

**THE UTILITY REGULATORY AUTHORITY (AMENDMENT) BILL**  
(No. XXIV of 2008)

**Explanatory Memorandum**

The object of this Bill is to amend the Utility Regulatory Authority Act 2004 in order to provide for the appointment of Chairperson and Commissioners of the Utility Regulatory Authority by the President on the advice of the Prime Minister given after consultation with the Leader of the Opposition.

The Bill further provides for the Authority to examine and make recommendations to a licensee –

- (a) in respect of any Power Purchase Agreement proposed to be signed, or entered into by it;
- (b) in respect of any management services contract, operation and maintenance contract or any other contract which it proposes to enter into in relation to water services or waste disposal services.

11 July 2008

**A. T. KASENALLY**  
*Minister of Public Utilities*

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**ARRANGEMENT OF CLAUSES**

*Clause*

- 1. Short title
- 2. Interpretation
- 3. Section 2 of principal Act amended
- 4. Section 6 of principal Act amended
- 5. Section 9 of principal Act amended
- 6. Section 11 of principal Act amended
- 7. Section 12 of principal Act amended
- 8. Consequential amendments
- 9. Commencement

**A BILL**

## **To amend the Utility Regulatory Authority Act 2004**

ENACTED by the Parliament of Mauritius, as follows –

### **1. Short title**

This Act may be cited as the Utility Regulatory Authority (Amendment) Act 2008.

### **2. Interpretation**

In this Act -

“principal Act” means the Utility Regulatory Authority Act 2004.

### **3. Section 2 of principal Act amended**

Section 2 of the principal Act is amended –

- (a) by deleting the definition of “Appointments Committee”;
- (b) by inserting in its appropriate alphabetical order, the following new definition –

“Power Purchase Agreement” has the meaning assigned to it by the Electricity Act 2005;

### **4. Section 6 of principal Act amended**

Section 6 of the principal Act is amended –

- (a) in subsection (1) –
  - (i) in paragraph (g), by deleting the word “and” appearing immediately after the semicolon;
  - (ii) in paragraph (h), by deleting the full stop and replacing it by the words “; and”;
  - (iii) by adding immediately after paragraph (h), the following new paragraphs –
    - (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) examine 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 relation to water services or waste water disposal services.
- (b) by adding immediately after subsection (3) the following new subsections –
  - (4) Subject to subsection (5), the Authority may in the public interest examine any Power Purchase Agreement entered into by a licensee and make such recommendations as it considers appropriate to the parties to the agreement for the protection of customers in relation to any utility services.
  - (5) Before making any recommendation, the Authority shall allow the parties to any Power Purchase Agreement to make such representations as they deem appropriate.

## **5. Section 9 of principal Act amended**

Section 9 of the principal Act is repealed and replaced by the following section –

### **9. Appointment of Chairperson and Commissioners**

The President shall appoint the Chairperson and Commissioners on the advice of the Prime Minister given after consultation with the Leader of the Opposition.

## **6. Section 11 of principal Act amended**

Section 11 of the principal Act is amended by deleting subsection (4) and replacing it by the following subsection –

(4) Subject to this section, the terms and conditions of the appointment of the Chairperson and every Commissioner shall be determined by the President acting on the advice of the Prime Minister given after consultation with the Leader of the Opposition.

## **7. Section 12 of principal Act amended**

Section 12 of the principal Act is amended –

(a) in subsection (1) –

(i) by deleting the words “Appointments Committee” and replacing them by the words “President acting on the advice of the Prime Minister given after consultation with the Leader of the Opposition,”;

(ii) in paragraph (b)(iii), by deleting the words “Appointments Committee” and replacing it by the word “President”;

(b) in subsection (4), by deleting the words “the Appointments Committee shall” and replacing them by the words “the President shall, subject to section 9,”.

## **8. Consequential amendments**

The Electricity Act 2005 is amended –

(a) in section 2, by inserting in the appropriate alphabetical order the following new definition -

“Power Purchase Agreement” means an agreement entered into by a licensee to purchase electricity;

(b) in section 16 –

(i) by deleting subsection (2) and replacing it by the following –

(2) A licensee who enters into a contract for the supply of an electricity service or proposes to enter into a Power Purchase Agreement shall submit a copy of the contract or proposed agreement, as the case may be, to the Authority.

- (ii) by adding immediately after subsection (2), the following new subsections –

(3) A licensee shall in relation to a contract or an agreement referred to under subsection (2) submit such information as the Authority may deem necessary.

(4) The Authority shall communicate its views and recommendations to the licensee not later than one month –

(a) from the date the contract or Power Purchase Agreement was submitted to the Authority; or

(b) from the date the licensee has submitted any additional information, where such information was required of the licensee;

whichever is later.

(5) Any recommendation made by the Authority under subsection (3) shall be binding on the licensee.

(6) The validity of the contract or Power Purchase Agreement shall not be affected by reason only of the fact that the Authority has failed to communicate its recommendations within one month as provided under subsection (3).

- (c) in section 18, by inserting immediately after subsection (1) the following subsection –

(1A) Notwithstanding subsection (1)(d), a licensee may for the purpose of billing a customer issue monthly bills in advance on a quarterly basis based on the average consumption of electricity of the preceding quarter.

## **9. Commencement**

(1) 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 provisions of this Act.