
BILLS**SUPPLEMENT No. 1****14th January, 2022****BILLS SUPPLEMENT***to The Uganda Gazette No. 2, Volume CXV, dated 14th January, 2022*Printed by UPPC, Entebbe, by Order of the Government.

Bill No. 1*Electricity (Amendment) Bill***2022****THE ELECTRICITY (AMENDMENT) BILL, 2022****MEMORANDUM****1. The principles of the Bill**

The objects and principles of this Bill are to amend the Electricity Act, Cap. 145 to provide for a staggered term of office for the members of the authority; to provide for additional functions of the authority; to increase funds allocated to the Electricity Regulatory Authority from 0.3 percent to 0.7 percent of the revenue received from generated electrical energy; to empower the Minister to prescribe the procedure for transfer of generation assets to the Government; to prescribe the circumstances under which a holder of a generation licence or transmission licence may supply electricity to persons other than a bulk supplier; to provide for deterrent penalties for theft of electricity and vandalism of electrical facilities; to provide for the membership and funding of the Electricity Disputes Tribunal; and to provide for related matters.

The proposal to amend the Electricity Act, Cap. 145 is intended to remove inconsistencies in the law, introduce flexibility in its implementation and to streamline operations of the electricity sector.

2. Defects in the existing law

The Electricity Act, Cap. 145 (the "Act") was enacted in 1999 and a lot has changed in the electricity sector since then. The current law

does not effectively address issues of institutional responsibilities and efficiency, enforcement of compliance, and adequate penalties for theft of electrical energy and vandalism of electrical facilities. The Act provides for funding of the Electricity Regulatory Authority of 0.3% of the money collected from sale of electricity which is not sufficient to run the activities of the authority.

In addition, the Act does not empower the Electricity Regulatory Authority to impose sanctions on licence holders for breach of the terms of the licence. This has curtailed the capacity of the authority to enforce compliance.

Further, the current law provides for a single buyer model with the licence to purchase all electricity generated in Uganda awarded to a single institution, the Uganda Electricity Transmission Company Limited, yet the transmission network does not cover the whole country. At the same time, it is not economically viable to extend the transmission network grid to some remote areas with low electricity demand. Therefore, there is need to amend the law to allow isolated power generation plants to sell electricity to distribution companies or directly to consumers for both technical and commercial expediency.

The penalties under the current law are not deterrent enough to discourage theft of electrical energy and vandalism of electrical equipment. These criminal acts have consistently increased the cost of operation and maintenance of electricity infrastructure as well as the commercial losses experienced by the electricity distribution companies.

Regarding the Electricity Disputes Tribunal, the current membership is three and all the three members must be present for the tribunal to perform its functions. The absence of any one member renders the tribunal non-functional. This has necessitated the amendment of the law to increase the membership of the tribunal to seven to enable it perform its functions efficiently.

The successor companies that were created from unbundling the Uganda Electricity Board report to the Minister responsible for finance and not the sector Minister responsible for policy guidance and overall performance of the electricity sector. This has created serious challenges in the management of the electricity sector.

3. Remedies

It has therefore become necessary to amend the Electricity Act to streamline the operations of the electricity sector. The Bill proposes to empower the Electricity Regulatory Authority to impose fines on licensees for breach of the terms of the licence before taking the drastic decision of suspending or cancelling the licence. In addition, it is proposed to increase funding the Electricity Regulatory Authority from 0.3% to 0.7% of the electricity sold to improve its performance.

The Act will also be amended to remove monopoly of the bulk supplier and provide for sale of electricity in bulk by a holder of a generation licence to a holder of a distribution licence, transmission licence or directly to a specified class or category of customers.

The Act has also been amended to provide more deterrent penalties for theft of electricity and vandalism of electrical equipment.

Further, the licensees will be required to develop dispute resolution procedures to address complaints from customers before the complaints are referred to the tribunal.

The constitution, operations and funding of the tribunal are streamlined to improve its efficiency in resolving electricity disputes.

To streamline the management of the successor companies, the Minister responsible for electricity shall be a majority shareholder of the successor companies to improve their efficiency.

Provisions of the Bill

4. **Clause 1** seeks to amend section 2 by inserting immediately after the word “export” the word “and” and by repealing the words “and distribution” appearing after the word “import”.
5. **Clause 2** seeks to amend section 3(l) of the principal Act on the definition of the word electric supply line by repealing the words “but does not include any telegraph or telephone line”.
6. **Clause 3** seeks to amend section 7 to provide for a staggered term of service of the members of the Board for continuity of the activities of the authority at the expiry of the term of some members.
7. **Clause 4** seeks to amend section 10 by substituting for the words “transmission and distribution companies” the word “licensees” in paragraph (g) and by inserting new paragraphs (qa), (qb), (qc) and (qd) to provide for additional functions of the authority.
8. **Clause 5** seeks to amend section 22 by substituting for “0.3” the figure “0.7” to increase funding to the authority and to provide for an additional source of funding to the authority from income generated from services rendered. This will ensure that the authority has adequate funds to regulate the electricity industry.
9. **Clause 6** seeks to amend section 32 to empower the authority to issue permits for both solicited and unsolicited electricity projects.
10. **Clause 7** seeks to amend section 37 to empower the authority to classify licences taking into account the size and technology to be used or market segment to be served by the licensee.
11. **Clause 8** seeks to amend section 44 to prescribe the time within

which a licensee who is aggrieved by the decision of the authority may appeal to the tribunal.

12. **Clause 9** seeks to amend section 46 by substituting for the word “by” the word “of”, for clarity.
13. **Clause 10** seeks to amend section 50 by substituting for the words “transmission lines” the words “electric supply lines” to use a word that is defined in the Act.
14. **Clause 11** seeks to amend section 51 to empower the authority by notice in the Gazette to change the minimum capacity for which a generation licence is required. This is to cater for the increased nature of activities which include generation for internal industrial and commercial uses and the need to cater for an expanding economy of Uganda.
15. **Clause 12** seeks to amend section 52 to empower the Minister to prescribe the procedure for transferring to Government of the hydropower plant at the expiry of the licence.
16. **Clause 13** seeks to amend section 55 by repealing paragraph (1)(g). The power to publish standardised feed in tariffs shall be exercised by the regulator, the authority, and not the systems operator.
17. **Clause 14** seeks to amend section 56 to remove monopoly of the bulk supplier and to prescribe the circumstances under which a holder of a generation licence may supply electricity in bulk to a holder of a distribution licence, transmission licence or directly to a specified class or category of customers. This is due to the limited coverage of the national grid and is intended to cater for places where it is not economically viable to extend the transmission grid.

18. **Clause 15** seeks to amend section 75 to incorporate all renewable energy projects including wind, biomass, peat and solar to be liable to pay royalties. At the moment, only holders of generation licences for hydropower projects are paying royalties to the district local government where the generating station is situated. The amendment also seeks to empower the authority to prescribe the maximum royalties payable by generation licensees of renewable energy projects.
19. **Clause 16** seeks to amend section 81 by repealing subsection (5) because the provision is comprehensively covered under the new section 85.
20. **Clause 17** seeks to substitute section 83 to provide a deterrent penalty for licensees who fail to comply with the terms of the licence.
21. **Clause 18** seeks to insert new sections 83A and 83B. Section 83A provides for offences by a body corporate. Section 83B seeks to empower the authority to impose administrative fines in case of breach of the terms of the licence by the licensee.
22. **Clause 19** seeks to substitute section 85 to provide for deterrent punishment for vandalism of electrical facilities.
23. **Clause 20** seeks to amend section 86 to provide for deterrent punishment for theft of electrical energy.
24. **Clause 21** seeks to amend section 89 to provide for deterrent punishment for an offence under the Act for which no penalty is expressly provided.
25. **Clause 22** seeks to amend section 93 to prescribe the number of members of the Electricity Disputes Tribunal including the chairperson, a vice chairperson and five other members.

26. **Clause 23** seeks to amend section 101 to provide for the procedure and grounds of removing members of the tribunal from office.
27. **Clause 24** seeks to amend section 104 to empower the vice chairperson to perform the functions of the chairperson where the latter is unable to discharge his or her functions.
28. **Clause 25** seeks to amend section 105 to provide for the constitution of the tribunal for exercise of its powers, the constitution of panels, quorum for the exercise of the powers of the tribunal or panel and transfer of a case from one panel to another.
29. **Clause 26** seeks to introduce new sections 108A, 108B, 108C, 108D and 108E to provide for the administration of the funds of the tribunal including the power of the tribunal to open and operate bank accounts, to prepare estimates, keep proper books of accounts of the tribunal that will be subject to audit by the Auditor General.
30. **Clause 27** seeks to amend section 111 to ensure that a decision of the tribunal is binding if it is supported by the majority of the members.
31. **Clause 28** seeks to amend section 112(3) to clarify that the staff of the tribunal shall be appointed by the tribunal.
32. **Clause 29** seeks to introduce new section 112A to provide for immunity of any member of the tribunal against any action, suit or prosecution or any other proceeding.
33. **Clause 30** seeks to insert new section 118A to provide for procedures for addressing complaints from consumers. The licensees are required to put in place procedures to address

complaints internally before the complaints are referred to the tribunal.

- 34. Clause 31** seeks to substitute section 119 to empower the authority in consultation with the Minister to make regulations to regulate the electricity sector.
- 35. Clause 32** seeks to insert a new section 125A to include the Minister responsible for electricity as a shareholder of the successor companies to improve management and efficiency in service delivery of the successor companies.
- 36. Clause 33** seeks to amend section 127 to empower the Minister in consultation with the Minister responsible for finance to issue securities and shares in respect of the successor companies. This is a consequential amendment resulting from the varying of the shareholding of the successor companies in new section 125A.

HON. RUTH NANKABIRWA SSENTAMU,
Minister of Energy and Mineral Development

THE ELECTRICITY (AMENDMENT) BILL, 2022**ARRANGEMENT OF CLAUSES***Clause*

1. Amendment of Electricity Act Cap. 145
2. Amendment of section 3 of principal Act
3. Amendment of section 7 of principal Act
4. Amendment of section 10 of principal Act
5. Amendment of section 22 of principal Act
6. Substitution of section 32 of principal Act
7. Amendment of section 37 of principal Act
8. Amendment of section 44 of principal Act
9. Amendment of section 46 of principal Act
10. Amendment of section 50 of principal Act
11. Substitution of section 51 of principal Act
12. Amendment of section 52 of principal Act
13. Amendment of section 55 of principal Act
14. Substitution of section 56 of principal Act
15. Amendment of section 75 of principal Act
16. Amendment of section 81 of principal Act
17. Substitution of section 83 of principal Act
18. Insertion of new sections 83A and 83B
19. Substitution of section 85 of principal Act

20. Substitution of section 86 of principal Act
21. Substitution of section 89 of principal Act
22. Amendment of section 93 of principal Act
23. Amendment of section 101 of principal Act
24. Amendment of section 104 of principal Act
25. Substitution of section 105 of principal Act
26. Insertion of new sections 108A, 108B, 108C, 108D and 108E
27. Amendment of section 111 of principal Act
28. Amendment of section 112 of principal Act
29. Insertion of new section 112A
30. Insertion of new section 118A
31. Substitution of section 119 of principal Act
32. Insertion of new section 125A in principal Act.
33. Amendment of section 127 of principal Act.

A Bill for an Act

ENTITLED

THE ELECTRICITY (AMENDMENT) ACT, 2022

An Act to amend the Electricity Act to provide for a staggered term of office for the members of the authority; to provide for additional functions of the authority; to increase the funding to the authority from 0.3 to 0.7 percent of the revenue received from generated electric energy; to provide for the procedure under which licensees shall transfer generation assets to the Government; to prescribe the circumstances under which a holder of a generation licence may supply electricity to persons other than a bulk supplier; to empower the authority to impose administrative fines and penalties; to provide for the membership of the Electricity Disputes Tribunal; to provide deterrent penalties for offences and to provide for related matters.

BE IT ENACTED by Parliament as follows:

1. Amendment of Electricity Act Cap. 145.

The Electricity Act, in this Act referred to as the principal Act is amended in section 2—

- (a) by inserting immediately after the word “export” the word “and”; and

- (b) by repealing the words “and distribution” appearing after the word “import”.

2. Amendment of section 3 of principal Act.

The principal Act is amended in section 3(1) by repealing the words “but does not include any telegraph or telephone line”.

3. Amendment of section 7 of principal Act.

The principal Act is amended in section 7 by substituting for subsection (1) the following—

“(1) The members appointed to the authority shall hold office as follows—

- (a) the chairperson and two members shall hold office for five years; and
- (b) two members shall hold office for four years.”

4. Amendment of section 10 of principal Act.

The principal Act is amended in section 10—

- (a) in paragraph (g) by substituting for the words “transmission and distribution companies” the word “licensees”; and

- (b) by inserting immediately after paragraph (q) the following new paragraphs—

“(qa) to prescribe standardised feed in tariffs for renewable energy systems generating up to a maximum capacity of fifty megawatts or such other capacity as may be determined by the authority;

(qb) to undertake consultancies and studies;

(qc) to oversee the efficient functioning and development of the electricity sector;

(qd) to advise the Minister on any matter relating to the electricity sector.”

5. Amendment of section 22 of principal Act.

The principal Act is amended in section 22—

(a) in paragraph (c) by substituting for “0.3” the figure “0.7”;
and

(b) by inserting a new paragraph immediately after paragraph
(e) as follows—

“(f) income from services rendered by the authority.”

6. Substitution of section 32 of principal Act.

The principal Act is amended by substituting for section 32 the following—

“32. Authority may invite applications.

Notwithstanding sections 29, 30 and 31, the authority may, through a fair, open and competitive process in accordance with procedures prescribed by the authority in consultation with the Minister by regulations or any other law, invite applications for any licence under this Act.”

7. Amendment of section 37 of principle Act.

The principal Act is amended in section 37 by inserting immediately after subsection (2) the following—

“(3) The authority may, in granting a licence under subsection (1), classify the licence taking into account the size and technology to be used or market segment to be served by the licensee.”

8. Amendment of section 44 of principal Act.

Section 44 of the principal Act is amended by substituting for subsection (8), the following—

“(8) Where the licensee is aggrieved by the decision of the authority under this section, the licensee may, within twenty one days after receipt of the decision of the authority, appeal to the tribunal.”

9. Amendment of section 46 of principal Act.

Section 46 of the principal Act is amended in subsection (5) by substituting for paragraph (b) the following—

“(b) “transfer of licence” includes the acquisition of control of the licence holder.”

10. Amendment of section 50 of principal Act.

Section 50 of the principal Act is amended in subsection (1) by substituting for the words “transmission lines” the words “electric supply line”.

11. Substitution of section 51 of principal Act.

The principal Act is amended in section 51 by substituting for subsection (1), the following—

“(1) A person shall not construct, own or operate a generating station of a capacity of or exceeding 0.5mega watts or such other capacity as may be determined by the authority by notice in the Gazette, without a generation licence.”

12. Amendment of section 52 of principal Act.

Section 52 of the principal Act is amended by substituting for subsection (3), the following—

“(3) The Minister shall, by regulations prescribe the procedure for the transfer to the Government of the hydropower plant, installations and property referred to in subsection (1).

13. Amendment of section 55 of principal Act.

Section 55 of the principal Act is amended in subsection (1) by repealing paragraph (g).

14. Substitution of section 56 of principal Act.

The principal Act is amended by substituting for section 56, the following—

“56. Bulk supplier.

(1) The authority shall designate a bulk supplier to transmit and sell electricity in bulk to distribution and sales companies.

(2) The terms and operating conditions of a bulk supplier shall be specified in the sales licence.

(3) Notwithstanding subsection (1), the authority may, by regulations, prescribe the circumstances under which a holder of a generation licence may supply electricity in bulk to a holder of a distribution licence, transmission licence or directly to a specified class or category of customers.”

15. Amendment of section 75 of principal Act.

Section 75 of the principal Act is amended—

(a) by substituting for subsection (7), the following—

“(7) The holder of a generation licence shall pay to the district local government in which the renewable energy generating station is situated, a royalty agreed upon by the licensee and the district local government.”

(b) by inserting immediately after subsection (7) the following new subsection—

“(7a) The authority shall, by regulations prescribe the maximum royalties payable by generation licensees of renewable energy projects under subsection (7).”

16. Amendment of section 81 of principal Act.

The principal Act is amended in section 81 by repealing subsection (5).

17. Substitution of section 83 of principal Act.

The principal Act is amended by substituting for section 83, the following—

“83. Offences relating to licences.

A licensee who without lawful excuse fails to comply with any term or condition of the licence commits an offence and is liable, on conviction to a fine not exceeding ten thousand currency points and in the case of a continuing contravention, an additional five hundred currency points for every day or part of a day during which the offence continues.”

18. Insertion of new sections 83A and 83B.

The principal Act is amended by inserting immediately after section 83, the following—

“83A. Offences by body corporate.

(1) Where an offence committed by a body corporate is proved to have been committed with the consent or connivance of, or to be attributable to any neglect on the part of a director, manager, secretary or other similar officer of the body corporate or any person who was purporting to act in any such capacity, he or she, as well as the body corporate, commits that offence and is liable to be prosecuted and punished accordingly.

(2) An individual who commits an offence under subsection (1) is liable, on conviction to a fine or imprisonment prescribed by the relevant section.”

83B. Power of authority to impose a fine.

(1) Where the authority is satisfied that a licensee—

- (a) has contravened or is contravening any term or condition of a licence; or
- (b) has failed or is failing to achieve any standard of performance prescribed under this Act, Regulations

or the licence, the authority may impose on the licensee a fine not exceeding five thousand currency points.

(2) The authority shall, before imposing a fine under subsection (1) give notice to a licensee—

- (a) stating that it proposes to impose a fine and the amount of the fine proposed to be imposed;
- (b) setting out the condition or the standard of performance the licensee has contravened;
- (c) specifying the acts or omissions which, in the opinion of the authority, constitute the contravention; and
- (d) specifying the period within which representations or objections with respect to the proposed fine may be made.

(3) The authority shall consider any representations made by a licensee before imposing a fine under this section.

(4) Upon reaching a decision, the authority shall serve a notice on the licensee within seven days after the date of the decision stating—

- (a) that it has imposed a fine on the licensee and the amount of the fine;
- (b) the relevant condition or the standard of performance contravened by the licensee;
- (c) the specific acts or omissions which, in the opinion of the authority, constitute the contravention; and
- (d) the specific date by which the fine is required to be paid.”

19. Substitution of section 85 of principal Act.

The principal Act is amended by substituting for section 85 the following—

“85. Interference with meters, works or public lamp.

- (1) A person commits an offence who—
- (a) cuts, removes, takes away or transfers any electric supply line, material, meter or public lamp from a tower, pole, any other installation or site where it may be stored or situated including during transportation, without the consent of the licensee or the owner;
 - (b) stores or otherwise keeps in his or her premises, any electric line, material, meter or public lamp without the consent of the licensee or owner;
 - (c) moves from one place to another any electric line, material, meter or public lamp without the consent of the licensee or owner;
 - (d) without authorisation connects any meter, indicator or apparatus with any electric line through which electricity is supplied by a licensee or disconnects a meter, indicator or apparatus from any electric line;
 - (e) without authorisation reconnects any meter, indicator or apparatus with any electric line or other works being the property of a licensee when the electric line has been cut or disconnected;
 - (f) lays or causes to be laid or connects up any works for the purpose of communicating with any other works belonging to a licensee; or
 - (g) damages any meter, indicator, or apparatus belonging to a licensee or alters the index of any meter, indicator or

apparatus or prevents any meter, indicator or apparatus from duly registering.

(2) A person who commits an offence under subsection (1) is liable, on conviction, to a fine not exceeding fifty thousand currency points or imprisonment not exceeding twelve years or both.

(3) A person convicted of a subsequent offence under this section is liable to a fine not exceeding one hundred thousand currency points or imprisonment not exceeding fifteen years or both.

(4) A person who receives stolen electric lines or materials knowing or having reason to believe the same to be stolen property commits an offence and is liable, on conviction, to a fine not exceeding twenty thousand currency points or imprisonment not exceeding ten years or both.”

20. Substitution of section 86 of principal Act.

The principal Act is amended by substituting for section 86 the following—

“86. Theft of electricity.

(1) A person who—

- (a) taps, makes or causes to be made any connection with overhead, underground or under water lines or cables or service wires or service facilities of a licensee;
- (b) tampers with a meter, installs or uses a current reversing transformer, loop connection or other device or method which interferes with accurate or proper registration, calibration or metering of electric current; or

- (c) damages or destroys an electricity meter, apparatus, equipment or wire or causes or allows any of them to be so damaged or destroyed as to interfere with the proper or accurate metering of electricity, to abstract, consume or use electricity,

commits an offence and is liable, on conviction, to a fine not exceeding twenty thousand currency points or imprisonment not exceeding ten years or both.

(2) Where the electricity abstracted, consumed, or used in an offence under subsection (1)—

- (a) does not exceed 10 kilowatts, the convicted person shall, in addition to a penalty imposed under subsection (1), be liable to pay ten times the cost of the abstracted, used or consumed load calculated at the prevailing tariff; and
- (b) exceeds 10 kilowatts, the convicted person shall, in addition to a penalty imposed under subsection (1) be liable to pay twenty times the cost of the abstracted, used or consumed load calculated at the prevailing tariff.”

21. Substitution of section 89 of principal Act.

The principal Act is amended by substituting for section 89 the following—

“89. General penalty

A person convicted of an offence under this Act for which no penalty is expressly provided shall, on conviction, be liable to a fine not exceeding fifty thousand currency points or imprisonment not exceeding twelve years or both and in case of a continuing offence, to a fine not exceeding five hundred currency points for every day or part of a day during which the offence continues.”

22. Amendment of section 93 of principal Act.

Section 93 of the principal Act is amended—

- (a) by renumbering the existing provision as (1); and
- (b) by inserting immediately after subsection (1), the following new subsection—

“(2) The tribunal shall consist of a chairperson, a vice chairperson and five other members.”

23. Amendment of section 101 of principal Act.

Section 101 of the principal Act is amended by substituting for subsection (3) the following—

“(3) The Minister may, in consultation with the Judicial Service Commission, in the case of the chairperson and the vice chairperson, and in consultation with the Public Service Commission, in the case of other members of the tribunal, remove from office the chairman, the vice chairman or a member of the tribunal who—

- (a) is unable to perform the functions of his or her office arising from infirmity of body or mind;
- (b) misbehaves or conducts himself or herself in a manner unbecoming of the office of member of the tribunal;
- (c) is incompetent;
- (d) becomes an undischarged bankrupt;
- (e) fails to disclose to the tribunal any interest in any contract or matter before the authority in accordance with section 102; or
- (f) is convicted of an offence and sentenced to imprisonment for six months or more by a competent court in Uganda or outside.”

24. Amendment of section 104 of principal Act.

Section 104 of the principal Act is amended by inserting immediately after subsection (1) the following new subsections—

“(1a) Where the chairperson of the tribunal is unable to discharge his or her functions owing to absence, illness or any other cause, the vice chairperson shall discharge the functions of the chairperson until the chairperson resumes duty.

(1b) Where there is a vacancy in the office of the chairperson of the tribunal by reason of death, resignation or otherwise, the vice chairperson shall act as the chairperson of the tribunal until a new chairperson is appointed.”

25. Substitution of section 105 of principal Act.

The principal Act is amended by substituting for section 105 the following—

“105. Constitution of tribunal for exercise of powers.

(1) The tribunal shall be constituted for a proceeding when three of the members are present.

(2) The chairperson shall preside at all sittings of the tribunal and in the absence of the chairperson, the vice chairperson shall preside.

(3) The chairperson of the tribunal may constitute the tribunal into panels with each panel consisting of at least three members.

(4) The powers of the tribunal may be exercised by a sitting of all the members of the tribunal or by a panel of the tribunal.

(5) Where panels are constituted, the chairperson of the tribunal may, from time to time, by notification make provisions as to the distribution of the business of the tribunal amongst the panels and provide for the matters to be dealt with by each panel.

(6) The chairperson of the tribunal may, on his or her initiative or on application by a party, and if satisfied with the reasons for the request, transfer a case pending before one panel to another panel for disposal.”

26. Insertion of new sections 108A, 108B, 108C, 108D and 108E. The principal Act is amended by inserting immediately after section 108, the following—

“108A. Tribunal to open and operate bank accounts.

(1) The tribunal shall, with the authority of the Accountant General, open and maintain bank accounts as are necessary for the performance of the functions of the tribunal.

(2) The bank accounts of the tribunal shall be operated in accordance with the Public Finance Management Act, 2015.

(3) For the avoidance of doubt, the Registrar shall ensure that—

- (a) all money received by or on behalf of the tribunal is banked as soon as practicable after being received; and
- (b) no money is withdrawn from or paid out of any of the bank accounts of the tribunal without the authority of the chairperson.

108B. Estimates.

(1) The tribunal shall, in accordance with the Public Finance Management Act, 2015 prepare and submit to the Minister and the Minister responsible for finance for approval, a budget containing the estimates of income and expenditure of the tribunal for the next financial year.

(2) The tribunal shall not incur any expenditure exceeding the budget without the written approval of the Minister responsible for finance.

108C. Financial year of the tribunal.

The financial year of the tribunal is the period of twelve months beginning on the 1st day of July in each year, and ending on the 30th day of June in the following year.

108D. Accounts.

The tribunal shall—

- (a) keep proper books of accounts and all records relating to the transactions and affairs of the tribunal;
- (b) within two months after the end of the financial year, prepare annual financial statements for the preceding financial year;
- (c) within two months after the end of each financial year, submit the annual accounts to the Auditor General; and
- (d) publish an annual report with its audited accounts within six months after the end of the financial year.

108E. Audit

The Auditor General or an auditor appointed by the Auditor General shall, in each financial year, audit the accounts of the tribunal in accordance with the National Audit Act, 2008.”

27. Amendment of section 111 of principal Act.

Section 111 of the principal Act is amended by substituting for subsection (2), the following—

“(2) A decision of the tribunal or panel of a tribunal shall be binding if it is supported by a majority of the members.”

28. Amendment of section 112 of principal Act.

The principal Act is amended by substituting for subsection (3), the following—

“(3) The tribunal shall have a registry and such other staff appointed by the tribunal as may be necessary for the functioning of the registry.”

29. Insertion of new section 112A.

The principal Act is amended by inserting immediately after section 112, the following—

“112A. Immunity from suit.

No action, suit, prosecution or any other proceeding may be brought or instituted personally against a person who is or was a member of the tribunal or employee of tribunal in respect of any act done or omitted to be done in good faith in the discharge of any function under this Act.”

30. Insertion of new section 118A.

The principal Act is amended by inserting immediately after section 118, the following—

“118A. Procedures for dealing with complaints from consumer.

(1) A person aggrieved by a decision or action of a licensee may apply to the licensee for redress.

(2) A licensee shall establish procedures for dealing with complaints from its consumers or potential consumers of the licensee’s service.

(3) The procedures referred to under subsection (2) shall be approved by the authority.

(4) A licensee shall publish the approved procedures in such a manner as the authority may require.

(5) The authority may direct the licensee to review its procedures or the manner in which it operates and make modifications to the procedures.

(6) The authority shall issue guidelines for better implementation of this section.”

31. Substitution of section 119 of principal Act.

The principal Act is amended by substituting for section 119 the following—

“119. Power to make regulations.

(1) The authority may, in consultation with the Minister, by statutory instrument, make regulations relating to—

- (a) safety standards;
- (b) technical equipment and skills;
- (c) the quality of deliverance of electricity;
- (d) tariffs;
- (e) licensing;
- (f) compliance requirements;
- (g) procedures for special committees appointed under section 13 of this Act;
- (h) the fees to be charged under this Act; and
- (i) any other matter necessary or convenient for giving full effect to this Act.

- (2) Regulations made under subsection (1) may, in respect of any contravention of any of the regulations—
- (a) prescribe a penalty of a fine not exceeding four thousand currency points or imprisonment not exceeding eight years or both;
 - (b) in the case of a continuing contravention, prescribe an additional penalty not exceeding five hundred currency points in respect of each day on which the offence continues;
 - (c) prescribe a higher penalty not exceeding four thousand five hundred currency points or imprisonment not exceeding nine years or both in respect of a second or subsequent contravention; or
 - (d) provide for forfeiture of anything used in the commission of the offence.”

32. Insertion of new section 125A in principal Act.

The principal Act is amended by inserting immediately after section 125, the following—

“125A Shareholding of successor company and consequential amendment to the Public Enterprises Reform and Divestiture Act.

(1) The three successor companies; Uganda Electricity Generation Company Limited, the Uganda Electricity Transmission Company Limited and the Uganda Electricity Distribution Company Limited formed and registered under section 28 of the Public Enterprises Reform and Divestiture Act shall continue to exist subject to the following—

- (a) sections 24 and 28(3) of the Public Enterprises Reform and Divestiture Act shall cease to apply to the successor companies;

- (b) the shareholding of the successor company incorporated under section 125 shall be the Minister responsible for electricity as the majority shareholder and the Minister responsible for finance as the minority shareholder;
- (c) the board of directors and the secretary of every successor company incorporated under section 125 shall cooperate with the Minister in the transfer of shares under this section.”

33. Amendment of section 127 of principal Act.

The principal Act is amended by substituting for section 127, the following—

“127. Issuing of securities and shares.

(1) As a consequence of the vesting in the successor company by virtue of this Act of all property, rights and liabilities to which the Uganda Electricity Board was entitled or subject to, the successor company shall, in accordance with this Act, issue such securities of the company as the Minister may, in consultation with the Minister responsible for finance, from time to time direct.

(2) The Minister shall not give a direction under subsection (1) at a time when the successor company has ceased to be wholly owned by the Government of Uganda.

(3) Securities required to be issued under this section shall be issued or allotted at such time and on such terms as to allotment as the Minister, in consultation with the Minister responsible for finance may direct.

(4) Shares issued under this section—

- (d) shall be of such nominal value as the Minister, in consultation with the Minister responsible for finance may direct; and
- (e) shall be issued as fully paid and treated for the purposes of the Companies Act as if they had been paid up by virtue of the payment to the successor company of their nominal value.

(5) The Minister, in consultation with the Minister responsible for finance may dispose of any securities issued or of any rights to securities initially allotted to the successor company under this section.

(6) Any dividends or other sums received by the successor company in right of, or on the disposal of, any securities or rights acquired by virtue of this section shall be paid into the Consolidated Fund.

(7) Where, immediately before the transfer date, any person holds any shares in the Uganda Electricity Board, those shares shall, as from the transfer date, be held by that person in the successor company; and the successor company shall issue shares to that person of a value not less than the value of the shares held by that person in the board immediately before the transfer date.”

Cross References

The Constitution, 1995.

National Audit Act, 2008, Act No. 7 of 2008.

Public Enterprises Reform and Divestiture Act Cap. 98

Public Finance Management Act, 2015, Act No. 3 of 2015.