

THE ELECTRICITY ACT,
(CAP.131)

ORDER

(Made under Section 23)

THE ELECTRICITY (STANDARDIZED SMALL POWER PROJECTS TARIFF)
ORDER, 2015

- Citation 1. This Order may be cited as the Electricity (Standardized Small Power Projects Tariff) Order, 2015.
- Commencement 2. This Order shall take effect from 1st April, 2015.
- Background 3. The Energy and Water Utilities Regulatory Authority (EWURA) adopted a standardized mechanism for development of Small Power Projects (SPP) in Tanzania in 2008 under which Standardized Power Purchase Agreement (SPPA) for main grid and mini-grid were approved. Furthermore, the Standardized Tariff Methodology (STM) based on avoided cost of TANESCO for main grid and mini grid were also approved. The mechanism provides for annual adjustment of applicable tariff of power sold by SPPs, based on approved methodology.
4. The Working Group on Small Power Development (WGSPD), currently hosted by the Energy and Water Utilities Regulatory Authority (EWURA), meets annually; and based on latest available information computes the applicable tariff for the particular year based on TANESCO's avoided thermal generation cost. The WGSPD submits the computed tariff to EWURA for approval. The WGSPD, which met on 27th January 2015, deliberated on the matter and submitted the proposed avoided cost tariffs for 2015 to EWURA for its approval. EWURA scrutinised the proposed tariffs for their reasonableness and prudence.
5. Following a review of the 2008 SPP program, a Second Generation SPP program has been proposed. Furthermore a Standardised Tariff Methodology has been proposed for hydro and biomass power generation projects with a capacity not exceeding 10MW. It has been proposed that tariffs for solar and wind generation projects be determined based on a

competitive bidding process.

Stakeholders'
Consultation
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6. Consistent with Section 19(2)(b) of the Energy and Water Utilities Regulatory Authority Act, EWURA conducted inquiries to collect views from stakeholders on the proposed Second Generation SPP Framework. The inquiries were conducted in February, May and December 2014. In addition, between 13th and 27th February 2015, EWURA conducted inquiries to collect views from stakeholders on the proposed 2015 avoided cost tariffs. Consequently, EWURA is satisfied that, at the closure of the inquiry process, it has gathered adequate information to support its recommendations to the Board.

Decision

7. EWURA Board of Directors, having met on 12th February 2015 to consider the matter decided that:

- (a) All SPPs will operate based on the 2nd Generation SPP Framework with the exception of those SPPs that will continue to use the 2008 avoided cost tariff setting methodology as stipulated in Rule xx of the Electricity (Development of Small Power Projects) Rules 2015;
 - i. The Standardized Small Power Purchase Tariff for hydro and biomass projects, of not more than 10MW, connecting to the Main Grid and Isolated Mini-Grid is as shown in the First Schedule;
 - ii. The Standardized Small Power Purchase Tariff shown in the First Schedule will be adjusted annually based on the United States Producer Price Index;
 - iii. Tariffs for solar and wind projects, of not more than 10MW, connecting to the Main Grid and Isolated Mini-Grid will be determined through a competitive bidding process; and
- (b) The Standardised Small Power Purchase Tariff, effective 1st April 2015, for SPPs that will continue to use 2008 avoided cost tariff setting methodology will be as shown in the Second and Third Schedule;

Revocation

8. This Order revokes the Electricity (Standardized Small Power Projects Tariff for Year 2014), Order Number 014-025.

FIRST SCHEDULE

Standardized Small Power Projects Tariff

Minihydro Power Plant		Biomass Power Plant	
Size	Tariff (US\$/kWh)	Size	Tariff (US\$/kWh)
100kW	0.155		
150kW	0.146	200kW	0.179
200kW	0.141	300kW	0.169
250kW	0.140	400kW	0.161
500kW	0.134	500kW	0.157
750kW	0.129	750kW	0.149
1MW	0.123	1MW	0.147
2MW	0.115	2MW	0.138
3MW	0.108	3MW	0.128
4MW	0.102	4MW	0.126
5MW	0.098	5MW	0.123
6MW	0.095	6MW	0.120
7MW	0.091	7MW	0.118
8MW	0.088	8MW	0.115
9MW	0.087	9MW	0.114
10MW	0.085	10MW	0.112

SECOND SCHEDULE

Main Grid Connection using Avoided Cost Tariff

Description		2014 Tariff (TZS/kWh)	2015 Approved Tariff (TZS/kWh)	Percentage Change
Standardized Small Power Purchase Tariff		197.31	190.94	-3.23%
Seasonally adjusted Standardized SPPT Payable in	Dry season	236.78	229.13	-3.23%
	Wet season	177.58	171.85	-3.23%

THIRD SCHEDULE

Mini Grid Connection using Avoided Cost Tariff

Description	2014 Tariff (TZS/kWh)	2015 Approved Tariff (TZS/kWh)	Percentage Change
Standardized SPP Tariff	482.64	493.97	2.35%

....., 2015.

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Felix Ngamlagosi
Director General

SHERIA YA UMEME
(NA. 131)

AGIZO

(Imetolewa chini ya Kifungu Na. 23)

AGIZO LA UMEME (BEI ZA MIRADI MIDOGO YA UMEME), 2015

Kichwa cha
Agizo

1. Agizo hili litajulikana kama, Agizo la Umeme (Bei za Miradi Midogo ya Umeme), 2015

Kuanza
Kutumika

2. Agizo hili litaanza kutumika tarehe 1 Aprili 2015.

Utangulizi

3. Mwaka 2008, Mamlaka ya Udhhibiti wa Huduma za Nishati na Maji (EWURA) iliridhia mfumo wa kuendeleza miradi midogo ya umeme kwa kuidhinisha Mikataba Mahsusi ya Ununuzi wa Umeme (“Standardised Power Purchase Agreement”) kwa miradi itakayounganishwa katika Gridi ya Taifa na Gridi Ndogo, pamoja na Kanuni ya Kukokotoa Bei ya Umeme kwa miradi hiyo. Mfumo huo huwezesha kila mwaka kukokotoa bei ya umeme utakaouzwa na wawekezaji wa miradi midogo, inayounganishwa katika Gridi ya Taifa na Gridi Ndogo.

4. Kikosi Kazi cha Uendelezaji wa Miradi Midogo ya Umeme ambacho huratibiwa na EWURA hukutana kila mwaka na kukokotoa bei itakayotumika kwa mwaka husika na kuwasilisha EWURA ili iidhinishwe. Kikosi Kazi kilikutana tarehe 27 January 2015 na kupendekeza kwa EWURA bei ya umeme kwa mwaka 2015. Bei hizo za kuuza umeme zilizopendekezwa zilihakikiwa na EWURA.

5. Kufuatia mapitio ya mfumo wa kuendeleza miradi midogo ya umeme, mfumo mpya wa kuendeleza miradi midogo ya umeme umependekezwa. Imependekezwa kuwa na kanuni ya kukokotoa bei za umeme kutoka kwenye miradi midogo ya kufua umeme kwa kutumia maji, taka za miji na mabaki yatokanayo na kilimo. Pia, imependekezwa kuwa bei za umeme kutoka kwenye miradi midogo ya kufua umeme kwa kutumia jua na upepo ipatikane kutokana na mfumo wa ushindani.

Ushirikishwaji
wa Wadau

6. Kulingana na Kifungu Na. 19(2)(b) cha Sheria ya Mamlaka ya Udhhibiti wa Huduma za Nishati na Maji, kutoka tarehe 13 – 27 Februari 2015 EWURA ilitoa tangazo kwa umma kupitia vyombo mbalimbali vya habari ili kupata maoni ya wadau kuhusu mapendekezo ya

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bei mpya ya mwaka 2015 yaliyotolewa na Kikosi Kazi cha Uendelezaji wa Miradi Midogo ya Umeme. Pia, EWURA ilifanya taftishi na kukusanya maoni ya wadau kuhusu pendekezo la mfumo mpya wa kuendeleza miradi midogo ya umeme. Taftishi zilifanyika mwezi Februari, Mei na Disemba 2014. Baada ya kukamilika kwa kipindi cha taftishi, EWURA imekusanya na kutathmini maoni ya wadau na imejiridhisha kuwa mapendekezo hayo yana mantiki.

Maamuzi

7. Bodi ya Wakurugenzi ya EWURA, katika kikao cha tarehe 12 Februari 2015, ilijadili mapendekezo hayo na kutoa uamuzi kwamba:

- (a) Miradi midogo ya umeme itaendelezwa kulingana na pendekezo jipya la mfumo wa kuendeleza miradi midogo isipokuwa kwa miradi ambayo itaendelea kutumia mfumo wa uliyopitishwa mwaka 2008 kama inavyoainishwa katika Taratibu Na. xx ya Taratibu za Kuendeleza Miradi Midogo ya Umeme ya 2015;
 - i. Miradi midogo ya kufua umeme kwa kutumia maji na taka za miji na mabaki yatokanayo na kilimo itauza umeme katika Gridi ya Taifa na Gridi Ndogo kwa bei inavyoonyeshwa katika Jedwali la Kwanza;
 - ii. Bei zilizopo katika Jedwali la Kwanza zitarekebisha kila mwaka kulingana na mfumuko wa bei za wazalishaji wan nchi ya Marekani;
 - iii. Bei za umeme kutoka katika miradi midogo ya kufua umeme kwa kutumia jua na upepo itatokana na mfumo wa ushindani; na
- (b) Kwa miradi midogo ya umeme itakayoendelea kutumia mfumo wa kuuza umeme uliopitishwa mwaka 2008 bei ya kuuza umeme kuanzia tarehe 1 Aprili 2015, itakuwa kama inavyoainishwa katika Jedwali la Pili na Jedwali la Tatu.

Kusitisha

8. Agizo hili linasitisha Agizo la Kurekebisha Bei ya Umeme kwa Miradi Midogo ya Umeme Namba 014-025 la mwaka 2014.

JEDWALI LA KWANZA

Bei ya Umeme kwa Miradi Midogo

Mtambo wa Kufua Umeme kwa Kutumia Maji		Mtambo wa Kufua Umeme kwa Kutumia Taka za Mji na Mabaki ya Kilimo	
Ukubwa	Bei ya Umeme (US\$/kWh)	Ukubwa	Bei ya Umeme (US\$/kWh)
100kW	0.155		
150kW	0.146	200kW	0.179
200kW	0.141	300kW	0.169
250kW	0.140	400kW	0.161
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JEDWALI LA PILI

Bei ya Umeme kwa Miradi Midogo Unaouzwa Kwenye Gridi ya Taifa kwa Kulingana na Mfumo wa Mwaka 2008

Maelezo	Bei ya 2014 (TZS/kWh)	Bei Iliyoidhinishwa kwa 2015 (TZS/kWh)	Mabadiliko katika Asilimia
Bei ya Umeme kwa Miradi Midogo	197.31	190.94	-3.23%
Bei Itakayolipwa Msimu wa Ukame	236.78	229.13	-3.23%

Kulingana na Msimu	(Augosti hadi Novemba)			
	Msimu wa Mvua (Januari hadi Julai na Desemba)	177.58	171.85	-3.23%

JEDWALI LA TATU

Bei ya Umeme kwa Miradi Midogo Unaouzwa kwenye Gridi Ndogo kulingana na Mfumo wa Mwaka 2008

Maelezo	Bei ya 2014 (TZS/kWh)	Bei Iliyoidhinishwa kwa 2015 (TZS/kWh)	Mabadiliko katika Asilimia
Bei ya Umeme kwa Miradi Midogo	482.64	493.97	2.35%

....., 2015.

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Felix Ngamlagosi
Mkurugenzi Mkuu