

THE ELECTRICITY (AMENDMENT) BILL
(No. XXII of 2020)

Explanatory Memorandum

The object of this Bill is to amend the Electricity Act 2005 to, mainly –

- (a) harmonise the Electricity Act 2005 and the Central Electricity Board Act for the proper functioning of the electricity sector;
- (b) bring amendments to some of the types of licences which may be issued under the Act;
- (c) eliminate the concept of “eligible customer”;
- (d) clarify some provisions of the Act,

and to provide for matters related thereto.

G. P. LESJONGARD

Minister of Energy and Public Utilities

04 December 2020

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ARRANGEMENT OF CLAUSES

Clause

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| 2. Interpretation | 10. Section 28 of principal Act amended |
| 3. Section 2 of principal Act amended | 11. Section 42 of principal Act amended |
| 4. Section 3 of principal Act amended | 12. Section 44 of principal Act amended |
| 5. Section 4 of principal Act amended | 13. Section 45 of principal Act amended |
| 6. Section 11 of principal Act amended | 14. Schedule to principal Act amended |
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| 8. Section 16 of principal Act amended | |
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A BILL

To amend the Electricity Act 2005

ENACTED by the Parliament of Mauritius, as follows –

1. Short title

This Act may be cited as the Electricity (Amendment) Act 2020.

2. Interpretation

In this Act –

“principal Act” means the Electricity Act 2005.

3. Section 2 of principal Act amended

Section 2 of the principal Act is amended –

- (a) by deleting the definition of “bulk supply”;
- (b) by deleting the definition of “electricity service” and replacing it by the following definition –

“electricity service” has the same meaning as in the Central Electricity Board Act;

- (c) by deleting the definition of “eligible customer”;
- (d) by inserting, in the appropriate alphabetical order, the following new definition –

“Board” has the same meaning as in the Central Electricity Board Act;

4. Section 3 of principal Act amended

Section 3 of the principal Act is amended, in subsection (1), by inserting, after the words “but subject to subsection (3)”, the words “and section 10(1)(a) of the Central Electricity Board Act”.

5. Section 4 of principal Act amended

Section 4 of the principal Act is amended, in subsection (1), by deleting the words “Any person” and replacing them by the words “Subject to section 10(1)(a) of the Central Electricity Board Act, any person”.

6. Section 11 of principal Act amended

Section 11 of the principal Act is amended by repealing subsection (1) and replacing it by the following subsection –

(1) (a) Every licensee, other than the Board, shall, not later than 6 months from the end of its financial year, submit its audited annual financial statement to the Authority.

(b) The Board shall, in accordance with the Statutory Bodies (Accounts and Audit) Act, submit its audited annual financial statement to the Authority.

7. Section 12 of principal Act amended

Section 12 of the principal Act is amended by repealing subsection (1) and replacing it by the following subsection –

(1) A licensee who provides more than one electricity service or utility service shall keep separate accounts and prepare a separate financial statement in respect of each electricity service or utility service, as the case may be.

8. Section 16 of principal Act amended

Section 16 of the principal Act is amended, in subsection (5), by deleting the words “subsection (3)” and replacing them by the words “subsection (4)”.

9. Section 19 of principal Act amended

Section 19 of the principal Act is amended –

(a) in subsection (1), by deleting the words “A licensee” and “the metering, billing and collection procedures as the Authority” and replacing them by the words “The Board” and “such metering, billing and collection procedures as the Authority may determine”, respectively;

- (b) in subsection (2), by deleting the words “A licensee” and replacing them by the words “The Board”;
- (c) in subsection (3), by deleting the words “section 43” and “licensee” and replacing them by the words “section 42” and “Board”, respectively.

10. Section 28 of principal Act amended

Section 28 of the principal Act is amended –

- (a) in subsection (2)(b), by deleting the words “purchase in bulk supply” and replacing them by the words “procurement of electricity”;
- (b) in subsection (3)(b), by deleting the word “licensee” and replacing it by the word “Board”;
- (c) in subsection (4), by deleting the words “a licensee” wherever they appear and replacing them by the words “the Board”.

11. Section 42 of principal Act amended

Section 42 of the principal Act is amended –

- (a) in the heading, by deleting the word “**licensee**” and replacing it by the word “**Board**”;
- (b) in subsection (1), by deleting the word “licensee” and replacing it by the word “Board”;
- (c) in subsection (2), by deleting the words “a licensee” and “licensee” and replacing them by the words “the Board” and “Board”, respectively;
- (d) in subsection (3), by deleting the words “a licensee referred to in subsection (2)” and replacing them by the words “the Board”.

12. Section 44 of principal Act amended

Section 44 of the principal Act is amended, in subsection (1)(f), by inserting, after the words “transmission,”, the words “system operation,”.

13. Section 45 of principal Act amended

Section 45 of the principal Act is amended, in subsection (1), by inserting, after the words “licensed under this Act”, the words “, in respect of each electricity service specified in the Schedule,”.

14. Schedule to principal Act amended

The Schedule to the principal Act is amended –

- (a) in paragraph 1, by deleting the words “and supplying electricity to any licensee or to any eligible customer.” and replacing them by the words “, supplying and selling electricity to the holder of a single buyer licence.”;
- (b) in paragraph 4, by deleting the words “distribution system” and replacing them by the words “distribution system and to sell electricity to customers”;
- (c) in paragraph 5 –
 - (i) by deleting the heading and replacing it by the following heading –

Single buyer licence
 - (ii) by repealing subparagraph (1) and replacing it by the following subparagraph –

(1) The Authority may issue a single buyer licence authorising the Board to be responsible for –

 - (a) the procurement of electricity; and
 - (b) the management of the procurement of electricity and related services, including planning, scheduling and settlement.
 - (iii) in subparagraph (2), by deleting the words “bulk supply licence” and replacing them by the words “single buyer licence”;
 - (iv) by adding the following new subparagraph –

(4) Where the Authority issues a single buyer licence –

- (a) it may, from time to time, issue guidelines and give directives to the licensee in order to ring-fence the licensee from its other licensed activities and to ensure the independence of its different activities;
- (b) the licensee shall comply with any regulations, codes, guidelines and directives relating to its functions and activities;
- (c) the licensee shall practise non-discriminatory conduct and ensure optimal operation of the electrical system so that it does not compromise the reliability, security and safety of the system.

15. Commencement

(1) Subject to subsection (2), this Act shall come into operation on a date to be fixed by Proclamation.

(2) Different dates may be fixed for the coming into operation of different sections of this Act.
