



ANNUAL REPORT

1st JULY 2021 – 30th JUNE 2022

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1.0 URA OVERVIEW

In 2004, the Government of Mauritius approved the setting up of a Utility Regulatory Authority (URA) to regulate utility services, namely, the electricity, water and wastewater sectors. The URA Act was enacted in November 2004 to set up the framework required for the URA to carry out its regulatory function. Pending the promulgation of Water & Waste Water Regulation, the regulation of the electricity sector has been the URA's initial area of priority in the review period.

Furthermore, the Electricity Act 2005 and the Central Electricity Board (Amendment) Act 2020 were proclaimed on 10th June 2022.

The following supporting Regulations were also promulgated under the Electricity Act 2005 and were gazetted on 15th June 2022:

- a) the Electricity (Safety, Quality and Continuity) Regulations 2022 to ensure the continuity of a safe electricity supply, as per established standards;
- b) the Electricity (Metering, Billing and Collection) Regulations 2022 to regulate these activities of the Central Electricity Board;
- c) the Electricity (Licensing, Registration and Fees) Regulations 2022 which concern the licensing activity of the URA once it would start its operations; and
- d) the Electricity (Transitional Licence) Regulations 2022 to regulate the transitional phase, pending full compliance of the requirements of the legislation by the existing Independent Power Producers and Central Electricity Board.

The proclamation of the Electricity Act 2005 and relevant Regulations gives URA the powers to carry its mandate of:

- i. issuing licences and monitoring the performance of licensees,
- ii. reviewing and approving the electricity tariff proposals through new Power Purchase Agreements (PPAs) as well as the final prices charged to consumers,
- iii. mediating disputes between licensees, licensees and consumers, and
- iv. creating regulatory instruments and tools to facilitate the realisation of Energy Transition, by promoting the participation of various players in the sector.

VISION

“To be a responsible regulator for sustainable utilities”

MISSION

“To promote:

- (a) Fair competition in the Utilities Sector
- (b) Utility consumer rights and awareness
- (c) Affordable and fair tariffs and premium quality services to all”

VALUES

1. “Dedicated to teamwork and treating our internal and external stakeholders with due care and respect”
2. “Being honest, fair and ethical in all our actions”
3. “Innovation driven to sustain the regulated sectors”
4. “Being transparent and responsible for our actions”
5. “Demonstrating competence, expertise and independence in all our activities”

MOTTO

“Leading in Utility Regulation”

2.0 OUR OBJECTS

In accordance with Section 5 of the URA Act 2004 (as amended), the objects of the Authority shall be to:

- (a) ensure the sustainability and viability of utility services;
- (b) protect the interests of both existing and future customers;
- (c) promote efficiency in both operations and capital investments in respect of utility services; and
- (d) promote competition to prevent unfair and anti-competitive practices in the utility services industry.

2.1 OUR FUNCTIONS

In accordance with Section 6 of the URA Act 2004 (as amended), the powers and functions of the Authority shall be to:

- (a) implement the policy of Government relating to applicable utility services;*
- (b) grant, vary and revoke licences in respect of a utility service;*
- (c) enforce the conditions laid down in an undertaking authorization;*
- (d) regulate tariffs and other charges levied by a licensee in accordance with any rules specified in the relevant Utility legislation;*
- (e) mediate or arbitrate disputes between a customer and a licensee, or between 2 or more licensees;*
- (f) determine whether a licensee has an obligation to extend a utility service to customers or to an area not adequately supplied with such utility service;*
- (g) establish an appropriate procedure for receiving and enquiring into complaints by customers in relation to any utility services; and*
- (h) establish and implement adequate systems for monitoring the compliance by licensees with standards and applicable regulations, and making such information publicly available.*
- (i) take measures for the better protection of customers in relation to any utility services;*
- (j) take measures to suppress any abusive, illegal or dishonourable practices in relation to any activity of a licensee;*
- (k) take measures and make recommendations to a licensee in respect of any Power Purchase Agreement which a licensee proposes to enter into; and*
- (l) examine and make recommendations to a licensee in respect of any management services contract, operation and maintenance contract or any other contract which a licensee proposes to enter into in relation to water services or waste water disposal services.*

3.0 LEGISLATIVE FRAMEWORK

In the exercise of its mandate, the URA is guided by a comprehensive set of laws which constitutes the legislative framework for the sector. To date, the following legal instruments, which have been developed, serve to facilitate and support URA in its regulatory role:

LEGAL INSTRUMENT	STATUS
Utility Regulatory Authority Act 2004 (amended 2008 and 2016)	In Operation
Electricity Act 2005 (amended in 2020)	Proclaimed (June 2022)
Central Electricity Board Act 1963 (amended in 2020)	Proclaimed
Mauritius Renewable Energy Agency Act 2015	Proclaimed
Energy Efficiency Act 2011	Proclaimed
Competition Act 2007	Proclaimed
Consumer Protection Act 1991	Proclaimed

4.0 BOARD COMPOSITION

Section 8 of the URA Act 2004 provides for the composition of the Board which shall constitute of a Chairperson and six Commissioners, following amendments made on 05 August 2021 under the Finance (Miscellaneous Provisions) Act 2021.

In line with the Finance (Miscellaneous Provisions) Act 2021, three out of the six commissioners shall include a representative of:

- a) the Ministry responsible for the subject matter of finance;
- b) the Ministry responsible for the subject matter of public utilities;
- c) the Attorney-General's Office.

The Board members are required to have diverse academic qualifications, industry knowledge and experience, which ensure that the Board works effectively. As a pre-requisite for their appointment, the board members should be persons of high moral and professional integrity.

The Chairperson is appointed by the President of the Republic of Mauritius upon the advice of the Prime Minister given after consultation with the Leader of the Opposition, as provided for under Section 9 of the URA Act. The six Commissioners are appointed by the Minister.

Section 16 of the URA Act provides for the delegation of powers within the Authority as follows:

“The Board may, where appropriate, delegate such powers of the Authority as may be necessary to the Chairperson, the Director or to any other officer of the Authority, for the effective performance of the functions conferred on the Authority under this Act, other than the power to –

- (a) borrow money;**
- (b) grant, revoke, suspend or amend an undertaking authorisation;**
- (c) determine, approve or modify a tariff; or**
- (d) appoint staff or set their level of remunerations.”**

4.1 URA BOARD MEMBERS



Philip Ah-Chuen, Chairperson

Mr Philip Ah-Chuen has studied and worked in the UK from where he obtained a BTech (Hons) from Brunel University and an MSc in Industrial Administration from Aston University. He is a Fellow of both the Mauritian Institute of Management (FMIM) and the Mauritius Institute of Directors (FMIoD). He is presently the Executive Director of Allied Motors Co. Ltd and a non-executive director of Chue Wing & Co. (ABC Foods).

Sadatmanund Narain, Commissioner

Mr Sadatmanund Narain obtained a B.E. (Electrical Engineering) from the University of Roorkee, India and is a Member of the Institution of Electrical Engineers, UK (MIEE), Chartered Engineer of the Council of Professional Engineers, UK (C.Eng) and a Registered Professional Engineer, Mauritius (RPEM). He joined the Central Electricity Board (CEB) of Mauritius in 1964 as Assistant Engineer and has served in multiple positions at the CEB, namely as Deputy General Manager. Mr Narain has a Post-Graduate Diploma in Electrical Power Systems Engineering at the University of Manchester Institute of Science and Technology, UK.



Jenny Peggy Sevambal Mootealoo, Commissioner

Mrs Jenny Peggy Sevambal Mootealoo was sworn as a Barrister-at-Law under the Law Practitioners Act in 2004. Prior to joining the URA, Mrs Mootealoo has been in private practice, appearing before different divisions of the Supreme Court and lower Courts of Mauritius. She has over 15 years of significant experience in the legal field. Mrs Mootealoo holds a Master's in Public Law from the University of Reunion.

Me. Pratabsing Bacorisen, Commissioner

Me. Pratabsing Bacorisen is a Barrister who was called to the Bar on November 2012 at the Honourable Society of Lincoln's Inn, London. He read Law enrolled as a full-time student under the International Programme of the University of London and subsequently pursued the Bar Professional Training Course (BPTC) at Nottingham Law School. He is a part time Law Lecturer teaching a range of



modules and was also the Chairperson of State Informatics Ltd (Mauritius) and State Informatics Ltd (Botswana). Me. Bacorisen has also served as a member on the Board of the Tertiary Education Commission and its Committees. He is now a Board Member on the Higher Education Commission.

Ourveena Geereesha Topsy-Sonoo, Commissioner

Mrs Ourveena Topsy-Sonoo is the Parliamentary Counsel of the Republic of Mauritius. She has gained extensive experience at the Attorney General's Office. Mrs Topsy-Sonoo holds an LLB (Hons), an LLM (IMLI) and is a member of the Mauritian Bar.



G rard Bussier, Commissioner (Until July 2022)

Mr G rard Bussier is the Deputy Financial Secretary at the Ministry of Finance, Economic Planning and Development. He holds a Master degree in Business Administration with specialisation in finance. Mr Bussier is a Certified Chartered Accountant (UK) and a Certified Fraud Examiner (USA).

Madhumattee Ramkhelawon, Commissioner

Mrs Madhumattee Ramkhelawon is the Deputy Permanent Secretary at the Ministry of Energy and Public Utilities. She holds a Diploma in Public Administration and Management, a Degree in Public Administration and Management and an MBA.



5.0 MANAGEMENT

Section 14 of the URA Act 2004 (as amended) provides that the Board shall appoint its Director, who shall also be the Chief Executive Officer. Mrs. Eunice Harris Potani was recruited as the Chief Executive Officer and has been in office since 1st May 2019. Her contract ended in May 2022 and was extended for 3 months.



Eunice Harris Potani, Chief Executive Officer

Qualifications: BSc Economics, MA in Economics.

Suraj Boisemo Naiko, Manager Administration and Regulatory Partnerships

Qualifications: BSc Mgt, MBA, BADGE Régulation de l'énergie.





Bilkiss Jhingut, Acting Manager Finance

Qualifications: BSc (Hons) Accounting with Information Systems, Part ACCA, PSEA.

Ashirah Kaudeer, Acting Manager Legal Affairs (Until August 2022)

Qualifications : LLB (Hons), LLM, ACCA (Qualified).



Ilshad Hoolash, Acting Manager Network Assets

Qualifications: B.Eng. (Hons)-Electrical Engineering, BSc (Hons) – Water Production, MBA, RPEM, MACostE.

Kritina Sungkur, Acting Manager Consumer and Public Affairs

Qualifications: BA Mass Communication, Certified Digital Marketing Professional.



Poodessen Moothoosamy, Acting Manager ICT

Qualifications: BSc Computer Science, MBA.

6.0 CHAIRPERSON'S STATEMENT

I am delighted to present the URA Annual Report for the Financial Year 2021- 2022. This year will be remembered as a year of hard work, accomplishments and progress at the URA, culminating with the launch of the URA electronic licensing platform for the electricity sector on the 20th June 2022.



The URA team, not only laid the groundwork for a transparent and sustainable regulatory framework, but also engaged, sensitised, guided and handheld all stakeholders on the licensing implementation process. The trust that our stakeholders placed on us made us more confident, resilient and reinvigorated.

Hiring, developing and managing the right people has been critical to URA's ability to launch and execute its strategy. We have developed the talent, technology and capabilities to be highly successful this year and well into the future to deliver on our mission of becoming a responsible regulator for sustainable utilities.

"We have developed the talent, technology and capabilities to be highly successful this year and well into the future to deliver on our mission of becoming a responsible regulator for sustainable utilities."

Despite the financial constraints and setbacks that were encountered along the way, we have been able to steer through the challenges of the unpredictable economic and operational conditions effectively and continued to achieve remarkable progress by continuously aligning to the Government's vision and roadmap for a sustainable electricity sector through the energy transition and the facilitation of renewable energy integration into the energy mix while maintaining a strong operational rigour.

Having gone through the formative years and successfully launching the electricity licensing process, the URA will continue re-engineering its strategy aimed at providing sustainable long-term value for all stakeholders through a fair and balanced regulatory oversight role on all licensed entities and ensuring ethical and good corporate governance and transparency in the regulatory processes.

However, we still have a long road ahead to ensure a better and brighter future for the utility regulatory environment in Mauritius. As we enter the new regulated environment, we are thrilled to embark on this journey with all our stakeholders and partners playing their rightful roles in the process and I would like to thank each one of them for their active support and unshakable trust in our abilities to deliver on our regulatory mandate. You have motivated us to unleash our potential for the next phase of our growth as a trusted regulator for the Utility sector in Mauritius.

It is a privilege to chair this Board. I thank my fellow Directors for their ongoing engagement and guidance, and the Chief Executive Officer and the staff for their relentless collaboration and unwavering determination in helping and supporting all our stakeholders to succeed in migrating into the new regulated environment.



Philip Ah-Chuen

Chairperson

Utility Regulatory Authority

7.0 CHIEF EXECUTIVE OFFICER'S STATEMENT

The year 2021-2022 has been a significant year for the URA. We are delighted to have created and operationalised the e-Licensing platform for the electricity sector, with different modules to cater for and manage the different stakeholder needs in the licensing, compliance monitoring and complaints management and resolution process.



2022 has seen us welcome and record new applications for registration and licensing for the first time! We are grateful to our valuable stakeholders for the many ideas and suggestions that they have made to improve the URA e-Licensing platform. It is our wish and commitment to continue the engagement with all our stakeholders as we introduce many more features to the platform to further streamline the regulatory process and compliance monitoring on the issued licenses.

What a year 2022 has been! While 2022 saw the launch of the URA operations, the URA financial sustainability issues clearly took the backseat to the absolute imperatives of dealing with austerity measures relating to the Covid pandemic. The URA funding has continued to be limited to the grant funding provided by the Government which has remained almost constant in the past two years, while the URA has gradually increased its scope of work. With the transitional arrangements for licensing in place, there is some lead time and therefore limited scope for the Authority to collect licensee fees to support its operations. Meanwhile, the URA has continued to receive support from cooperating partners covering staff capacity development needs and consultancy services on the development of various key regulatory tools.

I am incredibly proud of the work we have done this year. We built robust systems and new partnerships and I do not doubt that more will come in 2023. I am delighted that my team embraced new ways of working, using digital technology to communicate with all our stakeholders, with as little interruption as possible. This forms a brilliant foundation that we can build on as we look forward to 2023.

I have been inspired by the resilience, agility and unity shown by the URA team through the year and I commend their dedication to ensuring business continuity and serving our clients professionally. The level of support and the collaboration I have witnessed from all our stakeholders reflects how much we have transformed, without ever changing our values. This is precisely what our new “*brand*”

identity” is about and how poised we are to further grow and create value for the benefit of the energy sector.

As 2022 draws to a close, I want to acknowledge that although the past 2 years have been challenging in many ways, they have shown us how strong we are as an organisation even in the toughest of times.

I would like to thank the URA Chairperson and the Board for their continuous guidance and support and most importantly for believing in us and trusting us with the implementation of the URA Strategic Plan 2019-2022. We greatly acknowledge and appreciate the continuous policy guidance provided by the Ministry of Energy and Public Utilities, during the critical stages of preparing for the operationalisation of the URA licensing function.



Eunice Harris Potani

Chief Executive Officer

Utility Regulatory Authority

8.0 BOARD'S RESPONSIBILITY STATEMENT




BOARD'S RESPONSIBILITY STATEMENT

The Utility Regulatory Authority Board is responsible for the proper keeping of accounting records which disclose, with reasonable accuracy, at any time, the financial position of the Authority.

CORPORATE GOVERNANCE

The Board confirms to the best of its knowledge that the Utility Regulatory Authority has complied with all its obligations and requirements under the Code of Corporate Governance.

Signed by

Signature: 

Name: Mr. Philip Ah-Chuen

Chairperson, URA

Signature: 

Name: S. N. ARORA

Commissioner, URA

Date: 7-12-2022

Date: 7-12-2022



9.0 CORPORATE GOVERNANCE

The URA Board is committed to fully implement corporate governance standards and monitors and ensures compliance with relevant laws and regulations. It also aims to maintain a high standard of reporting and disclosure, keeping in mind the best interests of all stakeholders. In line with its commitments, the Board aspires to develop and align policies, systems and processes to embrace sound corporate governance principles as laid down by the URA Act.

The Board is responsible for providing the overall strategic direction of the Authority and through Executive Management, oversees the operations and management of the URA that will facilitate the Board's role in granting of Licences, Tariff determination and approval, staff recruitments and setting of remuneration packages and levels.

Throughout the year ending 30th June 2022, and to the best of the Board's knowledge, the URA has complied with the National Code of Corporate Governance of Mauritius (2016). The summary below is the demonstration of the URA Board's commitment in the application of the principles set out in the Code.

THE CORPORATE GOVERNANCE PRINCIPLES		
	Relevance to the URA (Refer to)	Compliance of the URA
Principle 1: Governance Structure	Refer to Section 9.0	✓
Principle 2: The Structure of the Board and its Committees	Refer to Section 9.1 & Section 9.4	✓
Principle 3: Director Appointment Procedures	Refer to Section 4.0	✓
Principle 4: Director Duties, Remuneration and Performance	Refer to Section 4.0, 9.2, 9.3 & Section 9.4	✓
Principle 5: Risk Governance and Internal Control	Refer to Section 9.4	✓
Principle 6: Reporting with Integrity	Refer to Section 12.0	✓
Principle 7: Audit	Refer to Section 9.4	✓
Principle 8: Relations with Shareholders and Other Key Stakeholders	Refer to Section 10.4 & 10.6	✓

9.1 Structure of the Board

Section 8 of the URA Act 2004 (amended in 2021) provides that:

(1) The Authority shall be administered and managed by the Board.

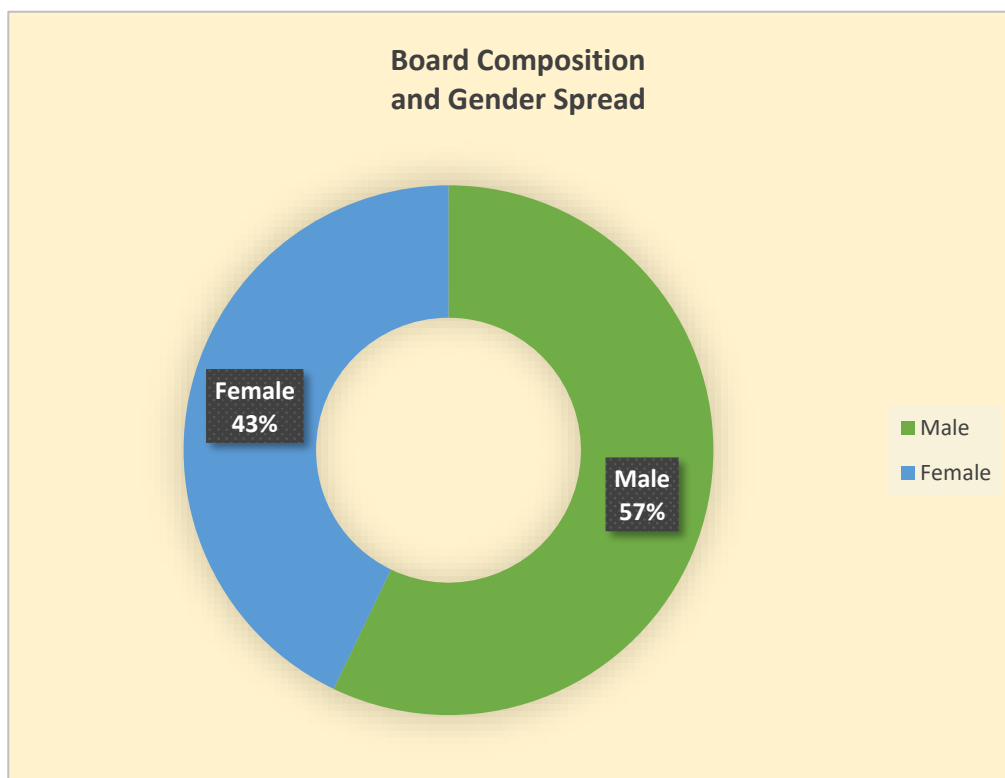
(2) The Board shall consist of –

(a) a Chairperson and

(b) 6 Commissioners.

Consequently, the URA Board was appointed in line with the provisions of Section 9 of the URA Act.

In line with this provision, the composition of the Board is as follows:



9.2 BOARD APPOINTMENT DATES AND TERMS OF OFFICE

	STATUS	DATE OF APPOINTMENT	TERM
Mr Philip Ah-Chuen	Chairperson	15 th May 2018	5 years
Mr Sadatmanund Narain	Commissioner	26 th February 2020	5 years
Mrs Jenny Sevambal Mootealoo	Commissioner	26 th February 2020	5 years
Mr Pratabsing Bacorisen	Commissioner	09 th December 2020	5 years
Mr Gérard Bussier (until July 2022)	Commissioner	21 st September 2021	5 years
Mrs Geereesha Topsy-Sonoo	Commissioner	21 st September 2021	5 years
Mrs Madhumattee Ramkhelawon	Commissioner	21 st September 2021	5 years

9.3 BOARD MEETING ATTENDANCE AND REMUNERATION

In accordance with Section 13 (1) of the URA Act 2004 (as amended), the Board is required to meet at least once every 3 months.

For the Financial year ending 30th June 2022, the Board held a total number of ten (8) normal Board meetings and four (4) extraordinary board meetings. The attendances and fees for the review period are summarised as follows:

NAME	BOARD MEMBERS	BOARD MEETINGS HELD	EXTRAORDINARY MEETINGS HELD	FEES FOR YEAR ENDED 30.06.22 (Rs)
		8	4	
Chairperson	Mr Philip Ah-Chuen	8	4	1,320,000
Commissioner	Mr Sadatmanund Narain	8	4	720,000
Commissioner	Mrs Jenny Sevambal Mootealoo	8	4	720,000
Commissioner	Mr Pratabsing Bacorisen	8	4	706,364
Commissioner	Mr Gérard Bussier	7	2	561,818
Commissioner	Mrs Geereesha Topsy-Sonoo	7	3	561,818
Commissioner	Mrs Madhumattee Ramkhelawon	7	3	561,818

Pursuant to Section 14 (5) of the URA Act 2004 (as amended), the Chief Executive Officer attended all Board Meetings as a non-voting member.

9.4 BOARD COMMITTEES

As part of its action plan to implement and fully comply with the requirements of the National Code of Corporate Governance of Mauritius (2016), the Board of the URA resolved in December 2021, to reconstitute the Board Committees in order to assist in the smooth running of the Authority's business. The main sub-Committees are as follows:

i. Human Resource, Appointment and Remuneration Committee

The HR, Appointment and Remuneration Committee is responsible for creating and monitoring value-based systems and policies to ensure that the organisation is following relevant laws and best practices relating to its employees and creating an attractive environment for retaining current employees and attracting prospective employees.

ii. Audit and Risk Management Committee

The Audit and Risk Management Committee shall provide oversight and make recommendations to the Board on matters of Risk Management and internal and external Audit. Through its audit and risk function, the Committee will review the financial reporting process, the systems of internal control and the management of the financial and business risk and the audit process.

iii. Corporate Governance Committee

The Corporate Governance Committee will provide appropriate oversight for the effective implementation of Good Governance principles.

iv. Technical, Tariffs, Licensing and Wayleave Committee

This Committee will assist the Board in providing leadership, direction and oversight in the development of a coherent, technical, economic and legal sound approach on the URA regulatory, and licensing function for utility services.

v. Finance Committee

The Finance Committee will provide financial oversight and make recommendations to the Board on financial matters.

The constitution and attendances for the Committees for the period under review are summarised as follows:

COMMITTEES	CONSTITUTION	NO OF MEETINGS
HR, Appointment and Remuneration Committee	Chairperson: Mrs Jenny Mootealoo Member: Mr Sadatmanund Narain Member: Mr Pratabsing Bacorisen	6
Finance Committee	Chairperson: Mr Pratabsing Bacorisen Member: Mrs Jenny Mootealoo Member: Mrs Madhumattee Ramkhelawon	5
Governance Committee	Chairperson: Mrs Geereesha Topsy-Sonoo Member: Mr Gérard Bussier (until July 2022) Member: Mrs Jenny Mootealoo	2
Audit and Risk Management Committee	Chairperson: Mr Gérard Bussier (until July 2022) Member: Mrs Geereesha Topsy-Sonoo Member: Mrs Jenny Mootealoo	1
Technical, Licensing, Tariffs and Wayleave Committee	Chairperson: Mr Sadatmanund Narain Member: Mr Pratabsing Bacorisen Member: Mrs Madhumattee Ramkhelawon	3

The following table shows the sub-committee fees disbursed for the year ending 30 June 2022.

BOARD MEMBERS	NAME	SUB-COMMITTEES FEES FOR YEAR ENDED 30.06.22 (Rs)
Chairperson	Mr Philip Ah-Chuen	-
Commissioner	Mr Sadatmanund Narain	42,700
Commissioner	Mrs Jenny Sevambal Mootealoo	43,200
Commissioner	Mr Pratabsing Bacorisen	68,700
Commissioner	Mr Gérard Bussier	20,000
Commissioner	Mrs Geereesha Topsy-Sonoo	22,000
Commissioner	Mrs Madhumattee Ramkhelawon	42,000

10.0 OPERATIONAL REVIEW PERFORMANCE

The URA three-year Strategic Plan for the year 2019-2022, which was adopted in 2018/2019, has provided a roadmap for URA in its drive to deliver on its mandate of ensuring business viability, customer protection, promotion of efficiency and competition in the market. Guided by the aspirations of the Strategic Plan, the URA prepared a roadmap, in line with the strategic objectives, which continues to guide business plans and activities implemented in the review period. As such, the performances of the various directorates are highlighted in the following Sections 10.1 to 10.6.

The need for ongoing harmonization of laws governing various agencies with different roles in the utility sector will require that URA continuously work to develop various forms of regulations and Memorandum of Understanding to fill the gaps in the laws and provide clarity and complementarity of roles among various key players in the utility services sector.

10.1 LEGAL AFFAIRS DIRECTORATE

The Legal Affairs Directorate (LAD) is in charge of creating the sector's legal framework, which serves as the foundation for the URA. During the period under review and pre-licensing phase, LAD invested a substantial amount of time and effort in the preparation of regulatory tools, in readiness of the URA becoming fully operational.

In December 2020, the Electricity Act 2005 and CEB Act 1964 were amended to restructure the electricity market. In this context, there was a need to re-align existing URA regulatory and legal documents. During the review period 2021/2022, the following assignments were undertaken and completed:

- Review and drafting of Terms and Conditions for Licences;
- Design of Licence certificates which shall be issued for the electricity activities to be licensed;
- The Licence Application Form to be filled-in by all applicants requiring a licence upon proclamation of the Electricity Act;
- Resolution of Disputes Regulations to govern disputes arising between two licensees or a licensee and a customer;
- Complaint Handling Procedures and Complaints Handling Regulations which together shall comprise part of the Complaints Handling Framework for receiving, handling and enquiring into grievances from consumers;

- Sample Power Purchase Agreement (PPA) document to guide on the minimum PPA requirements;
- PPA Review Guidelines to facilitate in the review process of a PPA and allow the Authority to make informed recommendations with respect to the PPA contracted between two licensees; and
- Licence Application Checklist to be used by Technical Unit for the review process of an application.

Since the last three years, LAD provided the necessary legal support and participated actively with the MEPU and SLO to draft the Electricity Act 2005 (amended 2020) and its Supporting Regulations. In this regard, on 10th June 2022, the following were successfully proclaimed and operationalised:

- i. the Electricity (Safety, Quality and Continuity) Regulations 2022 to ensure the continuity of a safe electricity supply, as per established standards;
- ii. the Electricity (Metering, Billing and Collection) Regulations 2022 to regulate these activities of the Central Electricity Board;
- iii. the Electricity (Licensing, Registration and Fees) Regulations 2022 which concern the licensing activity of the URA;
- iv. the Electricity (Transitional Licence) Regulations 2022 to regulate the transitional phase, pending full compliance of the requirements of the legislation by the existing Independent Power Producers and Central Electricity Board.

Moreover, following the proclamation of the Electricity Act (amended 2020), the legal department performed major changes on the online E-Licensing platform following the change in the market model. Similarly, the legal directorate performed the following processes:

- i. Reviewed and amended application forms for Provisional and Transitional licences;
- ii. Reviewed and updated the E-Licensing platform;
- iii. Designed the licensing flowchart processes on the E-Licensing platform;
- iv. Provided a legal guideline to facilitate applicants alongside the licensing processes;
- v. Issued registration ID to all applicants who registered on the E-Licensing platform;
- vi. Issued application number for different types of licences; and
- vii. Reviewed Licence application submitted by applicants.

Necessary Way leave

In August 2021, the Finance (Miscellaneous Provisions) Act 2021 was enacted, empowering the URA to grant necessary wayleave to the Central Electricity Board, the Central Water Authority and the Wastewater Management Authority. In this context, LAD in collaboration with the IT department, are currently devising an online application platform to facilitate the Wayleave application process. The proposed online system is expected to be user friendly which will eventually help to reduce wayleave processing time. The system is expected to be fully operational in the next quarter.

Certificate of exemption

According to the Electricity (Licensing, Registration and Fees) Regulations 2022, a Certificate of Exemption will be provided, to any person who intends to conduct an exempt activity. In this context, LAD designed a user-friendly online application form for this category of applicants.

Complaint and Grievances

In addition, LAD also collaborated with the Consumer and Corporate Affairs Directorate to undertake investigations and enquiries on customer grievances and also participated in consultative sessions and interactive meetings with the Ministry of Energy and Public Utilities, the Central Electricity Board, IPPs and the *Commission de Régulation de l'Énergie*, among others.

10.2 TECHNICAL DIRECTORATE

Since the last three years, the Technical Directorate (TD) devoted significant amount of energy in the development and review of Regulatory Legislations including: Electricity Act 2005, Electricity (Transitional Licence) Regulations 2022, Electricity (Licensing, Registration and Fees) Regulations 2022, Electricity (Safety, Quality and Continuity) Regulations 2022 and Electricity (Metering, Billing and Collection) Regulations 2022.

The Electricity Act 2005 and its associated Regulations were proclaimed by the Government on the 10th of June 2022. This long-standing expectation finally comes to fruition. Thanks to the Government and all stakeholders.

The proclamation of the Electricity Act 2005 was an important milestone in the operation of the TD. TD is now legally mandated to conduct its regulatory duties in collaboration with other departments of the URA. TD has already started the process of: granting licences, processing wayleaves applications and handling of complaints.

TD In the next quarter will continue on its development and it is expected that the following ongoing assignments will come to fruition: Operationalisation of the National Electricity Grid Code, the Electric Vehicle Regulations, the Renewable Energy Metering Regulations and the Online KPIs Monitoring System.

The energy environment is constantly changing due to introduction of new technologies and the requirement to integrate more Renewable Energy. Since the 2019/2020 period, TD collaborated with other institutions on various ongoing policy initiatives driven by the Ministry of Energy and Public Utilities. However, the review period 2021/2022 was particularly marked by the publication of the new **“Renewable Energy Road Map 2030 for the Electricity Sector (Rev 2022)”**. TD will continue to collaborate and provide assistance at all levels with stakeholders for implementation of the Road Map 2030 and other Government Energy Policy.

TD is now equipped with the necessary fundamental Regulatory Tools. The next financial year will be challenging and much effort will be deployed to deliver concrete results in terms of Licences, Wayleaves, Customer Complaints, Performance Monitoring of Licensees and Technical Regulation.

10.3 ECONOMIC REGULATION DIRECTORATE

During the year under review, the Economic Regulation Directorate (ERD) was actively involved in the overall processes for the operationalization of the URA.

ERD contributed significantly in the development of the Electricity (Licensing, Registration and Fees) Regulations 2022 and the Electricity (Transitional Licence) Regulations 2022 and also collaborated for the development of the Electricity (Metering, Billing and Collection) Regulations 2022. The licence fees framework for the URA was finalized and ERD provided full support to the consultancy study made on the licensing fee framework performed by Ecoforge Advisors Pvt Ltd. ERD also had working sessions with the key stakeholders during which the licensing fees framework was presented and fully discussed.

Furthermore, ERD has been overseeing the process of developing the following three regulatory implementation tools namely, (1) the development of an online dashboard, in collaboration with TD, which will be used by the URA to assess how effectively and efficiently the utility company achieves specific goals and objectives, (2) the Tariff Regulation, which will serve as a basis for the Authority to elaborate the specific tariff methodologies and guidelines for each electricity sector, (3) an excel based tool for tariff calculation, which shall ensure that all tariff calculations follow a standardized approach

and would allow conducting sensitivity analysis with regards to renewable energy cost and its impacts on electricity price. In support to the development of the online KPI dashboard, ERD has further developed a paper providing guidelines on the financial and economic performance monitoring framework to be used by the URA. The paper defines the Key Performance Areas (KPA) and the Key Performance Indicators (KPIs) which will be used by ERD to monitor the performance of the licensee.

ERD further developed the relevant application forms relating to financial and economic data to be filled by licensees in support to an application for a transitional, provisional or permanent licence. The ERD coordinated the development of guidelines for conducting a licence application review with inputs from LAD and TD and also assisted the implementation of the licensing fee framework on URA's online platform. ERD continued to collaborate with the Consumer and Corporate Affairs Directorate in dealing with complaints and wayleave issues and with the LAD and TD for the development of other URA's regulatory instruments. During the year under review, ERD also assisted the procurement committee for various tender exercises.

The ERD continued to actively participate in the CEB's Cost of Electricity Services (supply) and Pricing of the Services during the year under review while conducting due diligence over the process and ensuring that it is in line with the URA Tariff Guidelines and Methodology. ERD additionally coordinated in the filling of the Tariff Publication information and compiled relevant information for SADC Tariff Publication. ERD collaborated with CPSC - ESREM on the project regarding the implementation of harmonised regulatory/technical frameworks and synthesized renewable and energy efficiency strategies in the EA-SA-IO region.

On the 24th of June 2022, ERD received a Tariff Review Application from the Central Electricity Board and is in the process of obtaining all the necessary information for proper analysis of the application.

10.4 CONSUMER AND CORPORATE AFFAIRS DIRECTORATE

The Consumer and Corporate Affairs Directorate (CCA) is committed to continuously inform and engage stakeholders on key regulatory matters as well as increase awareness on the Authority's activities. As such, the CCA Directorate has in the period under review, issued press releases and communiqués on matters such as the promulgation of the Electricity Act 2005, the licensing framework and CEB's tariff application.

Moreover, for the FY 2021-2022, the CCA Directorate participated in numerous consultative meetings with stakeholders to discuss important regulatory matters such as the rolling out of the licensing framework and tariff application, among others. Further details are provided in Table 1 and Table 2.

STAKEHOLDER ENGAGEMENT ON THE ROLLING OUT OF THE URA LICENSING FRAMEWORK	
List of Stakeholders	Date
Central Electricity Board	Ongoing
Ministry of Energy and Public Utilities	Ongoing
Ministry of Environment, Solid Waste Management and Climate Change	June 2022
Ministry of Housing and Land Use Planning	June 2022
Mauritius Renewable Energy Agency	June 2022
Energy Efficiency Management Office	June 2022
Consumer Affairs Unit & Citizen Support Unit	June 2022
Business Mauritius & Independent Power Producers	May 2022
Economic Development Board	June 2022
Consumer Organisations and NGOs	June 2022
<i>Commission de Régulation de l'Énergie & Agence Française de Développement</i>	Ongoing

Table 1: Stakeholder Engagement on the rolling out of the URA Licensing Framework

STAKEHOLDER ENGAGEMENT ON THE CEB'S TARIFF APPLICATION	
List of Stakeholders	Date
Central Electricity Board	Ongoing
Ministry of Energy and Public Utilities	Ongoing
Business Mauritius & Independent Power Producers	July 2022
Mauritius Chamber of Commerce and Industry	July 2022
Mauritius Export Association	July 2022
Outsourcing & Telecommunications Association of Mauritius	July 2022
Association of Hoteliers and Restaurants in Mauritius	July 2022
Consumer Associations and NGOs	July 2022

Table 2: Stakeholder Engagement on the CEB's Tariff Application

In the review period, the CCA Directorate, in collaboration with the technical, legal and economic regulation directorates, continued to handle different complaints that were submitted to the Authority, covering issues such as billing, damage to appliances and wayleave, among others.

As of 26th July 2021, the CCA Directorate gained access on the Citizen Support Portal (CSP), which was set up by the Citizen Support Unit (Prime Minister’s Office). Since then, the Complaints Team has addressed a few complaints through the Citizen Support Portal. The nature and status of all complaints are summarised in the following table.

COMPLAINTS RECEIVED BY THE URA AS AT 30 JUNE 2022		
SN	COMPLAINTS RECEIVED	STATUS
2021		
1.	Complaint #20 received on 21.07.21 on the CSP (Complaint against CEB, Vacoas, on excessive billing)	Necessary steps taken by the URA. Investigation carried out by the CEB. Plaintiff has requested a meeting with CEB’s Revenue Management Team. <u>Status: Resolved</u>
2.	Complaint #21 received on CSP on 26.07.21 (Complaint against CWA, Pereybère)	Necessary steps taken by the URA. <u>Status: Resolved</u>
3.	Complaint #22 received on CSP on 26.07.21 (Complaint against CWA, Bel-Air)	Necessary steps taken by the URA. <u>Status: Closed</u>
4.	Complaint #23 received on CSP on 26.07.21 (Complaint against CEB regarding street lighting at Fond du Sac)	Feedback received from CEB. <u>Status: Closed</u>
5.	Complaint #24 received on CSP on 26.07.21 (Complaint against CEB regarding damage to household appliance, Poste de Flacq)	Feedback received from CEB. CEB is not liable as per AM’s report. Customer was informed. <u>Status: Closed</u>
6.	Complaint #25 received on CSP on 13.08.21 (Complaint against CWA wrt excessive bill, St-Paul)	Necessary steps taken by the URA. Investigation carried out by the CWA. <u>Status: Closed</u>
7.	Complaint #26 received on 24.09.21 (Complaint against CEB regarding procurement exercise on	Necessary steps taken by the URA. Complaint does not fall under the purview of the Authority.

	the 'purchase of electrical energy from utility scale solar photovoltaic farms')	<u>Status: Closed</u>
8.	Complaint #27 accessed on the CSP on 29.11.21 (Complaint against CEB regarding high charges on installed SSDG PV Panels)	Necessary steps taken by the URA. <u>Status: Resolved</u>
9.	Complaint #28 accessed on the CSP on 15.12.21 (Complaint on the sale of counterfeited thirteen amp plugs and sub-standard electrical plugs in Mauritius)	Necessary steps taken by the URA. Complaint not relevant to the URA. A reply was sent to the complainant on the CSU portal to seek further information on electrical plug standards from EEMO. <u>Status: Closed</u>
2022		
10.	Complaint #29 accessed on the CSP on 09.01.22. (Complaint regarding water leak)	Necessary steps taken by the URA. Complaint not relevant to the URA. The ticket was transferred to the CWA on the CSU portal for their action. Leakage has been repaired. <u>Status: Closed</u>
11.	Complaint #30 on 01.04.22 on Wayleave from the WMA	Necessary steps taken by the URA. URA has met with some of the parties involved. Investigation is ongoing. <u>Status: In progress</u>

10.5 INFORMATION TECHNOLOGY DEPARTMENT

Information Technology Directorate

During the year 2021-2022, the URA has continued in its strategy of improving business efficiency through the optimal use of ICT. In this respect, the organisation has implemented new systems to support and drive the business initiatives. In order to achieve this, various adjustments were brought to the overall IT outlook in terms of servers, networking, business applications, security and signing of the support contract agreement with the suppliers, among others. The various initiatives, that were undertaken, aim at helping the URA to operate in a more efficient and effective way.

Online Licensing Platform

Following the proclamation of the Electricity Act on 10th June 2022, the online licensing platform has gone live and the stakeholders are able to perform their online licensing application such as Provisional, Transitional and full- fledged licence using the URA web portal.

Necessary Wayleave

Following the amendment in the URA Act 2020, provision has been made for the URA to look after and intervene in the necessary wayleave matters. In that context, a module on the URA online platform is currently being developed for the applicants to make their wayleave request.

Online Key Performance Indicator (KPI) Dashboard

A bidding exercise for the development of an online KPI dashboard was carried out in December 2021 and the bidder, State Informatics Ltd (SIL), was selected. The Online KPI dashboard is currently being developed by SIL. The online KPI dashboard is a web-based platform where all licensees will on a regular basis report their performance on the agreed set Key Performance Indicators (KPIs). The KPIs dashboard will facilitate the collection, computation and dissemination of KPIs grouped into areas covering the financial, technical, economic and commercial aspects of the Utility Business. KPIs analysis will provide insights to the Utility Regulatory Authority and help for future improvement in the Renewable Energy sector.

Information Security Policy

The URA Information Security Policy, which was developed and launched in the period under review, is a key component of the URA's overall Information Security Management Framework and reflects the commitment of Management to information security. This policy establishes and maintains the security and confidentiality of information, information systems, applications and networks owned or held by the URA. In this respect, security solutions are continuously sought to keep alongside of new security threats. The counts for the troubleshooting of hardware or software issues were performed by the ICT department for different directorates which required support for operationalisation of the ERP and other software application interventions.

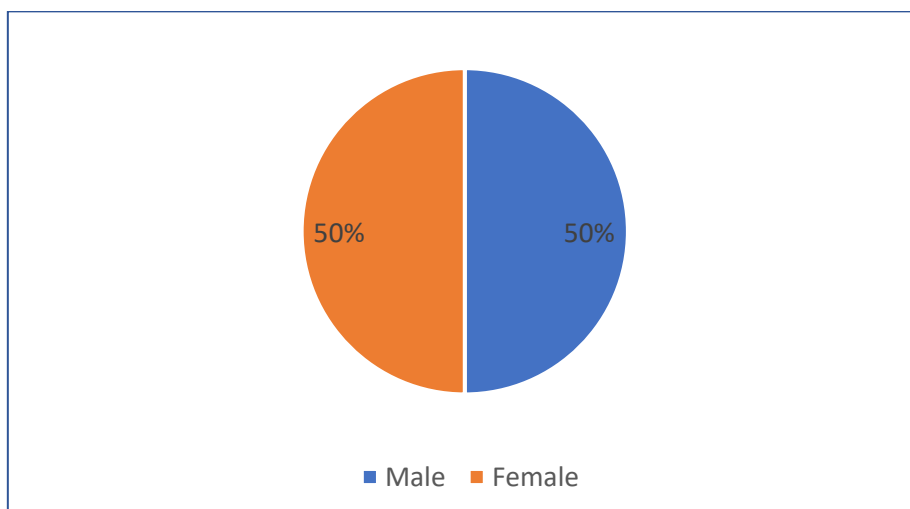
10.6 HUMAN RESOURCE, ADMINISTRATION AND REGULATORY PARTNERSHIPS DIRECTORATE

URA STAFF COMPLEMENT

At the start of the review period, 13 staff were in place. In July 2021, the (Ag) Manager Legal Affairs resigned. The following table provides a summary of the status on staff in place by end of the review period:

FILLED POSTS	
TOTAL URA STAFF COMPLEMENT	12 staff
CEO's Office	4
Legal Affairs	2
Economic and Finance	3
Technical (electricity)	1
Technical (water)	0
Consumer and Corporate Affairs	1
HR, Administration and Regulatory Partnerships	1 staff plus * 1 trainee

STAFF COMPOSITION AND GENDER SPREAD AT URA



STAFFING AND CAPACITY BUILDING

By the end of the review period, the planned recruitment of additional staff could not be completed as the URA Board froze the recruitment of staff due to lack of funding.

As regard to capacity building, the Authority's policy is to equip its staff with relevant regulatory, managerial, and operational competencies to enhance their service delivery to the public. During the year under review, staff attended the following sponsored training:

Online training on Financial Modelling for Utility Tariff setting

- Four staff comprising of the Accounts Officer, the (Ag) Finance Manager, the (Ag) Manager Network Assets and the Tariff/Financial Analyst followed the one-week training on Financial Modelling, Power Purchase Structuring and Negotiations. Ninety percent of the training cost was sponsored by the Africa EU Energy Partnership (AEEP), through the SADC Centre for Renewable Energy and Energy Efficiency (SACREEE).

BADGE Diploma in Energy Regulation (Ecole de Mines, Paris)

- The Manager Administration and Regulatory Partnerships was awarded the BADGE Diploma in Energy Regulation by Ecole de Mines, Paris. The training was sponsored by RegulaE.Fr.

Human Resource Training

- The Manager Administration and Regulatory Partnerships completed a Masters with Specialization in Human Resource.

Sponsored training obtained under a Financial Partnership Agreement between *Agence Française de Développement (AFD)*, *Commission de Régulation de l'Énergie (CRE, France)* and the Utility Regulatory Authority

- The (Ag) Manager Legal Affairs, the Accounts Officer and the Administrative Assistant completed the online Annual Training on Regulation conducted by Florence Business School (FSR) and obtained their certificates.
- The (Ag) Manager Finance and the (Ag) Manager Legal Affairs participated in the BADGE Diploma in Energy Regulation which took place in Cote D'Ivoire and Ecole de Mines, Paris.

Regional Co-operation and collaboration

During the review period, the Authority virtually participated in the activities of the Regional Associations namely the Regional Energy Regulators Association (RERA). The main objective of participating in these activities was to exchange regulatory experiences within the International and

Regional setting and allow the Authority to access information necessary for regulation and performance benchmarking.

One Commissioner attended the AGM and working sessions of the *Réseau des Régulateurs Francophones de l'Énergie* (RegulaE.Fr) which took place in Benin and the (Ag) Manager Network Assets participated in the development of the SADC Regional Grid Code for the Electricity Supply Industry (ongoing) being supported by both the Regional Energy Regulators Association (RERA) and the Regional Association of Energy Regulators for Eastern and Southern Africa.

Technical Support through Partnerships

During the review period, the Authority continued to received support under the Financial Partnership Agreement signed between the Utility Regulatory Authority (URA), the *Commission de Régulation de l'Énergie* (CRE) and the *Agence Française de Développement* (AFD), aimed to support the URA in developing its regulatory capacity to effectively regulate the electricity sector in Mauritius through robust licensing, tariff setting, development of regulatory frameworks to promote the integration of renewable energy into the energy mix.

After an initial assessment carried out remotely, a CRE delegation visited Mauritius from 21 to 25 February 2022, with the aim of carrying out an in-depth assessment of the governance of the Mauritian electricity sector in order to better establish the role and missions of the URA for the proper application of the Electricity Act. The CRE experts met with the key players in the Mauritian energy sector to better understand the challenges of the reforms underway and the expectations of the various stakeholders, following which, they recommended on what should an independent regulatory authority consist of, how it fits in with the other institutions and what is the nature of its added value in the implementation of an energy policy.

The second part of the mission consisted in accompanying the URA team in its approach to its missions, and in particular in the interpretation of the tasks entrusted to it by the Electricity Act. Following discussions with the energy key stakeholders and the Mauritian authorities, CRE made recommendations on the governance of the Mauritian electricity system and proposed targeted thematic actions to support the implementation of the energy reform and to increase the URA's competence to the best of its ability.

11.0 STRATEGIC DIRECTION 2022-2025

As part of its overall business strategy for the period 2022-2025, the URA Board has set out the following strategic objectives:

URA STRATEGIC DIRECTION	ENABLERS	
<p>URA as the regulator of the utility sector is mandated to ensure the sustainability and viability of utility services and promote efficiency in both operations and capital investments in respect of utilities services, while protecting interests of both existing and future customers and promoting competition in the Utility Service Industry.</p>	<ul style="list-style-type: none"> • Licensing of electricity producers and distributors and other operators in accordance with Electricity Act 2005 and associated regulations: The Electricity (Licensing, Registration and Fees) Regulations 2022, The Electricity (Metering, Billing and Collection) Regulations 2022, The Electricity (Safety, Quality and Continuity) Regulations 2022, The Electricity (Transitional Licence) Regulations 2022. • Implementing adequate systems for monitoring the compliance by licensees with standards and the applicable regulations. • Establish an appropriate procedure for receiving and enquiring into complaints by customers in relation to utility services through online complaints management platform (http://online.uramauritius.mu/). • Determine allowable revenues and regulate tariffs and other charges levied by a licensee and develop tariff methodology and guidelines. • Establish an online portal to facilitate licensing applications and disseminate information on licences. 	
STRATEGIC OBJECTIVES	ACTION	ACTIVITIES
<p>1) Enhance Legal framework and phased implementation of Licensing</p>	<p>Rolling out of URA licensing function and issuance of various licences</p>	<p>(i) Implementation of Licensing process consisting of: Registration of Licensees, processing Licence application and processing of Licence fees as per the regulations.</p>
		<p>(ii) Develop Electric Vehicle (EV) Regulations, Renewable Energy (RE) Metering Regulations and Tariff Regulations (Consultancy works ongoing for the development of Tariff Regulation and Excel Based Tool for Tariff Calculations)</p>
		<p>(iii) Operationalising of the National Grid Code Review Panel and Updating the National Electricity Grid Code in</p>

		conjunction to any changes within the Electricity sector.
		(iv) Compliance monitoring based and terms and conditions of the various licences to be issued by the Authority.
		<p>(v) The Electronic Licensing Platform has been redesigned based on the amendment in the Electricity Act 2005 (amended in 2020) to cater for the following online applications;</p> <ul style="list-style-type: none"> • Transitional Licence • Provisional Licence • Permanent Licence • Certificate of Registration • Necessary Wayleave <p>(vi) User training and acceptance test</p> <p>(vii) Stakeholder engagement on licensing system (Transitional, Provisional and Exemption arrangement).</p> <p>(viii) Receiving, processing of: Transitional Licence to existing projects, Provisional Licence to prospective new projects, Permanent Licence to successfully commissioned project and Exemption Certificate to any eligible Project.</p> <p>(ix) Disaster Recovery for Data</p> <p>In order to ensure continuity of a business, a disaster recovery should be put in place so that data can be replicated to a remote site. In case of any catastrophe the data can be retrieved from the remote server.</p>
2) Implementing URA mandate in the interest of consumers Sustainability of licensees	Compliance Monitoring of licensees through technical regulation	<p>(i) Pre and Post licensing inspection visits</p> <p>(ii) Routine inspections and accident/ Complaint investigations</p>

		(iii) Develop, Implement and Monitor the performance of Licensees through an online KPI's platform.
	Compliance Monitoring through Economic and Commercial regulation	<p>(i) Develop Tariff Methodology and Tariff review guidelines - Consultancy works ongoing for the development of Online KPI Dashboard, Net Metering Regulation, Tariff Regulation and Excel Based Tool for Tariff Calculations</p> <p>(ii) Monitoring - Once the new tariff will be approved by the URA, the CEB will be responsible for the implementation of the approved tariffs while the Authority will be monitoring the implementation to ensure that it in line with URA's decision. URA will also continuously evaluate the impact of new tariffs on the utility business.</p> <p>(iii) Develop RE metering and tariff regulations, excel tariff tool and online KPI dashboard</p> <p>(iv) Review of Power Purchase Agreements</p> <p>(v) Review of Tariff Application and monitoring of</p>
3) Recruiting, Skilling, Strengthening URA Team	Recruit and retain competent and trainable professional staff	<p>(i) Develop appropriate recruitment and remuneration policies and performance appraisal system</p> <p>(ii) Recruit additional staff at least a minimum of two in each core directorates of Legal, Technical, Economic, Consumer and Public Affairs.</p>

4) Remaining Relevant Through Public Engagement	Develop PR Strategy	Develop PR Strategy for important matters such as Tariff Decision.
	Corporate Identity (CI) Manual	A CI Manual guideline was produced in 2022. The Manual should now be implemented. Procurement process to be initiated.
	Develop an online platform for handling customer complaints and feedback	Online complaints management platform completed. Final tweaking to be done prior to going live.
	Conduct Public Consultations	Ongoing Stakeholder Engagement
	Public briefing	Media and Stakeholder briefs as and when required.
	Develop Crisis Management Response/Mitigation plan	Ongoing
5) Financial Independence, Transparency and Accountability	Develop framework for generating sustainable funding for URA Activities	Licence fees have been promulgated on 10 June 2022 as part of Licensing Regulations.
	Automate and facilitate the transition of URA financial function on to the URA ERP and MIS	URA financial functions migrated on to the ERP and data thereon are to be updated. Development of an Electronic Fees payment platform in progress.
	Prepare monthly management account and biannual performance reports	Monthly Management reports submitted to MEPU.

	Facilitate Internal Audit	Annual internal Audit of URA done by MEPU Management responds accordingly
	Publish annual audited accounts and annual activity performance report	(i) URA annual external audit done by NAO according to law (ii) Management responds accordingly

12.0 FINANCE DEPARTMENT

Revenues

The main source of funding for the URA in the period under review has been through Grant funding from Government provided through MEPU, the parent Ministry.

As the Electricity Act 2005 was only proclaimed near mid-June 2022, no revenue from licensing activities had been received and the URA has relied on Government Grants as main source of funding.

The summary of actual revenue is presented below.

Revenue Sources	2021/2022	2020/2021
	Actual Rs	Actual Rs
Revenues (Grants+ Cumulative savings + Others)	32.74 m	30.33 m
Licensee fee	Nil	Nil
Total	32.74 m	30.33 m

Expenditure

The main expenditure drivers in the period under review have been payroll and day-to-day operational expenses. During the reporting period, the URA continued with the development of regulatory tools with support from cooperating institutions. The expenditure summary for the period under review is presented below:

EXPENDITURE SUMMARY		
	2021/2022	2020/2021
	Actual Rs	Actual Rs
Operational Expenditure	31.04 m	29.95 m
Capital Expenditure	Nil	Nil
Total	31.04 m	29.95 m



**REPORT OF THE
DIRECTOR OF AUDIT**

**On the Financial Statements
of the Utility Regulatory Authority
for the year ended 30 June 2022**

NATIONAL AUDIT OFFICE



NATIONAL AUDIT OFFICE

REPORT OF THE DIRECTOR OF AUDIT TO THE BOARD OF THE UTILITY REGULATORY AUTHORITY

Report on the Audit of the Financial Statements

Opinion

I have audited the financial statements of the Utility Regulatory Authority set out at pages 43 to 58 of the annual report, which comprise the statement of financial position as at 30 June 2022 and the statement of financial performance, statement of changes in net assets/equity, statement of cash flows and statement of comparison of budget estimates and actual amount for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements give a true and fair view of the financial position of the Utility Regulatory Authority as at 30 June 2022, and of its financial performance and cash flows for the year then ended in accordance with International Public Sector Accounting Standards (IPSASs).

Basis for Opinion

I conducted my audit in accordance with International Standards of Supreme Audit Institutions (ISSAIs). My responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am independent of the Utility Regulatory Authority in accordance with the INTOSAI Code of Ethics, together with the ethical requirements that are relevant to my audit of the financial statements in Mauritius, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the annual report of the Utility Regulatory Authority, but does not include the financial statements and my auditor's report thereon.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with IPSASs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Utility Regulatory Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management intends to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Utility Regulatory Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISSAIs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Utility Regulatory Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Utility Regulatory Authority's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Utility Regulatory Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or, when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

Management's Responsibilities for Compliance

In addition to the responsibility for the preparation and presentation of the financial statements described above, management is also responsible to ensure that the Utility Regulatory Authority's operations are conducted in accordance with the provisions of laws and regulations, including compliance with the provisions of laws and regulations that determine the reported amounts and disclosures in an entity's financial statements.

Auditor's Responsibilities

In addition to the responsibility to express an opinion on the financial statements described above, I am also responsible to report to the Board whether:

- (a) I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of the audit;
- (b) the Statutory Bodies (Accounts and Audit) Act and any directions of the Minister, in so far as they relate to the accounts, have been complied with;

- (c) in my opinion, and, as far as could be ascertained from my examination of the financial statements submitted to me, any expenditure incurred is of an extravagant or wasteful nature, judged by normal commercial practice and prudence;
- (d) in my opinion, the Utility Regulatory Authority has been applying its resources and carrying out its operations economically, efficiently and effectively; and
- (e) the provisions of Part V of the Public Procurement Act regarding the bidding process have been complied with.

I performed procedures, including the assessment of the risks of material non-compliance, to obtain audit evidence to discharge the above responsibilities.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Statutory Bodies (Accounts and Audit) Act

I have obtained all information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit.

As far as it could be ascertained from my examination of the relevant records, no direction relating to the accounts has been issued by the responsible Minister to the Utility Regulatory Authority.

Based on my examination of the records of the Utility Regulatory Authority, nothing has come to my attention that causes me to believe that:

- (a) expenditure incurred was of an extravagant or wasteful nature, judged by normal commercial practice and prudence; and
- (b) the Authority has not applied its resources and carried out its operations economically, efficiently and effectively.

Late Submission of Annual Report

The Annual Report, including the financial statements of the Utility Regulatory Authority for the year ended 30 June 2022, was submitted on 07 December 2022, that is, one month after the statutory deadline.

Except for the late submission of the Annual Report, the Utility Regulatory Authority has complied with the Statutory Bodies (Accounts and Audit) Act in so far as it relates to the accounts.

Utility Regulatory Authority Act

Universal Service Fund

Section 18. (5) of the Utility Regulatory Authority Act required any surplus in the General Fund at the end of any financial year to be credited into the Universal Service Fund as established under Section 21 of the Act for the purposes of that Act. As of end of the financial year 2021-22, such a Universal Service Fund was not in existence.

Public Procurement Act

In my opinion, the provisions of Part V of the Act have been complied with as far as it could be ascertained from my examination of the relevant records.



C. ROMOOAH
Director of Audit

National Audit Office
Level 14,
Air Mauritius Centre
PORT LOUIS

2 May 2023

FINANCIAL STATEMENTS
FOR THE YEAR
1 JULY 2021
TO
30 JUNE 2022

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Statement of Financial Position
as at 30 June 2022

		30-Jun-22 Rs.	30-Jun-21 Rs.
ASSETS	Notes		
Current Assets			
Cash and Cash Equivalents	4	9,181,134	6,929,762
Receivables	3	1,545,891	1,632,839
		<u>10,727,025</u>	<u>8,562,601</u>
Non-Current Assets			
Property, Plant and Equipment	1	1,442,481	2,085,029
Intangible Assets	2	1,221,828	526,101
		<u>2,664,309</u>	<u>2,611,130</u>
TOTAL ASSETS		<u>13,391,334</u>	<u>11,173,731</u>
LIABILITIES			
Current Liabilities			
Payables	5	5,205,436	2,946,401
Employee Obligations	9	2,552,298	2,519,708
		<u>7,757,734</u>	<u>5,466,109</u>
Non-Current Liabilities			
Employee Obligations	9	1,347,370	3,120,825
		<u>1,347,370</u>	<u>3,120,825</u>
TOTAL LIABILITIES		<u>9,105,104</u>	<u>8,586,934</u>
NET ASSETS		<u>4,286,230</u>	<u>2,586,797</u>
NET ASSETS / EQUITY			
General Fund		<u>4,286,230</u>	<u>2,586,797</u>
TOTAL NET ASSETS / EQUITY		<u>4,286,230</u>	<u>2,586,797</u>

The Financial Statements were approved and authorised for issue by the Utility Regulatory Authority Board at its meeting held on 7/12/2022


.....
Chairperson
Mr. Philip Ah-Chuen




.....
Commissioner
Mr. Sadatmanund Narain

The notes on pages 48 to 58 form part of these financial statements.

Statement of Financial Performance
for the year ended 30 June 2022

	Notes	30-Jun-22 Rs	30-Jun-21 Rs
Revenues			
Revenue from Non-Exchange Transactions	6	<u>32,736,585</u>	<u>30,332,334</u>
		32,736,585	30,332,334
Expenses			
Operating Costs	7	30,322,487	29,614,094
Administrative Costs	8	623,526	337,860
Foreign Exchange Difference		91,139	-
		<u>31,037,152</u>	<u>29,951,954</u>
Surplus for the year		<u>1,699,433</u>	<u>380,380</u>

The notes on pages 48 to 58 form part of these financial statements.

Statement of Changes in Net Assets / Equity
for the year ended 30 June 2022

	General Fund Rs	Accumulated Surplus / (Deficit) Rs	Total Rs
Balance as at 01 July 2020	6,701,637	(4,495,220)	2,206,417
Surplus for the year		380,380	380,380
Balance as at 30 June 2021	<u>6,701,637</u>	<u>(4,114,840)</u>	<u>2,586,797</u>
Balance as at 01 July 2021	6,701,637	(4,114,840)	2,586,797
Surplus for the year	-	1,699,433	1,699,433
Balance as at 30 June 2022	<u>6,701,637</u>	<u>(2,415,407)</u>	<u>4,286,230</u>

The notes on pages 48 to 58 form part of these financial statements.

Statement of Cash Flows
for the year ended 30 June 2022

	Note	30-Jun-22 Rs	30-Jun-21 Rs
OPERATING ACTIVITIES			
Surplus for the year		1,699,433	380,380
Adjustment for items not involving cash			
Depreciation and amortization on Non-Current Assets		843,856	836,355
Effect of exchange rate on cash balances		91,139	-
NET CASH GENERATED FROM OPERATING ACTIVITIES		<u>2,634,428</u>	<u>1,216,735</u>
WORKING CAPITAL CHANGES			
Decrease in Receivables		86,948	27,006
Increase in Payables		2,259,033	2,572,449
(Decrease) / Increase in Employee Obligations		<u>(1,740,865)</u>	<u>482,631</u>
NET MOVEMENT IN WORKING CAPITAL		<u>605,116</u>	<u>3,082,086</u>
INVESTING ACTIVITIES			
Purchase of Non-Current Assets		<u>(897,033)</u>	<u>(172,639)</u>
NET CASH IN INVESTING ACTIVITIES		<u>(897,033)</u>	<u>(172,639)</u>
FINANCING ACTIVITIES			
-		-	-
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		<u>2,342,511</u>	<u>4,126,182</u>
Effect of exchange rate on cash balances		(91,139)	-
CASH AND CASH EQUIVALENTS AT PREVIOUS YEAR		<u>6,929,762</u>	<u>2,803,580</u>
CASH AND CASH EQUIVALENTS FOR THE YEAR ENDED	4	<u><u>9,181,134</u></u>	<u><u>6,929,762</u></u>

The notes on pages 48 to 58 form part of these financial statements.

Statement of Comparison of Budget Estimates and Actual Amount for the year ended 30 June 2022

	Budget Amount	Actual 01 July 2021 to 30 June 2022	Difference	Comments
	Rs	Rs	Rs	
Revenue				
Licence fees	48,000,000	-	(48,000,000)	No licence fees since Electricity Act 2005 was proclaimed late in the Financial Year.
Recurrent grant	-	32,717,200	32,717,200	
Sponsorship, funding for projects & others	-	19,385	19,385	
Total Revenue	48,000,000	32,736,585	(15,263,415)	
Expenses				
Fees to Board Members	3,984,000	5,390,418	(1,406,418)	Recruitment and other planned expenditures were downscaled due to no licensing activities.
Salaries and employee benefits	21,299,605	14,873,140	6,426,465	
Cost of Utilities	552,000	319,410	232,590	
Fuel and Oil	430,000	46,119	383,881	
Rent	2,517,203	5,433,191	(2,915,988)	
Office Equipment and Furniture	3,155,000	897,033	2,257,967	
Office expenses	483,800	30,322	453,478	
Outsourcing	3,372,000	1,614,149	1,757,851	
Maintenance	2,062,000	-	2,062,000	
Publications and Stationery	2,325,500	330,525	1,994,975	
Miscellaneous	512,900	294,558	218,342	
Studies/Seminars	2,170,000	714,031	1,455,969	
Memberships	599,822	326,768	273,054	
Other Goods and Services	974,643	678,826	295,817	
Transport	-	50,700	(50,700)	In the absence of a vehicle for the URA, alternative means of transport are used.
Capital Expenditure	2,500,000	-	2,500,000	
Total Expenses	46,938,473	30,999,190	15,939,283	
NET REVENUE	1,061,527	1,737,395	675,868	

The notes on pages 48 to 58 form part of these financial statements.

Notes to Financial Statements **for the year ended 30 June 2022**

General Information

The Utility Regulatory Authority (URA) is an independent body set up by the Government of Mauritius to regulate the utility services, namely electricity, water and wastewater. Its objects are to ensure the sustainability and viability of the utility services; protect the interests of consumers; promote efficiency in both operations and investments in respect of utility services; and promote fair competition in the utility services industry. URA Act was enacted in November 2004 and subsequently amended in September 2008. The Act was again amended in June 2016 and gazetted on 29 June 2016 to allow for the appointment of the Chairperson and the Commissioners. The Board was finally set up in September 2016.

Promulgation of Electricity Act 2005

Prior to the end of the financial year, the Electricity Act 2005 (“EA 2005”) was promulgated with effect as from 10 June 2022.

The EA 2005 provides the URA with the powers to regulate and issue licences to Electricity Service Operators (i.e., IPPs) and the Central Electricity Board, subject to a period of up to 21 days, following the promulgation, to register with the URA and an additional 30 days to apply for a transitional licence.

Hence during the year under review, there were no revenue from licensing of IPPs and the CEB.

a) Accounting Policies

Financial Statements have been prepared on a historical cost basis and in compliance with the Accrual Basis International Public Sector Accounting Standards (Accrual Basis IPSAS) which were adopted as from 01 July 2020.

The Financial Statements comply with IPSASs applicable to the URA and have been prepared on a going concern basis.

Adoption of IPSAS

The Financial Statements have been prepared in accordance with and comply with the International Public Sector Accounting Standards (IPSAS) issued by the International Public Sector Accounting Standards Board (IPSASB).

In the current financial year, the URA has adopted all the International Public Sector Accounting Standards (IPSAS) that are relevant to its operations for the current year ended 30 June 2022 namely:

Adoption of IPSAS (continued from previous page)

IPSAS 1 – Presentation of Financial Statements

IPSAS 2 – Cash Flow Statements

IPSAS 3 – Accounting policies, changes in Accounting Estimates and Errors

IPSAS 4 - The Effects of Changes in Foreign Exchange Rates

IPSAS 14 – Events After Reporting Date

IPSAS 17 – Property, Plant and equipment

IPSAS 19 – Provisions, Contingent Liabilities and Contingent Assets

IPSAS 20 – Related Party Disclosures

IPSAS 23 – Revenue from Non-Exchange Transactions

IPSAS 24 – Presentation of Budget Information in Financial Statements

IPSAS 39 – Employee benefits

b) Revenue Recognition

Revenue comprises mainly of government grants.

Grants received to meet recurrent expenditure and to finance capital expenditure are recognised in the Statement of Financial Performance in the year received.

Promulgation of Electricity Act 2005

Prior to the end of the financial year, the Electricity Act 2005 (“EA 2005”) was promulgated with effect as from 10 June 2022.

The EA 2005 provides the URA with the powers to regulate and issue licences to Electricity Service Operators (i.e., IPPs) and the Central Electricity Board, subject to a period of up to 21 days, following the promulgation, to register with the URA and an additional 30 days to apply for a transitional licence.

Hence during the year under review, there were no revenue from licensing of IPPs and the CEB.

c) Expenditure

Expenditure is recognised on accrual basis.

d) Property, Plant and Equipment

Property, Plant and Equipment are stated at historical cost less depreciation. Depreciation is the systematic allocation of funds representing the use of an asset over its useful life. Depreciation is provided on the straight-line basis so as to write off the depreciation value of the assets over their expected useful economic lives.

The annual rates of depreciation used for the purpose are as follows: -

❖ Motor Vehicle	❖ 20%
❖ Office Equipment	❖ 20%
❖ IT Equipment	❖ 20%
❖ Intangibles	❖ 20% -33.33%
❖ Furniture and Fixtures	❖ 10%

Depreciation is charged in the year of purchase on a pro-rata basis.

Items above Rs 10,000 are recognized as Property, Plant and Equipment provided they have an estimated economic life of more than one year. Items below Rs 10,000 may be aggregated and recognized as appropriate.

e) Intangible Assets

Intangible assets are recognised only if:

(a) it is probable that future economic benefits that are attributable to the assets will flow to the enterprise; and

(b) the cost of the assets can be measured reliably.

Computer software are recognised as intangible assets and amortised using the straight-line basis over their estimated useful life of 3-5 years.

f) Cash and Cash Equivalents

Cash and Cash Equivalent comprise of bank balances and cash in hand. Cash equivalent are short-term balances readily available.

g) Provisions

A provision is recognised when there is a present obligation as a result of past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

h) Comparative figures

The current Financial Statements are prepared for a period of 12 months same as the previous Financial Statements.

Figures of last year confirm to current year's presentations.

i) Currency and Rounding Off of Figures

The figures in the Financial Statements are in Mauritian Rupees and have been rounded off to the nearest rupee.

j) Related Party Transactions

Related Parties are individual and Companies where the related party or the authority has the ability directly or individually to control the other party or exercise significant influence over the other party in making financial and operating decision. For the year under review, salaries / fees, and allowances paid to the Chief Executive Officer, Manager Administration Regulatory Partnerships, the Chairperson and Commissioners, as follows:

	30-Jun-22	30-Jun-21
	Rs	Rs
Chief Executive Officer	4,540,593	4,697,899
Manager Administration and Regulatory Partnerships	<u>1,299,218</u>	<u>1,246,430</u>
<i>Board Members</i>		
Chairperson	1,320,000	1,320,000
Commissioners	<u>3,831,818</u>	<u>2,026,364</u>

k) Employee Benefits

Employee benefits include passage benefits, gratuity and annual leaves which are measured at the undiscounted amount expected to be payable.

l) Foreign Currency

Transactions in foreign currencies are translated to Mauritian rupee at the exchange rate ruling at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling as at the date of the Statement of Financial Position and gains or losses on translation are recognized in the Statement of Financial Performance.

Foreign exchange differences in the Financial Statements relate to the translation of Euro denominated bank account which is held for training purposes.

1. Property, Plant and Equipment

All fixed assets are stated at historical cost less depreciation. Historical cost includes expenditures that are directly attributable to acquisition of the items.

	Motor Vehicle	Office Equipment	IT Equipment	Furniture and Fittings	Total
Cost	Rs	Rs	Rs	Rs	Rs
At 30 June 2021	1,199,000	326,130	1,291,418	1,102,522	3,919,070
Additions during the year	-	36,800	-	-	36,800
At 30 June 2022	1,199,000	362,930	1,291,418	1,102,522	3,955,870
Depreciation					
At 30 June 2021	841,599	158,471	580,725	253,246	1,834,041
Charge for the year	239,800	71,013	258,283	110,252	679,348
At 30 June 2022	1,081,399	229,484	839,007	363,498	2,513,389
Net Book Value 30 June 2022	117,601	133,446	452,410	739,024	1,442,481
Net Book Value 30 June 2021	357,401	167,659	710,693	849,276	2,085,029

2. Intangible Assets

Cost	
At 01 July 2021	814,104
Additions during the year	860,233
At 30 June 2022	1,674,337
Depreciation	
At 01 July 2021	288,003
Charge for the year	164,507
At 30 June 2022	452,509
Net Book Value 30 June 2022	1,221,828
Net Book Value 30 June 2021	526,101

3. Receivables

	30-Jun-22 Rs.	30-Jun-21 Rs.
<i>Deposits</i>		
Parking	63,520	63,520
Rent of Building	1,476,237	1,476,237
Others	2,000	2,000
	<u>1,541,757</u>	<u>1,541,757</u>
<i>Prepaid Expenses</i>		
Servicing of Attendance Recording System	2,300	-
Renewal of Domain and Hosting of Website	1,834	4,033
Website Support Agreement, SSL Certificate & Others	-	80,978
Other Prepayments	-	6,071
	<u>4,134</u>	<u>91,082</u>
	<u>1,545,891</u>	<u>1,632,839</u>

4. Cash and cash Equivalents

	30-Jun-22 Rs.	30-Jun-21 Rs.
Bank Balance (MUR) (Operations)	7,166,288	6,916,802
Bank Balance (MUR) (Training - CRE)	570,957	-
Bank Balance (EUR) (Training - CRE)	1,434,597	-
Cash in hand	9,292	12,960
	<u>9,181,134</u>	<u>6,929,762</u>

5. Payables

	30-Jun-22	30-Jun-21
	Rs.	Rs.
Accruals:		
Electricity	22,171	129,375
Telephone	8,206	21,456
PAYE	167,685	118,080
NPS	9,540	17,315
TDS	197,374	205,118
CSG	64,409	58,501
CSG refundable to employees	-	194,051
Medical Insurance	37,340	61,434
Uniconsults Ltd	5,175	14,950
IT Expenses	-	231,471
Rent of Building	4,618,211	1,766,406
Publicity	5,699	5,699
Audit Fees (Financial Years 2020 and 2022)	40,000	80,000
Other Payables	29,626	42,545
	5,205,436	2,946,401

6. Revenues

The Revenues comprise of grants received from the Ministry, training sponsorship received from the *Agence Française de Développement* (AFD) and the *Commission de Régulation de l'Énergie* (CRE), Funds for NAMA Projects and Other Income, as follows:

	30-Jun-22	30-Jun-21
	Rs.	Rs.
Grant from MEPU	32,717,200	27,000,000
Commission de Régulation de l'Énergie (CRE)	-	1,120,188
Nationally Appropriate Mitigation Actions (NAMA)	-	2,191,800
Other income	19,385	20,346
	32,736,585	30,332,334

6. Revenues (Continued)

a. Revenue from Commission de Régulation de l'Energie (CRE)

No revenue was received from CRE during the year under review.

The Financial Partnership Agreement CRE/AFD/URA was signed in January 2020. The below CRE funded deliverables are to be achieved by December 2022:

Activity	Nature	Costs
Bilateral Meetings	Mission CRE in Mauritius	138 360 €
	Mission URA in Paris	52 280 €
Training	Ecole des Mines (BADGE) - 4 attendees	90 680 €
	Online Formation FSR	19 500 €
REGULAE.fr meetings (2020 - 2021)	Annual meeting in Africa Regulae	15 020 €
	Multilateral Workshop in Europe Regulae	15 740 €
Communication	Workshop / Public events (Missions 1 et 4)	72 550 €
LIVRABLES	Pilier 1	24 000 €
	Pilier 2	24 000 €
	Pilier 3	24 000 €
Hazard		23 870 €
Total		500 000 €

During the year under review, overseas training missions amounting to Rs 674,856 were sponsored by CRE.

b. Revenue from Nationally Appropriate Mitigation Actions (NAMA)

		Target Completion Date	Budgeted Cost Estimate (USD)
(a)	Drafting of Renewable Energy Metering Regulations	31 st December 2022	45,000
(b)	Drafting of Tariff Regulations	31 st December 2022	30,000
(c)	Development of Online Dashboard for Monitoring of Key Performance Indicator (KPI)	31 st December 2022	25,000
(d)	Development of an Excel Based Tools for Tariff Calculation	31 st December 2022	4,000
	Total		104,000

During the previous Financial Year, half of the total amount for the projects, i.e., USD 52,000, was received following the signature of the agreement. The other half of the total amount is expected to be received on completion of the deliverables, as per the conditions of the agreement.

7. **Operating Costs**

	30-Jun-22	30-Jun-21
	Rs	Rs
Board Members' Fees	5,390,418	3,346,364
Staff Salaries	7,995,968	8,965,430
Travelling & Fuel Allowance	1,204,258	1,384,725
Other Allowances	3,004,048	2,652,902
Overtime	55,359	41,882
End of Year Bonus	765,614	793,021
Gratuity	424,540	1,552,492
Annual Leave Payment	30,026	649,856
Sick Leave Payment	-	145,422
Passage Benefits	79,481	518,209
Medical Insurance	375,770	307,170
NPF Contribution	146,448	204,601
CSG	791,628	582,145
Electricity	232,261	287,354
Telephone	87,149	91,170
Printing, Postage and Stationery	330,525	233,147
Fuel and Oil	46,119	17,552
Rent of Building	5,433,191	6,345,088
Motor Vehicle Expenses	30,322	56,382
Depreciation and amortization of Non-Current Assets	843,856	836,355
Bank Charges	35,896	14,327
Overseas Mission (Sponsored)	674,856	-
Transport	50,700	76,500
Training	39,175	153,625
IT Expenses	600,730	278,375
Audit Fees	40,000	80,000
Expenses funded under NAMA	1,614,149	-
	<u>30,322,487</u>	<u>29,614,094</u>

8. **Administrative Costs**

	30-Jun-21	30-Jun-21
	Rs.	Rs.
Publicity	2,200	9,238
Miscellaneous expenses	621,326	328,622
	<u>623,526</u>	<u>337,860</u>

9. **Employee Obligations**

	30-Jun-22	30-Jun-21
	Rs.	Rs.
Current Liabilities		
Provision for Annual Leaves	1,299,795	711,175
Provision for Gratuity	6586,45	1,390,400
Provision for Passage Benefits	593,858	418,133
	<u>2,552,298</u>	<u>2,519,708</u>
Non-Current Liabilities		
Provision for Annual Leaves	760,795	852,425
Provision for Gratuity	389,145	1,640,950
Provision for Passage Benefits	197,430	627,450
	<u>1,347,370</u>	<u>3,120,825</u>

10. **New FEXTE Partnership**

The Utility Regulatory Authority has signed an Agreement with the *Agence Française de Développement* (AFD) and the *Commission de Régulation de l'Énergie* (CRE), in which it is a beneficiary to receive grants to be used strictly for training purposes.

As at 30 June 2022, only a minor part of these grants has been received. In case the grants received or part thereof are unused, the unused amount is to be refunded back to the AFD and CRE.

11. **Pending Litigation**

There was no litigation pending.

12. **Rent of Additional Office Space**

During the financial year under review, the Board at an extra ordinary meeting decided to maintain the lease agreement for the additional office space instead of terminating the lease agreement given the legally binding clauses of the existing lease agreement wherein, should the lease agreements be terminated, the URA will still be liable to payment of the full amount of rent for the full term of the lease agreement, and the eventual need of the URA for additional office space.

13. **Events after the Statement of Financial Position date**

There have been no other material events after Statement of Financial Position date which would require disclosure or adjustment to the 30 June 2022 Financial Statements.



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