

GOVERNMENT NOTICE NO. 22

# ELECTRICITY ACT

(CAP. 73:01)

## ELECTRICITY (AMENDMENT) BY-LAWS, 2021

IN EXERCISE of the powers conferred by section 52 of the Electricity Act, the Malawi Energy Regulatory Authority makes the following By-laws—

1. These By-laws may be cited as the Electricity (Amendment) By-laws, 2021. Citation
2. The Electricity By-laws (hereinafter referred to as the “principal By-laws”) are amended, in by-law 5— Amendment of by-law 5 to Cap.70:01 sub. leg. p. 27
  - (a) in paragraph (1), by inserting, immediately after the words “EA3 for distribution,” the following words “form EA4 for system and market operator and form EA5 for single buyer”;
  - (b) in paragraph (2) (a), by deleting the words “nationality and postal, physical and business address” and replacing therefor the words “nationality, and postal and physical address”; and
  - (c) in paragraph (2) (c), by inserting, immediately after the word “exportation”, the words “, system and market operation and buying”.
3. By-law 6 (2) of the principal By-laws is amended, by deleting the words “at least one daily newspaper” and replacing therefor, the words “at least three times, in at least two widely circulated newspapers”. Amendment of by-law 6 (2) of the principal By-laws
4. By-law 7 (2) of the principal By-laws is amended, by deleting the words “Form EA 4” and replacing therefor, the words “Form EA 6”. Amendment of by-law 7 (2) of the principal By-laws
5. By-law 8 (2) of the principal By-laws is amended— Amendment of by-law 8 (2) of the principal By-laws
  - (a) in paragraph (c), by deleting the words “appointed by the Board of Engineers and replace therefor, the words “representing the Malawi Engineering Institute” and
  - (b) by deleting paragraph (c) and substituting therefor a new paragraph (c) as follows—

“(c) one person from a faculty of renewable enegies or a faculty of electrical engineering from an accredited institution of higher learning”.
6. By-law 10 of the principal By-laws is amended, by deleting the words “firm or a company” and the words “company or a firm” wherever they appear in that by-law and substituting therefor the words “firm, partnerships, trust or company”. Amendment of by-law 10 of the principal By-laws

- Amendment of by-law 11 of the principal By-laws
7. By-law 11 of the principal By-laws is amended, by deleting the word "three" and substituting therefor the word "four".
- Amendment of by-law 12 of the principal By-laws
8. By-law 12 (1) of the principal By-laws is amended—
- (a) by deleting paragraphs (d), (e) and (f) and substituting therefor new paragraphs (d), (e) and (f) as follows—
- "(d) TEVETA qualifications of a minimum level of 3;
- (e) a Degree, Diploma or Certificate from university or institution in the relevant field of renewable energy technologies accredited by NCHE; or
- (f) any other technical qualification recognized by the NCHE or TEVETA."; and
- (b) by deleting paragraph (g).
- Amendment of by-law 13 (2) of the principal By-laws
9. By-law 13 (2) of the principal By-laws is amended, by deleting the word "thirty" and substituting therefor the word "ninety".
- Amendment of by-law 14 of the principal By-laws
10. By-law 14 of the principal By-laws is amended, by inserting a new paragraph (4) as follows—
- "(4) The Authority shall prescribe the conditions to be complied with by permit holders in all the classes."
- Amendment of by-law 15 of the principal By-laws
11. By-law 15 of the principal By-laws is amended—
- (a) by deleting the words "firm or company" and the words "company or firm", wherever they appear in that by-law and substituting therefor the words "firm, partnership, trust or company"; and
- (b) by deleting the words "Class A or B Category", wherever they appear in that by-law and substituting therefor the words "all class categories".
- Amendment of by-law 27 of the principal By-laws
12. By-law 27 of the principal By-laws is amended—
- (a) by deleting the words "electrical installations person" and the words "installations person", wherever they appear in that by-law and substituting therefor the words "electrical inspector"; and
- (b) in paragraph (3), by deleting the words "every five years" and substituting therefor the words "in line with the inspection frame work provided in by-law 89".
- Amendment of title to Division 2 of Part IV of the principal By-laws
13. The principal By-laws are amended, by deleting the title to Division 2 of Part IV and substituting therefor the following new title—



## "DIVISION 2

CONDITIONS ON THE CONSTRUCTION OF SUBSTATION  
AND PRIVATE GENERATION".

14. By-law 35 (2) of the principal By-laws is amended—

- (a) by deleting subparagraphs (iii) and (iv); and
- (b) inserting, immediately after subparagraph (ii), a new paragraph (c) as follows—

"(c) has a working plat form or passage way that is in line with the distribution code."

15. By-law 37 of the principal By-laws is amended, by inserting, immediately after paragraph (2), a new paragraph (3) as follows—

"(3) A licensee shall ensure all their works are in accordance with the grid code."

16. By-law 89 of the principal By-laws is amended—

- (a) by deleting paragraph (1) and substituting therefor a new paragraph (1) as follows—

"(1). All installations made prior to the coming into force of these By-laws shall be required to be inspected by an Electrical inspector and be issued with a Certificate of Inspection by the Electrical inspector within two years of coming into force of these By-laws."; and

- (b) in paragraph (2), by deleting the words "every five years" and substituting therefor the words "in line with the inspection framework".

17. By-law 99 of the principal By-laws is amended, by deleting the words "by either an electrical installations person or a competent person" and substituting therefor the words "an electrical inspector".

18. By-law 145 of the principal By-laws is revoked and replaced with a new by-law 145 as follows—

"Offences

145. A consumer or a private owner who erect or operates an electrical installation for or in connection with generation, distribution, connection, installation and use of electricity, whether on his premises or elsewhere, and whether such installation is constructed, operated, maintained, repaired, tested or inspected otherwise than in accordance with these By-laws commits an offence."

19. By-law 161 of the principal By-laws is amended, by correctly numbering paragraph (c) as paragraph (b).

Amendment  
of by-law 35  
(2) of the  
principal By-  
laws

Amendment  
of by-law 37  
of the princi-  
pal By-laws

Amendment  
of by-law 89  
of the princi-  
pal By-laws

Amendment  
of by-law 99  
of the princi-  
pal By-laws

Replacement  
of by-law 145  
of the princi-  
pal By-laws

Amendment  
of by-law 161  
of the princi-  
pal By-laws

- Amendment of by-law 181 (1) of the principal By-laws
20. By-law 181 (1) of the principal By-laws is amended, by deleting the words "Regulations" and substituting therefor the words "By-laws".
- Amendment of by-law 189 of the principal By-laws
21. By-law 189 of the principal By-laws is amended—
- (a) by deleting paragraphs (c) and (d); and
  - (b) inserting, immediately after paragraph (b), new paragraphs (c), (d), (e) and (f) as follows—
    - "(c) transmission or export or import;
    - (d) single buyer;
    - (e) systems and market operator; and
    - (f) any other licensed activity."
- Amendment of by-law 201 (1) of the principal By-laws
22. By-law 201 (1) of the principal By-laws is amended, by deleting the words "Schedule B" and substituting therefor the words "Part B of the First Schedule hereto".
- Amendment of by-law 204 (3) of the principal By-laws
23. By-law 204 (3) of the principal By-laws is amended, by deleting the words "under subregulation (2)" and substituting therefor the words "under this by-law".
- Amendment of by-law 205 of the principal By-laws
24. By-law 205 of the principal By-laws is amended, by deleting the words "Energy Act" and substituting therefor the words "Energy Regulation Act".
- Amendment of by-law 206 of the principal By-laws
25. By-law 206 of the principal By-laws is amended—
- (a) in paragraph (1), by deleting the words "K2,000" and substituting therefor the words "K500,000";
  - (b) in paragraph (2), by deleting the word "provide" and substituting therefor the words "provided"; and
  - (c) by inserting, immediately after paragraph (2), new paragraphs (3), (4) and (5) as follows—
    - "(3) Where the Authority is satisfied on reasonable grounds that a person has contravened a provision of these By-laws, it may impose administrative penalties on the person requiring the person to pay a monetary penalty.
    - (4) A person on whom an administrative penalty has been imposed and who fails or refuses to comply with the administrative penalty commits an offence and shall, on conviction, be liable to a fine of K500,000 and to imprisonment for six months.
    - (5) In addition to subsection (3), where the administrative penalty imposed by the Authority is a monetary penalty and the person on whom the monetary penalty has been imposed does not pay the monetary penalty for a period of more than twenty-one days from the date of first demand in writing by the Authority, the amount in respect of the monetary penalty shall be recoverable by the Authority as a civil debt."

26. The First Schedule to the principal By-laws is amended,

(a) in Part A, by deleting paragraph (a) and substituting therefor a new paragraph (a), as follows—

“(a) issue of licence .. .. . 30,000 00”;

(b) in Part B, by deleting paragraph B. 2 and substituting therefor a new paragraph B.2, as follows—

“B.2 TRANSMISSION, SYSTEM  
AND MARKET OPERATION,  
SINGLE BUYING, IMPORT OR  
EXPORT RELATED LICENCES:

Transmission, System and  
Market Operation,  
Single Buying, import or

export ..... USD60, 000  
payable in  
Malawi  
Kwacha  
equiva-  
lent.”;

(c) by revoking Parts E, F and G; and

(d) inserting new Parts E and F as follows—

#### “PART E

#### INSTALATION PERMIT FEES

<i>Chain of supply activities</i>	<i>Fee</i>
<b>NEW APPLICATIONS</b>	
Class A	K100,000.00
Class A 1	K100,000.00
Class A 2	K100,000.00
Class B 1	K90,000.00
Class B 2	K90,000.00
Class C	K45,000.00
Class D	K20,000.00
Class E	K40,000.00
Class E 1	K40,000.00
Class E 2	K40,000.00
Class F	K20,000.00

Amendment  
of the First  
Schedule to  
the principal  
By-laws



## RENEWAL

Class A	K50,000.00
Class A 1	K50,000.00
Class A 2	K50,000.00
Class B 1	K45,000.00
Class B 2	K45,000.00
Class C	K22,500.00
Class D	K10,000.00
Class E	K20,000.00
Class E 1	K20,000.00
Class E 2	K20,000.00
Class F	K10,000.00".

Amendment  
of the Second  
Schedule to  
the principal  
By-laws

27. The Second Schedule to the principal By-laws is amended, by inserting new application forms for single buyer licence and system and market operator licence as follows—

REPUBLIC OF MALAWI  
ELECTRICITY ACT  
(CAP. 73:01)

## ELECTRICITY BY-LAWS, 2012

(by-law 5)

## APPLICATION FOR LICENCE FOR SINGLE BUYER

## SECTION A

FORM EA 5

## PARTICULARS OF APPLICANT

- A.1 Full Name of applicant .....
- .....
- A.2 Address of applicant, or in the case of a body corporate, the registered office
- .....
- .....
- A.3 Telephone Number of applicant .....
- A.4 Fax Number of applicant .....

- A.5 E-mail of applicant.....
- A.6 Contact person Name .....
- Identification No. ....
- Telephone no .....
- Fax no .....
- E-mail .....
- A.7 Legal form of applicant .....
- .....
- A.8 Provide the following:
- Full names of shareholders (holding more than 5% of shares) and percentage holding
  - Full names and occupation of Directors
  - Certificate of Incorporation
  - Memorandum and Articles of Association
  - Tax Registration Certificate

## SECTION B

### COMMENCEMENT DATE, PURPOSE AND DURATION OF LICENCE

- B.1 Desired date from which the licence (if granted) is to take effect .....
- .....
- B.2 Duration of the licence from commencement date .....
- B.3 Description of the purpose for the licence .....
- .....
- B.4 Type of application (issue, transfer, amendment or renewal) .....
- .....

## SECTION C

### FINANCIAL INFORMATION

#### C.1 Income Statement

Provide statements and annual forecasts of revenues and costs. Attach copies of the current and/or budgeted balance sheet, rate of return, profit and loss account and source and application of funds for current and next two years. Indicate major cost items such as staff costs, maintenance.

### C.2 Investment Programme

Investment Programme for current and the next five years. Attach copies of the detailed scheme or schemes prepared by a competent engineer and mode and cost of financing such a scheme.

### C.3 Fixed Assets

Summary of total assets.

### C.4 Audited Accounts

Provide copies of the latest audited accounts of the applicant.

### C.5 Letters of Reference from Banks

Provide one letter of recommendation as to creditworthiness from a local commercial bank and where applicable one from a reputable international bank.

## SECTION D INFORMATION ON HUMAN RESOURCES

### D.1 Personnel

Submit details of the number of staff and employees and their categories and grades in the service of or to be recruited by the applicant, showing their qualifications and number of years of experience in similar jobs.

Provide curriculum vitae of top management personnel of the applicant.

## SECTION E PERMITS FROM OTHER GOVERNMENT DEPARTMENT OR REGULATORY AUTHORITIES

### E.1 Permits

Submit copies of permits or approvals issued by public or local authority or other regulatory agencies necessary for the operation of the single buyer.

## SECTION F ADVERTISING NOTICE

Attach draft copy of the notice of advertisement as to representations or objections.

## SECTION G ADDITIONAL INFORMATION

Provide any other relevant information which the applicant wishes to include with this application.



Signed ----- Date -----

Receipt acknowledged ----- Date -----

MERA stamp -----

revoking the application form for an ..... and replacing it with the following forms—

REPUBLIC OF MALAWI

ELECTRICITY ACT

(CAP. 73:01)

ELECTRICITY BY-LAWS,

(by-law 5)

APPLICATION FOR SYSTEM AND MARKET OPERATION LICENCE

SECTION A

FORM EA 4

PARTICULARS OF APPLICANT

A.1 Full Name of applicant .....

A.2 Address of applicant, or in the case of a body corporate, the registered office .....

A.3 Telephone Number of applicant .....

A.4 Fax Number of applicant .....

A.5 E-mail of applicant .....

A.6 Contact person Name .....

Identification No. ....

Telephone no .....

Fax no .....

E-mail .....

A.7 Legal form of applicant .....

A.8 Provide the following:

- Full names of shareholders (holding more than 5% of shares) and percentage holding
- Full names and occupation of Directors
- Certificate of Incorporation
- Memorandum and Articles of Association
- Tax Registration Certificate

## SECTION B

### COMMENCEMENT DATE, PURPOSE AND DURATION OF LICENCE

B.1 Desired date from which the licence (if granted) is to take effect

.....

B.2 Duration of the licence from commencement date .....

B.3 Description of the purpose for the licence

.....

B.4 Type of application (issue, transfer, amendment or renewal)

.....

## SECTION C

### FINANCIAL INFORMATION

C.1 Income Statement

Provide statements and annual forecasts of revenues and costs. Attach copies of the current and/or budgeted balance sheet, rate of return, profit and loss account and source and application of funds for current and next two years. Indicate major cost items such as staff costs, maintenance.

C.2 Investment Programme

Investment Programme for current and the next five years. Attach copies of the detailed scheme or schemes prepared by a competent engineer and mode and cost of financing such a scheme.

C.3 Fixed Assets

Summary of total assets of the applicant.

C.4 Audited Accounts

Provide copies of the latest audited accounts of the applicant.

C.5 Letters of Reference from Banks

Provide one letter of recommendation as to creditworthiness from a local commercial bank and where applicable one from a reputable international bank.

SECTION D  
INFORMATION ON HUMAN RESOURCES

D.1 Personnel

- (a) Submit details of the number of staff and employees and their categories and grades in the service of or to be recruited by the applicant, showing their qualifications and number of years of experience in similar jobs.
- (b) Provide curriculum vitae of top management personnel of the applicant.

SECTION E  
PERMITS FROM OTHER GOVERNMENT DEPARTMENT  
OR REGULATORY AUTHORITIES

E.1 Permits

Submit copies of permits or approvals issued by public or local authority or other regulatory agencies necessary for the operation of the single buyer.

SECTION F  
ADVERTISING NOTICE

Attach draft copy of the notice of advertisement as to representations or objections.

SECTION G  
ADDITIONAL INFORMATION

Provide any other relevant information which the applicant wishes to include with this application.

.....  
.....  
.....  
.....

Signed ----- Date -----

Receipt acknowledged ----- Date -----

MERA stamp -----



ELECTRICITY ACT  
(CAP. 73:01)

*Section 3*

LICENCE TO BUY ELECTRICITY FROM GENERATORS

Licence No.: SB/01

Issued to ..... of ..... (hereinafter referred to "Licensee")

The Malawi Energy Regulatory Authority in exercise of the powers conferred to it by the Electricity Act Cap 73:01 of the Laws of Malawi, and subject to the terms and conditions attached, hereby issues to ..... this licence to buy electricity from generators in Malawi (Single Buyer licence) including importing electricity and selling this electricity to a Distribution Licensee, during the period specified in paragraph 5, subject to the provisions of the Electricity Act and conditions set out herein. Appendix – Refers.

This Licence shall be valid for TWENTY-FIVE (25) years and may be renewed on application being made for this purpose.

Issued this ..... day ..... of .....

THE COMMON SEAL OF THE MALAWI ENERGY REGULATORY  
AUTHORITY WAS HEREUNTO AFFIXED

.....  
*For: Malawi Energy Regulatory Authority*

ELECTRICITY ACT  
(CAP. 73:01)

*Sections 3 (1); 20 (a) and 27*

LICENCE TO OPERATE

THE TRANSMISSION SYSTEM AND ELECTRICITY MARKET OF MALAWI

Licence No.: SMO/01

Issued to ..... of ..... (hereinafter referred to as the "Licensee")

The Malawi Energy Regulatory Authority in exercise of the powers conferred to it by the Electricity Act Cap 73:01 of the Laws of Malawi, and subject to the terms and conditions attached, hereby issues to ..... this license to undertake

the management of the transmission system and the electricity market of Malawi (System and Market Operator's licence), during the period specified herein subject to the provisions of the Electricity Act and the conditions set out herein. Appendix – Refers.

This Licence shall be valid for TWENTY-FIVE (25) years and may be renewed on application being made for this purpose.

Issued this ..... day ..... of .....

THE COMMON SEAL OF THE MALAWI ENERGY REGULATORY  
AUTHORITY WAS HEREUNTO AFFIXED

.....  
*For: Malawi Energy Regulatory Authority*

Made this 23rd day of March, 2021.

(FILE NO. MERA/LA/1/9)

LEONARD CHIKADYA  
*Chairperson*