

**RENEWABLE ENERGY BILL, 2016**

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**A BILL**

**FOR**

**AN ACT TO PROVIDE FOR THE UTILISATION, SUSTAINABILITY AND  
ADEQUATE SUPPLY OF RENEWABLE ENERGY FOR ELECTRICITY AND HEAT  
GENERATION AND FOR RELATED MATTERS**

*Sponsored by Hon. Nnam-Obi Uchechukwu*

[ ] Commencement

**ENACTED by the National Assembly of the Federal Republic of  
Nigeria as follows-**

- 1
- PRELIMINARY PROVISIONS
- 2
- 1.-(1) The object of this Act is to provide for the utilisation of
- 3
- renewable energy sources for electricity and heat generation in an efficient
- 4
- and sustainable manner.
- 5
- (2) For the purpose of subsection (1), the object shall encompass:
- 6
- (a) the provision of:
- 7
- (i) a framework to support the development and utilisation of
- 8
- renewable energy sources; and
- 9
- (ii) an enabling environment to attract investment in renewable
- 10
- energy sources;
- 11
- (b) the promotion for the use of renewable energy;
- 12
- (c) the diversification of supplies to safeguard energy security;
- 13
- (d) improved access to electricity through the use of renewable
- 14
- energy sources;
- 15
- (e) the building of indigenous capacity in technology for
- 16
- renewable energy sources;
- 17
- (f) public education of renewable energy production and
- 18
- consumption; and
- 19
- (g) the regulation of the production and supply of wood fuel and
- 20
- bio-fuel.

Object of the  
Act

Meaning of  
renewable energy

- 1                   2. In this Act, “renewable energy” means energy obtained from non-  
2   depleting sources including:  
3                   (a) wind;  
4                   (b) solar;  
5                   (c) hydro;  
6                   (d) biomass;  
7                   (e) bio-fuel;  
8                   (f) landfill;  
9                   (g) sewage gas;  
10                  (h) solid waste;  
11                  (i) industrial waste;  
12                  (j) geothermal energy;  
13                  (k) ocean energy; and  
14                  (l) any other energy source designated in writing by the Minister.

Ministerial  
responsibility

- 15                 3. The Minister has responsibility for the formulation of the National  
16   Renewable Energy Policy and for providing policy direction for the  
17   achievement of the object of this Act.

Responsibility  
of the National  
Regulatory  
Commission

- 18                 4. The Commission shall:  
19                 (a) advise the Minister on renewable energy technologies;  
20                 (b) create a platform for collaboration between government and the  
21   private sector and civil society for the promotion of renewable energy sources;  
22                 (c) prepare in collaboration with relevant stakeholders, the  
23   educational curriculum on efficient use of renewable energy sources and  
24   evolve programmes for its mainstreaming on the educational curriculum of  
25   educational institutions;  
26                 (d) recommend for exemption from customs, levies and other duties,  
27   equipment and machinery necessary for the development, production and  
28   utilisation of renewable energy sources;  
29                 (e) recommend financial incentives necessary for the development,  
30   production and utilisation of renewable energy sources;

1 (f) promote the local manufacture of components to facilitate the  
2 rapid growth of renewable energy sources;

3 (g) promote plans for training and supporting local experts in the  
4 field of renewable energy;

5 (h) promote the technical benefits of bio-fuel to facilitate its  
6 utilisation; and

7 (i) implement the provisions of this Act.

8 5. The Commission shall for the purpose of the implementation of  
9 this Act, approve:

Responsibilities  
of Nigerian  
Electricity  
Regulatory  
Commission

10 (a) rates chargeable for the purchase of electricity from renewable  
11 energy sources by public utilities;

12 (b) charges for grid connection; and

13 (c) rates chargeable for wheeling of electricity from renewable  
14 energy sources.

15 6. A public utility licensed under the Nigerian Electricity  
16 Regulatory Commission Act, transmit or distribute electricity, shall comply  
17 with the relevant provisions of this Act and in general facilitate the  
18 attainment of the object of this Act.

Public utilities

19 7. (1) The relevant institutions responsible for the development,  
20 promotion, management and utilisation of renewable energy sources shall  
21 collaborate with the Commission in the exercise of its powers and  
22 performance of its functions under this Act.

Collaboration of  
relevant institutions

23 (2) For the purposes of subsection (1), relevant institutions include:

24 (a) Standards Organisation of Nigeria;

25 (b) Ministry of Environment;

26 (c) the Ministry of Agriculture;

27 (d) the Nigeria National Petroleum Corporation; and

28 (e) any other institution designated by the Minister by publication  
29 in Gazette.



## 1 LICENSING PROVISIONS

Requirement for  
licence2 8.-(1) A person shall not engage in a commercial activity in the  
3 renewable energy industry without a licence granted under this Act.4 (2) For the purposes of this Act, the commercial activities in the  
5 renewable energy industry are:

6 (a) importation;

7 (b) exportation;

8 (c) re-exportation;

9 (d) production;

10 (e) shipment;

11 (f) transportation;

12 (g) manufacturing;

13 (h) assembling;

14 (i) maintenance;

15 (j) processing;

16 (k) refining;

17 (l) storage;

18 (m) distributions;

19 (n) installation;

20 (o) marketing; and

21 (p) sale.

22 (3) The Commission may by legislative instrument limit or expand  
23 the scope of activities under subsection (2).Qualification  
for licence

24 9. A licence under this Act may only be granted to:

25 (a) a citizen,

26 (b) a body corporate registered under the Companies and Allied  
27 Matters Act, orApplication  
for licence28 10. -(1) An application for a licence shall be made to the Commission  
29 in the prescribed form accompanied with the prescribed fee and information  
30 required by the Commission.

1 (2) The Board shall:

2 (a) acknowledge receipt of an application within ten working days  
3 after receipt, and

4 (b) inform the applicant in writing of the decision of the Board  
5 within sixty days after the ten days.

6 11.-(1) Where an applicant meets the conditions required by this Grant of licence  
7 Act for a licence to engage in commercial activity in the renewable energy  
8 industry, the Board shall grant the application and issue the applicant with  
9 the licence.

10 (2) Despite subsection (1), the Board may for compelling reasons  
11 founded on:

12 (a) technical data;

13 (b) national security;

14 (c) public safety;

15 (d) food security;

16 (e) health; and

17 (f) environmental safety

18 reject the application for a licence to engage in commercial activity in the  
19 renewable energy industry.

20 12.-(1) A licence granted by the Commission is subject to the Conditions of  
21 conditions specified in the licence having regard to the functions of the licence  
22 Commission and the nature of the licence required.

23 (2) Without limiting subsection (1), a licence granted under this  
24 Act may ~~impose~~ conditions requiring the licensee to provide the  
25 Commission ~~with~~ the documents, accounts, estimates, returns,  
26 environmental ~~impact~~ assessment and management plans or any other  
27 information that the Board may require for the purpose of performing its  
28 functions under this Act in the manner and at the times as may be reasonably  
29 required.

Non-transferability  
of licence

1                   **13.** A licence granted under this Act is not transferable except with  
2                   the prior written approval of the Board.

Duration and  
renewal of licence

3                   **14.**-(1) A licence granted under this Act is for the period specified in  
4                   the licence and may be renewed.

5                   (2) An application for the renewal of licence shall be made to the  
6                   Commission not later than sixty days before the licence expires.

7                   (3) The procedure for the renewal of a licence granted under this Act  
8                   shall be the same as that applicable to the granting of the original licence.

9                   (4) A licensee who fails to renew the licence or that has the application  
10                  for the renewal of the licence rejected by the Board shall cease to provide the  
11                  services to which the licence relates.

Power to modify  
licence

12                  **15.**-(1) Subject to this Act and Regulations made under it, the Board  
13                  may modify a licence granted under this Act if the modification is in  
14                  accordance with terms of the licence or is required in the public interest.

15                  (2) A modification shall not be made unless the Board has given the  
16                  licensee and the general public at least sixty working days' notice:

17                  (a) stating that the Board proposes to make the modification;

18                  (b) setting out the effect of the modification; and

19                  (c) inviting representations or objections regarding the modification  
20                  for consideration.

21                  (3) The Board shall consider the representations or objections that are  
22                  made to it before the modification is made.

23                  (4) The notice shall be given by:

24                  (a) publication, in the manner that the Board considers appropriate,  
25                  for the purpose of bringing the matters to which the notice relates to the  
26                  attention of persons likely to be affected by it; and

27                  (b) sending a personal copy of the notice to the licensee for the  
28                  purposes of bringing the matters to which the notice relates to the attention of  
29                  persons likely to be affected by it.

30                  (5) The expense incurred or damage caused as a result of a



1       modification to a licence shall be considered as part of the capital  
2       expenditure of the licensee.

3               **16.-(1)** Where the Board is satisfied that a licensee is not  
4       complying with or has not complied with any of the conditions of the  
5       licence, the Board may suspend or cancel the licence.

Suspension or  
cancellation of  
licence

6               **(2)** A suspension or cancellation shall not be made unless the Board  
7       has given the licensee:

8               (a) written notice specifying in it, the cause of dissatisfaction of the  
9       Board requiring the suspension or cancellation of the licence,

10              (b) the directions for the rectification of the breach, and

11              (c) the action proposed to be taken by the Board in the event of non-  
12       compliance with the notice.

13              **(3)** The Board shall:

14              (a) not suspend or cancel a licence without first giving the licensee  
15       an opportunity of being heard, and

16              (b) where it considers it appropriate, give a period that the Board  
17       considers reasonable for the compliance with the directions of the Board.

18              **(4)** The Board shall consider the extent to which a person is likely  
19       to sustain loss or damage as a result of the suspension or cancellation of the  
20       licence in determining whether it is necessary to suspend or cancel the  
21       licence.

22              **(5)** A licence which is not utilised within one year after the date of  
23       its grant may be cancelled by the Board after notice of not less than thirty  
24       days has been served on the licensee.

25              **17.-(1)** A person aggrieved by the refusal of the Commission to  
26       grant or renew the licence or by a modification, suspension or cancellation  
27       of a licence may lodge a complaint with the Minister who shall within thirty  
28       days after receipt of the complaint, make a decision on it.

Complaint to the  
Minister

29              **(2)** A person may pursue the matter in Court if that person is  
30       dissatisfied with the decision of the Minister or where the thirty days has

	1	expired without a decision made by the Minister.
	2	SPECIAL REQUIREMENTS RELATING TO LICENCES
Application	3	19. Without limiting the provisions of section 12, sections 20 to 24
	4	shall apply to licences for the following activities:
	5	(a) production;
	6	(b) transportation;
	7	(c) storage;
	8	(d) marketing; and
	9	(e) installation and maintenance.
Production and supply licence	10	20. Where the Board grants a licence to an applicant to produce and
	11	supply a renewable energy product, the licensee shall
	12	(a) manufacture and assemble that renewable energy product;
	13	(b) install, generate and supply electrical energy; or
	14	(c) produce bio-fuel or wood fuel in accordance with the directives of
	15	the Commission.
Bulk storage licence	16	21.-(1) Where the Board grants a licence to an applicant to store
	17	renewable energy products in commercial quantities, the licensee shall install a
	18	facility for the storage of the renewable energy products.
	19	(2) The suitability of a facility shall be determined by the
	20	Commission.
	21	(3) The Commission shall determine what constitutes commercial
	22	quantities.
Marketing licence	23	22. Where the Board grants a licence to an applicant to market a
	24	renewable energy product, the licensee shall obtain from the Commission,
	25	approval for the export of each consignment of wood fuel and bio-fuel.
Installation and maintenance licence	26	23.-(1) Where the Board grants a licence to an applicant to provide for
	27	the installation and maintenance services for a renewable energy system, the
	28	licensee shall engage in a commercial activity that correlates to the specific
	29	renewable energy technology.
	30	(2) For the purpose of this section, a 'specific renewable energy

1 technology' includes technologies for solar, wind, mini hydro, biogas  
2 digester, charcoal kilns and a bio-fuel processing plant.

3 **24.-(1)** Where the Board grants a licence to an applicant to Bulk transportation  
4 transport renewable energy products, the licensee shall: licence

5 (a) transport bio-fuel products, or wood fuel, and

6 (b) use a registered vehicle to transport the bio-fuel product or  
7 wood fuel product in accordance with the directives of the Commission.

8 (2) For the purpose of this section, 'a registered vehicle' is a vehicle  
9 that has been registered with the Commission to transport bio-fuel and wood  
10 fuel products.

11 REQUIREMENTS FOR ELECTRICITY GENERATION

12 **25.-(1)** There is established by this Act a feed-in-tariff scheme for Feed-in-tariff  
13 the purpose of guaranteeing the sale of electricity generated from renewable scheme  
14 energy sources.

15 (2) The feed-in-tariff scheme consists of:

16 (a) the renewable energy purchase obligation;

17 (b) the feed-in-tariff rate; and

18 (c) a connection to transmission and distribution systems.

19 **26.-(1)** An electricity distribution utility shall procure a specified Renewable energy  
20 percentage of its total purchase of electricity from renewable energy purchase obligation  
21 sources.

22 (2) The Commission shall specify the percentage level of  
23 electricity to be purchased by the electricity distribution utility in  
24 consultation with the Energy Commission.

25 (3) The Commission shall take into account the:

26 (a) technology being used to generate electricity from renewable  
27 energy sources;

28 (b) assurance of the financial integrity of public utilities; and

29 (c) net effect of the cost of renewable energy on the end user tariff,  
30 in specifying the percentage level of electricity.

- 1 (4) A bulk customer permitted by the Commission, shall:
- 2 (a) purchase a specified percentage of its total purchase of electricity
- 3 from renewable energy sources; or
- 4 (b) pay to the Commission a premium as determined by the
- 5 Commission.
- 6 (5) The premium payable shall be paid by the Commission into the
- 7 bank account opened for the purpose under section 34.
- 8 (6) For the purposes of this section:
- 9 (a) a 'premium' means the amount payable by the bulk customer
- 10 instead of the purchase of electricity required under subsection (4) (a); and
- 11 (b) 'bulk customer' means a customer that purchases or receives
- 12 electricity in the amount or level specified by the Board.
- 13 ~~27.~~(1) An electricity distribution utility shall not buy or negotiate a
- 14 Power Purchase Agreement with a generator of electricity from renewable
- 15 energy sources unless it is in accordance with guidelines provided by the
- 16 Commission.
- 17 (2) The Commission shall prepare and provide public utilities with
- 18 guidelines on the level of rates that may be charged by the public utility for
- 19 electricity generated from renewable energy sources.
- 20 (3) The Commission shall take into account the:
- 21 (a) technology being used in the renewable energy industry;
- 22 (b) location of the generation facility;
- 23 (c) operating norms for the specific technology under consideration;
- 24 (d) costs associated with construction, commissioning, operation and
- 25 maintenance of the plant;
- 26 (e) the reasonable rate of return; and
- 27 (f) the balance between the interest of the consumer and the investor,
- 28 in preparing the guidelines.
- 29 (4) The feed-in-tariff rate fixed for electricity from renewable energy
- 30 sources shall be guaranteed for a period of ten years and subsequently be

Feed-in-tariff  
rates



1 subject to review every two years.

2 (5) The Commission shall, in determining the mechanism for the  
3 regulated electricity market, factor into the tariff, the price differential  
4 between the purchase price of electricity generated from renewable energy  
5 sources and the price of electricity purchased from other sources.

6 **28.**-(1) A public utility shall not demand a feed-in-tariff rate for  
7 electricity generated from renewable energy sources unless the feed-in-  
8 tariff rate chargeable has been approved by the Commission.

Approval of  
feed-in-tariff  
rates

9 (2) A public utility shall not directly or indirectly demand or  
10 receive a feed-in-tariff rate higher than the feed-in-tariff rate approved by  
11 the Public Utilities Regulatory Commission in relation to electricity  
12 generated from renewable energy sources.

13 (3) Despite section 26 (2), a public utility may demand and receive  
14 from a consumer a higher feed-in-tariff rate agreed to by both the public  
15 utility and the consumer with the written permission of the Commission.

16 (4) The power to approve a rate under this section shall not apply to  
17 the export of electricity generated from renewable energy sources.

18 **29.** Feed-in-tariff rates approved by the Commission for electricity  
19 generated from renewable energy sources shall be published by the  
20 Commission in the Gazette and the mass media.

Publication of  
feed-in-tariff rates

21 **30.**-(1) An operator of a transmission or distribution system shall  
22 connect a generator of electricity from a renewable energy source within the  
23 coverage area of the transmission or distribution system where a generator  
24 of electricity from renewable energy sources so requests.

Connection to  
transmission and  
distribution systems

25 (2) An operator of a transmission or distribution system shall:

26 (a) upgrade the transmission or distribution system at reasonable  
27 economic expense to feed in the electricity from the generator of electricity  
28 from renewable energy sources; and

29 (b) upgrade the transmission and distribution system as soon as  
30 practicable if so requested by a generator interested in feeding in electricity.



1 (3) The cost of upgrading the transmission or distribution system shall  
2 be shared equally between the operator of the transmission or distribution  
3 system and the generator of electricity from renewable energy sources.

4 (4) The costs associated with connecting installations to the metering  
5 point shall be borne by the generator of electricity from renewable energy  
6 sources.

7 (5) For the purposes of subsection (1), the operator of a transmission  
8 or distribution system shall enter into a connection agreement with a generator  
9 of electricity from renewable energy sources within the coverage area of the  
10 transmission or distribution system.

11 ESTABLISHMENT AND MANAGEMENT OF THE RENEWABLE ENERGY FUND

Establishment  
of the Renewable  
Energy Fund

12 **31.** There is established by this Act the Renewable Energy Fund.

Object of the  
Fund

13 **32.**-(1) The object of the Fund is to provide financial resources for the  
14 promotion, development and utilisation of renewable energy sources.

15 (2) For the purposes of achieving the object of the Fund, moneys from  
16 the Fund shall be applied to the relevant activities that the Board of the  
17 Commission may determine including:

18 (a) the promotion of:

19 (i) grid interactive renewable electricity by means of financial  
20 incentives, feed-in-tariffs and capital subsidies;

21 (ii) scientific and technological research into renewable energy;

22 (iii) research into the establishment of standards for the utilisation of  
23 renewable energy;

24 (iv) the production of equipment for the development and utilisation  
25 of renewable energy in the country;

26 (v) programmes to adopt international best practices;

27 (vi) mini grid and off grid renewable power systems for remote areas  
28 and islands; and

29 (vii) renewable energy projects for non-electricity purposes;

30 (b) the development of:

- 1 (i) infrastructure for renewable energy;  
2 (ii) renewable energy projects; and  
3 (iii) capacity building for the energy sector;  
4 (c) the provision of production based subsidies for renewable  
5 generation; and  
6 (d) equity participation in renewable energy projects.

7 (3) For the purposes of this section, 'equity participation' means the  
8 participation in the ownership of an organisation or venture through an  
9 investment for renewable energy.

10 **33.** The sources of money for the Fund are:

Sources of money  
for the Fund

- 11 (a) moneys provided by the National Assembly,  
12 (b) the premium payable under section 26 (4) (b),  
13 (c) donations, grants and gifts received for renewable energy  
14 activities,  
15 (d) money generated from the provision of services for renewable  
16 energy activities;  
17 (e) moneys lodged in the Fund established under the Rural  
18 Electrification Agency, for the promotion of projects for the development  
19 and utilisation of renewable energy resources, including solar energy, and  
20 (f) any other moneys that are approved by the Minister responsible  
21 for Finance.

22 **34.-(1)** The moneys for the Fund shall be paid into a bank account  
23 for the purpose, opened by the Commission with the approval of the  
24 Accountant-General of the Federation.

Bank account  
for the Fund

25 (2) The bank account for the Fund shall be kept separate from the  
26 bank account for any other Fund that relates to energy resources.

27 (3) Any person in possession of money intended for the Fund shall  
28 pay the money into a bank account opened under subsection (1) on the next  
29 working day after receipt of the money.

Management of  
the Fund

- 1                   **35.**-(1) Moneys for the Fund shall be vested in the Board.
- 2                   (2) The Board of the fund is responsible for the management of the
- 3                   Fund.
- 4                   (3) The Board shall:
- 5                   (a) pursue policies to achieve the object of the Fund;
- 6                   (b) collect or arrange to be collected, moneys lawfully due to the
- 7                   Fund, through procedures determined by the Minister;
- 8                   (c) ensure accountability of the Fund by defining appropriate
- 9                   procedures for the Fund;
- 10                  (d) with the approval of the Minister prepare and publish the criteria
- 11                  for the disbursement of moneys from the Fund;
- 12                  (e) disburse moneys from the Fund;
- 13                  (f) receive and examine reports from designated persons or
- 14                  institutions in respect of financial assistance granted those persons or
- 15                  institutions; and
- 16                  (g) perform any other function assigned to it under this Act or
- 17                  incidental to the achievement of the object of the Fund.

Internally  
generated funds

- 18                  **36.**-(1) The Fund is authorised to retain moneys realised in the
- 19                  performance of its functions.
- 20                  (2) The preparation and submission of estimates and the reporting and
- 21                  accounting of estimates are subject to the Finance (Management and Control)
- 22                  Act.
- 23                  (3) Despite any other provision in any enactment to the contrary,
- 24                  internally generated funds:
- 25                  (a) can only be utilised when the activities on which the expenditure
- 26                  will be incurred have been programmed and approved in the expenditure
- 27                  budget of the Fund
- 28                  (b) shall not be used for the payment of salaries, staff benefits and
- 29                  other allowances except where the allowances are directly related to the
- 30                  provision of services that will lead to increased revenue.

1	37. The Fund is exempt from payment of tax.	Tax exemption
2	38. The administrative expenses of the Fund related to the	Administrative expenses of the Fund
3	management of the Fund shall be charged on the Fund.	
4	39.-(1) The Board shall keep books of account and proper records	Accounts and audit
5	in relation to them in the form determined and approved by the Auditor-	
6	General.	
7	(2) The Board shall submit the account of the Fund to the Auditor-	
8	General for audit within three months after the end of the financial year.	
9	(3) The Auditor-General shall conduct the audit of the account	
10	exclusively for the Fund.	
11	(4) The Auditor-General shall, not later than three months after the	
12	receipt of the accounts, audit the accounts and forward a copy of the audit	
13	report to the Minister.	
14	(5) The financial year of the Commission shall be the same as the	
15	financial year of the Government.	
16	40.-(1) The Board shall within one month after the receipt of the	Annual report and other reports
17	audit report, submit an annual report to the Minister covering the activities	
18	and operations of the Fund for the year to which the report relates.	
19	(2) The annual report shall include the report of the Auditor-	
20	General.	
21	(3) The Minister shall within one month after receipt of the annual	
22	report submit the report to the National Assembly with a statement that the	
23	Minister considers necessary.	
24	(4) The Board shall also submit to the Minister any other report	
25	which the Minister may require in writing.	
26	41. A licensee that has been granted a licence under this Act to	Control and management of bio-fuel and woof fuel feedstock production
27	produce bio-fuel from feedstock, shall obtain the relevant permit from the	
28	Ministry of Agriculture and the Ministry of Environment	
29	42.-(1) The Minister shall on the commencement of this Act,	Designation and pricing of bio-fuel
30	designate bio-fuel as a petroleum product in accordance with the National	



1 Petroleum Authority Act, 2005.

2 (2) The Petroleum Product Pricing Regulatory Agency shall be  
3 responsible for the pricing of bio-fuel in accordance with the prescribed  
4 petroleum pricing formula provided for under the PPRA Act.

Sale of bio-fuel  
blend

5 **43.**-(1) For the purposes of this section, 'bio-fuel blend' is the  
6 combination of a proportion of bio-fuel and petroleum based fuel.

7 (2) The proportion of bio-fuel in bio-fuel blend offered for sale to  
8 consumers at the point of sale, shall be determined from time to time by the  
9 National Petroleum Authority in consultation with the Energy Commission.

10 (3) A person who sells bio-fuel at the point of sale shall display  
11 conspicuously the proportion of the bio-fuel contained in the bio-fuel blend.

Sustainability of  
wood fuel  
production

12 **44.** The Commission shall consult relevant institution to develop  
13 programmes to sustain wood fuel production.

14 MISCELLANEOUS PROVISIONS

Duty of  
renewable energy  
producers

15 **45.** A person licensed under this Act to produce renewable energy  
16 shall

17 (a) maintain the equipment and property used in the provision of the  
18 service in a condition that would enable it to effectively provide the service;

19 (b) comply with technical standards and guidelines established by the  
20 Commission; and

21 (c) comply with the terms of the respective environmental impact  
22 assessment permit.

Integration of  
renewable energy  
projects into power  
system

23 **46.** The Commission shall take into account the particular nature of  
24 the electricity generated from renewable energy sources to ensure that  
25 renewable energy projects are integrated into the power system in developing  
26 regulations and guidelines for the provision of electricity.

Offences and  
penalties

27 **47.** A person who commits an offence under this Act is liable on  
28 summary conviction to:

29 (a) a fine of not more than two hundred and fifty penalty units or to a  
30 term of imprisonment of not more than two years or to both the fine and the



1 imprisonment on the first offence; or

2 (b) a fine of not more than five hundred penalty units or to a term of  
3 imprisonment of not more than four years or to both the fine and  
4 imprisonment for a subsequent offence.

5 48. The provisions of the National Electricity Regulatory  
6 Commission Act or any other relevant enactment shall have effect subject to  
7 the modifications necessary to give effect to this Act and to the extent that  
8 the provisions of an enactment are inconsistent with this Act, the provisions  
9 of this Act shall prevail.

Modification of  
existing enactments

10 49.-(1) The Board may issue guidelines for the

Guidelines and  
codes of practice

11 (a) development and utilisation of renewable energy sources;

12 (b) connection of electricity generated from renewable energy  
13 sources to transmission or distribution systems; and

14 (c) technical standards for the use of renewable energy sources.

15 (2) The Board may publish guidelines in the Gazette or in another  
16 print media determined by the Board.

17 (3) Where the Board amends or revokes a guideline, it shall publish  
18 the amendment or revocation in the Gazette or in another print media  
19 determined by the Board.

20 (4) A person shall not incur a civil or criminal liability for the  
21 contravention of a guideline issued under this section.

22 (5) Despite subsection (4), the Board may impose the following  
23 sanctions for deliberate refusal to apply the guidelines:

24 (a) imposition of a fine not exceeding one thousand penalty units,

25 (b) suspension or revocation of a licence, and

26 (c) any other administrative sanction determined by the Board.

27 (6) In any proceedings, where the Court is satisfied that a guideline  
28 is relevant to the determination of a matter:

29 (a) the guideline shall be admissible in evidence, and

30 (b) proof as to whether or not a person contravened a guideline may

1 be relied on by any party to the proceedings to establish or negate the matter.

2 (7) The Board may issue a code of practice for the purpose of giving  
3 effect to the provisions of this Act.

Regulations

4 50. The Minister may on the recommendation of the Board, by  
5 legislative instrument make Regulations:

6 (a) to prescribe standards for construction, operation and  
7 maintenance of facilities and installations in respect of bio-fuel and electricity  
8 from renewable energy sources;

9 (b) to prescribe standards of performance for the development and  
10 utilisation of renewable energy resources;

11 (c) to prescribe technical standards for the use of renewable energy  
12 sources;

13 (d) for the control and management of:

14 (i) bio-fuel, and

15 (ii) wood fuel;

16 (e) to establish a scheme for creating, trading and extinguishing of  
17 renewable energy certificates;

18 (f) to review the:

19 (i) percentage level of the proportion of bio-fuel referred to in section  
20 43 (2); and

21 (ii) producer prices for bio-fuel; and

22 (g) to provide for any other matter necessary for the effective  
23 implementation of the provisions of this Act.

Interpretation

24 51. In this Bill unless the context otherwise requires:

25 “animal waste” means livestock, manure or any other material like bedding,  
26 milk house waste, soil, hair, feathers or debris normally included in animal  
27 waste handling operations;

28 “Auditor-General” includes an auditor appointed by the Auditor-General;

29 “bio-degradable” means material that has the:

30 (a) ability to break down safely and relatively quickly by biological

- 1 means, into the raw materials of nature; or
- 2 (b) proven capability to decompose into non-toxic soil, water,
- 3 carbon dioxide or methane;
- 4 “bio-fuel” includes fuel, bio-diesel, bio-ethanol and fuel produced from
- 5 crops and plants;
- 6 “bio-fuel production” means the process and method employed to transform
- 7 energy crops and plants into bio-fuel;
- 8 “biogas” means gas that comprises primarily of methane and carbon dioxide
- 9 produced by the biological breakdown of organic matter in the absence of
- 10 oxygen and produced by anaerobic digestion or fermentation of
- 11 biodegradable materials like biomass manure sewage, municipal waste,
- 12 green waste and energy crops;
- 13 “biogas digester” means an equipment that has the capacity to degrade
- 14 organic matter to produce biogas;
- 15 “biomass” means organic matter like agricultural crops and residue, wood
- 16 and wood waste, animal waste, aquatic plants and organic components of
- 17 municipal and industrial waste;
- 18 “Board” means the governing body of the Energy Commission;
- 19 “Commission” means the National Electricity Regulatory Commission
- 20 established under the Power Sector Reform Act;
- 21 “distribution system” means the portion of the equipment used to deliver
- 22 electricity between the distribution utility and the customer or consumer;
- 23 “distribution utility” means a company that owns or operates the equipment
- 24 or facilities that transmit or distribute electricity to the end-use customer and
- 25 is the company indicated on the electricity bill;
- 26 “energy crop” includes a plant:
- 27 (a) that can be directly exploited for its energy content,
- 28 (b) that is grown for the sole purpose of energy production but not
- 29 for food production, or
- 30 (c) that is grown specifically for its fuel value;

- 1 “energy security” means the availability, adequacy, reliability and  
2 environmental sustainability of energy supply;
- 3 “energy sources” includes coal, wind, oil, gas or wood consumed in the  
4 generation of power;
- 5 “feedstock” means a material that can be used to produce bio-fuel “generator of  
6 electricity” means the person that generates electricity from renewable energy  
7 sources and supplies it to the general public;
- 8 “geothermal energy” means energy extracted from heat stored in the earth;
- 9 “grid connection” means the linkage between a renewable energy system and  
10 the utility grid;
- 11 “grid interactive renewable electricity” means a system which has the capacity  
12 to feed electricity from renewable energy source into the utility grid;
- 13 “hydro” means a project that has a generating capacity not exceeding 100  
14 megawatts;
- 15 “industrial hazardous waste” means discarded solid or liquid waste from  
16 industrial activity that:
- 17 (a) contains any solvent, pesticide or paint stripper and one or more of  
18 carcinogenic, mutagenic or teratogenic compounds at levels that exceed  
19 established limits; and that contained;
- 20 (b) can catch fire easily like gasoline, paints and solvents;
- 21 (c) is reactive or unstable enough to explode or release toxic fumes  
22 including acids, bases, ammonia and chlorine bleach, or
- 23 (d) is capable of corroding metal containers like tanks, drums and  
24 barrels, industrial cleaning agents and oven and drain cleaners;
- 25 “industrial waste” means waste produced as a result of the industrial activity in  
26 a factory, mill or mine but that is neither hazardous nor toxic as waste fiber  
27 produced by agriculture and logging;
- 28 “landfill gas” means the gas produced in landfills due to the anaerobic  
29 digestion by microbes on any organic matter which can be collected and flared  
30 off or used to generate electricity in a thermal power plant;



1 “licensed facility” means a part of or the whole portion of a building,  
2 structure, equipment or plant that is licensed for the purpose of activities in  
3 the renewable energy industry;

4 “mini grid renewable power system” means a network of electricity supply  
5 from renewable energy technologies which is not connected to the grid;

6 Minister” means the Minister responsible for energy;

7 “solid waste” includes waste that arises from domestic activity and is  
8 predominantly household commercial waste collected by a municipality  
9 within a given area in a solid or semi-solid form but excludes industrial  
10 hazardous waste and toxic waste;

11 “non-depleting resources” means resources that replenish themselves or  
12 reproduce easily;

13 “ocean energy” means energy created by the power of ocean currents, waves  
14 and tides with the use of technology;

15 “off grid renewable power system” means electricity supply from  
16 renewable energy technologies which is not connected to the grid;

17 “Power Purchase Agreement” means an agreement that sets out the rights  
18 and liabilities between the generator of electricity and the distribution  
19 utility;

20 “production based subsidy” means financial assistance given for the  
21 generation of electricity;

22 “public utility” means an institution which provides a basic service to the  
23 public, including water, electricity, transportation, or telecommunications;

24 “renewable energy certificates” means a tradable environmental  
25 commodity that represents proof that electricity was generated from an  
26 acceptable source and which can be sold, traded or bartered by the owner of  
27 the certificate claiming to have purchased renewable energy;

28 “renewable energy product” means goods and service produced from  
29 renewable energy;

30 “renewable energy resources” means natural resources such as sunlight,



- 1 wind, rain, tides and geothermal heat, which are renewable and naturally  
2 replenished;  
3 “renewable energy sources” means renewable non-fossil energy sources like  
4 wind, solar, geothermal, wave, tidal, hydropower, biomass, landfill gas;  
5 “renewable energy system” means equipment that transforms renewable  
6 energy sources into electrical or heat energy;  
7 “sewage gas” means biogas produced by the digestion and incineration of  
8 sewage sludge which can be used to generate energy;  
9 “thermal power plant” means a power plant that burns fossil fuels like coal,  
10 natural gas or petroleum to produce electricity;  
11 “transmission system” means an interconnected group of electric transmission  
12 lines and associated equipment for moving or transferring electrical energy in  
13 bulk between points of supply and points at which it is transformed for delivery  
14 over the distribution system lines to consumers or is delivered to other electric  
15 systems;  
16 “wheeling” means the use of the facilities of one transmission system to  
17 transmit power and energy from one power system to another; and  
18 “wood fuel” includes firewood and charcoal.

Citation

19 52. This Bill may be cited as the Renewable Energy Bill, 2016.

## EXPLANATORY MEMORANDUM

The object of this Bill is to support the development, utilisation and efficient management of renewable energy sources.