

TRACK C - SESSION 9:

Regulatory Issues of Importance to Residential and Small Customers



SUPPORT FOR VULNERABLE & RURAL CUSTOMERS – FUEL POVERTY

**Dr Frank B Sebbowa
Chief Executive officer
Electricity Regulatory Authority
KAMPALA - Uganda**

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WHO IS VULNERABLE?

**World Over: Dwellers of Decaying Inner Cities
Dwellers in Unplanned urban
slums**

In Africa: Majority Rural Communities

WHY ARE THEY VULNERABLE?

- Known Sources of Energy greatly reduced**
- Minimum Economic Power**

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THE IMPACTS OF FUEL POVERTY?

Lighting Needs: - Social Life Closes at Sunset

- Kids Home Study Curtailed**
- Use of kerosene lumps in unventilated shacks/huts**

Cooking Needs: - Felling Trees for Firewood

- Felling Trees for urban charcoal**
- Drinking water never boiled**
- Leftovers from previous meals eaten cold (may be contaminated)**

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POTENTIAL SOLUTIONS

1. Grid Electricity Supply:

Affordability Issues & Upfront High Costs

2. Mini & Micro Hydro Projects:

Upfront Costs & Maintenance Resources

(Personnel & Spare parts)

Dwellers in Unplanned urban

slums

3. Other Renewables:

Solar (Costs), Biomass (Logistics & Acceptability)

Insert Your Name - World Forum on Energy Regulation IV - Athens, Greece - October 18-21, 2009

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UGANDA HAD TWO OPTIONS (One Failed)

<u>OPTION 1:</u> Parcel for Private Sector	<u>OPTION 2:</u> Roll-out Finished Networks & Bid Out
a) Identify Potentially Ready Zones	a) Govt. Agency subcontract construction
b) Bid out Zoned Areas	b) Concession Operations for Lease Fee
c) Hoping Private Sector Will Bid	c) Use Lease Fees to Roll-out next area
d) Award Bidder with best Proposal	d) Control Prices (remove capital costs)

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WAY FORWARD:

Expedite Research on Renewables

Reduce / Remove those Upfront capital Costs

- **Innovative Costing systems**
- **Government direct investment into future economic potential for vulnerable customers**

Energy Regulators Could:

- **Allow spreading of capital costs to utilities**
- **Allow Simpler Infrastructure for these Customers**

THANK YOU