

# THE ELECTRICITY BILL, 2019

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## MEMORANDUM

The objects of this Bill are to—

- (a) regulate the generation, transmission, distribution and supply of electricity so as to enhance the security and reliability of the supply of electricity;
- (b) provide for the sale and purchase of electricity within and outside the Republic;
- (c) facilitate the achievement of the efficient, effective, sustainable development and operation of electricity infrastructure;
- (d) provide the roles and responsibilities of various participants in the electricity sector;
- (e) facilitate adequate levels of investment in the electricity sector;
- (f) provide for a multi-year tariff framework;
- (g) promote transparency in the identification and allocation of risks, costs and revenues within and between participants in the electricity sector;
- (h) ensure the protection and safety of consumers of electricity and the public;
- (i) repeal and replace the Electricity Act, 1995; and
- (j) provide for matters connected with, or incidental to, the foregoing.

L. KALALUKA,  
*Attorney-General*

**N.A.B. 16, 2019**

8th November, 2019

**HE ELECTRICITY BILL, 2019**

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# A BILL

ENTITLED

**An Act to regulate the generation, transmission, distribution and supply of electricity so as to enhance the security and reliability of the supply of electricity; provide for the sale and purchase of electricity within and outside the Republic; facilitate the achievement of the efficient, effective, sustainable development and operation of electricity infrastructure; provide the roles and responsibilities of various participants in the electricity sector; facilitate adequate levels of investment in the electricity sector; provide for a multi-year tariff framework; promote transparency in the identification and allocation of risks, costs and revenues within and between participants in the electricity sector; ensure the protection and safety of consumers of electricity and the public; repeal and replace the Electricity Act, 1995; and provide for matters connected with, or incidental to, the foregoing.**

ENACTED by the Parliament of Zambia

Enactment

## PART I

### PRELIMINARY PROVISIONS

**1.** This Act may be cited as the Electricity Act, 2019, and shall come into operation on the date appointed by the Minister by statutory instrument.

Short title and commencement Act No. of 2019

Interpretation Act No. of 2019	2. In this Act, unless the context otherwise requires— “ancillary service” means a service comprising reactive power, black start, operating reserve and a service required to control power system stability;	
Act No. of 2019	“base tariff” means a reference to a retail tariff determined by the Energy Regulation Board at the beginning of the multi-year tariff period;	5
	“base year” means the latest historical full financial year prior to a retail tariff application;	
	“bilateral tariff” means the tariff at which electricity is sold under a power purchase agreement or a power supply agreement, excluding a retail tariff;	10
	“black start” means the process of restoring a generating station or part of the electricity network following a total system collapse without the use of an external transmission system;	15
Act No. of 2019	“Board” means the Board of the Energy Regulation Board established under the Energy Regulation Act, 2019;	
	“charge” includes the price, fee, rate, surcharge, levy, fine, penalty, deposit, connection charge or fee, use of system charge or any other charge made for the provision of a service or product that a licensee provides in the course of carrying out the licensed activity;	20
Cap. 1	“Chief” has the meaning assigned to the word in the Constitution;	25
	“common carrier” means a transmission or distribution line declared as a common carrier by the Minister under section 15;	
	“consumer” means a person to whom electricity is sold under a contract of supply or a person who has applied and paid for the supply of electricity;	30
	“contract of supply” means a contract between a licensee and a consumer for the supply of electricity to that consumer;	
	“cost reflective” includes—	35
	(a) in relation to a tariff, the recovery of the allowable costs of each regulated and licensed activity within the electricity generation, transmission, distribution and supply value chain;	