



Ref: LPC/27/2016

LEGAL PORTFOLIO COMMITTEE REPORT

The KIBO Palace Hotel,
Arusha, Tanzania

14th December 2016

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1. INTRODUCTION

- 1.1. The 27th meeting of Legal Portfolio Committee (LPC) in the FY 2016/17 was held from 13th to 16th December 2016 at KIBO Palace Hotel in Arusha, Tanzania.
- 1.2. The EREA Portfolio Committee meetings were hosted by EWURA of Tanzania.
- 1.3. Participants at the 27th LPC meeting included representatives from five EREA Member Institutions, namely:
 - (a) Energy Regulatory Commission of (ERC) - Kenya;
 - (b) Agency for Regulation of Water, Electricity and Mines (AREEM) - Burundi;
 - (c) Electricity Regulatory Authority (ERA) – Uganda;
 - (d) Energy and Water Utilities Regulatory Authority (EWURA) – Tanzania; and
 - (e) Rwanda Utilities Regulatory Authority (RURA) - Rwanda.

The attendance list for the meeting is attached hereto as [Annex 'A'](#).

2. OPENING REMARKS FROM CHAIRPERSON

The Chairperson welcomed the Members to the 27th Meeting of the LPC in the financial year 2016/17. She noted that the Committee had deliverables to achieve as per its work plan for the Financial Year 2016/17 and some actions would be deferred to the next meeting because of personnel changes in various institutions.

3. CONSTITUTION OF THE BUREAU

The Chairperson confirmed the quorum for the meeting.

4. AGENDA

4.1. The following agenda was adopted:

1. Opening remarks.
2. To record attendance, receive apologies and constitute the committee.
3. To consider and adopt the agenda for the meeting.
4. To receive communication from the Chairperson.
5. To receive a brief on LPC meeting held in Bujumbura for the benefit of representatives who were not present and to confirm the report of the 26th meeting of Legal Portfolio Committee (LPC) in the FY 2015/16 held from 16th to 17th May 2016 at the Royal Palace Hotel in Bujumbura, Burundi.
6. To consider the actions and matters arising from the 26th meeting of Legal Portfolio Committee (LPC).
7. To review and consider status of the Legal Portfolio Committee (LPC) work plan for the FY 2016/17.
8. To review the AREEM regulatory board benchmarking exercise.
9. To consider the framework regulation on licensing of petroleum retail service stations.
10. To consider the guidelines on regulation of petroleum common user facilities including above-ground petroleum storage facilities.

5. BRIEF ON LPC MEETING HELD IN BUJUMBURA FOR THE BENEFIT OF REPRESENTATIVES WHO WERE NOT PRESENT AND CONFIRMATION OF THE REPORT OF THE 26TH MEETING OF LEGAL PORTFOLIO COMMITTEE (LPC).

A brief of the proceedings of the 26th Legal Portfolio Committee (LPC) meeting in the FY 2016/16 held from 16th to 17th May 2016; was provided to members who were absent (EWURA and RURA).

The Legal Portfolio Committee (LPC) confirmed the report of the 26th meeting as a true record of the proceedings therein and was signed by the Chairperson and Secretary.

6. ACTIONS AND MATTERS ARISING FROM THE 26TH MEETING OF LEGAL PORTFOLIO COMMITTEE (LPC)

6.1. Agenda Item 5.3: Electrical Installations Works Regulations, 2015

LPC notes that the status remained the same for each institution. AREEM has endeavoured to implement the proposed regulations and the same are pending enactment by the President.

For ERC, the regulations will be enacted after the passing of the new Energy Bill.

6.2. Agenda Item 5.4: Complaints Handling Procedures and Practices, 2015

The status remained the same for each institution. RURA is compiling a comprehensive Complaints Handling Procedure to cover all regulated services while AREEM is following best practices.

6.3. Agenda Item 5.6: Repository and Records Keeping

LPC re-emphasized the need for the documents that have been approved to be uploaded on the EREA website by the Secretariat, for easy access. The matter will be followed up with the Secretariat.

6.4. Agenda Item 5.7: Accession of new members

The Committee noted that Zanzibar and South Sudan could be admitted to EREA and there was a challenge with regards to admission of Zanzibar which is not a sovereign state (the Constitution recognises regulators from the East African Community states as being eligible to be members of EREA).

The issue will be discussed at the plenary.

6.5. Agenda Item 6.2: Registration of EREA logo

RURA has obtained a Registration Certificate; the application for registration of the logo has been lodged by ERC, ERA and AREEM and the process is on-going. EWURA will lodge the application in the third quarter.

LPC notes that EREA is yet to be registered under the Societies Act of Tanzania where it is domiciled. The application for registration was denied and an appeal was submitted to the Minister for Home Affairs in April 2016. The response is awaited.

6.6. Agenda Item 7: Energy Regulators of East Africa best practices on Enforcement And Compliance Guidelines, 2016

LPC notes that the respective institutions need to adopt the guidelines. The guidelines will be posted on the EREA website.

LPC noted that ERA has engaged a consultant on compliance monitoring and enforcement for transmission and distribution licensees. ERA will conduct training for the representatives of the member states on compliance monitoring and enforcement, after the consultancy is concluded. The Secretariat and ERA will schedule a date for the training in the next Financial Year.

7. REVIEW OF THE LEGAL PORTFOLIO COMMITTEE (LPC) WORK PLAN 2016/17 AND ACTION PLAN

LPC notes that the work plan deliverables for the FY 2016/17 have been achieved as follows:-

- (a) Guidelines on regulation of electrical installation practices have been developed;
- (b) Guidelines on regulation of use of petroleum common user facilities were considered during the 27th LPC meeting and will be passed to the TPC for their input;
- (c) Guidelines on licensing of petroleum retail service stations were considered during the 27th LPC meeting and will be passed to the TPC for their input; and
- (d) The benchmarking visit by AREEM was conducted and the report was reviewed during the 27th LPC meeting.

Pending items on the work plan:-

- (a) Best practices guidelines on Incentive sanctions and Penalty Mechanism- To be concluded in Quarter 3 (EWURA);
- (b) Guidelines on petroleum pricing- LPC recommends that the item be considered by EPC first;
- (c) Benchmarking report on Governance of Utilities practices- to be concluded in Quarter 3;
- (d) Report on best practise in licensing- to be concluded in Quarter 3 (AREEM);
- (e) Benchmarking report on regulation of interconnection and cross border trade- LPC recommends that the item be considered by TPC first ;
- (f) Kenya Grid Code- ERC will share the document with LPC members;

(g) Sharing of Power Purchase agreements for Wind and Solar power plants- the Agreements will be shared by the next Quarter (EWURA).

8. REVIEW OF REPORT ON AREEM REGULATORY BENCHMARKING EXERCISE

LPC reviewed the report of the benchmarking exercise conducted by AREEM at EWURA from 20th to 22nd June 2016. The report is in French but it will be translated to English and submitted to the Secretariat for circulation.

LPC made additional comments and recommended further lessons from the benchmarking exercise including- the importance of independence, accountability and transparency of a regulator.

9. GUIDELINES FOR INSTALLATION OF SERVICE STATIONS

9.1. LPC developed guidelines for installation of service stations. The draft guidelines are attached to the report as [Annex 'B'](#).

9.2. The guidelines will be submitted to TPC for consideration, before adoption by EXCO.

10. GUIDELINES ON REGULATION OF PETROLEUM COMMON USER FACILITIES

10.1. LPC developed Guidelines on regulation of petroleum common user facilities. The draft guidelines are attached to the report as [Annex 'C'](#).

10.2. The guidelines will be submitted to TPC for consideration, before adoption by EXCO.

11. TO CONSIDER ANY OTHER BUSINESS

No other business was reported at the meeting.

Signed:

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CHAIRPERSON

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SECRETARY

ANNEX A: ATTENDANCE LIST

	NAME	DESIGNATION	ORGANIZATION	E-MAIL ADDRESS
1.	Mueni Mutunga	Chairperson	ERC	mueni.mutunga@erc.go.ke
2.	Edwin Kidiffu	Secretary	EWURA	kidiffu@ewura.go.tz
3.	Lisbet Komujuni	Member	ERA	l.komujuni@era.or.ug
4.	Buyehere Parfait	Member	AREEM	buyehparfait@yahoo.fr
5.	Rudaseswa Thimothee	Member	RURA	thimothee.rudaseswa@rura.rw

ANNEX B: GUIDELINES FOR INSTALLATION OF SERVICE STATIONS

ANNEX C: GUIDELINES ON REGULATION OF PETROLEUM COMMON USER FACILITIES