Executive Council Resolution No. (46) of 2014

Regulating the Connection of Photovoltaic Generation Units to the

Power Distribution System in the Emirate of Dubai[1]

We, Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai, Chairman of the Executive Council,

After perusal of:

Law No. (2) of 1994 Concerning Protection of the Public Electricity and Water Network;

Law No. (3) of 2003 Establishing the Executive Council of the Emirate of Dubai;

Law No. (19) of 2009 Establishing the Supreme Council of Energy;

Law No. (6) of 2011 Regulating Participation of the Private Sector in Electricity and Water Production in the Emirate of Dubai;

Decree No. (1) of 1992 Establishing the Dubai Electricity and Water Authority and its amendments;

Decree No. (22) of 2009 Concerning Special Development Zones in the Emirate of Dubai;

Executive Council Resolution No. (2) of 2010 Establishing the Regulation and Supervision Bureau for the Electricity and Water Sector in the Emirate of Dubai; and

The legislation regulating free zones in the Emirate of Dubai,

Do hereby issue this Resolution.

Definitions
Article (1)

The following words and expressions, wherever mentioned in this Resolution, will have the meaning indicated opposite each of them unless the context implies otherwise:

Emirate:	The Emirate of Dubai.
SCE:	The Supreme Council of Energy.

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[1] *Every effort has been made to produce an accurate and complete English version of this legislation. However, for the purpose of its interpretation and application, reference must be made to the original Arabic text. In case of conflict the Arabic text will prevail.*

DEWA:	The Dubai Electricity and Water Authority.
CEO:	The managing director and chief executive officer of DEWA.
Transmission System:	A DEWA system made of high voltage cables and electric facilities and structures owned or operated by DEWA, used for transmission of power from the main power generation station to sub-stations or to power generation units.
Connection:	The connection of a Generation Unit to the Distribution System.
Generation Unit:	One or more units that generate electric power exclusively from Solar Power for a single Consumer Account.
Distribution System:	A DEWA system which consists, without limitation, of an electric power grid of up to 33 kV, lines and cables, sub-stations, inverters installed on posts, and analogue electric components such as resistors, inductors, capacitors, and electric switches, which are used to supply electricity to consumers from the Transmission System.
Solar Power:	The electricity generated from light radiating from the sun.
Person:	A natural person or a private or public legal person.
Producer:	Any Person, excluding DEWA, who generates electric power from Solar Power, and connects it to the Distribution System in accordance with the provisions of this Resolution.
Consumer Account:	An account used to measure, through a meter designated for this purpose, the quantity of electric power imported from the Distribution System to a specific real property unit.
Imported Electric Power:	The electric power consumed by a Producer which is imported from the Distribution System through one or more Consumer Accounts owned by the Producer within a land plot.
Exported Electric Power:	The electric power generated and exported by the Producer to the Distribution System through a Generation Unit.
Surplus Electric Power:	The surplus electric power resulting from the Exported Electric Power exceeding the Imported Electric Power during a specific period.
Connection Agreement:	An agreement entered into by DEWA and a Producer which contains the rules and terms for operating a Generation Unit and connecting it to the Distribution System.

Annual Connection Limit:	The upper limit of electric power annually set by DEWA throughout the Emirate for the supply of the Distribution System with Electric Power generated from Solar Power.
Connection Terms:	The requirements and standards approved by DEWA that must be satisfied by a Producer for connecting a Generation Unit to the Distribution System, including safety, health, environment, and quality standards.

Scope of Application
Article (2)

a. This Resolution will apply to all Producers who have Consumer Accounts in the Emirate, including Special Development Zones and free zones such as the Dubai International Financial Centre.

b. This Resolution will not apply to projects or contracts governed by the above-mentioned Law No. (6) of 2011.

Objectives of this Resolution
Article (3)

This Resolution aims to:

1. create a legislative framework that regulates the process of connecting Generation Units to the Distribution System;

2. contribute to the achievement of the Emirate's vision of becoming a smart city;

3. encourage community members and institutions to produce electric power from Solar Power;

4. contribute to the diversification of power sources by increasing the share of renewable energy in producing electric power;

5. contribute to environment protection by reducing the Emirate's carbon footprint; and

6. encourage the development of the green economy in order to achieve sustainable development in the Emirate.

Functions of DEWA
Article (4)

For the purposes of achieving the objectives of this Resolution, DEWA will have the duties and powers to:

1. establish the general policy for producing electric power from Solar Power in the Emirate, and submit it to the SCE for approval;

2. determine the Annual Connection Limit;

3. approve the Connection Terms, and review these on a regular basis;

4. approve standard Connection Agreements, review these on a regular basis, and conclude Connection Agreements with Producers;

5. determine the upper limit for the Electric Power that a Producer may export to the Distribution System;

6. determine the method in which the Surplus Electric Power exported to the Distribution System will be disposed of;

7. audit and supervise Producers, verify their compliance with the provisions of this Resolution and with the Connection Agreements concluded with them, and impose appropriate penalties and measures on violators;

8. create a database of Producers in the Emirate; and

9. perform any other duties required for the achievement of the objectives of this Resolution.

Connecting a Generation Unit to the Distribution System
Article (5)

A Person in the Emirate may connect his Generation Unit to the Distribution System only after obtaining DEWA's prior approval. Such approval will be granted in accordance with the Connection Terms and with the provisions of this Resolution.

Connection Agreement
Article (6)

a. A Person wishing to connect his Generation Unit to the Distribution System must submit a request to conclude a Connection Agreement on the relevant form prescribed by DEWA, accompanied by all documents required by DEWA.

b. A Producer may assign to a third party his rights and obligations arising from the Connection Agreement only after obtaining DEWA's prior approval.

Bearing of Costs
Article (7)

A Producer will bear all the costs of the Connection. These costs will be estimated by DEWA, and such estimation will be final.

Obligations of a Producer
Article (8)

A Producer must:

1. prior to installing Generation Units and connecting them to the Distribution System, obtain approval from competent entities in the Emirate in charge of licensing buildings and classification of land use;

2. meet all requirements and supply all equipment required for installing Generation Units and connecting them to the Distribution System, as determined by DEWA, including security and safety requirements and electric power meters;

3. comply with Connection Agreement terms and Connection Terms, and any other relevant terms approved by DEWA;

4. not exceed the upper limit of electric power he is authorised by DEWA to export to the Distribution System;

5. not perform any act that may affect the safety and efficiency of the Distribution System; and

6. cooperate with DEWA employees in respect of the provisions of this Resolution, including allowing them to measure the quantity of Exported Electric Power.

Consumption and Export of Generated Electric Power
Article (9)

Consumption and export of electric power generated through a Generation Unit are subject to the following conditions:

1. The electric power generated by a Generation Unit in a real property having a single Consumer Account must be consumed within this real property. Where a Producer has more than one Consumer Account, the electric power generated in the real property units located on the same land plot to which those accounts relate must be consumed by these units.

2. Where the quantity of generated electric power exceeds the quantity of consumed electric power, the electric power generated by a Generation Unit will be exported to the

Distribution System in accordance with the provisions of this Resolution and the Connection Agreement.

3. Exported Electric Power units will be set off against Imported Electric Power units for the same period of the utility bill issued for a Consumer Account. The account will be adjusted based on such set-off.

4. Where Exported Electric Power units exceed the Imported Electric Power units for the period of an issued utility bill, the Exported Electric Power units will accrue to the Producer's account with DEWA for the purpose of setting off such units against Imported Electric Power units in subsequent utility bills.

5. A Producer will not be entitled to any amounts of money in return for Surplus Electric Power. He will only be entitled to a set-off between such surplus and Imported Electric Power in accordance with this Article and the relevant rules approved by DEWA.

Variation of Connection Terms and Annual Connection Limit
Article (10)

a. DEWA may, as it deems appropriate, vary Connection Terms and announce such variation in any manner it deems appropriate. Unless DEWA determines a different date, such variation will be deemed valid after the lapse of thirty (30) days from the date of such announcement.

b. DEWA may increase or reduce the Annual Connection Limit to ensure safety and efficiency of the Distribution System.

Protection of the Distribution System
Article (11)

Where the safety and security of the Distribution System or the general power grid of the Emirate are compromised, DEWA may, at any time, disconnect a Generation Unit from the Distribution System, and take any of the measures stipulated in the above-mentioned Law No. (2) of 1994.

Notification of Violations
Article (12)

Where a Producer fails to comply with this Resolution or breaches his Connection Agreement or any of the Connection Terms, DEWA must serve a notification on the violator, which must:

1. state the nature of violation;

2. determine the deadline for remedying the violation; and

3. determine the measures and actions that DEWA will take in case of failure to remedy the violation within the deadline.

Penalties and Measures
Article (13)

a. Without prejudice to any stricter penalty stipulated in any other resolution, a Person who commits any of the acts stated in the Schedule attached to this Resolution will be punished by the fine indicated opposite that act unless he complies with the notification of violation served on him in accordance with Article (12) of this Resolution.

b. The minimum and maximum amount of the fine that must be imposed on the violating party will be determined by a committee formed by the CEO for this purpose, and in accordance with the rules and regulations approved by the CEO in this respect.

c. Upon repetition of the same violation within one (1) year from the date of the previous violation, the amount of the fine referred to in paragraph (a) of this Article will be doubled, provided that the fine does not exceed one hundred and fifty thousand Dirhams (AED 150,000.00).

d. In addition to the penalty of a fine prescribed in this Resolution, DEWA may take one or more of the following measures against a violating entity:

    1. suspending the Connection Agreement for a period not exceeding three (3) months; and/or

    2. revoking the Connection Agreement.

e. The penalties and measures stipulated in this Article do not prejudice DEWA's right to claim compensation from a violating entity for any damage sustained by the Distribution System as a result of such violation.

Law Enforcement
Article (14)

DEWA employees and inspectors nominated pursuant to a resolution of the CEO will have the capacity of law enforcement officers to record the acts committed in breach of the provisions of this Resolution and the resolutions issued in pursuance hereof. For this purpose, they may issue the necessary violation reports.

Grievance
Article (15)

Any affected party may submit a written grievance to the CEO against any procedure or measure taken against him in accordance with this Resolution or the resolutions issued in pursuance hereof, within thirty (30) days from the date of being notified of the contested procedure or measure. The grievance will be determined by a committee formed by the CEO

for this purpose, within thirty (30) days, and the decision issued by such committee on the grievance will be final.

Payment of Fines and Costs
Article (16)

Fines and costs collected pursuant to this Resolution will be paid to DEWA.

Compliance
Article (17)

All Producers existing by the effective date of this Resolution must comply with the provisions of this Resolution within no later than six (6) months from the date on which this Resolution comes into force.

Issuing Implementing Resolutions
Article (18)

The CEO will issue the resolutions required for the implementation of the provisions of this Resolution.

Repeals
Article (19)

Any provision in any other resolution will be repealed to the extent that it contradicts the provisions of this Resolution.

Publication and Commencement
Article (20)

This Resolution will be published in the Official Gazette and will come into force on the day on which it is published.

Hamdan bin Mohammed bin Rashid Al Maktoum

Crown Prince of Dubai

Chairman of the Executive Council

Issued in Dubai on 7 December 2014

Corresponding to 15 Safar 1436 A.H.

Schedule

Fines for Violations Committed by a Producer

SN	Violation	Fine (in Dirhams)	
		Minimum	**Maximum**
1	Breaching the Connection Agreement	3,000.00	30,000.00
2	Failure to comply with the Connection Terms and any other relevant terms approved by DEWA	3,000.00	30,000.00
3	Exceeding the upper limit of electric power that may be exported to the Distribution System	6,000.00	60,000.00
4	Committing an act that may affect the safety and efficiency of the Distribution System	7,500.00	75,000.00
5	Failure to cooperate with DEWA employees or obstructing their work	1,500.00	15,000.00