



THE REPUBLIC OF UGANDA

**THE ELECTRICITY
(NET METERING) REGULATIONS, 2024**

S.I. No. 14 of 2024

STATUTORY INSTRUMENTS SUPPLEMENT

to The Uganda Gazette No. 24, Volume CXVII, dated 2nd April, 2024

Printed by UPPC, Entebbe, by Order of the Government.

S T A T U T O R Y I N S T R U M E N T S

2024 No. 14.

THE ELECTRICITY (NET METERING) REGULATIONS, 2024

ARRANGEMENT OF REGULATIONS

PART I—PRELIMINARY

Regulation

1. Title
2. Application
3. Interpretation

PART II—NET METERING REQUIREMENTS

4. General principles
5. Eligible technology and customers
6. Generation capacity limits
7. Interconnectivity, standards and operation requirements

PART III—APPLICATION FOR NET METERING

8. Notice of intention to apply for net metering
9. Interconnection feasibility study
10. Application for net metering
11. Net metering agreement
12. Installation of interconnection facilities

PART IV—COMPENSATION FOR NET METERING AND BILLING

13. Costs related to interconnection facilities
14. Tariffs, compensation and billing

PART V—CHANGE OF OWNERSHIP AND TERMINATION

15. Change of ownership
16. Termination of net metering agreement
17. Monitoring, control, information and reporting
18. Offences and penalties
19. Complaints, disputes and appeals

SCHEDULES

FIRST SCHEDULE—CURRENCY POINT

SECOND SCHEDULE—NET METERING APPLICATION FORM

THIRD SCHEDULE—NET METERING AGREEMENT

STATUTORY INSTRUMENTS

2024 No. 14.

The Electricity (Net Metering) Regulations, 2024

(Under section 119(1)(g) of the Electricity Act, 1999, Cap. 145)

IN EXERCISE of the powers conferred upon the Electricity Regulatory Authority by section 119 (1) (g) of the Electricity Act, these Regulations are made this 9th day of January, 2024.

PART I—PRELIMINARY

1. Title

These Regulations may be cited as the Electricity (Net Metering) Regulations, 2024.

2. Application

These Regulations apply to—

- (a) prosumers; and
- (b) distribution licensees.

3. Interpretation

In these Regulations, unless the context otherwise requires—

“Act” means the Electricity Act, 1999, Cap. 145;

“authority” means the Electricity Regulatory Authority established under section 4 of the Act;

“billing period” means the period for which a regular bill is ordinarily raised by the holder of a distribution licence;

“commissioning” means the conducting of tests to bring the net metering system into operation;

“connection point” means the point of common coupling between the licensee and prosumer’s systems;

“currency point” has the value assigned to it in the First Schedule to these Regulations;

“distribution licence” means a licence issued by the Authority under the Act for the operation, management and control of a distribution system and the supply of electrical energy to consumers or to other licensees;

“export” means, in respect of meter readings, the number of units of electricity measured in kwh that a prosumer has supplied to the grid within a billing period;

“import” means, in respect of meter readings, the number of units of electricity measured in kwh that a prosumer has been supplied with from the grid within a billing period;

“licensee” means a holder of a distribution licence issued under the Act;

“meter” means a device used to measure the amount of electrical energy consumed by a consumer;

“net metering” means the methodology under which electricity is generated and consumed by a prosumer and the surplus delivered to the distribution facilities of a distribution licensee which may be used to offset electric energy provided by the distribution licensee to the prosumer during an applicable billing period;

“net meter” means an energy meter capable of recording both the import and export of electricity;

“net metering system” means a prosumer’s generation system, interconnection facilities, and the net meter;

“net metering agreement” means an agreement in the format set out in the Third Schedule to these Regulations, entered

into by a licensee and prosumer in accordance with these Regulations;

“operates in parallel” means the operation of on-site generation by a prosumer who is connected to the distribution system of the licensee;

“point of common coupling” means the point where the licensee’s electricity distribution system and the prosumer interconnection facilities interface occurs;

“prosumer” means a residential, commercial or industrial consumer supplied by a licensee who generates electricity on the consumer’s side of the meter, using a renewable energy source and whose capacity does not exceed 0.5 megawatts (0.5 MW);

“renewable energy” means non-fossil energy generated from natural non-depleting resources, including solar energy, wind energy, biomass energy, biological waste energy, hydro energy and geothermal energy;

“renewable energy technologies” means all technologies used to generate energy from renewable energy sources.

PART II—NET METERING REQUIREMENTS

4. General principles

(1) A person applying for a distribution licence under section 57 of the Act shall include a net metering plan for all customer categories.

(2) A person who intends to put in place a net metering system shall apply to the distribution licensee.

(3) A distribution licensee may grant an application for net metering after the prosumer has satisfied the requirements as provided for under these Regulations.

(4) Net metering generation is only permitted for the generation of electricity whose purpose is the supply of a prosumer's electrical consumption and power demand.

(5) Net-metering generation on a commercial scale is prohibited.

(6) An eligible consumer shall meet net metering technical requirements prescribed under these Regulations at the connection point.

5. Eligible technology and customers

(1) All renewable energy technologies for the generation of electricity qualify for net metering including solar, wind, hydro, geothermal, biomass, biogas, biofuel and fuel cell resources.

(2) All customer categories supplied by a distribution licensee may enter into a net metering agreement subject to these Regulations.

(3) An eligible customer for net metering shall not hold a parallel licence to distribute electricity from the same project.

6. Generation capacity limits

(1) The onsite installed capacity of a generation facility for a prosumer entering into a net metering agreement shall—

- (a) be below 500Kw (0.5 MW), notwithstanding the customer category;
- (b) for all customers, be capped at the maximum load demand determined by the licensee over the 12 months period preceding the application for net metering; and
- (c) where the maximum demand is not recorded as part of the electricity bill, be capped at the maximum allowed demand.

(2) The aggregate generation capacity of net metered facilities in a licence area of a distribution licensee shall be determined by the distribution licensee in accordance with—

- (a) the electrical infrastructure equipment ratings of the distribution licence fee upstream of net metered facilities; and
 - (b) limits imposed by the stability requirements of the distribution network as determined by technical studies performed by the distribution licensee.
- (3) The maximum aggregate generation capacity of net metering systems shall be 5% of the system peak demand, subject to review by the Authority on an annual basis, taking into consideration customer categories and concession areas.

7. Interconnectivity, standards and operation requirements

- (1) A prosumer shall—
 - (a) ensure that the design and installation of the renewable energy generation facility is in accordance with the specifications of the Electricity (Primary Grid Code) Regulations, 2003 and any other relevant standards and guidelines to guarantee the safety and security of both the renewable energy generation facility and the distribution network; and
 - (b) ensure that the electrical installations at the premises to be connected are carried out by an electrician duly certified under the Electricity (Installation Permits) Regulations, 2018.
- (2) A net metering system shall be capable of operating in parallel, and safely commencing the delivery of power into the distribution network at a single point of interconnection.
- (3) The interconnection by a prosumer to a distribution licensee's network is not an authorisation of the prosumer to utilise the electricity distribution network for the transmission or distribution of electric power to customers other than the distribution network operator.

(4) The prosumer shall ensure that the net-metering facility has a visibly open, lockable and manual disconnect switch which is accessible by the licensee and clearly labeled, to prevent a net-metering prosumer from back-feeding a de-energised line.

(5) The requirement for a manual disconnect switch in subregulation (4) shall be waived where—

- (a) the generation system is designed to shut down or disconnect and cannot be manually overridden by the prosumer upon loss of utility power;
- (b) the generation system is warranted by the manufacturer to shut down or disconnect upon loss of utility power; and
- (c) the generation system is properly installed and operated, and inspected and tested by the distribution licensee.

(6) The prosumer shall notify the licensee in writing and procure the licensee's written consent before the execution of any replacement or modifications to the net metering system or the connection point.

(7) All meters for net-metering systems shall—

- (a) adhere to the Weights and Measures (Electricity Meters) Rules, 2015, the Electricity (Code of Quality of Service) Regulations, 2020, and shall be verified by the Uganda National Bureau of Standards;
- (b) be bi-directional, capable of two-way communication and used solely to measure and register electricity flow in both directions at the same rate;
- (c) be able to measure and record peak supply in different periods;
- (d) provide for accurate measurement of import and export of electricity; and
- (e) provide time-of-use metering.

(8) The applicant shall bear the cost of the bi-directional meter.

(9) The quality of electricity supplied from and to the net-metering system shall be within the limits set in the Electricity Primary Grid Code and any other guidelines issued by the Authority.

(10) The prosumer shall perform regular scheduled maintenance of the renewable energy generation facility as outlined by the manufacturer in order to ensure that connection devices, protection system, and control systems are maintained in good working condition and in compliance with all applicable laws.

(11) The prosumer shall be responsible for the safe operation, maintenance and rectification of any defect of the renewable energy system up to the point of net meter, beyond which the responsibility of safe operation, maintenance and rectification of any defect in the system, including the net meter, shall lie with the distribution licensee.

(12) The distribution licensee shall have the right to—

- (a) disconnect the renewable net metering system at any time in the event of possible threat or damage from the system to its distribution system, to prevent an accident or damage; and
- (b) require the prosumer to rectify the defect within a reasonable time.

(13) Any changes to the approved net-metering generation design after commissioning shall be subject to the prior written approval of the distribution licensee.

PART III—APPLICATION FOR NET METERING

8. Notice of intention to apply for net metering

(1) A person who intends to develop a net metering system, shall notify the holder of a distribution licence.

(2) The notice under subregulation (1) shall, as far as possible, contain—

- (a) the address and contact information of the prosumer, including the name;
- (b) the purpose of the intention to develop a net metering system;
- (c) the proposed project details, including the location of the net metering system, type of energy renewable source, the expected capacity or size of the system, and any other technical specifications; and
- (d) the proposed timeline for the development and installation of the net metering system.

(3) Upon receipt of the notice under subregulation (1), the holder of a distribution licence shall assess the available line capacities in the prosumer's distribution area to determine whether the proposed renewable energy system can be connected in accordance with these Regulations.

(4) The holder of a distribution licence shall, following the assessment in subregulation (3), confirm—

- (a) the adequacy of line capacity in the distribution area;
- (b) that the proposed net metering system is within the maximum aggregate generation capacity of net metering systems approved by the authority; and
- (c) the maximum load demand of the prosumer.

(5) Upon confirmation under subregulation (2), the holder of a distribution licence will issue a no-objection to the prosumer to undertake an interconnection feasibility study.

9. Interconnection feasibility study

(1) The prosumer shall, upon receipt of a no objection from the holder of a distribution licence under regulation 8(5), conduct a feasibility study.

(2) The interconnection feasibility study shall contain—

- (a) a general description of the electrical supply system and connection of the renewable energy system;
- (b) a system study from the prosumer's side to the point of interconnection;
- (c) an analysis of voltage, current, fault level and power factor impact on the licensee's system; and
- (d) any other analysis required by the licensee for the safety and security of the distribution system and other electricity consumers.

(3) The prosumer shall be responsible for the cost of the interconnection feasibility study.

(4) The prosumer shall hire a qualified contractor to undertake the interconnection feasibility study.

10. Application for net metering

(1) A person interested in operating a net metering system shall, taking into account the outcome of the interconnection feasibility study under regulation 9—

- (a) apply to the holder of a distribution licence using the Form set out in the Second Schedule to these Regulations; and
- (b) pay the requisite fees for net metering.

(2) The prosumer shall, submit the report of the interconnection feasibility study to the distribution licensee.

(3) The licensee shall examine all applicants who have conducted the interconnection feasibility study on a non-discriminatory basis, taking into account—

- (a) the submitted interconnection feasibility study;
- (b) the impact of the renewable energy system on the distribution network; and
- (c) the system power flow studies in the distribution area.

(4) The licensee shall process an application under this regulation and notify the applicant in writing within sixty days from the date of receipt of the application, together with the interconnection feasibility study report.

(5) The notice under subregulation (4) shall state whether the licensee—

- (a) approves the application unconditionally;
- (b) approves the application subject to specified conditions; or
- (c) rejects the application for stated reasons.

(6) Where the impact of the renewable energy system is within the limits imposed by the stability requirements of the distribution network, the licensee shall approve the application and issue an invoice to the applicant for the interconnection requirements.

(7) Where the application is rejected under subregulation (5) (c), the licensee shall give reasons in writing for the rejection.

11. Net metering agreement

(1) Where an application is approved under regulation 10(5) (a), the licensee and the prosumer shall, subject to any further terms agreed enter into a net metering agreement in the format set out in Second Schedule to these Regulations.

(2) A licensee shall send a copy of the net metering agreement to the Authority within seven working days of execution of the agreement, for a no-objection.

(3) A net metering agreement shall be valid for a period not exceeding 10 years and may, upon expiry, be renewed for a further period not exceeding 10 years, with the mutual consent of the prosumer and the licensee.

(4) The prosumer shall, upon signing the net metering agreement, commence to install the interconnection facilities in consultation with the licensee.

12. Installation of interconnection facilities

(1) The licensee shall be responsible for the installation and commissioning of the interconnection facilities.

(2) The prosumer shall pay the costs and charges for interconnection facilities, including the cost of materials, the charges for connection of a bi-directional meter and other equipment required for the net metering connection as determined by the licensee.

(3) On receipt of the costs for interconnection under subregulation (2), the licensee shall connect the prosumer and install a bi-directional meter and other equipment required for the bi-directional flow of electricity within thirty days from the date of payment.

(4) A person aggrieved by the decision of the distribution licensee on the application may, within thirty days of notification of the decision, appeal to the Authority.

PART IV—COMPENSATION FOR NET METERING AND BILLING

13. Costs related to interconnection facilities

A prosumer shall be responsible for—

- (a) all costs associated with interconnection facilities; and
- (b) any costs reasonably incurred by the distribution licensee in providing, operating or maintaining the interconnection facilities and distribution system improvements required solely for the interconnection of the net metering system with the licensee's distribution system.

14. Tariffs, compensation, and billing

(1) A distribution licensee shall provide prosumers with electricity services at non-discriminatory rates that are identical with respect to rate structure, retail rate components and any monthly charges, to the rates that a prosumer would be charged if he or she was not a prosumer, including choice of retail tariff schedules.

(2) Notwithstanding subregulation(1), the following shall apply to rates—

- (a) for purposes of energy net-offs, all energy exported to the grid shall be subjected to a 20% discount factor to compensate for system costs related to—
 - (i) non-collection of the gross supplies of energy deliveries;
 - (ii) loss factors associated with the gross supplies of energy deliveries;
 - (iii) capacity costs for the network and system otherwise recoverable from energy not supplied from the system; and
 - (iv) virtual system storage of energy;
- (b) no prosumer shall claim monetary compensation from the distribution licensee for energy exported to the licensee;
- (c) the reconciliation procedures and conditions for perpetual rollover of excess generation or net imports shall be done on a monthly basis.

(3) For purposes of determining the net balances in any billing cycle (month), subject to the discounting of gross energy exports in subregulation (2) (a) to derive net energy exports or imports, the net energy shall be reconciled at the approved tariff rates.

(4) The billing and reconciliation procedures and conditions for cyclical rollover of excess generation or net exports shall be as follows—

- (a) on a monthly basis, a prosumer shall be billed the charges applicable under the schedule of tariffs approved in accordance with section 75 of the Act, except that—
 - (i) only the charges relating to the kWh units and energy part of the bill of the customer shall be affected; and
 - (ii) the fixed charge part and non-energy part of the bill of the customer will not be credited with any net export energy from the generator of the customer;
- (b) where the net exports of a prosumer are negative during the monthly billing period, the prosumer shall be billed for the energy supplied by the distribution licensee in accordance with the schedule of approved tariffs contemplated in section 27 of the Act, and the prosumer shall be credited for their exports in accordance with subregulation (2);
- (c) where the net exports of a prosumer are positive during the monthly billing period, the prosumer's net exports shall—
 - (i) be credited to the next monthly billing period;
 - (ii) not be physically compensated by the electricity distribution licensee; and
 - (iii) be carried over in cyclical to allow the prosumer to offset any future electricity purchases relating to the kWh units and energy part, from the distribution licensee using these credits.

(5) Any unused credits shall be forfeited at the end of the licensee's financial year.

(6) The licensee shall read the meter of the prosumer for every billing period.

(7) Every prosumer shall ensure that the meter is easily accessible and clearly marked in order to allow the licensee to read the meter.

(8) Prosumers shall grant access to the interconnection facility property for the purpose of maintaining and reading their meter.

(9) Subject to subregulation (10), the licensee shall allow the prosumer to access the distribution systems at all times.

(10) The distribution licensee shall not be liable for occurrences of network downtime as a result of faults; and a net-metering prosumer shall not be compensated for any deemed generation during the time.

PART V—CHANGE OF OWNERSHIP AND TERMINATION

15. Change of ownership

(1) Where a prosumer sells the net metered premises under these Regulations, the person who buys the net metering facilities premises may apply to the distribution licensee in accordance with these Regulations to continue with the agreement for the remaining duration of the period of operation under the net metering agreement.

(2) The prosumer shall forfeit any accrued credits under the net metering agreement and is not entitled to transfer any credit amount to any other prosumer account.

(3) A new net metering agreement shall be signed between the distribution licensee and the prosumer upon the transfer of the net metering facility.

(4) All costs and expenses for the transfer of the net metered facility shall be borne by the prosumer.

16. Termination of net metering agreement

(1) A prosumer may terminate the net metering agreement with the distribution licensee at any time, upon fourteen days' notice.

(2) A prosumer shall, after the lapse of the fourteen days referred to in subregulation (1), disconnect its generation facility and notify the distribution licensee in writing, upon completion of the disconnection.

(3) A distribution licensee may terminate the net metering agreement with the prosumer at any time for failure to comply with these Regulations, upon fourteen days' notice to the prosumer.

(4) The distribution licensee shall, prior to terminating the net metering agreement under subregulation (3), notify the prosumer of any breach of these Regulations, and require the prosumer to rectify the breach within five days after receipt of the notice.

(5) The distribution licensee may terminate the net metering agreement with the prosumer for failure to rectify the breach in subregulation (3), upon five days' notice by the licensee.

(6) The prosumer shall have no claim of any unused credits after termination.

PART VI—MONITORING

17. Monitoring, control, information, and reporting

(1) The licensee shall establish and maintain a register of prosumers to be known as a prosumer register, in which the following shall be recorded—

(a) the name and address of each prosumer;

(b) the date of approval of application;

- (c) the total number of prosumers by energy source type;
- (d) the individual and total rated generating capacities of net metered facilities, by energy source type;
- (e) the individual and total monthly number of kWh received from prosumers; and
- (f) the total estimated annual amount of kWh produced by prosumers.

(2) The prosumer register shall be continuously updated and submitted quarterly to the Authority.

(3) Each distribution licensee shall report quarterly to the authority on the progress of the implementation of net-metering systems in their areas of supply.

18. Offences and penalties

A person who—

- (a) connects a net-metering system without a net-metering agreement;
- (b) contravenes any of the conditions of a net-metering agreement;
- (c) makes or permits to be made, any alteration to permanent installations without the prior approval of the licensee; or
- (d) does an act or omission contrary to these Regulations,

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

19. Complaints, disputes, and appeals

(1) Any complaints or disputes under these Regulations shall be referred to the authority for resolution

(2) A person aggrieved by a decision or order of the authority may appeal to the Electricity Disputes Tribunal within fourteen days from the date of receipt of the decision.

SCHEDULES

FIRST SCHEDULE

Regulation 3

CURRENCY POINT

A currency point is equivalent to twenty thousand shillings.

SECOND SCHEDULE

Regulation 10 (1) (a)

APPLICATION FOR NET METERING

I/We _____ hereby apply for Net Metering Agreement in accordance with the Electricity (Net Metering) Regulations, 2024

1	Date	
2	Application No.	
3	Prosumer location data	
	Village	
	Parish	
	County	
	District	
4	Applicant particulars	
	Name	
	National ID /Passport No	
	TIN No (company)	
	Telephone number(s)	
	Email	
	Customer type (domestic, commercial, medium industrial, large industrial)	
5	Generation particulars	
	Manufacturer	
	Generation type (solar, wind, hydro, biomass, biogas, other (specify))	
	Generator Type (Synchronous, Induction, inverter, other (specify))	
	Generation plant capacity	
	Peak demand of prosumer	

6. Applications shall be accompanied by certified copies of the following documents;

- (1) For a company—
 - (a) the certificate of incorporation or registration, and where applicable, the memorandum and articles of association;
 - (b) details of current directors or owners, including copies of their identification documents;
 - (c) lease agreement or title deed confirming ownership of land where the installation is located;
 - (d) TIN and VAT certificates and a valid tax compliance certificate; and
 - (e) a site plan to show the scaled mapping of boundaries, locations of the power station, meter and connection point to the distribution network.
- (2) For an individual—
 - (a) copy of valid identification or National Identity Card;
 - (b) lease agreement or title deed confirming ownership of land where the installation is located; and
 - (c) a site plan to show the scaled mapping of boundaries, locations of the power station, meter and connection point to the distribution network.

7. DECLARATION

I/We _____ hereby declare that the information provided in this application is true and accurate.

I/We commit to abide by the Electricity (Net Metering) Regulations, 2024 and any other applicable law.

Signature of Applicant _____ Date _____

THIRD SCHEDULE

Regulation 3

NET METERING AGREEMENT

This Agreement is made and entered into at (location) _____
on this (date) _____ day of (month) _____
(year) _____

Between:

- A. The prosumer (Name) _____
having premises at (address) _____ and Meter
No. _____ as the first party; and
- B. The licensee _____
and having its office at (address) _____ as the
second party;

Whereas, the prosumer has applied to the licensee for approval of a net metering arrangement under the Electricity (Net Metering) Regulations, 2024 hereinafter referred to as "Regulations" and sought its connectivity to the Licensee's Distribution Network;

And whereas, the licensee has agreed to provide network connectivity to the prosumer for injection of electricity generated from its Renewable Energy Generating System hereinafter referred to as "System" of _____ KWhs;
Both Parties hereby agree as follows: -

1. Eligibility

The System meets the specifications for being integrated into the Distribution Network, and the prosumer shall maintain the system accordingly for the duration of this Agreement.

2. Summary of Generating Facility and Prosumer Account

- (a) Prosumer Account Number with Licensee: _____
- (b) Generating Facility Identification Account Number with Licensee: _____

- (c) Generating facility physical location (include suburb and GPS coordinates): _____

This Agreement is applicable only to the generating facility described below and installed at the above location. The generating facility may not be relocated or connected to the network of the distribution licensee at any other location without the express written permission of the distribution licensee.

- (1) Generating Facility Technology (solar, wind hydro, renewable biomass, biogas, other [specify]): _____
- (2) Generating Facility Nameplate Rating (kW): _____
- (3) Peak demand of Prosumer: _____
- (4) Expected maximum annual energy production of generating facility (kWh): _____

3. **Interconnection Requirements:**

(1) The metering arrangement and the inter-connection of the System with the Network of the Licensee shall be in accordance with the Regulations and the technical standards and norms specified therein.

(2) The Prosumer agrees, that he or she shall install, prior to connection of the system to the Network of the licensee, an isolation device; both automatic and in built within the inverter (where applicable) and external manual relays; and the licensee shall have access to it if required for the repair and maintenance of the Distribution Network.

(3) The licensee shall specify the interface/inter-connection point and metering point.

(4) The prosumer shall furnish all relevant data, such as voltage, frequency, circuit breaker, isolator position in his System, as and when required by the licensee.

(5) The prosumer shall ensure that the system complies with the provisions of the Electricity Grid Code and the Electricity (Net-Metering)

Regulations, 2024, or any statutory modification or re-enactment thereof or any other statutory provision relating to the production, supply and use of electricity.

(6) The prosumer shall not make any alteration to the system or remove any existing component (or components) from the system without the prior written consent of the licensee unless the removal is for purposes of complying with any mandatory modifications required by law or any regulatory authority.

(7) The prosumer shall maintain, at their own expense, the system in good and substantial repair in order to keep it in good and operating condition (subject to fair wear and tear only), including replacement of worn, damaged and lost parts, and shall make good any damage or destruction to the system.

(8) Without prejudice to any other provision in this Agreement, the licensee shall not be obligated to accept the exported energy if any of the following circumstances occurs—

- (a) for such periods and under such circumstances as the licensee thinks fit, having regard to public safety and private safety;
- (b) any emergency condition occurs;
- (c) the system delivers exported energy that does not conform to the electrical characteristics consistent with prudent utility practices;
- (d) maintenance of the system or the meters;
- (e) the disconnection of the system from the licensee's Distribution Network due to the failure of the prosumer to pay any amount payable under this agreement; or
- (f) the prosumer is in breach of the provisions of the Grid Code or the Electricity (Net-Metering) Regulations, 2024 or any statutory modification or re-enactment thereof or any other statutory provision relating to the production, supply and use of electricity.

4. Disconnection, interruption, or reduction of deliveries

(1) The licensee may require the prosumer to interrupt or reduce the output of its generating facility where—

- (a) the licensee considers it necessary, in its sole judgment, to construct, install, maintain, repair, replace, remove, investigate or inspect any of its equipment or any part of its distribution system; or
- (b) the licensee determines, in its sole judgment, that curtailment, interruption, or reduction of the electrical generation of the prosumer is necessary due to emergencies, forced outages, force majeure or compliance with prudent electrical practices.

(2) Notwithstanding any other provision of this Agreement, upon termination of this Agreement or at any time, the licensee determines that the continued parallel operation of the generating facility may endanger public safety or the safety of the personnel of the licensee or affect the integrity of the distribution system of the licensee or the quality of electric service provided to other customers, the licensee has the right to require the generating facility to be immediately disconnected from the distribution system of the licensee.

(3) The generating facility must remain disconnected until such time as the distribution licensee is satisfied, in its sole judgment, that the conditions causing such disconnection have ended or have been corrected.

(4) Whenever feasible, the licensee shall give the prosumer reasonable notice of the possibility that interruption or reduction of deliveries may be required.

5. Period of Agreement, and Termination

(1) This Agreement shall be valid for a period of 10 years, but may be terminated prematurely—

- (a) by mutual consent;
- (b) by the prosumer either giving 30 days' notice to the licensee;
or

- (c) by the licensee; either giving 30 days' notice where the prosumer breaches any terms of this agreement or the Regulations and does not remedy such breach within 30 days or such other reasonable period as may be agreed upon by the Parties, of receiving notice of such breach, or for any other valid reason communicated by the licensee in writing; or
 - (d) upon the occurrence of an event of default for purposes of this Agreement.
- (2) For purposes of paragraph (1) (d), an event of default shall occur upon the following—
- (a) the prosumer is liquidated or wound up or passes a resolution for voluntary winding up (otherwise than for a bona fide reconstruction or amalgamation) or if similar or analogous proceedings are instituted against or taken by that party;
 - (b) the prosumer has a receiver or an administrative receiver appointed in respect of all or any part of their assets or if similar or analogous proceedings are instituted against the assets of the prosumer;
 - (c) the prosumer enters into an arrangement for the benefit of their creditors;
 - (d) the prosumer dies;
 - (e) any warranty, representation or covenant made by the prosumer in this agreement is false or inaccurate in any material respect;
 - (f) the electricity supply contract by the licensee is terminated; or
 - (g) the prosumer vacates the premises and is no longer in control or possession of the premises and does not assign the agreement to the new owner or occupant of the premises.

6. Access to Premises

The distribution licensee may enter the premises of the customer at all reasonable hours without notice to the customer for the following purposes—

- (a) to inspect the protective devices of the customer and read or test meters; or
- (b) to disconnect the generating facility or service to the customer, whenever in the opinion of the distribution licensee—
 - (i) a hazardous condition exists and such immediate action is necessary to protect persons, the facilities of the distribution licensee or property of others from damage;
 - (ii) to stop interference caused of the generating facility; or
 - (iii) there is absence of or failure operating protective devices.

7. Liabilities

(1) The Parties shall indemnify each other for damages or adverse effects of either Party's negligence or misconduct during the installation of the system, connectivity with the distribution Network and operation of the system.

(2) The Parties shall not be liable to each other for any loss of profits or revenues, business interruption losses, loss of contract or goodwill, or for indirect, consequential, incidental or special damages including but not limited to, punitive or exemplary damages, whether any of these liabilities, losses or damages arise in contract, or otherwise.

8. Governing Law

This Agreement shall be interpreted, governed, and construed under and in accordance with the laws of the Republic of Uganda.

9. Commercial Settlement

(1) The commercial settlements under this Agreement shall be in accordance with the Electricity (Net Metering) Regulations, 2024.

(2) The licensee shall not be liable to compensate the prosumer if his or her system is unable to inject surplus power generated into the licensee's Network on account of failure of power supply in the grid/Network.

(3) The existing metering system, if not in accordance with the Regulations, shall be replaced as per the requirements of the Regulations.

(4) The uni-directional and bi-directional or pair of meters shall be fixed in separate meter boxes in the same proximity.

(5) The licensee shall issue a monthly electricity bill for the net metered energy on the scheduled date of meter reading, and where the exported energy exceeds the imported energy, the licensee shall show the net energy exported as credited Units of electricity in accordance with the Regulations.

(6) If the exported energy is less than the imported energy, the prosumer shall pay the licensee for the net energy imported at the prevailing tariff approved by authority for the prosumer category to which the prosumer belongs.

10. Connection costs

The prosumer shall bear all costs related to the setting up of the system in accordance with the Regulations.

11. Dispute resolution

(1) Any dispute arising under this Agreement shall be resolved promptly, in good faith and in an equitable manner by both Parties.

(2) The aggrieved party shall have recourse to authority as per the provisions of the Regulations.

12. Service of notices

(1) All notices to be given in terms of this Agreement shall be given in writing and shall be delivered by hand or registered post of the Parties.

(2) If delivered by hand during business hours, the notice shall be presumed to have been received on the date of delivery.

(3) Any notice delivered after business hours or on a day which is not a business day shall be presumed to have been received on the following business day, and if sent by registered post, be presumed to have been received five (5) days after posting.

(4) Notwithstanding subparagraph (3), any notice given in writing, and actually received by the party to whom the notice is addressed, will be deemed to have been properly given and received, notwithstanding that such notice has not been given in accordance with this clause.

13. Amendment, Modification, Waiver or Assignment

(1) This Agreement may not be altered or modified by either of the Parties, except by an instrument in writing executed by both of them.

(2) None of the provisions of this Agreement shall be considered waived by a Party unless such waiver is given in writing.

(3) The failure of a party to insist in any one or more instances upon strict performance of any of the provisions of this Agreement or to take advantage of any of its rights hereunder shall not be construed as a waiver of any such provisions or the relinquishment of any such rights for the future, but the same must continue and remain in full force and effect.

(4) This Agreement shall supersede any existing agreement under which the prosumer is currently operating the generation facility and any such agreement must be deemed terminated as of the date this Agreement becomes effective.

(5) This Agreement contains the entire agreement and understanding between the Parties, their agents, and employees as to the subject matter of this Agreement.

(6) Each party also represents that in entering into this Agreement, it has not relied on any promise, inducement, representation, warranty, agreement or other statement not set forth in this Agreement.

(7) Neither party shall voluntarily assign this Agreement or any of its rights or duties hereunder without the written consent of the other party, which consent shall not be unreasonably withheld.

(8) Any such assignment or delegation made without such written consent must be null and void.

14. Signatures

IN WITNESS WHEREOF, the Parties hereto have caused two originals of this Agreement to be executed by their duly authorised representatives. This Agreement is effective as of the latter of the two dates set forth below.

Sign _____
For and on behalf of **prosumer**

Sign _____
For and behalf of **licensee**

Witness 1 _____

Witness 1 _____

Witness 2 _____

Witness 2 _____

DR. SARAH KANAABI WASAGALI
Chairperson, Electricity Regulatory Authority

Cross References

Electricity Act, 1999, Cap. 145

Electricity (Primary Grid Code) Regulations, 2003, S.I No. 24 of 2003

Electricity (Safety Code) Regulations, 2020, S.I. No. 146 of 2020

Electricity (Code of Quality of Service) Regulations, 2020, S.I. No. 78 of 2020

Electricity (Installation Permits) Regulations, 2019, S.I No. 5 of 2019

Weights and Measures (Electricity Meters) Rules, 2015, S.I No. 69 of 2015

