

WELCOME REMARKS BY THE CHIEF EXECUTIVE OFFICER

AT

THE PRESS BRIEFING FOR THE AWARD OF LICENSES FOR DISTRIBUTION AND SALE OF ELECTRICITY TO UEDCL

TUESDAY, 31ST DECEMBER, 2024

GOVERNMENT MEDIA CENTER, KAMPALA

- a. The Honorable Minister of Energy and Mineral Development;
- b. The Parmanent Secretary Ministry of Energy and Mineral Development.
- c. The Chairperson of the Electricity Regulatory Authority;
- d. The Executive Director and Staff of the Government Media Center:
- e. The Chairperson, Board and Management of Uganda Electricity Distribution Company Limited;
- f. The Board, Management and Staff of Umeme Limited;
- g. The Board, Management and Staff of Uganda Electricity
 Transmission Company Limited
- h. Members of the Press;
- Distinguished Guests;
- j. Ladies and Gentlemen.

Page 1 of 8



- I have the pleasure to Welcome you to this Media Briefing; and Thank you for making time to attend the briefing amidst the ongoing End of Year festivities.
- 2. I also take this opportunity to wish you Joy, Prosperity, and Success in all your endeavors throughout the coming year 2025!
- 3. Honorable Minister, esteemed stakeholders, and members of the press, I extend our heartfelt gratitude for your unwavering support to the Electricity Regulatory Authority during the year 2024.
- 4. The year 2024 has been transformative for the Electricity Regulatory Authority and the Electricity sub-Sector at large, marked by significant achievements across the value chain, including:
 - a) **Growth in Power Generation**: The country's generation capacity has reached 2,049 MW, boosted by the commissioning of the 600 MW Karuma Hydropower Plant and other smaller plants.
 - b) Tariff Reduction: We have progressively reduced Electricity Tariffs across all consumer categories, implementing targeted incentives to foster economic growth and enhance societal wellbeing.
 - c) Increased Access to Electricity: ERA has monitored the implementation of Government programs aimed at expanding electricity access, such as the Electricity Access Scale-Up Project (EASP), the hybrid customer connection framework, the Energy

Page 2 of 8

- Rebate Framework, and grid extension and reinforcement initiatives across the country.
- d) Enhanced Reliability of Supply: The connection of West Nile to the national grid and the development of supporting infrastructure have significantly improved power reliability in the West Nile and Northern Regions.
- e) Technological Advancements: The Authority facilitated the Distribution Companies to upgrade their Billing systems for both prepaid and postpaid meter environment to the new Metering Technology by the November 2024 deadline, in line with International Standards.
- f) Hon. Minsiter we have successfully rolled over the electricity meters to the New standard that complies with the Token Identifier in energy meters as per Stanadrd Transfer Specification Association (STS) standards requirement.
- g) Regional Presence: In June 2024, the Authority Officially Opened its Regional Offices in Gulu District (Northern Uganda) and Mbale District (Eastern Uganda). The Regional Offices aim to extend ERA's reach to stakeholders around the Country and to ensure improved Quality of Service delivered to the stakeholders.
- h) Following the Cabinet decision to host the Secretariat of the Independent Regulatory Board (IRB) of the Eastern Africa Power Pool (EAPP) in Kampala, the Authority and the Ministry of Foreign

Page 3 of 8

Affairs **signed the Country Hosting Agreement** on February 7th, 2024. The Country Host Agreement represents the Government's commitment to host the IRB Secretariat in Kampala.

Among other benefits, Hosting the IRB Secretariat will allow Uganda to contribute to developing an effective Regional Electricity market, which will ensure supply security, improve sector efficiencies and reliability, and spur economic development.

i) While the Authority, working with the Distribution Companies, has made deliberate effort in ensuring that customers access Reliable and Quality Power, this has been affected by Vandalism and theft of Electrical equipment in different parts of the Country.

I encourage all Electricity Consumers and the General Public to be **vigilant and report any suspicious people** seen around Electricity Infrastructure.

- 5. Honorable Minister, the aforementioned achievements are a testament to the collective efforts of the sub-Sector in the year 2024, and we take great pride in them.
- 6. ERA remains committed to fostering a sustainable and self-sufficient Electricity sub-Sector that supports Uganda's vision for total socio-economic transformation.
- 7. As you are aware, Honourable Minister, over the past year, we have been actively preparing for the retransfer of the distribution network from Umeme Limited to

Page **4** of **8**

- **Uganda Electricity Distribution Company Limited** at the natural end of Umeme's concession in March 2025.
- 8. This transition aligns with the Government of Uganda's decision not to renew expiring Electricity Distribution Concessions and Licenses, marking a significant milestone in our sector's evolution.
- 9. The Electricity Regulatory Authority acknowledges the critical importance of this transition in shaping Uganda's Electricity sub-Sector, representing a pivotal step towards advancing the Country's Energy goals, improving service delivery, and ensuring a Sustainable Electricity Supply for all Ugandans.
- 10. To-date, we have witnessed Transitions from private companies to the Government of Uganda, as highlighted:
 - a) From **Ferdsult** Engineering Services Limited to UEDCL;
 - b) From **Pader-Abim** Community Multi-Purpose Electric Cooperative Society Limited (PACMECS) to UEDCL;
 - c) From **Bundibugyo** Energy Cooperative Society (BECS) to UEDCL;
 - d) From **Kyegegwa** Rural Electricity Cooperative **Society Ltd** (KRECS) to UEDCL;
 - e) From Kilembe Investments Limited (KIL) to UEDCL;
 - f) From **Jacobsen** Uganda Power Plant Company Limited to UEGCL; and,
 - g) From Eskom Uganda Limited to UEGCL.

- raise questions and uncertainties. I would like to give assurance that subject to good discipline and Professionalism; the security of Staff positions, welfare, and professional growth remain top priorities.
- 12. I am pleased to note that in previous transitions, over 98% of staff were retained by the Government of Uganda utilities. This underscores our commitment to protecting the workforce, provided employees maintain of high standards of conduct and deliver excellent service.
- 13. ERA, in collaboration with the Ministry of Energy, Umeme Limited, and the UEDCL Leadership, is committed to ensuring a smooth, transparent, and coordinated process that prioritizes staff interests while maintaining uninterrupted service delivery.
- 14. As part of this transition, <u>all staff</u> will receive new terms of employment aligned with the approved framework for operations post-March 2025. These terms are designed to leverage the existing tested and proven workflows, personnel deployment strategies, and operational systems to ensure minimal disruption, particularly in the initial months following the retransfer of the distribution network to the Government of Uganda, represented by UEDCL.
- 15. This transition also presents opportunities for the growth, retention, and integration of skilled personnel from both Umeme Limited and UEDCL to form a formidable winning team to serve the country.
- 16. Every effort is being made to manage change, preserve institutional knowledge, the good culture and, deter bad

Page 6 of 8



- **vices**, and ensure that employees play a pivotal role in delivering quality and reliable Electricity services.
- 17. A deliberate effort to establish an optimal Staffing structure for the efficient operation and management of the distribution network post-March 2025 formed a major focus in the review and the determination of the UEDCL license application, among others.
- 18. The role of Staff is crucial in maintaining service excellence and fostering public trust throughout this transition. I encourage the Staff of Umeme Limited and UEDCL to stay focused and committed to their responsibilities as we navigate this change together as their continued commitment during this period of change remains invaluable.
- 19. The Authority will continue to provide guidance and oversight to ensure a seamless, efficient, and professional transition. Let us embrace the opportunities this transition presents and work collaboratively toward building a stronger and more resilient Electricity subsector for Uganda.
- 20. Let me take this opportunity to Sincerely Thank the Board, Management, and Staff of Umeme Limited for your dedicated Service to the people of Uganda during the 20-year tenure of your Concession!
- 21. I would like to particularly appreciate the unwavering dedication and professionalism of the Staff of Umeme Limited in serving Electricity Consumers across the Country. Your good expertise has been instrumental in supporting the sector's success since the reforms that introduced private sector participation and birthed the now most

admired Elctrcity supply industry on the continent and beyond.

- 22. Looking back at what the Distribution Segment was like 20 Years ago, we have certainly progressed well and remain Committed to attaining an even Better-Performing Distribution segment for the benefit of Electricity Consumers.
- 23. I take this opportunity **to Thank** the Government of Uganda, the Minister of Energy and Mineral Development, the Minister of State for Energy, the Permanent Secretary—MEMD, the Board of ERA, the Management and Staff of ERA, the Licensees, the Electricity Customers, and the public for their continued support, which has enabled us to achieve the progress reported.
- 24. Finally, I thank the President of the Republic of Uganda for prioritizing the Energy Sector and for the great support we receive at the various levels of decision-making.
- 25. As I conclude, I now have the pleasure of inviting the Chairperson of the Electricity Regulatory Authority, Dr. Sarah Wasagali Kanaabi, to make her remarks.

For God and My Country!

Eng. Ziria Tibalwa Waako
CHIEF EXECUTIVE OFFICER
ELECTRICITY REGULATORY AUTHORITY

Page 8 of 8