



ELECTRICITY REGULATORY AUTHORITY

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SCHEDULE OF BASE END-USER TARIFFS APPLICABLE FOR THE SUPPLY OF ELECTRICITY BY UMEME LIMITED FOR THE YEAR 2018

NOTICE is hereby given that pursuant to Sections 10 and 75 of the Electricity Act, 1999, (Chapter 145 Laws of Uganda) the Electricity Regulatory Authority (“the Authority”) has approved a **Schedule of 2018 Base Electricity Tariffs** and the **applicable End User Tariffs for the billing period January to March 2018** (first quarter) to be charged by Umeme Limited for the supply of electrical energy as detailed in Table 1.

TABLE 1: APPROVED 2018 BASE ELECTRICITY TARIFFS AND APPLICABLE END-USER TARIFFS FOR THE PERIOD JANUARY TO MARCH 2018

DOMESTIC CONSUMERS - CODE 10.1 Low voltage single phase supplied at 240 volts					
Lifeline charge applicable for the first 15 Units in a month (Shs/kWh)	150.0				
Energy above 15 units (Shs/kWh)	718.9				
COMMERCIAL CONSUMERS - CODE 10.2 Consumers metered at low voltage three phase with load not exceeding 100 Amperes and supplied at 415 volts		Average	Peak	Shoulder	Off-peak

Energy Charge (Shs/kWh)		648.3	839.6	646.3	401.4
MEDIUM INDUSTRIAL CONSUMERS - CODE 20 Medium industrial users taking power at low voltage 415Volts, with maximum demand of up to 500kVA		Average	Peak	Shoulder	Off-peak
Energy Charge (Shs/kWh)		592.5	766.2	589.8	366.1
LARGE INDUSTRIAL CONSUMERS - CODE 30 High Voltage 11,000V or 33,000V, with maximum demand exceeding 500kVA but up to 1,500 kVA		Average	Peak	Shoulder	Off-peak
Energy Charge (Shs/kWh)		375.5	497.1	382.6	247.7
EXTRA LARGE INDUSTRIAL CONSUMERS - CODE 40 High Voltage 11,000V or 33,000V, with maximum demand exceeding 1,500kVA and dealing in Manufacturing		Average	Peak	Shoulder	Off-peak
Energy Charge (Shs/kWh)		371.1	491.8	378.5	246.5
STREET LIGHTING - CODE 50					
Energy Charge (Shs/kWh)	701.9				

The above approved base electricity end-user tariffs for 2018 represent a weighted average increase of 3.3 percent relative to the tariffs of the fourth quarter of 2017.

The major driver of the tariffs for the first quarter of 2018 among others have been; (i) the increase in investment related costs relative to the fourth quarter of 2017, (ii) the provision for transaction costs in respect to the debt refinancing of Bujagali Hydro Power Plant, and (iii) the depreciation of the Uganda Shilling against the United States Dollar, from Shs 3,600.38/US used in the determination of the tariffs for the fourth quarter of 2017 to Shs 3,634.92/US as of 30th November 2017.

These Base Tariffs shall be subject to quarterly adjustments for changes in International prices of fuel, exchange rate, inflation and the generation mix. The parameters used in the determination of the 2018 Base Tariffs are as detailed in Table 2.

TABLE 2: PARAMETERS USED IN DETERMINATION OF THE 2018 BASE TARIFFS

Parameter	Source	Rate
Exchange rate (USD/USHS)	Published by Bank of Uganda as the mid-rate on 30 th November 2017	3,634.92
Core Consumer Price Index (CPI)	Published by the Uganda Bureau of Statistics for November 2017	164.15
US Producer Price Index (US PPI)	Published by the United States Bureau of Labor Statistics for November 2017	200.7
International Prices of Fuel (US\$ per barrel)	OPEC - International Prices of Fuel for December 2017	60.74

Electricity Regulatory Authority has continued to implement the Extra- Large Industrial Consumers tariff category in 2018. Government of Uganda is holding discussions with various stakeholders towards the debt refinancing of the Bujagali Hydro Power Project. The benefit arising from the debt refinancing will be applied towards reduction in the cost of electricity. The Authority shall continue to enforce efficient operations in the Electricity Supply Industry through optimized costs, promotion of generation from cheaper and environmentally sustainable sources, and work towards affordable tariffs for all especially the manufacturers.

The detailed Quarterly Tariff Adjustment Methodology and the detailed 2018 Annual Tariff Review Report can be downloaded at: www.era.or.ug

This Schedule of Tariffs shall take effect on 1st January, 2018.

MANAGEMENT

29th December 2017