



"Leading in Utility Regulation"

## **TRANSITIONAL DISTRIBUTION LICENCE**

The Utility Regulatory Authority in accordance with section 3 of the Electricity Act (as amended), and subject to the terms and conditions in Annex 1 of this Licence, hereby issues a ***Transitional Distribution Licence*** to ***[insert Company Name] [insert BRN]***.

Licence Number: ***(insert Licence Number)***

Licensed Activity: ***To construct, operate and maintain a distribution system and to sell electricity to customers within the Republic of Mauritius***

Licence Validity up to: ***(insert date)***

Subject to the Terms and Conditions as per ***Annex 1***

**Issued** in Ebene on this ***(insert day) day of (insert month and year)***.

***Mr LILADHUR GOSSAGNE SEWTOHUL***  
(Officer in Charge of the Utility Regulatory Authority)



# UTILITY REGULATORY AUTHORITY

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## **Annex 1**

## **TERMS AND CONDITIONS**

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**TRANSITIONAL DISTRIBUTION LICENCE TERMS & CONDITIONS**

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## CONDITION 1 - DEFINITIONS AND INTERPRETATION

1. In the general conditions unless the context otherwise requires:

“**Act**” means the Electricity Act (as amended);

“**affiliate**” in relation to any person means any holding company of such person, any subsidiary of such person or any subsidiary of a holding company of such person, in each case within the meaning of the Companies Act;

“**ancillary services**” means those services necessary to support the transmission and distribution of electric power from seller to purchaser;

“**authorised**” in relation to a business or activity means authorised by license granted or treated as granted under section 3(2) of the Act or exemption granted under section 3(3) of the Act;

“**Authorised electricity operator**” means any person (other than the Licensee) who is authorised to generate, transmit, distribute or procure electricity or operate the transmission and distribution system and, for the purposes of the general conditions shall include any person who has made an application to be so authorised which application has not been refused;

“**Authority**” has the same meaning as in the Act;

“**Change in control**” means the sale of all or substantially all the assets of the Licensee, any merger, consolidation or acquisition of Licensee with, by or into another undertaking, entity or person, or any change in the ownership of more than fifty percent (50%) of the voting capital stock of the Licensee in one or more related transactions;

“**codes**” means the generation, transmission, distribution and system operation codes collectively or any combination of more than one code as developed and updated by the Authority, from time to time;

“**Commercial Agreements**” means an agreement for the purchase of electricity from the Single Buyer or a Connection Agreement for the sale of electricity to a Prosumer or a Supply Contract for the sale of electricity to a Customer or other commercial agreements required to undertake the distribution electricity service;

“**Connection Agreement**” means an agreement to be signed by the applicant and the Distribution Licensee or Single Buyer, as the case may be, before or after, as the case may be, successful testing of the former’s installation;

"**customer**" has the same definition as in the Act;

"**disposal**" in relation to assets means any sale, gift, lease, licence, the grant of any right of possession, loan, security, mortgage, charge or the grant of any other encumbrance or the permitting of any encumbrance to subsist or any other disposition to a third party and "dispose" shall be construed accordingly;

"**Distribution business**" means the business of the Licensee in or ancillary to the transport (whether for its own account or that of third parties) of electricity through the Licensee's distribution system and shall include any business in providing connections to the Licensee's distribution system but shall not include any other business of the Licensee in the provision of services to or on behalf of any one or more persons;

"**distribution**" means the construction, operation and maintenance of a distribution system and the sale of electricity to customers.

"**Distribution code**" means the rules made by the Authority to govern the distribution system and activities relating thereto;

"**Distribution system**" means that part of the electric system that operates below 66 kV from the point of the outgoing isolators of a Feeder at Transmission substations transforming to 22 kV and 6.6 kV, consisting of apparatus and meters owned and maintained by the Distribution Licensee or Transmission Licensee used for the distribution of electricity;

"**Fees**" means those fees payable by the Licensee pursuant to section 16(1)(f) of the Act;

"**Financial Year**" has the same meaning as in section 111 of the Constitution;

"**information**" shall include any documents, accounts, estimates, returns or reports, records and any data in verbal, written or electronic form and information in any form or medium whatsoever;

"**interested party**" means any person who has a recognisable stake (and therefore standing) in a matter;

"**Licensee**" means a person who holds a transitional distribution licence;

"**National Grid Code**" comprises of the governance code and each of the codes;

"**Operational control**" means the management and operational control of the distribution assets but for the avoidance of doubt the compliance by the Licensee with the instructions

of the System Operator according to the National Grid Code shall not be construed as relinquishment of operational control;

**“Permanent Distribution Licence”** means a licence issued under the Electricity (Licensing, Registration and Fees) Regulations 2022 (as may be amended), subsequent to the provisional distribution licence;

**"Relevant asset"** means any asset for the time being forming part of the Licensee's distribution and supply system portfolio, any control centre for use in conjunction therewith and any right, title or interest in land upon which any of the foregoing is situated;

**"system"** means the interconnection facilities and any other transmission system or distribution system, transmission or distribution facilities on the system operator side of the interconnection boundary (ies) through which the electrical energy output from the generating unit (s) will be distributed by the system operator to users of electricity;

**"system operator”** means the operator of a transmission, distribution, load dispatching or similar system;

**“transmission system”** means that part of the electric system that operates at 66kV or higher consisting of the electrical facilities used for conveyance of electricity over electric lines between a generating station and substation, or between generating stations or between substations, and consists of electric lines, equipment and meters owned and operated by the transmission Licensee in connection with transmission of electricity;

**“user”** means any person using the transmission system or distribution system, as more particularly identified in each section of the respective code, and in the governance code, the term means any person (other than Licensee) to whom the codes apply;

2. Any words or expressions used in the Act shall, unless the contrary intention appears, have the same meaning when used in these general conditions;
3. Except where the context otherwise requires, any reference to a numbered general condition reference, and reference to a Section is a reference to that Section or Schedule is a reference to the general condition or Schedule bearing that number in this licence, and any reference to a numbered paragraph is a reference to the paragraph bearing that number in the general conditions or Schedule in which the general conditions apply;
4. These general conditions shall have effect as if in relation to references to a licence holder who is a natural person, the words "it", "its" and "which" there are substituted by the words "he", "him", "his" and "whom", and cognate expressions shall be construed accordingly. Except where the context otherwise requires, a reference in a general condition to a paragraph is a reference to a paragraph of that condition and a reference in a paragraph to a sub-paragraph is a reference to a sub-paragraph of that paragraph;

5. In construing the general conditions, the heading or title of any general condition or paragraph shall be disregarded; and
6. Where any obligation under or pursuant to the licence is required to be performed by a specified date or within a specified period, and where the Licensee has failed so to perform by such date or within such period, such obligation shall continue to be binding and enforceable after the specified date or after the expiry of the specified period (but without prejudice to all rights and remedies available against the Licensee by reason of the Licensee's failure to perform by that date or within that period).

#### CONDITION 2 - LICENSED ACTIVITY

1. This transitional distribution licence is granted pursuant to section 3 of the Act to authorise the Licensee to construct, operate and maintain a distribution system and to sell electricity to customers within the Republic of Mauritius throughout the term of this licence.

#### CONDITION 3 - TERM OF LICENCE

1. This transitional distribution licence shall enter into force and effect on the *[INSERT DATE]* and expire on the *[INSERT DATE]*.
2. The term of the transitional distribution licence may be renewed subject to the conditions and procedures of the Electricity (Transitional Licence) Regulations 2022 (as may be amended), provided the Licensee makes an application to the Authority on the online platform and provide such information as the Authority may require at latest 3 months before the expiry date.

#### CONDITION 4 - INSTALLATION AND EXPANSION OF DISTRIBUTION SYSTEM

1. The Licensee shall install, finance, own, repair, modify, replace, rehabilitate, operate and maintain the distribution system as necessary to provide distribution electricity service that complies with this licence and applicable law.
2. The Licensee shall be required to obtain the prior approval of the Authority for its expansion plans and for any major investments or purchases, as specified in paragraph 4 of Condition 20, necessary to implement such plans, in the manner prescribed by this licence and applicable law.

#### CONDITION 5 - ANNUAL FEE

1. The Licensee shall pay the Authority an Annual Fee as prescribed in the Second Schedule of the Electricity (Transitional Licence) Regulations 2022 (as may be amended), in respect of the period that the Licensee holds this licence.



2. The provisional amounts determined in accordance with paragraph 1 of this Condition shall be paid by the Licensee to the Authority in one instalment being due for payment by 01<sup>st</sup> January in each financial year based on the actual electricity sales in kWh of the latest audited financial year, provided that if the Authority has not given notice of the amount of the instalment, at least 30 days before the payment date stated above, the Licensee shall pay the amount due within 30 days from the actual giving of notice by the Authority to the Licensee (whenever notice is given).
3. An adjustment shall be determined on the final Annual Fee to be paid by the Licensee no later than 30<sup>th</sup> April based on the audited actual electricity sales in kWh of the previous financial year. This adjustment shall be paid by the Licensee to the Authority or refunded by the Authority to the Licensee, in one instalment being due for payment by 01<sup>st</sup> June in each financial year, provided that if the Authority has not given notice of the amount of the instalment, at least 15 days before the payment date stated above, the Licensee shall pay the amount due within 30 days from the actual giving of notice by the Authority to the Licensee (whenever notice is given).
4. When the Licensee fails to pay the amount determined in accordance with paragraph 1 of this Condition within 30 days of the due date set out in paragraph 2 and 3 of this Condition, it shall pay simple interest on the amount at the rate which is from time to time equivalent to the key rate published by the Bank of Mauritius plus 1% or, if there is no such key rate, such key rate as the Authority may designate for the purposes hereof.

#### CONDITION 6 - COMMERCIAL AGREEMENTS

1. The Licensee shall ensure compliance with paragraphs (2) to (7) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall be entitled to enter into Commercial Agreements that are required to conduct the licensed activity.
3. The Licensee shall submit a copy of the agreement for the purchase of electricity entered with the single buyer Licensee to the Authority for approval.
4. The Licensee shall submit a model Connection Agreement for the sale of electricity to a Prosumer or a model Supply Contract for the sale of electricity to a Customer to the Authority for approval.
5. The Authority shall approve the agreements in paragraphs 2 and 3 of this Condition if they comply with the requirements of the Act.

6. The Licensee shall not amend any agreement entered into pursuant to paragraph 1 of this Condition or enter into an agreement amending such a Commercial Agreement without obtaining the prior written approval of the Authority.
7. The Licensee shall comply with the relevant provisions of any and all specified agreements entered into pursuant to this Condition.

#### CONDITION 7 - LEGAL AND REGULATORY COMPLIANCE

1. The Licensee shall not embark in unfair and anti-competitive practices in the electricity services industry.
2. The Licensee shall comply with directives from the Authority pertaining to the implementation of policy of Government relating to electricity services.
3. The Licensee shall comply with all laws, regulations, codes and standards of the Republic of Mauritius in so far as they are applicable to the licensed activity.
4. The Licensee shall not enter into any agreement that would breach any such law, regulation, code, standard or the General Terms and Conditions of the Licence.
5. The Authority may issue directions relieving the Licensee of its obligation under the Licence in respect of such parts of the relevant National Grid Code and to such extent and subject to such conditions as may be specified in those directions.
6. The Licensee shall give officers of the Authority or any person or persons duly authorised by the Authority access to the Licensee's distribution system for the purposes of inspection under the Act.

#### CONDITION 8 - REGULATORY ACCOUNTS

1. The Licensee shall ensure compliance with paragraphs (2) to (4) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall keep separate regulatory accounts and prepare separate financial statement in respect of the distribution business for each financial year.
3. The accounts shall be kept in accordance with the International Public Sector Accounting Standards in accordance with any requirement which applies to the Licensee's financial statements under the Financial Reporting Act.
4. The Licensee, when conducting his business activity in addition to the provision of an electricity service, shall keep separate accounts for those distinct activities.

**CONDITION 9 - AVAILABILITY OF RESOURCES**

1. The Licensee shall ensure compliance with paragraphs (2) to (3) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall, at all times, act in a manner calculated to secure that it has available to it such resources, including (without limitation) management and financial resources, personnel, fixed and moveable assets, rights, licence, consents and facilities, on such terms and with all such rights, as shall ensure that it is at all times able:
  - (a) to properly and efficiently carry on the distribution business; and
  - (b) to comply in all respects with its obligations under this licence and such obligations under the Act as apply to the distribution business including, without limitation, its duty to develop and maintain an efficient, co-ordinated and economical system of distribution electricity service.
3. The Licensee shall immediately inform the Authority in writing if circumstances exist that justify the reasonable expectation that the Licensee may not have sufficient resources available to conduct its licensed business for a period of 12 months.

**CONDITION 10 - PROHIBITION OF CROSS-SUBSIDIES**

1. The Licensee shall ensure compliance with paragraph (2) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. Unless authorised by the Authority, the Licensee shall ensure that the business licensed by this license does not give any subsidy or cross-subsidy (direct or indirect) to, nor receive any subsidy or cross-subsidy (direct or indirect) from, any other business of the Licensee and/or any Affiliate or related enterprise of the Licensee or any other person.

**CONDITION 11 - ELECTRICITY SUPPLY TARIFF**

1. The Licensee shall ensure compliance with paragraph (5) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall have the right to charge and collect a supply tariff from customers as remuneration for its services under this Licence. Such supply tariff, as modified from time to time, shall be published in the manner prescribed by applicable law.
3. Any supply tariff shall be calculated in accordance with the methodology approved by the Authority and, otherwise, in the manner prescribed by applicable law.
4. From a date to be determined by the Authority, the Licensee shall prepare a supply tariff schedule for sales of electricity to consumers pursuant to Part IV of the Act.

5. The tariff schedule shall:
  - (a) be in a form which shall be approved by the Authority;
  - (b) contain such detail as shall be necessary to enable any consumer to make a reasonable estimate of the charges to which it would become liable for purchases of electricity;
  - (c) be set in accordance with a methodology approved by the Authority so as to reflect the costs of the Licensee in providing electricity at specified times of the year, days of the week and times of the day and night and permit the Licensee to recover all reasonable costs incurred in carrying out the activities authorised by this Licence on an efficient basis; and
  - (d) separately identify:
    - (i) the component of the tariff relating to the use of the Licensee's distribution system and supply of electricity to customers;
    - (ii) the component of the tariff relating to the use of the transmission system;
    - (iii) the component of the tariff related to electricity generation;
    - (iv) the component of the tariff relating to the single buyer electricity service; and
    - (v) the component of the tariff relating to the system operation electricity service.
6. Where the Authority considers that, by reason of the complexity of any such supply tariffs fixed by the Licensee, simplified explanatory statements are required or expedient for the understanding of consumers, the Authority may direct the Licensee to draw up such explanatory statements and thereafter to publish them with the tariff schedule.
7. The Licensee shall obtain approval for the supply tariff schedule from the Authority.
8. The Licensee shall publish the supply tariff schedule as directed by the Authority.
9. The Authority may give to the Licensee directions requiring the Licensee to alter the form of the tariff schedule in such manner as shall be specified in the directions, or so as to attain such objectives as may be specified in the directions and the Licensee shall forthwith comply with any such directions.
10. The Authority may prescribe a procedure for review of the tariff schedule.
11. The Licensee shall bill and collect for its electricity service in accordance with the Electricity (Metering, Billing and Collection) Regulations 2022 (as may be amended).

#### CONDITION 12 - OTHER CHARGES

1. Subject to applicable law, the Licensee shall have the right to petition the Authority for a tariff adjustment or special charge to the extent that it incurs additional costs or expenses other than in the ordinary course of its business or which are not otherwise reflected in its published tariff.

2. Special charges recoverable by the Licensee may include additional costs or expenses resulting from (i) any change in the laws of the Republic of Mauritius which requires the Licensee to conduct its operations in a manner different from that provided in the Licence or (ii) an Uncontrollable Event as defined in Condition 13. Any such adjustment or charge shall be without prejudice to any other adjustment or charge to which the Licensee may be entitled pursuant to applicable law but shall not result in any duplicative recovery of costs by the Licensee.
3. The Licensee may collect such other fees and charges as are authorised or required to be collected under applicable law.

#### CONDITION 13 - FORCE MAJEURE

1. The Licensee shall not be liable for its total or partial failure to perform any obligation under this Licence to the extent that such failure is a consequence of a force majeure (as defined by applicable law) or any other event or circumstance or combination of events or circumstances that the Authority finds to be beyond the reasonable control of the Licensee ("*Force Majeure*").
2. The Licensee's obligations hereunder shall be suspended to the extent necessary as a result of the Force Majeure and during the time such Force Majeure continues; provided, however, as a condition precedent for the suspension of the obligations, the Licensee shall notify the Authority, with confirmation in writing, as promptly as possible.
3. Notwithstanding the above provisions, the occurrence of a Force Majeure shall not excuse the Licensee from making any payments required of it by law in a timely manner.

#### CONDITION 14 - PERFORMANCE STANDARDS AND CODES

1. The Licensee shall ensure compliance with paragraphs (2) to (8) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall prepare codes and performance standards covering all material aspects of its Licensed activities and shall submit such codes to the Authority for its approval.
3. The Licensee shall conduct the Distribution Business in a manner which it reasonably considers to be best calculated to comply with the National Grid Code and achieve the standards of performance set out from time to time in publications made by the Authority pursuant to section 21(2) of the Act.
4. The Licensee shall periodically review (including upon the request of the Authority) the

Distribution Code and its implementation. Following any such review the Licensee shall send to the Authority:

- (a) a report on the outcome of such review;
  - (b) any proposed revisions to the Distribution Code from time to time as the Licensee (having regard to the outcome of such review) reasonably thinks fit for the achievement of the objectives referred to in the present condition; and
  - (c) any written Representations or objections from the System Operator (including any proposals by such operators for revisions to the Distribution Code not accepted by the Licensee in the course of the review) arising during the consultation process and subsequently maintained.
5. Revisions to the Distribution Code and standards of performance proposed by the Licensee and sent to the Authority pursuant to this Condition shall be approved by the Authority.
  6. The Licensee shall keep and maintain such records concerning its implementation and compliance with the Distribution Code and are in accordance with such guidelines as the Authority shall, from time to time, have given to the Licensee and are, in the opinion of the Authority, sufficient to enable the Authority to assess whether the Licensee is performing the obligation imposed upon these matters and the Licensee shall furnish to the Authority such records (or such of these as the Authority may require) in such manner and at such times as the Authority may require.
  7. The Authority may, from time to time (following consultation with the Licensee), issue directions relieving the Licensee of its obligations to implement or comply with, or to enforce against any other person any provision of, the Distribution Code in respect of such parts of the Licensee's Distribution System to such extent as may be specified in the directions.
  8. The Distribution Code and the performance of standards shall be reviewed by the Authority not later than 24 months after coming into force of this licence and the Authority's approval of the Distribution Code as revised shall be sought not later than 24 months after the Transitional Distribution Licence comes into effect. Such dates may be extended by the Authority in directions issued to the Licensee for the purposes of this Condition.

#### CONDITION 15 - SUSPENSION OF DISTRIBUTION SERVICE

1. The Licensee shall be entitled to suspend its services or any part thereof only in accordance with applicable law and shall be required to restore service following any interruption as soon as practicable.

## CONDITION 16 - PROVISION OF INFORMATION

1. Subject to paragraphs 2 and 3 of this Condition, the Licensee shall furnish to the Authority, in such manner and at such times as the Authority may reasonably require, such information and shall provide and furnish to it such reports, as the Authority may reasonably require or as may be necessary for the purpose of performing the functions conferred on it by or under the Act.
2. The Licensee shall, if so requested by the Authority, give reasoned comments on the accuracy and text of any information or advice (so far as relating to its activities as holder of an electricity distribution licence) which the Authority proposes to publish pursuant to the exercise of its duties and functions under section 26 of the Utility Regulatory Act (as amended).
3. This condition shall not require the Licensee to produce any documents or give any information which it could not be compelled to produce or give in evidence in civil proceedings before a court.
4. The Licensee shall not destroy, tamper, or conceal any information book, accounts, or other document likely to be required in relation to a request made by the Authority.
5. The power of the Authority to call for information under paragraph 1 of this Condition is in addition to the power of the Authority to call for information under or pursuant to any other condition. There shall be a presumption that the provision of information in accordance with any other condition is sufficient for the purposes of that condition, but that presumption shall be rebutted, if the Authority states in writing that in its opinion such further information is, or is likely to be, necessary to enable it to exercise functions under the condition in question.

## CONDITION 17 - DUTY OF NON-DISCRIMINATION

1. In the carrying out of its functions under this Licence, the Licensee shall not discriminate unfairly between persons or classes of persons, or between system users or classes of system users, particularly in favour of its subsidiaries, associated or affiliated undertakings, joint ventures or shareholders.
2. The Licensee shall report to the Authority at intervals of not more than one year, in such form as the Authority determines, specifying the measures taken and the level of compliance in relation to paragraph 1 of this Condition. The report shall be published by the Licensee in such a manner as shall be determined by the Authority.

### CONDITION 18 - METERING

1. The Licensee shall be responsible for the installation, ownership and maintenance of metering equipment. The Licensee shall have the right to access such metering equipment in order to prepare invoices and to check the accuracy of the equipment.
2. The metering equipment shall be in accordance with the Electricity (Metering, Billing and Collection) Regulations 2022 (as may be amended) and the National Grid Code.

### CONDITION 19 - DISTRIBUTION SYSTEM STANDARDS

1. The Licensee shall ensure compliance with paragraphs (2) to (6) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall, not later than such date as the Authority may specify, and in consultation with the Authority, prepare and from time to time modify a written policy setting out the manner in which the Licensee proposes to comply, in connection with the maintenance of an efficient, economical and co-ordinated Distribution System, with all applicable environmental laws.
3. The Licensee shall within 12 months after the Transitional Distribution Licence comes into force and thereafter whenever requested to do so by the Authority, draw up and submit to the Authority for its approval a statement setting out criteria by which performance of the Licensee in maintaining Distribution System security and availability and quality of service may be measured.
4. The Licensee shall within 6 months after the end of each Financial Year submit to the Authority a report providing details of the performance of the Licensee during the previous Financial Year against the criteria referred to under paragraph 2 of this Condition.
5. The Authority may from time to time (following consultation with the Licensee and such (if any) other Licence holders as the Authority shall consider appropriate) issue directions relieving the Licensee of its obligations under the National Grid Code.
6. The Licensee shall provide a copy of the documents referred to in this condition to the Authority.

### CONDITION 20 - ECONOMIC PURCHASING

1. The Licensee may make investments or purchase goods and services, provided that any such investment or purchase is for the purpose of any activity authorised or required by this



Licence and meets all requirements of applicable law.

2. Any agreement for any investment or purchase shall be entered into pursuant to an open, competitive process to the extent required under applicable law.
3. The Licensee shall provide notice to the relevant authority of any major investment or purchase at least thirty days prior to the relevant agreement(s) becoming binding on the Licensee.
4. A major investment or purchase shall be deemed to be a transaction or a connected series of transactions with an aggregate transaction value exceeding MUR 100 million.

#### CONDITION 21 - SYSTEM CAPACITY STATEMENTS

1. The Licensee shall ensure compliance with paragraphs (2) to (4) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall once every year (and not later than such date as the Authority shall specify), prepare a statement in a form approved by the Authority showing in respect of the 5 succeeding Financial Years circuit capacity, forecast power flows and loading on each part of the Distribution System.
3. The Licensee may periodically revise the information set out in and, with the approval of the Authority, alter the form of the statement prepared at least once in every year the Distribution Licence is in force, revise such statement in order that the information set out in the statement shall continue to be accurate in all material respects.
4. The Licensee shall send a copy of the statement prepared in accordance with paragraph 1 and of each revision of such statement to the Authority. Each such revision shall require to be approved by the Authority and shall not become effective until approved by the Authority.

#### CONDITION 22 - EMERGENCY

1. The Licensee shall ensure compliance with paragraphs (2) to (5) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. As soon as practicable following the granting of this Licence, the Licensee shall develop and shall submit to the Authority an emergency action plan to address emergencies that may arise in connection with the operation of the Licence. For the purposes of this Condition, an emergency shall mean any condition and/or situation that materially and adversely (a) affects the maintenance of safe, adequate and continuous operation of the Distribution System or (b) endangers the security of any person, plant, or other life,

equipment or property.

3. The Authority shall review and may require amendment of the plan submitted by the Licensee prior to approval. The approved plan shall then be in effect.
4. The Licensee shall notify the Authority as promptly as practicable of any emergency or any other major incident (as may be further defined by the Authority) that results in a significant interruption in service. Within two months of such notice, Licensee shall submit a report giving full details of the event and its cause. The Authority may require an independent consultant to prepare its own report.
5. Notwithstanding paragraph 2 of this Condition the Licensee may interrupt or reduce a supply of electricity in circumstances where it is necessary to do so by reason of planned maintenance undertaken on the Distribution System or by reason of a fault affecting the Distribution System.

#### CONDITION 23 - CODE OF PRACTICE ON CUSTOMER BILLS

1. The Licensee shall ensure compliance with paragraph (2) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall prepare a Code of Practice concerning the payment of electricity bills by Customers not paying for their electricity supply and including appropriate guidance for the assistance of such Customers who may have difficulty in paying such bills.

#### CONDITION 24 - CODE OF PRACTICE FOR DISCONNECTIONS

1. The Licensee shall ensure compliance with paragraphs (2) to (4) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. The Licensee shall prepare a Code of Practice setting out its policies and procedures for disconnecting or de-energising Customers.
3. The Licensee shall as soon as practicable following the preparation of the Code of Practice or any revision made to it, send to the Authority for review and approval.
4. The Licensee shall, within three months after the Code of Practice has been put in place, establish procedures for monitoring its general operation of the arrangements set out in the Code of Practice and compliance therewith, which shall be submitted to the Authority for his approval.

**CONDITION 25 - CODE OF PRACTICE ON COMPLAINT HANDLING**

1. The Licensee shall ensure compliance with paragraphs (2) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.

The Licensee shall prepare a Code of Practice establishing a procedure for handling complaints from Customers about the manner in which the Licensee conducts the Distribution Business and any procedure established in accordance with this Condition shall specify the periods within which it is intended that different descriptions of complaint should be processed and resolved.

**CONDITION 26 - REVIEW AND COMPLIANCE WITH CODES OF PRACTICE**

1. The Licensee shall ensure compliance with paragraphs (2) to (11) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. This Condition applies to each of the Codes of Practice required to be prepared by the Licensee.
3. The Licensee shall submit the Codes of Practice to the Authority for approval.
4. If, within thirty days from the day the Licensee first submitted the Code of Practice to the Authority for approval, the Authority notifies the Licensee that he considers that the Code of Practice does not meet the requirements of this Distribution Licence, the Licensee shall immediately make such changes to the Code of Practice as the Authority may require.
5. The Licensee shall, whenever reasonably requested, to do so by the Authority, and in any case no more than once in any twelve-month period, review the Code of Practice and the manner in which it has been operated, with a view to determining whether any Modification should be made to the Code of Practice or to the manner of its operation.
6. The Licensee shall submit any revision of the Code of Practice which it wishes to make to the Authority for his approval, and if the Authority approves the revision, the Licensee shall, following receipt of the Authority's approval in writing, then revise the Code of Practice appropriately. If the Authority does not approve the revision, the Licensee shall make further revisions to the Code of Practice as the Authority may require, in order to meet the requirements of the Licensee's Distribution Licence.
7. The Licensee shall:
  - (a) as soon as practicable following the preparation of the Code of Practice or any revision made to it, send to the Authority a copy of the Code of Practice or such revision in the form approved by the Authority;
  - (b) draw to the attention of its customers the existence of the Code of Practice and any substantive revision of it and how they may inspect or obtain a copy of the Code of

Practice in its latest form;

- (c) make a copy of the Code of Practice available for inspection by members of the public at each of the relevant premises during normal opening hours; and
  - (d) give or send free of charge a copy of the Code of Practice (as from time to time revised) to any person who requests it.
8. No changes may be made to the Code of Practice otherwise than in accordance with this Condition.
  9. The Licensee shall ensure, so far as reasonably practicable, that it complies with the terms of and the arrangements or procedures (as the case may be) as are contained in or described by each Code of Practice to which this Condition applies or any revision to such Code approved by the Authority.
  10. The Licensee shall provide the Authority with all assistance reasonably necessary to enable the Authority to monitor the implementation and operation of any Code of Practice and this assistance shall include, without limitation, permitting the Authority access to relevant documentation held by the Licensee.
  11. The Authority may (following consultation with the Licensee) issue directions relieving the Licensee of any of its obligations under the Code of Practice to such an extent as may be specified in those directions and subject to such terms and conditions as the Authority deems fit.

#### CONDITION 27 - ELECTRICITY SUPPLY CONTRACTS

1. The Licensee shall ensure compliance with paragraphs (2) to (6) of this condition before the issuance of a Permanent Distribution Licence and to the satisfaction of the Authority.
2. Where the Licensee supplies electricity to a customer's premise, it must, within a reasonable period of time after receiving the request from the Customer for a supply of electricity to the premise, offer to enter into a contract with that Customer.
3. If the customer accepts the terms of the contract offered to him under paragraph 2 in this Condition, the distribution Licensee must supply electricity in accordance with that contract.
4. The Licensee is not required to comply with the obligations set out in paragraphs 2 or 3 in any of the following circumstances:
  - (a) it is not reasonable in all the circumstances of the case for the Licensee to supply electricity to the premises, provided that, if it is already supplying electricity to the premises, it has given at least seven working days' notice of its intention to stop doing

so; or

(b) the Licensee requires the customer to pay a reasonable Security Deposit and he does not do so.

5. The Licensee shall ensure that any contract it enters into, or offers to enter into, with a Customer for the supply of electricity contains provisions which are in clear and comprehensible language and which incorporate all relevant information so as to enable the Customer or potential Customer to understand the terms under which the supply of electricity is, or is to be, made.
6. The Licensee shall determine standard terms and conditions for the supply of electricity to customers. The Licensee shall not enter, or offer to enter, into a contract for the supply of electricity with a customer otherwise than on its standard terms and conditions.

#### CONDITION 28 - DISPOSAL OF RELEVANT ASSETS

1. The Licensee shall be obliged to obtain prior written consent from the Authority for the disposal of or relinquishment of operational control over any relevant equipment, immovable property or other asset required to perform the licensed activity unless:
  - (a) the Authority has given prior general consent in written to the disposal of or a relinquishment of operational control over relevant assets of a specified description; and
  - (b) it is obliged by law or final order of a competent court to dispose of the relevant asset or part of its distribution business.

#### CONDITION 29 - ENVIRONMENTAL PRESERVATION

1. The Licensee shall comply with and adhere to applicable national environmental standards and practices during the term of this Licence to protect and preserve the environment.
2. The Licensee shall promote the conservation of resources.

#### CONDITION 30 - HEALTH AND SAFETY

1. The Licensee shall take all reasonable steps to promote the health and safety of employees and shall consult with appropriate representatives of employees for the purpose of establishing and maintaining an appropriate machinery or forum for the joint consideration of matters of mutual concern in respect of health and safety of those employees. The Licensee shall comply with all occupational health and safety laws of the Republic of Mauritius.
2. The Licensee shall own and operate the Distribution System and carry out a regular and

continuous program of maintenance of the Distribution System in such a manner as to ensure their safe and efficient operation in accordance with applicable law.

#### CONDITION 31 - SUSPENSION

1. The Authority may, at any time, suspend the Licence by giving not less than 14 days' notice in writing to the Licensee:
  - (a) if any amount payable under Condition 5 (Annual Fee) is unpaid 30 days after it has become due and remains unpaid for a period of 30 days after the Authority has given the Licensee notice that the payment is overdue, provided that no such notice shall be given earlier than the sixteenth day after the day on which the amount payable becomes due;
  - (b) if the Licensee fails to comply with an order (within the meaning of section 38 of the Act) and such failure is not rectified to the satisfaction of the Authority within three months after the Authority has given notice in writing of such failure to the Licensee, provided that no such notice shall be given by the Authority before the proceedings are finally determined;
  - (c) if the Licensee fails to pay any financial penalty (within the meaning of sections 36, 38, 40 or 44 of the Act) by the date for such payment and such payment is not made within 3 months after the Authority has given notice in writing of such failure by the Licensee, provided no such notice shall be given before any proceedings are finally determined;
  - (d) if the Licensee fails to pay any amount due to the Authority payable as part of an award or any costs determined as part of an interim award howsoever payable by the due date specified in either such award; or
  - (e) if the Licensee fails to conduct the licensed activity in accordance with the terms and conditions of the Licence, the provisions of the Act and any regulatory instruments thereunder and does not immediately take all appropriate means to remedy the failure.
2. Without prejudice to paragraph 1, the Authority may forthwith suspend the licence on any ground specified in paragraph 1 where –
  - (a) the Authority considers that it is in the public interest to do so; and
  - (b) the urgency of the matter so requires.
3. A suspension effected under paragraph 2 shall lapse after 21 days unless –
  - (a) the suspension has been revoked prior to that period; or
  - (b) a notice has been served under paragraph 1 during that period.

#### CONDITION 32 - AMENDMENT AND REVOCATION

1. The Authority may, at any time, on a complaint by any interested party or on its own initiative, amend the terms of, or revoke the Licence by giving not less than 14 days' notice (24 hours' notice in the case of a revocation under paragraph (e) of this Condition) in

writing to the Licensee stating the reasons for which it proposes to do so and to allow the Licensee to make any written representations to object to the proposal:

- (a) if the Licensee agrees in writing with the Authority that the Licence should be amended or revoked;
- (b) if any amount payable under Condition 4 (Annual Fee) is unpaid 30 days after it has become due and remains unpaid for a period of 90 days after the Authority has given the Licensee notice that the payment is overdue – provided that no such notice shall be given earlier than the sixteenth day after the day on which the amount payable becomes due;
- (c) if the Licensee fails –
  - (i) to comply with an order (within the meaning of section 38 of the Act) and such failure is not rectified to the satisfaction of the Authority within 3 months after the Authority has given notice in writing of such failure to the Licensee – provided that no such notice shall be given by the Authority before the proceedings are finally determined;
  - (ii) to pay any financial penalty (within the meaning of sections 36, 38, 40 or 44 of the Act) by the date for such payment and such payment is not made within 3 months after the Authority has given notice in writing of such failure by the Licensee – provided no such notice shall be given before any proceedings are finally determined; or
  - (iii) to pay any amount due to the Authority payable as part of an award or any costs determined as part of an interim award howsoever payable by more than 90 days following the due date specified in such award.
- (d) if the Commercial Agreement with the Single Buyer is terminated.
- (e) if the Licensee –
  - (i) contravenes the Act;
  - (ii) has ceased to carry on this activity;
  - (iii) has repeatedly failed to provide the electricity service for which it has been licensed;
  - (iv) fails to conduct the licensed activity in compliance with the terms and conditions of the Licence, the provisions of the Act and any regulatory instruments thereunder, without remedying such failure within a reasonable period of time and fails to remedy such failure within a reasonable period of time; or
  - (v) has submitted false information when making its application for the Licence.
- (f) if the Licensee –
  - (i) is unable to pay its debts (within the meaning of Part II of the Insolvency Act);
  - (ii) passes a resolution for Voluntary Winding Up (within the meaning of Part III of the Insolvency Act); or
  - (iii) is subject to Winding Up by a court of competent jurisdiction (within the meaning of section 401 of the Insolvency Act).
- (g) if the Licensee transfers, assigns or otherwise cedes control of the Licence without prior written consent of the Authority.

2. Without prejudice to paragraph 1, the Authority may forthwith revoke the licence on any ground specified in paragraph 1 where –
  - (a) the Authority considers that it is in the public interest to do so; and
  - (b) the urgency of the matter so requires.

**CONDITION 33 – DISPUTES**

1. Any disputes pertaining to this licence or the Licensee’s performance in this Licence may be resolved amicably between representatives of the Licensee and the Authority.
2. If a dispute in paragraph (1) is not resolved within 30 business days amicably, the dispute may be referred to an expert acceptable to the Licensee and the Authority. The expert shall give his decision within 30 business days after having received all information from both parties.

**CONDITION 34 – INSURANCE**

1. The Licensee shall maintain with financially sound and reputable insurers, insurance and reinsurance with respect to its distribution business that is adequate in relation to the standard in the electricity industry.

**CONDITION 35 - CORRESPONDENCE**

1. Any correspondence or notice to be given under any of these terms and conditions by both parties shall be in writing and shall be deemed to have been properly served if hand-delivered or sent by registered post at the address set out below or such other address which may be from time to time specified in writing to each other -

**Licensee:**  
 The Director  
**(insert name of company)**  
**(insert address)**  
 Telephone: **(insert no)**  
 Email: **(insert email address)**

**Authority:**  
 Chief Executive Officer  
 The Utility Regulatory Authority  
 One Exchange Square  
 Level 8, Tower A, Wall Street  
 Ebene Cybercity, Mauritius  
 Telephone: +230 454 8070/454 8079

2. Any notice given under the provisions of paragraph (1) shall be deemed to have been duly served and received -
  - (a) at the actual time of delivery, if delivered personally;



- (b) **seven (7) working days** subsequent to the date of postage, if sent by registered post.

CONDITION 36 - WHOLE LICENCE

2. This License constitutes the entire license and supersedes all prior understandings and agreements between the Licensee and the Authority.