Circular No. (2) for the year 2023
about
Regulatory rules for the purchase of electric power produced
from renewable energies
produced by the New and Renewable Energy Authority

No of BoD meeting | Third
---|---
Year | 2022/2023
Date | 3/1/2023
Decision no. | (1/5)

The rules are in accordance with the decision of the board of directors of the agency

The board of directors decided the following:

1- Approval of the attached circular regarding the regulatory rules for the purchase of electric power produced from renewable energies produced by the New and Renewable Energy Authority.

2- The circular is published on the agency’s website and circulated to the electricity distribution companies, the Egyptian Electricity Transmission Company, and the New and Renewable Energy Authority.
Regulations
To purchase electrical energy produced from renewable energies
Produced by
The New and Renewable Energy Authority

Based on recent requests submitted by some companies, including telecommunications companies licensed by the National Telecommunications Regulatory Authority (Vodafone - Orange - Etisalat) to convert their consumption from the entire national electricity grid into energy produced from renewable sources, which ends with a request to setting/establish an implementation mechanism and accounting value/ the calculation to apply it.

Citation the decision of the President of the Republic by Law No. 135 of 2014, which stipulated in Article Two - Item No. (4) that the New and Renewable Energy Authority implement projects for the production and use of new and renewable energy (wind - solar - others) and operate and maintain the stations of the projects built in the item The previous work and all works related to these purposes, whether by itself or jointly with others, or to entrust the implementation, operation and maintenance of all or some of them to third parties, whether for their own account or for the account of others, and the sale of electrical energy produced from these projects, and accordingly the aforementioned law allows the Authority for the New and Renewable Energy Authority Selling electric power.

Accordingly, requests submitted by companies can be met by purchasing energy to feed their places from the New and Renewable Energy Authority, provided that it does not exceed the annual production of the authority (solar energy - wind energy - or others) and after the approval of the Agency.

Whereas, memorandums of understanding were signed between the New and Renewable Energy Authority and telecommunications companies during the COP27 climate conference to shift to the use of renewable energy in its consumption and produced from the authority's stations.

Pursuant to the competence of the Egyptian Electric Utility and Consumer Protection Regulatory Agency established by the Electricity Law promulgated by Decree Law No. 87 of 2015, the following rules have been prepared:

- Allowing the New and Renewable Energy Authority as a producer of renewable energy to sell part/all of the energy produced from its owned stations to cover part/all of the requesting companies’ consumption based on what came in the Presidential Decree of Law No. 135 of 2014, through the conclusion of the following contracts:
1. An electric power sale contract between the Authority and each company for a specified amount of energy and for a period of time of one year, subject to renewal with the consent of both parties.

2. A contract between the Authority and the Egyptian Electricity Transmission Company to use the Egyptian Electricity Transmission Company's network.

3. A contract between the Authority and the distribution companies to use the network of distribution companies.

- The electricity distribution companies contracted with by the requesting companies continue to issue and collect invoices after amending the form of the invoice issued to the companies (according to the attached form) and according to the price determined by the Agency, provided that they amend the accounting systems of the companies and divide the price determined by the Agency and give each party its own portion of this price. It shall include three parts as follows:

  1. The value of the energy produced by the Authority (to be transferred to the New and Renewable Energy Authority).
  2. In return for using the Egyptian Electricity Transmission Company's network (to be transferred to the Egyptian Electricity Transmission Company).
  3. In return for using the network of distribution companies (distribution companies collect it for their own benefit).

- With regard to the meters for measuring the energy supplied to companies:
  - It is allowed to install smart / prepaid meters in places that do not have meters.
  - The requesting companies, at their own expense, will create a complete system for smart meters linked to all the company's sites and the competent distribution company.
  - This system does not apply to places without meters.

- The electricity distribution companies send data on the quantities of energy supplied to the companies to each of the Egyptian Electricity Transmission Company and the New and Renewable Energy Development and Use Authority monthly within five working days of collecting their value, whether the meters are postpaid or prepaid, provided that they transfer the financial amounts of each of the authority and the Egyptian Electricity Transmission Company, according to the second item, within five working days.
• The requesting companies shall continue to pay what is currently or in the future as approved by the Agency, as well as any other obligations or fees including, but not limited to, customer service fees, fees and stamps, according to what is in force.

• The New and Renewable Energy Authority, according to the consumption data received from the distribution companies, issues a letter to each company with the quantities of renewable energy used, as well as a consolidated statement for the Egyptian Electricity Transmission Company to deduct those quantities from the amount of energy sold to it by the Authority.

• In the event that any of the requesting companies terminates the energy purchase contract concluded with the New and Renewable Energy Authority, the Egyptian Electricity Transmission Company shall be obligated to buy back the amount of renewable energy produced from the stations affiliated with the New and Renewable Energy Authority, according to what is in force.

• The contract shall be in accordance with the contract forms approved by the Agency.