

BELIZE:

ELECTRICITY (LICENSING AND CONSENT) BYELAWS, 2017

S.I. No. XXX of 2017

ARRANGEMENT OF BYELAWS

PART I

PRELIMINARY

1. Short title
2. Commencement
3. Interpretation

PART II

LICENCE CLASSIFICATION

4. Classes of Licences

PART III

INDIVIDUAL LICENCE

5. Application for Individual Licence

PART IV

CLASS LICENCE

6. Application for Class Licence

PART V

CONSENTS

7. Consent required for generating stations and electric lines.
8. Application for Consent.

PART VI

MODIFICATION AND RENEWAL OF LICENCES

- 9. Modification of a Licence or Consent by the PUC.
- 10. Application for Modification or Renewal of a Licence.

PART VII

FEE STRUCTURE

- 11. Payment of fees

PART VIII

GENERAL PROVISIONS

- 13. Licences and Consents to be Non-discriminatory
- 14. Cancellation or Suspension of Licenses or Consents.
- 15. Register

SCHEDULE

BELIZE:

STATUTORY INSTRUMENT

No. XXX of 2017

BYELAWS made by the Public Utilities Commission with the approval of the Minister pursuant to the powers conferred upon them by Section 7 of the Belize Electricity Act, Chapter 221 of the Laws of Belize, Revised Edition 2003, and all other powers thereunto it enabling.

(Gazetted XXth June, 2017.)

PART I

PRELIMINARY

Short title.

1. These Byelaws may be cited as the

ELECTRICITY (LICENSING AND CONSENT) BYELAWS, 2017

Commencement.

2. These Byelaws shall come into force on the 1st day of July 2017.

Interpretation.

3. (1) In these Byelaws, unless the context otherwise requires,

“Act” means the Belize Electricity Act;

“Relevant planning authority” means a local planning authority within the meaning of the Housing and Town Planning Act or any other relevant Act;

“Request for Proposals (RFP)” means any competitive bidding or tendering process for the contracting of new electricity generation or supply sources as approved or administered by the PUC.

“Schedule” means the Schedule to these Byelaws;

“PUC” means the Public Utilities Commission established under the Public Utilities Commission Act.

- (2) A word or phrase not defined in these Byelaws but defined in the Act shall have the meaning assigned to it in the Act.

Application.

4. Subject to the Electricity Act, these Byelaws shall govern the granting, modification, renewal, suspension and cancellation of Licences and Consents.

PART II

LICENCE CLASSIFICATION

Classes of Licences.

5. (1) There shall be the following types of licences issued by the PUC:
- (a) an Individual Licence,
 - (b) a Class Licence.
- (2) An Individual Licence shall be specific to an individual licensee and shall apply for the following classifications:
- (a) Public Utility Supplier (PUS), being a person authorized to generate, purchase, transmit and distribute electricity for the purpose of giving a supply to or for the public in that person's authorized area;
 - (b) Utility Power Producer (UPP), being a person authorized to generate electricity, and transmit such electricity where necessary, for the purpose of enabling the supply of electricity to the public by a PUS, as a consequence of being successful in any Request for Proposals (RFP) or other competitive process approved by the PUC;
 - (c) Independent Power Producer 1 (IPP1), being a person authorized to generate electricity, and transmit such electricity where necessary, for the purpose of supplying any premises not owned or occupied by him, whether in that person's or another person's authorized area.
 - (d) Electricity Cooperative (EC), being a collective group of persons authorized to generate, purchase, transmit and distribute electricity for the purpose of supplying the premises owned or occupied by such collective group of persons within the relevant authorized area.
- (3) A Class Licence shall be issued where Individual Licences are not justified but there may still be a need to place certain conditions on the provision or operation of the service. Class Licences shall be issued by the PUC to a class of persons or to all persons within the framework of General Authorizations made by Order of the PUC and shall apply for the following classifications:
- (a) Independent Power Producer 2 (IPP2), being a person authorized to generate electricity for the purpose of supplying any premises owned or occupied by him for

a capacity in excess of seventy five kilowatts, or in excess of such other permitted capacity that may be designated by Order made by the PUC subject to Section 51 of the Act;

- (b) Independent Power Producer 3 (IPP3), being a person authorized to generate electricity for the purpose of supplying any premises owned or occupied by him for a capacity of up to seventy five kilowatts, or such other permitted capacity that may be designated by Order made by the PUC subject to Section 51 of the Act.
- (4) General Authorizations in respect of Class Licences made by Order of the PUC shall contain conditions to be applied to Class Licences including eligibility requirements to qualify for and to hold a Class Licence.
- (5) Licenses classified as IPP1 may include provisions to enable such persons to supply any excess electricity to a PUS on a competitive basis and upon such terms and conditions approved by the PUC.
- (6) General Authorizations in respect of licenses classified as IPP2 or IPP3 may include provisions to enable such persons to supply electricity to a PUS upon such terms and conditions as may be specified by the PUC.
- (7) Individual Licences shall be structured so that they can include the provision of electricity services that can also be provided by Class Licences under a General Authorisation. Class Licences shall not be applicable to services provided only through Individual Licences.
- (8) The issue of licences shall be determined in accordance with the classification of service to be provided.

PART III

INDIVIDUAL LICENCE

Application for Individual Licence.

- 6. (1) An application for a licence under this Part shall be made in writing in such form and in such manner, and shall contain such information and particulars and shall be accompanied by such details as may from time to time be specified by the PUC.
- (2) An application for a licence under this section shall be accompanied by a non-refundable fee as contained in the Schedule to these Byelaws.
- (3) Within fourteen (14) days after making an application, the applicant shall publish a notice of the application in at least two (2) local newspapers with national circulation.
- (4) Upon receipt of the application for an Individual Licence, the PUC shall review the application and notify the applicant within twenty-eight (28) days of any further

information required to process that application and of the deadline for submission of such further information.

- (5) Within sixty (60) days after receiving any further information required in respect of paragraph (4) above, the PUC shall make a decision to grant the respective licence or deny the application and shall so inform the applicant of its intent in writing. Where an application is denied, the PUC shall notify the applicant of the reasons for its denial.
- (6) Before granting an Individual Licence, the PUC shall give notice:
 - (a) stating that it proposes to grant an Individual Licence;
 - (b) stating the reasons why it proposes to grant the Individual Licence; and
 - (c) specifying the time, not being less than twenty-eight [28] days from the date of publication of the notice, within which representations or objections with respect to the proposed licence may be made and shall consider any representations or objections which are duly made and not withdrawn.
- (7) A notice under paragraph (4) above shall be given by publishing same in such manner as the PUC considers appropriate for bringing it to the attention of persons likely to be affected by the granting of the licence.
- (8) In deciding whether to approve an Individual Licence, the PUC shall take the following into account:
 - (a) the matters set out in the application;
 - (b) any submission received during the process of consultation as set out in paragraph (5) above;
 - (c) criteria for granting a licence as set out in PART III of the Act;
 - (d) other relevant matters.
- (9) Where the PUC decides to grant an Individual Licence it shall issue the licence in conformity with PART III of the Act and upon payment of the prescribed fees.

PART IV

CLASS LICENCE

Application for Class Licence.

7. (1) An application for a licence under this Part shall be made in writing in such form and in such manner, and shall contain such information and particulars and shall be

accompanied by such details as may from time to time be specified by the PUC or as may be contained in any respective General Authorization made by Order of the PUC.

- (2) An application for a licence under this section shall be accompanied by a non-refundable fee as contained in the Schedule to these Byelaws or in any respective General Authorization made by Order of the PUC.
- (3) Upon receipt of the application for a Class Licence, the PUC shall review the application and notify the applicant within fourteen (14) days of any further information required to process that application and of the deadline for submission of such further information.
- (4) Within thirty (30) days after receiving any further information required in respect of paragraph (3) above, the PUC shall make a decision to grant the respective licence or deny the application and shall so inform the applicant of its intent in writing. Where an application is denied, the PUC shall notify the applicant of the reasons for its denial.
- (5) Before granting a Class Licence, the PUC shall give notice:
 - (a) stating that it proposes to grant a Class Licence;
 - (b) stating the reasons why it proposes to grant the Class Licence; and
 - (c) specifying the time, not being less than twenty-eight [28] days from the date of publication of the notice, within which representations or objections with respect to the proposed licence may be made and shall consider any representations or objections which are duly made and not withdrawn.
- (6) A notice under paragraph (5) above shall be given by publishing same in such manner as the PUC considers appropriate for bringing it to the attention of persons likely to be affected by the granting of the licence.
- (7) In deciding whether to approve a Class Licence, the PUC shall take the following into account:
 - (a) the matters set out in the application;
 - (b) any submission received during the process of consultation as set out in paragraph (5) above;
 - (c) criteria for granting a licence as set out in PART III of the Act;
 - (d) other relevant matters.
- (8) Where the PUC decides to grant a Class Licence it shall issue the licence in conformity with PART III of the Act and upon payment of any prescribed fees.

PART V

CONSENT

Consent required for generating stations and electric lines.

8. (1) Subject to PART VI of, and any relevant Schedules to, the Act, no generating station or facility may be constructed, extended or operated, and no electric line shall be installed or kept installed above ground, except in accordance with a Consent granted by the PUC.
- (2) A Consent may include such terms and conditions and such standards of construction or operation that the PUC may deem appropriate for the safe and proper operation and maintenance of any relevant facilities or for protection of, or mitigation against damage to, the physical environment.

Application for Consent.

9. (1) An application for a Consent under this Part shall be made in writing in such form and in such manner, and shall contain such information and particulars pursuant to PART VI of, and any relevant Schedules to, the Act, and shall be accompanied by such details as may from time to time be specified by the PUC or as may be contained in any respective General Authorization made by Order of the PUC.
- (2) An application for a Consent under this section shall be accompanied by a non-refundable fee as contained in the Schedule to these Byelaws.
- (3) Within fourteen (14) days after making an application, the applicant shall publish a notice of the application in at least two (2) local newspapers with national circulation and shall directly notify any relevant planning authority.
- (4) The notices referred to in paragraph (3) above shall specify a period of twenty-eight (28) days in which any interested person or any relevant planning authority may make representations or objections to the PUC.
- (5) Where the relevant planning authority notifies the PUC that it objects to the application and its objection is not withdrawn, and where the PUC does not propose to accede to the application subject to such modifications or conditions as will give effect to the objections of the relevant planning authority, the PUC shall:
 - (a) cause a public inquiry to be held; and
 - (b) before determining whether to give the Consent, consider the objection and the report of the person who held the inquiry.
- (6) Upon receipt of the application for a Consent, the PUC shall review the application and notify the applicant within twenty-eight (28) days of any further information required to process that application and of the deadline for submission of such further information.

- (7) Within thirty (30) days after receiving the report in respect of paragraph (5) above in the case where a relevant planning authority objects, or after receiving any further information required in respect of paragraph (6) above where no relevant planning authority objects, the PUC shall make a decision to grant the respective Consent or deny the application and shall so inform the applicant of its intent in writing. Where an application is denied, the PUC shall notify the applicant of the reasons for its denial.
- (8) Before granting a Consent, the PUC shall give notice:
 - (a) stating that it proposes to grant the Consent;
 - (b) stating the reasons why it proposes to grant the Consent; and
 - (c) specifying the time, not being less than twenty-eight [28] days from the date of publication of the notice, within which representations or objections with respect to the proposed Consent may be made and shall consider any representations or objections which are duly made and not withdrawn.
- (9) A notice under paragraph (8) above shall be given by publishing same in such manner as the PUC considers appropriate for bringing it to the attention of persons likely to be affected by the granting of the Consent.
- (8) In deciding whether to grant a Consent, the PUC shall take the following into account:
 - (a) the matters set out in the application;
 - (b) any submission received during the process of consultation as set out in paragraphs (3) and (8) above;
 - (c) other relevant matters.

PART VI

MODIFICATION AND RENEWAL OF LICENCES

Modification of a Licence by the PUC.

- 10. Where the PUC proposes to modify a Licence for any reason whatsoever, it shall do so in accordance with Section 21 of the Act, as amended from time to time.

Application for Modification or Renewal of a Licence.

- 11.(1) An application for the modification or renewal of a licence under this Part shall be made be made in writing in such form and in such manner, and shall contain such information and particulars and shall be accompanied by such details as may from time to time be specified by the PUC or as may be contained in any respective General Authorization made by Order of the PUC.

- (2) An application for the modification or renewal of a licence under this section may be accompanied by a non-refundable fee as contained in the Schedule to these Byelaws or in any respective General Authorization made by Order of the PUC.
- (3) Upon receipt of the application for the modification or renewal of a licence, the PUC shall review the application and notify the applicant within fourteen (14) days of any further information required to process that application and of the deadline for submission of such further information.
- (4) Within thirty (30) days after receiving any further information required in respect of paragraph (3) above, the PUC shall make a decision to modify or renew the respective licence or deny the application and shall so inform the applicant of its intent in writing. Where an application is denied, the PUC shall notify the applicant of the reasons for its denial.
- (5) Before modifying or renewing a licence, the PUC shall give notice:
 - (a) stating that it proposes to modify or renew the respective licence;
 - (b) stating the reasons why it proposes to modify or renew the respective licence; and
 - (c) specifying the time, not being less than twenty-eight [28] days from the date of publication of the notice, within which representations or objections with respect to the proposal to modify or renew the respective licence may be made and shall consider any representations or objections which are duly made and not withdrawn.
- (6) A notice under paragraph (5) above shall be given by publishing same in such manner as the PUC considers appropriate for bringing it to the attention of persons likely to be affected by the granting of the licence.
- (7) In deciding whether to modify or renew a licence, the PUC shall take the following into account:
 - (a) the matters set out in the application;
 - (b) any submission received during the process of consultation as set out in paragraph (5) above;
 - (c) criteria for granting a licence as set out in PART III of the Act;
 - (d) other relevant matters.
- (9) Where the PUC decides to modify or renew a licence, it shall do so in conformity with PART III of the Act and upon payment of any prescribed fees.

PART VII

FEE STRUCTURE

Payment of Fees.

12. Any person applying under these Byelaws for an Individual Licence, a Class Licence or a Consent, or for the modification or renewal of a Licence, shall be required to pay to the PUC the fees as set out in the Schedule, or as may be contained in any respective General Authorization made by Order of the PUC, as follows:
- (a) on filing of the application, the Application Fee;
 - (b) on grant of the licence, the Licence Fee;
 - (c) annually, at the end of each of the licensee's financial year, the Annual Fee.

PART VIII

GENERAL PROVISIONS

Licences and Consents to be Non-discriminatory.

- 13.(1) The PUC shall issue Individual Licences, Class Licences and Consents on terms that are non-discriminatory.
- (2) For the purpose of these Byelaws and subject to PART III of the Act, Individual Licences, Class Licences or Consents are issued on non-discriminatory terms if:
- (a) licensees and consent holders owning and operating similar types of facilities or services are treated similarly;
 - (b) the licences or consents do not favour any one licensee; and
 - (c) the issuance of the licences or consents do not, and are not likely to, adversely affect competition in any market.

Cancellation or Suspension of Licenses or Consents.

- 14.(1) Without limiting any of its powers under PART III of the Act, the PUC may cancel or suspend a licence or consent if it determines that any declaration made during the application process or on the application form is substantially false or misleading.
- (2) The holder of a licence or consent shall notify the PUC in writing if either of the following occurs:
- (a) any of the matters forming part of the licence or consent application changes in a material respect;

- (b) the licensee enters into any agreement to merge part or all of its facilities or activities in Belize with any person.
- (3) Without limiting its powers under Section 29 of the Act, where the PUC proposes to cancel or suspend a licence or consent for reasons that may be remedied, the PUC may notify the licensee or consent holder:
 - (a) of the reasons for the proposed cancellation or suspension; and
 - (b) specifying a period of not less than twenty-eight (28) days from the date of the notice within which representation with respect to the proposal, or remedies with respect to the reasons stated in the notice, may be made.
- (4) Where the proposal in paragraph (3) above is the result of a breach of a term, provision or limitation of a licence or consent, and where the PUC is satisfied that the breach can possibly be or is remedied, the PUC may withdraw or modify its proposal upon such terms and conditions as it may specify in writing to the licensee or consent holder.

Register.

- 15.(1) The PUC shall maintain a Register at its principal office containing:
- (a) each Individual Licence and Class Licence, and every modification or cancellation of, and every direction or consent given, or determination made under, such licences, every General Authorization, and any relevant Order or revocation thereof made by the PUC;
 - (b) the names and registered office of each person licensed or authorised to operate by means of a consent; and
 - (c) any other information pertinent to licensees or consent holders.
- (2) The Register shall be open to public inspection during normal working hours on the payment of such fees that may be prescribed by Order made by Statutory Instrument by the PUC.

MADE by the Public Utilities Commission this XXth day of June, 2017.

Chairman
Public Utilities Commission

APPROVED by the Minister of Public Utilities this XXth day of June, 2017.

Minister
Ministry of Public Utilities

SCHEDULE

FEE STRUCTURE

Licence Fees

| Classification | Application | Approval | Annual |
|-----------------------|--------------------|-----------------|---|
| PUS | 5,000.00 | 45,000.00 | 0.5% of Electricity Sales |
| UPP | 5,000.00 | 5,000.00 | higher of \$10,000.00 or \$1,000.00 per MW of installed capacity |
| IPP1 | 1,000.00 | 1,000.00 | higher of \$1,000.00 or \$500.00 per MW of installed capacity |

Consent Fees

| Classification | Application | Approval |
|-----------------------|--------------------|-----------------|
| PUS | 2,500.00 | 2,500.00 |
| UPP | 1,000.00 | 1,000.00 |
| IPP1 | 200.00 | 200.00 |

Modification

| Classification | Application | Approval |
|-----------------------|--------------------|-----------------|
| PUS | 2,500.00 | 2,500.00 |
| UPP | 1,000.00 | 1,000.00 |
| IPP1 | 200.00 | 200.00 |