

TO:  
 THE CHIEF EXECUTIVE OFFICER  
 ELECTRICITY REGULATORY AUTHORITY  
 P.O BOX 10332  
 Kampala

**APPLICATION FOR LICENSE EXEMPTION**  
**For Off-Grid/Isolated Systems below 2 MW**

—————  
**(Under S.33 and 113 Electricity Act, 1999)**

**IMPORTANT NOTE:** Your licence application is **not complete** unless all requirements herein are received and all questions are answered.

The project is:	Mark with ✓	Annex No.
Hydropower		
Bagasse		
Biomass		
Wind Power		
Solar Power		
Thermal Power (oil, natural gas or coal)		
Other (specify)		
Isolated/off-grid		
<b>Yes, the following are included in the Annex to our submission:</b>		
<b>Administrative Information</b>		
Three hard copies and one soft copy of the application, filled-in and duly signed license application forms together with all the supporting documentation		
Letters from all mentioned financing references attached		
Proof of payment of the license application fee		
Declaration of Intent between project partners for specific project		
Documentary evidence of contacts/consultations with local authorities		
Letter with declaration that the applicant and its partners have not been involved in any irregularities (e.g. bankruptcy, fraud, corruption or grave professional misconduct)		
Financial Model "Off-grid calculation sheet"		
<b>Technical Information</b>		
Capability statement of lead applicant and partners (maximum 2 pages)		
CVs of key team members in the (use ERA CV format provided)		
Tasks and Responsibilities of key team members		
Business Plan (including a socio-economic analysis)		
Technical Brief (including a Project implementation time plan using ERA Gantt chart format provided)		
Project Brief on social and environmental impacts;		

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NEMA approval of the project brief; (A full environmental and social impact (ESAI) study may be required by NEMA at a later stage) For Hydro: Water Abstraction and Construction Permits		
Business Plan		
Agreements with landowners		
Map(s) of project area (1:50,000)		
Tentative project layout map/plan		
<b>Legal Information for Applicant and for all Partners</b>		
FOR PRIVATE SECTOR APPLICANTS:		
Certified copy of Certificates of Incorporation or Certificate of Registration for foreign companies		
Certified copies of the applicant's Memorandum and Articles of Association		
Certificate of tax registration		
Certified copy of Form No. 7 (particulars of Directors and Secretary of the Company)		
Certified copy of the Certificate of Incorporation of the applicant's technical partner		
Certificate of registration of foreign companies if foreign partners involved		
Certified copies of the Memorandum and Articles of Association of the financial partner/sponsor		
Certified copies of registered documents with Registrar of companies at submission		
Memorandum of Understanding between the applicant and the project sponsor		
Memorandum of Understanding between the applicant and the technical partner(s)		
Company structure and ownership		
Certified Audited Financial Statements of the applicant and all Ugandan partners for the last three years		
Annual returns of the applicant and all Ugandan partners for the last three years		
FOR NGOs AND CBOs:		
Certified copy of the Certificates of Registration		
Certified copy of the Constitution		
Certificate of tax registration (if applicable)		
Certified copy of the partners' Memorandum of Understanding/Declaration of Intent to cooperate		
Certified copy of the Certificate of Incorporation of the applicant's technical partner		
Certified copies of the Memorandum and Articles of Association of the financial partner/sponsor		

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### Guidance to Applicants

- The space provided in the text boxes is not an indication of the amount of text to be provided – applicants may expand this as needed unless otherwise stated.
- ERA encourages applicants to submit typed application forms using MS Word.
- Instructions are provided in italics where relevant in the License Application Form.
- All financial data is to be included in US dollars. Applicants shall use the Financial Model, provided by ERA, to derive the data for Section 3 “Financial and Economic Status and Overview for Applicant/Partners”
- In order to be deemed eligible, and to progress to the evaluation, the annex to your completed application form shall, where applicable, include the following using the ERA standard template formats, which are available for download from our website:
  - **Application form:**
    - ✓ ERA CV template
    - ✓ ERA Project reference template
    - ✓ Declaration of intent from partners
  - **Technical Brief:**
    - ✓ Technical Feasibility study template (demand and willingness study template)
    - ✓ Project Brief template for submission to NEMA
  - **Business plan:**
    - ✓ Business Plan template
    - ✓ ERA Gantt chart/ implementation time plan
    - ✓ Project financial model template (off-grid calculation sheet)

**1 PARTICULARS OF APPLICANT/PARTNERS**

**1.1 Names, Physical and Postal Address of Applicant/Partners**

Table 1.1a: Details of the Applicant [Name, Physical address, Postal address, telephone, cell phone, email, Tin Number, Vat Reg: Website Address]

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Table 1.1b: Details of the Partners [Name, Physical address, Postal address, telephone, cell phone, email, Tin Number, Vat Reg: Website Address]

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**1.2 Name and Contact Details of Applicant's Contact Person**

Table 1.2a: Name and contact details of applicant's [Name, Physical address, Postal address, telephone, cell phone, email ]

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## 2 DESCRIPTION OF PROPOSED ELECTRICITY OFF-GRID SUPPLY SYSTEM

<p>- Table 2.0a: Project Location</p> <p>- [Village, Sub County, District including a topographical map of scale 1:50,000. GPS coordinates of key components of the proposed project should be superimposed on the map so as to clearly demarcate the project area. Include villages and settlements in the area of the project as well as other infrastructure. ]</p>

### 2.1 Summary of the Socio-Economic Analysis

Requirements: Include a detailed socio-economic analysis in the business plan

Parameter	Summarized key findings
Number of households within a radius of 800m from the trading centre	
Number of businesses in village	
Primary industries of the village	
Social institutions in village/district	
Primary occupation of individuals /households	
Income levels	
Expenditure patterns	
Access to micro-finance or other financial structures, bank accounts etc	
Mobile network coverage	
Expenditure on electricity substitutes	
Willingness to pay for electricity services	
Existing social structures (e.g. village boards and committees	
Trade links with other villages and	

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towns	
Road accessibility of the village	
Other government/donor projects (by sector) that exist in the village (if any)	

### 2.2 Description of Intended Electricity Generation Plant

Requirements: Enclose Project Feasibility / Brief including the description of the project

- Detailed Project location (Village, Sub county, District including a topographical map of scale 1:50,000. GPS coordinates of key components of the proposed project should be superimposed on the map so as to clearly demarcate the project area. Include villages and settlements in the area of the project as well as other infrastructure.
- The GPS coordinates should be prepared in accordance to the Ugandan datum and coordinate system (local Uganda datum– ARC1960). In addition, the village, Sub county and District in which the proposed project shall be located should be provided.
- Final project layout map/plan.

Table 2.1a: Project description and Technical aspects/project design

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### 2.3 Key Generation Plant Parameters

Parameter	
Plant Capacity (kW)	
Technology	
Hours of Operation (per day)	
Time of Operation	
Annual energy production per year (kWh)	

## 2.4 Distribution Network

Requirement: Provide a distribution network layout

a)	Distribution length	
b)	Distribution network operating voltage	
c)	Type and Number of transformers	
d)	Area coverage of the distribution network	
e)	Who will erect/ construct the distribution network?	

## 2.5 Demand Projections

a)	Electrified area close to the plant? (Yes/No)		
b)	Number of connections intended to be provided		
c)	Local demand - households (KWh/year)		KWh/yr
e)	Local demand - industry (KWh/year)		KWh/yr
f)	Local demand – service sector (KWh/year)		KWh/yr

Table 6.7: Description of supplied community of the project area			
<b>Customer category</b>	<b>Number of connections you expect to make in the next six months</b>	<b>Total number of connections in this category to have individual meters</b>	<b>Total kWh you expect to sell this category per day</b>
(a) Households			
(b) Commercial or Industrial			
(c) Farms			
(d) Government			
(e) Street lights (number of lights)			

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(f)	Other		
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### 2.6 Time Plan for Implementation of the Project

Requirements:

- Detailed implementation time plan (using specific provided ERA Gantt chart format) indicating a list of all activities anticipated to be carried out during the project construction, complete with their corresponding timeframes.

Table 6.6: Project implementation time plan		
a)	Financial Close (months)	
b)	Start of Construction (months)	
c)	Commercial Operations Date (months)	

### 3 LEGAL STATUS OF APPLICANT/PARTNERS

Attach (i) certified copy of applicant's Certificate of Incorporation (ii) Certified copy of the applicant's Memorandum and Articles of Association (iii) Certified copy of Form No. 7 (particulars of Directors and Secretary of the Company)

Table 2a: Indicate legal status			
		Applicant	Partner (S)
a)	Name		
(b)	Sole Proprietorship		
(c)	Partnership		
b)	Public Limited Liability Company		
c)	Private Limited Liability Company		
d)	Cooperative Union Society		
e)	Other (please specify)		



## 4 FINANCIAL AND ECONOMIC STATUS AND OVERVIEW FOR APPLICANT/PARTNERS

### 4.1 Certified Audited Financial Statement and Accounts for the Last Three Years

Requirements:

- Copies of Certified Audited Financial Statements of the applicant for the last three years (or latest three years) prior to application;
- In cases where the applicant is newly instituted (i.e., special purpose vehicle) and intends to seek financial support from another company or sponsor, copies of certified Audited Financial Statements of that sponsor for the last three years (or latest three years) will be required;
- Use the project financial model template. The project Financial Model has to be attached in a softcopy on USB or CD-rom.

### 4.2 Financial Checklist

Table 3.2: Financial documentation checklist				
	Required	Guidance	Included?	
			Yes	No
a)	Certified audited financial statements for last three years	In cases where the applicant is newly instituted (i.e., special purpose vehicle) and intends to seek financial support from another company or sponsor, copies of certified Audited Financial Statements of that sponsor for the last three years (or latest three years prior to application) will be required.		
b)	Memorandum of understanding	Where the project sponsor is another Company other than the applicant, a valid Memorandum of Understanding between the Applicant and the project sponsor will be required, specifically committing to sponsor project construction.		
c)	Copies of loan agreements	Where source of financing is a loan, copies of loan agreements or offer letters from financial institutions confirming commitment to provide such finances.		
d)	Project financial model	Soft copy of project financial model showing the capital structure, cost of equity, cost of debt, weighted average cost of capital, the projected cash inflows and outflows over the lifetime of the project, computation of Internal Rate of Return (IRR) and Net Present Value (NPV).		
e)	Proof of payment of the application fee	Payment of the application fee.		

**4.2.1 Details of the Auditor**

Table 3.3a: Name and contact details of applicant/project sponsor's auditor*		
Applicant's Name:		
a)	Name:	
b)	Physical address:	
c)	Postal address:	
d)	Tel:	
e)	E-mail:	
f)	Website Address:	
g)	Years (from – to):	
h)	Certificate number:	

\* For the submitted financial statements.

**Bankers and Financial References**

Table 3.4a: Name and contact details of applicant's bankers in Uganda* and Outside		
Applicant's Name:		
a)	Name of bank:	
b)	Contact person:	
c)	Address:	
d)	Tel:	
e)	E-mail:	
f)	Website Address:	
g)	Registration number:	

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Table 3.4d: Name and contact details of partner's bankers in Uganda*		
Partner's Name**:		
a)	Name of bank:	
b)	Contact person:	
c)	Address:	
d)	Tel:	
e)	E-mail:	
f)	Website Address:	
g)	Registration number:	

### 5 PROPOSED PROJECT COSTS

#### 5.1 Investment Budget for the Proposed Power plant Project

*Requirement: - Applicant shall enclose detailed information about cost components for the construction and commissioning phases in the business plan*

Table 3.5.1: Updated investment budget			
		1,000 USD	Planned start-up date
a)	Project Feasibility study		
b)	Business Plan		
c)	Licence Exemption Application		
d)	Project Construction		
e)	Project Commissioning		
f)	<b>Total for project investment</b>		

## 5.2 Budget for Operation and Maintenance Phase

Table 3.5.2: Budget for operation and maintenance phase (1000 USD)		
		NPV(1000 USD)
a)	Income, based on tariff and tax regime	
b)	Costs of fuel (when applicable)	
c)	Operational costs	
d)	Scheduled fixed maintenance costs	
e)	Scheduled variable maintenance costs	
f)	Needed re-investments	
g)	Contingencies	
h)	Total net-revenue	

## 6 SOURCE OF FUNDING FOR THE IMPLEMENTATION OF THE PROPOSED PROJECT INCLUDING THE DISTRIBUTION NETWORK

Table 3.5.4: Agreed funding for the implementation of the proposed project				
	1000 USD	% of total financing	Loan repayment period	Name of sponsor / funder / investor/Lender
Equity				
Corporate Debt				
Loan Capital from Private Ugandan Banks				
Loan Capital from Private International Banks				
Grants from International Donors				

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Loans from International Donors				
Mezzanine (Subordinated) debt				
Loans from equipment suppliers and contractors				
<b>Total financing</b>				

### 6.1 Commitment of Funding Institutions

*Requirement: Letters of Agreement / Memorandum of Understanding to be attached for each financial partner*

Table 3.5.5: References of funding institutions							
	Name	Address	CVR-No.	Contact Name	e-mail	Telephone	Type of Institution
1							
2							
3							
4							

### 6.2 Project Financial Viability

*Requirement:*

- Applicants shall enclose the financial model template attached to the business plan
- Detailed statement of total annual revenue requirements projected for the whole license period shall be provided in the Business Plan and in the Financial Model.
- Information on the planned investments during the whole license period shall be provided in the Business Plan and in the Financial Model.

Table 3.5.6: Assessment of project's financial viability				
		Project	Threshold value	Units

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		value		
a)	Net present value (NPV)		> 0	1000 USD
b)	Internal Rate of Return (IRR)		> Rate of return on state public debt (xx %).	%
c)	Payback period		Less than lifetime of project or less than lifetime of possible licence.	Years
d)	Cost of energy produced		Based on tariff schemes	USD/ KWh
e)	Total revenue		Based on tariff schemes	1000 USD

### 6.3 Planned Investments during the entire License Period

*Requirement: Information on the planned investments during the whole license period shall be provided in the Business Plan and in the Financial Model.*

Table 3.5.7: Comments on planned investments during the license period

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### 6.4 Description of intended tariff scheme

Please enter here the tariffs you plan to charge customers

Table 3.5.8: Comments on intended tariff scheme

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Tariff Category <sup>1</sup>	Number of customers in this category	Tariff <sup>2</sup>		Days of the week and time of the day that this service is to be provided <sup>3</sup>							Total hours per week	
		Shillings	Per <sup>4</sup>	M	T	W	T	F	S	S		

### 7 MAIN BUSINESS ACTIVITY OF APPLICANT (FOR ALL PARTNERS)

#### 7.1 Applicant's Main Areas of Business Activity

Requirements:

- Applicants and their partners may submit brochures, capability statements, etc. on company background
- Applicants and their partners from outside Uganda should indicate their connections to Uganda

Table 4a: Main Business Activity of Applicant		
Name of Applicant:		
a)	Please describe what business activity the applicant is currently engaged in	1 - 2 pages
b)	Please describe connections to Uganda (if based outside Uganda)	1 - 2 pages

<sup>1</sup> The company may have its own tariff category names, for example “basic household tariff”. There may be several “tariff categories” within those “customer category”.

<sup>2</sup> Indicate whether charges are per hour, day, week, month, kWh, or some other unit

<sup>3</sup> List times of the day, for example: “7pm-9pm”. If you serve customers at a given time of a day and other customers at another time, list each group as a separate tariff category, even if they pay the same price

<sup>4</sup> Indicate whether charges are per hour, day, week, month, kWh, or some other unit



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## 7.2 Partner's Main Areas of Business Activity

Requirements:

- Partners may submit brochures, capability statements, etc. on company background
- Partners from outside Uganda should indicate their connections to Uganda
- Describe experiences from similar electricity generation businesses

Table 4b: Main Business Activity of Partner*		
Name of Partner:		
a)	Please describe what business activity the partner is currently engaged in	1 - 2 pages
b)	Please describe connections to Uganda (if based outside Uganda)	1 - 2 pages

\* Repeat as necessary for all partners

Table 4c: Overall Project Purpose		
a)	Please describe the overall purpose of the project	1-2 pages

## 8 TECHNICAL CAPACITY AND EXPERIENCE

### 8.1 Technical and Industrial Competence of Applicant Including Partners

Requirements:

- Statement of applicant's technical and industrial competence and experience to undertake the proposed project;
- The applicant's company profile or that of its technical partner(s), giving details of similar projects/assignments previously undertaken using Project Reference format provided;
- In case the applicant is newly instituted, company profile(s) of the technical partner(s) will be required.

Table 5.1: Technical and industrial competence of applicant and partners		
a)	Provide a detailed statement of applicant's technical	Extra Sheet, but maximum number of two pages



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	and industrial competence and experience to undertake the proposed project. (Use additional sheets if necessary)	
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### 8.2 Technical Contact Person/Project Manager

*Requirements:*

- Submit a signed curriculum vitae of technical contact person/project manager using the standard CV template provided

Table 5.2: Name and contact details of technical contact person/project manager		
a)	Name:	
b)	Address:	
c)	Tel:	
d)	E-mail:	
e)	CV submitted (Y/N):	
f)	Contractual relationship with applicant (employee, long-term contract etc.):	

### 8.3 Technical and Industrial Support from External Sources

Table 5.3: Technical and industrial support		
a)	Describe contracts foreseen for the project design, construction, commissioning and operations	

## 8.4 Key Personnel for Project

Requirements:

- Signed curriculum vitae (CVs) of key personnel that are expected to provide expertise (contract manager, environmental, hydrological, electro-mechanical, civil, geological, legal/contract manager, financial and economic etc.) during the proposed project; Use standard CV template provided;
- If consultants are yet to be identified, then the Terms of Reference for the consultants may be attached instead. ERA must then be given an opportunity to approve the experts

Table 5.3: Presentation of project team				
	Name	Area of responsibility	Brief Summary of CV/experience	CV attached in standard format? (Y/N)
a)				
b)				
Etc.				

## 8.5 Relevant Experience of the applicant

Requirements: Maximum 10 project references using the standard reference format provided.

Table 5.4: Presentation of relevant experience			
	Date	Project title	Project reference attached in standard format? (Y/N)
1)			
2)			
3)			
Etc.		Max. 10 project references	

## 8.6 Contact/Consultations with Local Authorities

Requirement:

- Documentary evidence of having initiated contact/consultations with the local authorities in the project area;
- This evidence could be in form of signed minutes of meetings held, council resolutions, letters of support from district/local authorities, etc.

Table 6.11: Describe contact/consultations with local authorities

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## 8.7 Project Land Requirements

Requirement:

- Briefly detail the land ownership of the land required both for the project and its related infrastructures, e.g. transmission lines (public/private/community owned), access roads;
- Provide evidence of the availability/acquisition of land for the proposed project, in the form of a land title, a land sale agreement or mutual agreement by landowners to avail the required land for the project and associated infrastructures including access roads and power evacuation lines.
- Enclose agreements with concerned land owners

Table 6.12: Land purchase requirements (Ownership and Acreage)

Table 6.12: Land purchase requirements (Ownership and Acreage)

## 9 SPECIFIED CONSENTS/LICENCES REQUIRED FROM OTHER PUBLIC AUTHORITIES TO UNDERTAKE PROJECT AND THEIR STATUS (ATTACH RELEVANT DOCUMENTS):

Requirement:



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- The Applicant must attach relevant consents and permits required under any other law for the proposed activity.
- The Project Brief shall contain an abstract (2-3 pages) summarizing social and environmental impacts (if any) to be submitted to NEMA for Environmental Clearance. A full environmental and social (ESAI) study may be required by NEMA at a later stage
- This section is technology specific. For all technologies a), e) and h) are required. For hydro power additionally b), c) and d) applies. Further licenses can be demanded in individual cases, if the project is located in environmental sensitive regions.

Table 6.13: Consents/licenses					
	Consent Required	Required for technologies	From Whom	Rationale	Copy attached (Yes/No)
a)	Uganda environmental approval <i>[The National Environment Act, 1995]</i>	all	NEMA	The approval allows NEMA to ensure that the project and its mitigation plans comply with Ugandan standards for environmental and social impact.	
b)	The National Environmental Regulation (Riverbanks, lakeshore, wetland) (2010)	hydro power	NEMA	Where the project is on a protected river or wetland, NEMA will require the developer to additionally apply for a permit to operate on the riverbank.	
c)	Surface Water Permit (or "Abstraction Permit") <i>[The Water Statute 1995; Water Resources Regulations 1998]</i>	hydro power	DWRM	The permit allows DWRM control over the use of surface water so that no other parties, for example farmers are negatively affected and so that no other negative effects on the surface water system occur. The permit specifies the minimum water flow that should be	

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				maintained in the river.	
d)	Construction Permit [The Water Statute 1995; Water Resources Regulations 1998]	hydro power	DWRM	The permit allows DWRM control over the impacts on surface water during construction so that no unacceptable negative effects on the surface water system occur – for example significant pollution.	
e)	Licence/ Concession for use of river/land [Land Act, 1998]	all	Landowner	For hydropower projects, or projects sited on land held in trust by the Government, the developer is required to obtain a licence or concession from the landowner. Where local authorities hold the land, the concession should be obtained from the relevant local authority.	

## 10 ENVIRONMENTAL AND SOCIAL IMPACTS OF THE PROJECT

### 10.1 Approval Process

Requirements:

- Applicants shall outline environmental and social impacts in the Project Brief and submit it to NEMA for approval.
- A full Environmental and Social Impact Analysis (ESIA) can be requested by NEMA if Project Brief is deemed insufficient for the proposed project..
- Applicants shall enclose NEMA approved ESIA report or Certificate of Exemption from NEMA.

### 10.2 Management of Impacts on Socio-economics

Table 7.2: Management of impacts on socio-economics

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**10.3 Management of Impacts on Cultural Heritage**

Table 7.3: Management of impacts on cultural heritage

**10.4 Management of Impacts on Environment**

Table 7.4: Management of impacts on environment

**10.5 Management of Impact on Communities and Resettlement**

Table 7.5: Management of community impacts and resettlement

**10.6 Management of Impact on Natural Resources**

Table 7.6: Management of impacts on natural resources

**10.7 Management of Impact on Wildlife**

Table 7.7: Management of impacts on wildlife

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**10.8 Any Other Relevant Information (use Additional Sheets if Appropriate)**

Table 7.8: Any other relevant information

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DECLARATION BY THE APPLICANT:

The proposed project is not unlawful or contrary to the interest of Uganda. I/ we hereby declare that the details stated above are, to the best of my/our knowledge, true and correct.

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

**11 AUTHORISED SIGNATURE/S AND SEAL OF APPLICANT/S**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**SEAL**

**11.1 Witness To Above Signatures**



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Name	Position	Signature

**FOR OFFICIAL USE ONLY**

1- Date of submission of application

2- Fees paid and receipt number

3- Performance guarantee and receipt number

4- Results of verification for completeness





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5- Dates and newspapers in which application is advertised:

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6- Results of Public Hearing:

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7- Recommendation ERA Secretariat

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8- Decision of ERA

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9- Issue date of License

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10-Expiry date of License

11- Other relevant information