/or terms and conditions thereof.

## **Article 21: Simplified License Revocation**

The Regulatory Authority may revoke a simplified license before the expiration of the license term when it determines that such action is needed in order to respond to:

- a. Significant changes in the controlling laws or regulations, or significant Court decisions that directly affect the license provisions
- b. Licensee abandonment of license activities, where abandonment means cessation of electricity services unrelated to technical failure for a period of four (4) consecutive weeks without defensible reasons;

## **Article 22: Simplified license revocation proceedings**

A simplified license revocation proceeding s is conducted in the following manner:

- a. The Regulatory Authority commences a license revocation proceeding by sending written notice to the licensee advising the licensee of the commencement of a revocation proceeding, and requiring licensee to file a response;

- b. If the licensee contests the revocation or fails to respond to the Regulatory Authority's notice within twenty-one (21) days, the Regulatory Authority shall hold a hearing on the license revocation;
- c. If during the course of the revocation proceedings, the licensee cures the violation that gave rise to the revocation proceeding, the Regulatory Authority may terminate the license revocation proceeding.

The Regulatory Authority may convert a proceeding, in its sole discretion, to license enforcement, modification or transfer proceeding.

### **Article 23: Register of Licenses and Registrations**

The Regulatory Authority maintains a register of all licenses and registrations issued.

The register consists of complete copies of the licenses, as well as all documents in the record of the license application proceeding or registration, or any related license modification, revocation or transfer proceeding, including:

- a. application for license;
- b. documents and enclosures submitted with the registration or application for license;
- c. public hearing documents;
- d. All correspondences pertaining to the registration or application for license as well as the Regulatory Board decisions;
- e. Any documents pertaining to an enforcement action by the Regulatory Authority related to the registration or license.

The Regulatory Authority shall maintain a summary register in electronic form, consisting of at least the following data:

- a. Registration or License registry number;
- b. Name and headquarters address of registrant or licensee;
- c. The effective date of the registration or the effective date and term of the license; and
- d. The date of any ruling on license modification, transfer or revocation.

The Regulatory Authority makes all information in the license register available to the public, subject to the Regulatory Authority's Confidentiality rules.

The Regulatory Authority maintains a docket of all pending license applications or license related proceedings, with information on the date the proceeding was opened and the estimated period needed for decision upon the license.

### **Article 24: Appeal on simplified license matters**

Where the applicant is not satisfied with the decision of the Regulatory Authority, after failure of an out of Court settlement, he/she may appeal before the competent Court;

The procedure for appeal shall be determined in the Dispute Resolution Regulation;

The Regulatory Authority's decisions shall remain effective pending a final judicial decision on the appeal.

## **CHAPTER IV. EXCLUSIVITY RIGHTS AND COMPLIANCE WITH TECHNICAL REQUIREMENTS**

### **Article 25: Rights of Isolated Grids**

The licensee for a Small Isolated Grid or Small Power Distribution has the exclusive right to distribute and sell electricity from the mini grid to consumers within the geographical area defined in their simplified license, but the exclusivity is subject to the provisions relating to the extension of a Large Distribution Network.

### **Article 26: Conditions for removal of exclusivity right to Isolated Grids**

The Regulatory Authority shall allow other developers to conduct their activities within the same geographical area stated in a Licensee's simplified license in the following cases:

- a. If the Regulatory Authority determines that the generation capacity of the existing Licensee is not sufficient to serve all potential customers in that area;
- b. If the Regulatory Authority determines that some of the existing Licensee's customers are underserved or unserved due to generation capacity or distribution infrastructure not keeping up with growing demand.

Prior to allowing other developers to conduct their activities in the service area of a Licensee, the Regulatory Authority shall issue a "Show Cause Order" to the Licensee whose exclusivity may be revoked.

The Licensee shall be given a maximum of 30 calendar days from the day it received the "Show Cause Order" to provide justification as to why it should retain exclusivity.

### **Article 27: Compliance with technical requirements**

Isolated Grids must comply with the Guidelines on Minimum Technical Requirements for Mini-Grids.

The Guidelines on Minimum Technical Requirements for Mini-Grids form an integral part of this Regulation.

## **CHAPTER V. EXPANSION OF OTHER NETWORKS**

### **Article 28: Expansion of a network of a Large Distribution Network Licensee**

Notwithstanding the exclusivity provided under this regulation, if a Large Distribution Network Licensee wishes to expand its network and connect the network of a Small or Very Small Isolated Grid Operator and sell it electricity or take over its customers, then the Small or Very Small Isolated Grid Operator is obliged to undertake one of the following options:

- a. Apply to the Regulatory Authority for a Small Power Distribution License. Prior to interconnection as a Small Power Distributor, the facility must comply with the relevant Grid Code.
- b. Apply to the Regulatory Authority for a Small Power Producer License. Prior to interconnection as a Small Power Producer, the facility must be in compliance with the Distributed Generation Grid Interconnection Code.
- c. Apply to the Regulatory Authority for a Small Power Producer and Small Power Distributor License. Prior to interconnection as a Small Power Distributor and Small Power Producer, the facility must comply with the Distributed Generation Grid Interconnection Code and the relevant Distribution Code.
- d. Sell to the Large Distribution Network Licensee some or all of the generation and/or distribution assets of the Isolated Grid Licensee.
- e. Apply to the Regulatory Authority for a Small Power Producer License and sell to the Large Distribution Network Licensee all distribution assets of the Isolated Grid Licensee.
- f. Relocate some or all of its assets to a new area outside the service area of the Large Distribution Network Licensee. A new license or modified license will need to be issued if the developer wishes to produce and sell electricity in a new location. The Small Isolated Grid Licensee or Very Small Isolated Grid Registrant shall be responsible for decommissioning the Very Small Isolated grid and the removal of abandoned assets.

The term of the license for option (a), (b), (c) and (e) above are determined in accordance with Article 15 for Small Isolated Grid and Small Power Distribution Licenses.

### **Article 29: Eligibility requirements**

The option of selling the distribution assets to the Large Distribution Network Licensee applies only if the assets allocated for sale have been built and maintained at least to standards that enable them to be integrated into the Large Distribution Network Licensee's network and provide retail service to the Large Distribution Network Licensee's customers.

The additional eligibility requirements for options (a)-(e) provided in Article 28 are:

- a. The isolated grid operator must be in possession of a valid Registration or License.

- b. The connection to the Large Distribution Network Licensee's grid or sale of assets to the Large Distribution Network Licensee takes place within the license period of the Isolated Grid Licensee's date of commercial operation.
- c. The Small Isolated Grid Licensee or Very Small Isolated Grid Registrant is not in violation of any part of this Framework.

The Regulatory Authority may reject the application for license conversion or variation if it deems that option selected would significantly delay the provision of affordable, high-quality electricity by an economically viable entity to the population of the area covered by the Isolated Grid for the conversion or variation to take place

### **Article 30: Obligations of the Large Distribution Network Licensee**

The Large Distribution Network Licensee is obliged to accept the Small Isolated Grid Licensee's or Very Small Isolated Grid Registrant's decision if it is approved by the Regulatory Authority and to not cause any undue delay in the implementation of the new activities.

### **Article 31: Selling assets of Isolated Grids**

If Small Isolated Grid Licensee or Very Small Isolated Grid Registrant decides to sell its generation and/or distribution assets to the Large Distribution Network Licensee, the latter has the option to purchase the generation assets of the Isolated Grid and the obligation to purchase the eligible distribution assets of the Isolated Grid.

Where the Small Isolated Grid Licensee or the Very Small Isolated Grid Registrant and Large Distribution Network Licensee cannot agree on the eligibility of an asset for sale to the Large Distribution Network Licensee, either party may request the Regulatory Authority to determine eligibility. The Regulatory Authority may hire a third-party entity to assist it in making this determination.

### **Article 32: Price or compensation for Isolated Grid assets**

The Regulatory Authority shall establish the principles for determining the price for the purchase or compensation of assets of the isolated grid

### **Article 33: Tariff setting for Isolated Grids**

The Regulatory Authority shall put in place a methodology for electricity tariff setting for Isolated Grids.

The tariff applicable after conversion following the expansion by a Large Distribution Network shall be in accordance with the methodology for tariff setting established by the Regulatory Authority.

### **Article 34: Merger of Isolated Grids**

If an Isolated Grid Operator intends to merge with another Isolated Grid Operator, both parties shall negotiate the merger in good faith.

If an agreement cannot be reached between the parties and if the Regulatory Authority considers that a merger will benefit the population covered by the Isolated Grids, the Regulatory Authority may intervene to require a merger to take place and to determine the terms of that merger based on the principles set by the Regulatory Authority.

## **CHAPTER VI. MONITORING AND ENFORCEMENT**

### **Article 35: Simplified License Monitoring Requirements**

The Regulatory Authority monitors the performance of each license holder for full compliance with all terms and conditions of the license.

The Regulatory Authority shall include terms and conditions in the license requiring licensees to report on financial, technical, organization and other data needed to allow the Regulatory Authority to effectively monitor license compliance to ensure progress toward a competitive marketplace and to ensure accurate tariff setting.

The Regulatory Authority may also perform physical inspections of the license holders and registrant's facilities and corporate records on license holder's premises. These inspections may be conducted on an announced and unannounced basis. The inspections and audits are conducted during normal business hours, except when the Regulatory Authority has a reasonable basis to believe that non-compliant activities are occurring outside of normal business hours.

The Regulatory Authority shall monitor licensee compliance with all decommissioning terms and conditions of the license even after expiration of the license term in order to ensure full compliance with those terms and conditions and to ensure that the land is returned to its original condition.

### **Article 36: License or Registration Enforcement Action**

If the Regulatory Authority determines that the licensee or registrant has failed to comply with any term or condition of this Framework, the Regulatory Authority shall send a written warning to the licensee or registrant including a deadline for correction of the alleged license violation.

If the license holder or registrant, after receipt of the warning from the Regulatory Authority, does not cure the alleged non-compliance within the specified timeframe, the Regulatory Authority may open an enforcement proceeding, which may consist of monetary sanctions, refunds, injunctions, and/or license modification, revocation, or transfer.

If the licensee or registrant cures the violation within the specified timeframe following receipt of the Regulatory Authority notice, the Regulatory Authority may still commence an enforcement proceeding in order to impose monetary sanctions to address the historic violation.

### **Article 37: Administrative sanctions**

Any person who starts developing or operating a very small isolated grid without registration shall be liable to an administrative fine of one million Rwanda Francs (1,000,000 FRW) with a possible suspension of the business until a valid license is issued.

Any person who starts operating a small isolated grid or a small power distribution system without a license or registration issued by the Regulatory Authority shall be liable to an administrative fine of five million Rwanda Francs (5,000,000 FRW) with a possible suspension of the business until a valid license is issued.

Any licensee or registrant who fails to provide the required information to the Regulatory Authority as specified in this regulation shall be liable to an administrative fine as stipulated in the law establishing Rwanda Utilities Regulatory Authority (RURA) and determining its mission, powers, organization and functioning.

Any registrant or licensee who fail to submit a report within the specified time period shall be liable to a fine of two hundred thousand Rwandan Francs per day (200,000 FRW) applicable up to 30 days from the deadline given after which further proceedings for license suspension may start.

Any licensee or registrant who fails to comply with the guidelines on minimum technical requirements for mini-grids shall be liable to an administrative fine of two hundred thousand Rwandan Francs (200,000 FRW).

## **CHAPTER VII. TRANSITIONAL AND FINAL PROVISIONS**

### **Article 38: Transitional period**

Any existing Small Isolated Grid or Small Power Distribution activity conducted by any person not in possession of a Regulatory Authority-granted license when this Framework enters into force must apply for a license in accordance with this Framework within six (6) months of the date this Regulation enters into force.

The terms and conditions of existing Licenses granted by the Regulatory Authority prior to the date this Regulation enters into force shall remain valid for the duration of the existing license.

Any Very Small Isolated Grid conducted by any person not registered with the Regulatory Authority must register with the Regulatory Authority in accordance with this Framework within six (6) months of the date this Framework enters into force.

**Article 39: Repealing provision**

The Regulation n° 01/R/EL-EWS/RURA/2015 governing the Simplified Licensing Framework for Rural Electrification in Rwanda is hereby repealed.

**Article 40: Commencement**

This Regulation shall come into force on the date of signature by the Chairperson of the Regulatory Board.

**Kigali, on 27 /06/2019**

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**Dr. Ignace GATARE**

**CHAIRPERSON OF THE REGULATORY BOARD**

**ANNEX I: LICENSE APPLICATION FORM**

**1. GENERAL INFORMATION TO THE APPLICANT**

**1.1. PURPOSE**

This form is to be filled by an applicant to the Regulatory Authority for the issuance of a license for isolated grid or Small Power Distribution in accordance with the Regulation No 01/R/EL-EWS/RURA/2015 on the Simplified Licensing Framework for rural electrification projects in Rwanda.

**1.2. IMPORTANT NOTE**

Any applicant must complete this form and submit it with required documents to the Director General of RURA at the above address. RURA will not process the application until it has been found to be complete.

The Regulatory Authority may also request the applicant to provide more clarification on submitted information

The filled **application form** shall be submitted to the Regulatory Authority either by hard copies or electronically. In the latter case, the applicant shall underline a statement to the electronic form confirming that the electronic version is identical to the typewritten form to be submitted later to the Authority.

**2. GENERAL PARTICULARS**

**2.1. NAME OF THE APPLICANT**

Company Name:.....

**2.2. ADDRESS AND CONTACT DETAILS ON THE APPLICANT**

Province: .....  
District: .....  
Sector: .....  
P.O. Box: .....  
Telephone: .....  
Fax: .....  
Email: .....

**2.3. LEGAL REPRESENTATIVE OF THE COMPANY**

Name: .....  
Position: .....  
Address: .....  
P.O.Box: .....  
Telephone: .....  
Email: .....

**2.4. CONTACT PERSON**

Name: .....  
Position: .....  
Address: .....  
P.O.Box: .....  
Telephone: .....  
Email: .....

**2.4. DETAILS AND PARTICULARS OF MAJOR SHAREHOLDERS**

Name	Address	Telephone	Email


**3. TYPE OF LICENSE APPLIED FOR** (Tick the relevant box)

Small Isolated Grid (50kW-1000kW)

Small Power Distribution

**4. CRIMINAL RECORDS**

Is the applicant, its officers or major stakeholders involved in any legal proceedings, civil or criminal, commenced or likely to be commenced in relation to the business activities of the License Applicant?

Yes

No

If Yes, provide details

.....  
 .....  
 .....  
 .....

**5. ADDITIONAL INFORMATION**

If the License Applicant wishes to provide additional information to support the application, please provide this information below:

.....  
 .....  
 .....  
 .....  
 .....

**6. DOCUMENTS TO BE ATTACHED TO THE APPLICATION**

Application letter addressed to the Director General of RURA

- Application letter addressed to the Director General
- Original receipt of the application fee payment
- Company domestic registration certificate
- Business plan
- Copy of the Feasibility study of the project
- Environmental Impact Assessment Certificate
- Memorandum of Understanding/Concession agreement between the Republic of Rwanda and the applicant pertaining to the activity to be licensed
- District authorization approving planned activities at the site

## **ANNEX 2: APPLICATION AND SIMPLIFIED LICENSE FEES**

### **1. APPLICATION FEES**

Application for registration	0 FRW
Application for Simplified License	FRW 200,000
Application for Simplified License transfer	FRW 200,000

2. **LICENSE FEES**

<b>CATEGORIES/CAPACITY</b>	<b>Fees in FRW</b>
Very Small Isolated Grid	0
Small Isolated Grid (50kW – 1000kW)	1,000,000
Small Power Distribution	1,000,000

