

# Covid-19: COVID19 reversing progress on energy access in Africa

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**ELECTRICITY REGULATORY AUTHORITY**

# About EREA

- Founded in 2008 Energy and Water Utilities Regulatory Authority (EWURA) of Tanzania, Energy Regulatory Commission (ERC) of Kenya, Electricity Regulatory Authority (ERA) of Uganda, Rwanda Utilities Regulatory Authority (RURA) of Rwanda and a Representative of the Ministry of Energy and Mines of Burundi.
- Founded to promote regional cooperation in energy infrastructure planning, capacity building, and development of sustainable energy projects and harmonized market structures.

# Impact on Electricity Sector Industry

- Force Majeure events/ declaration ( KPLC, UETCL – System Operators – 9 IPPS Ug 10 Ke)
- Change in Law: Covid – 19 travel restrictions
- Reduced energy demand, increase in energy losses, revenue collection
- Increased tariff due to take or pay and fixed costs
- Deemed energy obligations: 54.5 Million USD
- Reliability of ESI: Repairs and Maintenance
- Tariff Trajectory and Revenue Requirement.
- Customer connections (impact on access agenda)
- Lessened regulatory monitoring and compliance (QOS)

# Interventions

- Tariff adjustments on the basis of Political Force Majeure
- Promulgation of ‘amnesty’ laws – Kenya Contract Act – statutory defaults
- Stabilisation fund/Hedge fund/ relief funds for companies and support packages.
- Deferment in the payment of utility and taxation bills
- Renegotiation and restructuring of debt payments under PPAs
- Growing demand/Economic stimulus – June 2020
- Off grid power development
- Cost reflective tariffs

THANK-YOU