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LAWS OF KENYA

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**THE ENERGY (NET-METERING) REGULATIONS, 2024**

NO. 104 OF 2024

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Kenya

Energy Act

## The Energy (Net-Metering) Regulations, 2024

Legal Notice 104 of 2024

Legislation as at 26 July 2024

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# The Energy (Net-Metering) Regulations, 2024 (Legal Notice 104 of 2024)

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# ENERGY ACT

## THE ENERGY (NET-METERING) REGULATIONS, 2024 LEGAL NOTICE 104 OF 2024

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### Part I – PRELIMINARY

#### 1. Citation

These Regulations may be cited as the Energy (Net Metering) Regulations, 2024.

#### 2. Interpretation

In these Regulations, unless the context otherwise requires-

“**Act**” means the Energy Act ([Cap. 314](#));

“**Authority**” has the meaning assigned to it under the Act;

“**area of supply**” means the area within which a licensee is, for the time being, authorised to supply electrical energy;

“**authorised person**” means a person authorised by the Authority to perform such works as prescribed in their licence;

“**connection point**” means point of common coupling between the licensee and consumer’s systems;

“**consumer**” means a customer who is supplied electricity by a licensee and generates electricity for self-consumption and net metering on the customer’s side of the meter using a renewable energy source whose capacity does not exceed 1MW;

“**distribution system**” has the meaning assigned to it under the Act;

“**engineer**” means a person registered under the Engineers Act ([Cap. 530](#)) as a professional or consulting engineer and holds a valid licence;

“**export**” means the number of units of electricity measured in kWh that a consumer has supplied to the grid within a billing period;

“**grid**” has the meaning assigned to it under the Act;

“**import**” means the number of units of electricity measured in kWh that a consumer has received from the grid within a billing period;

“**Installed capacity**” means the nameplate rating of the generating plant in kW;

“**Kenya Standard**” means a specification or code of practice declared by the Council under the Standards Act;

“**licensee**” means a holder of a distribution licence or a retail supply licence authorised to operate and maintain a distribution system for supplying electrical energy to customers within the licensee’s area of supply;

“**net meter**” means an energy meter capable of recording the import and export of electricity;

**“net metering”** means a mechanism that allows consumers to supply electricity to the grid in times of over production and to make use of the credited energy during other times;

**“net metering system”** means a system that operates in parallel with the electrical distribution facilities of a licensee and that measures, by means of a net meter, the amount of electrical energy supplied to and received by a consumer;

**“net metering system agreement”** means an agreement entered into, pursuant to section 162 of the Act, by a licensee and consumer in accordance with these Regulations;

**“operates in parallel”** means the operation of on-site generation by a consumer while still connected to the distribution system of the licensee;

**“person”** means a natural or juridical person;

**“renewable energy”** has the meaning assigned to it under the Act;

**“tariff”** has the has the meaning assigned to it under the Act; and

**“Tribunal”** means the Energy and Petroleum Tribunal established under section 25 of the Act.

### 3. Application

These Regulations shall apply to consumers and licensees.

### 4. Purpose

The purpose of these Regulations is to promote the use of renewable energy technologies by providing consumers with energy storage on the grid.

## Part II – ADMINISTRATION AND MANAGEMENT

### 5. Eligible technologies and customers

- (1) These Regulations are applicable to renewable energy technologies with an installed capacity of less than 1 MW.
- (2) A licensee shall enter into a net-metering arrangement with consumers on a first come first served and non-discriminatory basis, subject to the provisions of these Regulations.

### 6. Net metering capacity units

- (1) The installed capacity for —
  - (a) domestic customers shall not exceed 4 kW for single phase supply and 10 kW for three phase supply;
  - (b) commercial and industrial customers shall—
    - (i) not exceed one megawatt; and
    - (ii) be capped at the maximum load demand in kW achieved in the twelve months preceding the application for net metering:

Provided that where the maximum demand is not provided as part of the electricity bill, the capacity shall not exceed the contracted load demand.

- (2) For purposes of these Regulations, where a commercial or industrial customer has multiple meters for the same facility, the maximum demand shall be the sum of all the values recorded by the meters, provided the total installed capacity does not exceed 1 MW.

- (3) The aggregate generation capacity from net-metering systems shall be 100 MW in the initial five years after the commencement of these Regulations.
- (4) The Authority shall review the capacity referred to in subregulation (3) when the threshold is attained but not later than five years after the commencement of these Regulations and any subsequent reviews shall be undertaken every five years.
- (5) In the case of more than one licensee, the share of the aggregate capacity shall be proportionate to the specific load in a licensee's area of supply against the national load.
- (6) The aggregate generation capacity of net metered facilities in a licensee's area of supply shall be determined by the licensee in accordance with—
  - (a) the licensee's electrical infrastructure equipment ratings upstream of net metered facilities;
  - (b) limits imposed by the licensee's network's stability requirement as determined by technical studies performed by, and practical experiences of, the licensee.
- (7) The limits referred to in subregulation 6(b) shall be —
  - (a) submitted to the Authority, and published on the licensee's website; and
  - (b) serve the purpose of ensuring the stability, reliability and power quality of the distribution network in accordance with prevailing operational conditions.

## 7. Application to enter into a net metering system agreement

- (1) A person shall not operate a net-metering system without a net metering system agreement with a licensee.
- (2) A person who intends to enter into a net metering system agreement shall make an application to the licensee in Form 001 set out in the First Schedule.
- (3) A customer, who at the commencement of these Regulations has a renewable energy system of less than 1 MW in operation, may apply to enter into a net metering system agreement provided they meet the requirements of the Regulations.
- (4) The application shall be accompanied by a feasibility study report prepared by an engineer, where the proposed renewable energy system is more than 10 kW.
- (5) The feasibility study report referred to under subregulation (4) shall have the minimum requirements prescribed in the Second Schedule.
- (6) The net metering agreement shall be valid for a renewable term of five years.
- (7) A licensee shall publish the application procedure at its offices and on its website and the procedure shall include the application form and any other applicable requirements as prescribed in these Regulations.

## 8. Determination of application

- (1) The licensee shall examine the application in regulation 7 and take into account—
  - (a) the feasibility study referred to in subregulation 7(4); and
  - (b) system power flow studies in the area of supply.
- (2) The licensee shall make a determination on the application and communicate the decision to the consumer within sixty days from the date of application.
- (3) Where the licensee —
  - (a) approves the application, the licensee shall set out any conditions attached thereto, and

- (b) rejects the decision, the licensee shall set out the reasons for the rejection.
- (4) Where the application is approved, the consumer shall—
  - (a) enter into a net metering system agreement, as set out in the Third Schedule;
  - (b) pay to the licensee a non-refundable deposit and fees as approved by the Authority in accordance with section 165(5) and (6) of the Act.
- (5) The consumer shall within six months from the date of entering into the agreement in subregulation (4), install and commission the meter, failure to which the application shall be deemed withdrawn and cancelled.
- (6) Every consumer shall file with the Authority a copy of the net metering agreement, within thirty days of signing the agreement.
- (7) The Authority shall in accordance with section 165 (7) of the Act review the applicable tariff rates and every licensee shall apply for the approval of the fees before charging the consumer such fees.

## 9. Installation, grid interconnection, maintenance and operations

- (1) The installation, interconnection, maintenance and operation of net metering systems shall be performed by an authorised person and using such equipment and system configurations in order to meet the requirements of the Kenya Electricity Distribution Grid Code, the relevant Kenya Standards and applicable statutory requirements and guidelines issued by the Authority.
- (2) A net metering system shall be capable of operating parallel to the distribution network and safely deliver power at a single point of interconnection.
- (3) Meters for net metering systems shall be smart with the following minimum specifications—
  - (a) be bi-directional and capable of two-way communication to measure and register electricity flow in both directions at the same rate;
  - (b) measure and record peak supply in different periods; and
  - (c) provide for time-of-use metering;
- (4) The type, approval, security and protection of meters shall comply with sections 154 and 155 of the Act.
- (5) Where the consumer provides a meter or check meter, the provisions of section 156 and 157 of the Act shall apply.
- (6) The consumer shall bear the costs related to the meter and setting up of the interconnection with the licensee's network.
- (7) The consumer shall give the licensee a written notice of fourteen days to witness the testing and commissioning of the net metering system.
- (8) The licensee shall be entitled to attend and witness the testing and commissioning of the net metering system.
- (9) To prevent a consumer from back-feeding a de-energized line, a net metering facility shall have a clearly labelled, visibly open, lockable and manual-disconnect switch, which is accessible by the licensee.
- (10) The requirement under subregulation (9) shall be waived if the following conditions are met —
  - (a) the generation system is designed to shut down or disconnect automatically and cannot be manually overridden upon loss of utility power;
  - (b) the generation system has a warranty by the manufacturer to shut down or disconnect upon loss of utility power; and

- (c) the generation system is properly installed, operated and inspected or tested by an authorised person.
- (11) A consumer shall seek the approval of a licensee prior to making any replacement or modification to the net metering system or the connection point.
- (12) A licensee may disconnect a net metering system whose output violates the grid code by issuing a disconnection notice to the consumer and giving reasons for the disconnection at least twenty four hours prior to the disconnection.
- (13) The licensee shall not reinstate the connection until the consumer resolves the violations referred to in subregulation (12).
- (14) The licensee may disconnect any net metering system or the supply of electricity to the consumer's premises without giving prior notice if the continuation of delivery or supply of electricity will—
  - (a) jeopardize the safety, reliability or security of the licensee's distribution system; or
  - (b) present an imminent physical threat that endangers the safety, life or health of any person or property.
- (15) Where the consumer is no longer in control or in possession of the premises in which a net metering system is installed, the consumer may upon agreement with the licensee and the new owner or occupier of the premises, assign the net metering agreement to the new owner or occupier.
- (16) The new owner or occupier referred to in subregulation (15) shall make an application to the Authority in Form 002 set out in the First Schedule.
- (17) Where the new owner or occupier satisfies the requirements set out in the Form 002, the licensee shall approve or decline the application in subparagraph (16) and communicate the decision in writing to the new owner or occupier no later than sixty days from the date of receipt of the application or transfer of net metering agreement.
- (18) The new owner or occupier shall comply with the terms and conditions of the net metering agreement.
- (19) The net metering agreement shall be valid for the remainder of the five year period of the initial net metering agreement.

### **Part III – COSTS, TARIFFS AND BILLING**

#### **10. Costs, tariffs and billing**

- (1) A licensee shall charge a consumer an electricity tariff, as approved by the Authority for the applicable tariff period.
- (2) A consumer shall receive a credit for each unit of electrical energy exported to the licensee in a billing period.
- (3) The credit referred to in subregulation shall be fifty percent of the exported unit.
- (4) The billing shall be on a monthly basis, where a consumer shall be billed the applicable charges under the retail tariff schedule approved by the Authority.
- (5) While billing the consumer, the licensee shall credit units in kWh exported by the consumer and charge for the net energy supplied in accordance with the applicable retail tariff.
- (6) Where the credit units exceed the energy supplied by the licensee, the surplus shall be carried forward to the next billing period and any unused credits shall be forfeited at the end of the licensee's financial year.



- (7) A consumer shall not be—
- (a) entitled to any compensation for capacity, reactive power, voltage and frequency support or any other benefits the net metering system may provide;
  - (b) compensated for any deemed generation during system downtime.
- (8) Subject to the provisions of the Act, the licensee shall make the distribution systems available at all times.
- (9) For billing purposes, a licensee shall not estimate the electricity consumed and generated by net metered customers during any billing period.
- (10) A consumer shall grant a licensee access to their premises for the purpose of maintaining or reading the meter.
- (11) Where a consumer terminates a net metering system agreement, the consumer shall forfeit any remaining credits:
- Provided that the credits may be transferred to a new owner or occupier who is assigned the net metering agreement by the consumer, in accordance with regulation 9 (15).
- (12) Within sixty days of the coming into force of these regulations, every licensee shall apply to the Authority for the approval of the tariffs.

## **Part IV – GENERAL PROVISIONS**

### **11. Monitoring and control**

- (1) A licensee shall maintain an up to date register of consumers.
- (2) The register referred to in subregulation (1) shall be available on the licensee's website and be in the format specified in the Fourth Schedule Monitoring and control.
- (3) A licensee shall submit to the Authority an annual report on the implementation of net metering systems within the licensee's area of supply.
- (4) The report in subregulation (3) shall be submitted within sixty days after the end of the licensee's financial year and shall include the following information—
  - (a) number of consumers served by the licensee;
  - (b) type and capacity of each net metering facility by the consumers; and
  - (c) total energy imported to and exported from the consumers.
- (5) A licensee who fails to comply with this regulation commits an offence and is liable to the penalty set out in section 221 of the Act.

### **12. Carbon credits**

The carbon credits accruing from the net metering systems shall be vested with the consumer unless otherwise specified by any other written law.

### **13. Health, environmental and safety obligations**

A consumer shall comply with all the applicable health, safety, and environmental laws.

**14. Penalties**

A person who —

- (a) connects a net metering system without a net metering agreement;
- (b) contravenes any of the conditions of a net metering agreement; or
- (c) makes or permits to be made any alteration to net metering systems without the prior approval of the licensee

commits an offence and shall, on conviction, be liable to the fine set out in section 221 of the Act.

**15. Disputes and appeals**

- (1) Any complaint or dispute under these Regulations shall be referred to the Authority for resolution in accordance with the Energy (Complaints and Disputes Resolution) Regulations (L.N. 42 of 2012).
- (2) Any person aggrieved by a decision or order of the Authority may appeal to the Tribunal in accordance with section 24 of the Act.

**FIRST SCHEDULE. [r. 7(2), 9(16)]****NET-METERING APPLICATION FORMS**

Form 001

**NEW APPLICATION**

The Chief Executive Officer

Licensee

PO Box XXXX

xyz

I/We..... hereby apply for Net-Metering System Agreement in accordance with The Energy (Net-Metering) Regulations, 2024

1. Name of applicant .....
2. Details of applicant:
  - (a) KRA PIN: .....
  - (b) Postal Address: .....
  - (c) Email Address:.....
  - (d) Telephone number(s):.....
  - (e) Existing customer electricity account number.....
  - (f) Customer category:.....
  - (g) LR/ Plot No:.....
  - (h) Name of Building:.....
  - (i) Street/Road:.....
  - (j) Town/ County:.....

3. Give full details of proprietors or partners owning business or directors/shareholders of the company, as applicable.

Name.....

Nationality.....

*(Insert additional lines as appropriate)*

4. Peak demand (in kW):.....

5. Generation plant capacity (in kW) installed/to be installed

.....

6. Description of plant (this should include the technology)

*(Insert additional lines as appropriate)*

7. Applications are to be accompanied by certified copies of the following documents;

- (1) For a juridical person;

- (a) Feasibility study report including but not limited to demand forecasts and historical load profiles.
- (b) Certificate of incorporation or registration, memorandum and articles of association where applicable.
- (c) Form CR 12 from the Registrar of Companies or Form CR 13 from the Registrar of Companies issued within the last twelve months from the date of issue.
- (d) Details of current directors or owners including a copy of their identification documents.
- (e) Lease Agreement or title deed for ownership of land where the installation is located.
- (f) PIN and VAT certificates, valid tax compliance certificate

- (2) For a natural person:

- (a) Feasibility study report including but not limited to demand forecasts and historical load profiles.
- (b) Details of owners including a copy of their identification documents.
- (c) Lease Agreement or title deed for ownership of land where the installation is located.
- (d) PIN certificate.

8. Have you successfully applied for net metering in the past? Yes ☐ No ☐ If yes,

S No.	Capacity	Location	Approved
(a)			
(b)			
(c)			
(d)			

9. Has any previous net-metering application been rejected under these regulations? Yes ☐ No ☐ (If Yes, give details)

.....  
.....  
.....  
.....

10. Has any previous net-metering agreement been cancelled under these regulations? Yes ☐ No ☐ (If Yes, give details)

.....  
.....  
.....

11. Has any previous net-metering agreement been terminated under these regulations? Yes ☐ No ☐ (If Yes, give details)

.....  
.....  
.....  
.....

#### DECLARATION

I/We ..... hereby, declare that the information provided in this application is true and accurate.

I/We commit to abide by the Energy (Net-Metering) Regulations, 2024 and any rules and by-laws for the time being in force there under.

Signature of Applicant ..... Date .....

Form 002

#### TRANSFER OF NET METERING AGREEMENT

The Chief Executive Officer

Licensee

PO Box XXXX

xyz

I/We..... hereby apply for transfer of the Net-metering System Agreement in accordance with The Energy (Net-Metering) Regulations, 2024

1. Name of applicant

.....  
.....  
.....

2. Details of applicant:

- (a) KRA PIN:.....
- (b) Postal Address:.....
- (c) Email Address:.....
- (d) Telephone number(s):.....
- (e) Existing customer electricity account number.....
- (f) Customer category:.....
- (g) LR/Plot No:.....
- (h) Building Name:.....
- (i) Street/Road:.....
- (j) Town/County:.....

3. Details of previous occupier:

- (a) Name:.....
- (b) Postal Address:.....
- (c) Email Address:.....
- (d) Telephone number(s):.....
- (e) Electricity account number.....
- (f) Customer category:.....
- (g) LR/ Plot No:.....
- (h) Building Name:.....
- (i) Street/ Road:.....
- (j) Town/County:.....

4. Give full details of proprietors or partners owning business or directors/shareholders of the company, as applicable.

Name.....

Nationality.....

*(Insert additional lines as appropriate)*

5. Estimated Peak demand (in kW):.....

6. Existing generation plant capacity (in kW) installed.....
7. Applications are to be accompanied by certified copies of the following documents;
- (1) For a juridical person;
    - (a) Certificate of incorporation or registration, memorandum and articles of association where applicable;
    - (b) Form CR 12 from the Registrar of Companies or Form CR 13 from the Registrar of Companies issued within the last twelve months from the date of issue;
    - (c) Details of current directors or owners including a copy of their identification documents;
    - (d) Lease Agreement or title deed for ownership of land where the installation is located;
    - (e) PIN and VAT certificates, valid tax compliance certificate.
  - (2) For a natural person:
    - (a) Details of owners including a copy of their identification documents;
    - (b) Lease Agreement or title deed for ownership of land where the installation is located;
    - (c) PIN certificate.
8. Have you successfully applied for net metering in the past? Yes ☐ No ☐ If yes,
9. Has any previous net-metering application been rejected under these regulations? Yes ☐ No ☐ (If Yes, give details)
- .....
- .....
- .....
- .....
10. Has any previous net-metering agreement been cancelled under these regulations? Yes ☐ No ☐ (If Yes, give details)
- .....
- .....
11. ....
- Has any previous net-metering agreement been terminated under these regulations? Yes ☐ No ☐ (If Yes, give details)
- .....
- .....
- .....
- .....
- DECLARATION
- I/We ..... hereby, declare that the information provided in this application is true and accurate.
- I/We commit to abide by the Energy (Net-Metering) Regulations, 2024 and any rules and by-laws for the time being in force there under.
- Signature of Applicant ..... Date .....

## SECOND SCHEDULE [r. 7(5)]

### GUIDELINES FOR NET METERING FEASIBILITY STUDY REPORT

The net metering feasibility study shall determine the technical impact of the renewable energy system installation to the licensee's distribution system and establish technical and safety requirements that may be necessary for the installation. The study is a pre-requisite for approval of the net metering agreement application for on-site installation more than 10 kW. The study shall be conducted and the report shall be submitted to the licensee together with the net metering application.

The consumer shall engage an engineer to conduct a net metering feasibility study. Upon request by the consumer, the licensee shall provide the distribution system data subject to signing off a non-disclosure agreement (NDA) between the party that shall perform the study and the licensee.

The study conducted shall be based on the consumer's load profile and the report shall *inter alia*, include—

- (a) a general description of the electrical supply system and connection of Renewable Energy Generating System;
- (b) a system study from the consumer's side to the connection point;
- (c) a power flow analysis of the impact to the licensee's distribution system voltage, current, fault level, and power factor;
- (d) the protection scheme requirements for the safe operation of the Renewable Energy Generating System;
- (e) environmental impact of the renewable energy system;
- (f) any other analysis required by the licensee for the purpose of safety and security of the distribution system and other electricity customers.

## THIRD SCHEDULE

(r. 8(4)(a))

### NET-METERING SYSTEM AGREEMENT

This Agreement is made and entered into at (location) \_\_\_\_\_ on this (date) \_\_\_\_\_ day of (month) \_\_\_\_\_ (year) \_\_\_\_\_

Between

A. The consumer (Name) \_\_\_\_\_ having premises at (address) \_\_\_\_\_ and Meter No. \_\_\_\_\_ and Account Number \_\_\_\_\_ as the first Party; and

B. The licensee (Name) \_\_\_\_\_ and having its Registered Office at (address) \_\_\_\_\_ as second Party of this Agreement;

Whereas, the consumer has applied to the licensee for approval of a net-metering arrangement under the provisions of the Energy (Net-metering) Regulations, 2024 herein after referred to as "Regulations" and subsequent amendments and sought its connectivity to the Licensee's Distribution Network;

And whereas, the licensee has agreed to provide network connectivity to the consumer for injection of electricity generated from its Renewable Energy Generating System herein after referred to as "System" of \_\_\_\_\_ kilowatt; Both Parties hereby agree as follows: -

#### 1. Eligibility:

The System meets the applicable norms for being integrated into the distribution network, and that the consumer shall maintain the System accordingly for the duration of this Agreement.

## 2. Technical and Inter-Connection Requirements:

- (a) The metering arrangement and the inter-connection of the System with the network of the licensee shall be as per the provisions of the Regulations and the technical standards and norms specified therein.
- (b) The consumer agrees that they shall install, prior to connection of the System to the network of the licensee, an isolation device -both automatic and in built within the inverter (where applicable) and external manual relays; and the licensee shall have access to it if required for the repair and maintenance of the distribution network.
- (c) The licensee shall specify the interface/inter-connection point and metering point.
- (d) The existing metering System, if not in accordance with the Regulations, shall be replaced in accordance with the requirements in these Regulations.
- (e) The bi-directional meter shall be fixed in a separate meter box from any other meter in the premises.
- (f) The bi-directional meter shall be calibrated by an institution accredited by the Kenya National Accreditation Service.
- (g) The consumer shall furnish all relevant data, such as voltage, frequency, harmonics, circuit breaker, isolator position in his System, as and when required by the Licensee.
- (h) The consumer shall ensure that the System complies with provisions of the Energy Act ([Cap. 314](#)) and the Regulations, or any other applicable statutory requirements.
- (i) Without prejudice to any other provision in this agreement, the Licensee shall not be obligated to accept the exported energy if any of the following circumstances occurs:
  - (i) any emergency condition occurs;
  - (ii) the System delivers the exported energy which does not conform to the requirement of the Grid Code;
  - (iii) maintenance of the System or the meters;
  - (iv) failure of the consumer to pay any amount payable under the Regulations; or
  - (v) the consumer is in breach of the provisions of the Energy Act ([Cap. 314](#)) or the Regulations or any other statutory requirement.

## 3. Safety:

- (a) The equipment connected to the licensee's distribution System shall be compliant with relevant Kenyan Standards or applicable international standards, as the case may be, and the installation of electrical equipment shall comply with the safety and electricity supply requirements specified by the Authority and licensee.
- (b) The design, installation, commissioning, maintenance and operation of the System shall be undertaken in a manner conducive to the safety of the System as well as the licensee's network.
- (c) If, at any time, the licensee determines that the System is causing or may cause damage to and/or results in the loss of assets of the licensee or other customers, the Consumer shall disconnect the System from the distribution Network upon direction from the licensee where the licensee is not able to undertake the disconnection. The Consumer shall undertake corrective measures at his own expense prior to re-connection.
- (d) It shall be the responsibility of the Consumer to ensure that protective equipment is installed.
- (e) The licensee shall not be responsible for any accident resulting in injury to human beings or animals or damage to property that may occur due to backfeeding from the System when the grid supply is off. The licensee may disconnect the installation at any time in the event of such exigencies to prevent such accidents.
- (f) The consumer shall maintain at their own expense the System in good operating condition (subject to fair wear and tear only) including replacement of worn, damaged and lost parts, and shall make good any damage or destruction to the System;



(g) The consumer shall not make any alteration to the System and shall not remove any existing component (or components) from the System without the prior written consent of the licensee unless they are required to comply with any mandatory modifications by law or any regulatory authority. The consumer shall notify the licensee of such mandatory modifications before undertaking them. The application for approval shall be fourteen (14) days prior to any alteration.

#### 4. Other Clearances and Approvals:

(a) The consumer shall obtain any statutory approvals and clearances that may be required from the Authority and other relevant statutory agencies, before connecting the System to the distribution Network.

(b) If the consumer is occupying the premises where the System is situated under the terms of a lease, sub-lease or a licence, then the consumer shall obtain the prior written consent of the registered proprietor of the premises or any other person as required by the terms of the lease, sub-lease or licence for the installation and commissioning of the System.

#### 5. Period of Agreement, and Termination:

(1) This Agreement shall be for a period for five years, but may be terminated before the end of that term:

(a) by mutual consent; or

(b) by the consumer by giving sixty days' notice to the licensee;

(c) by the licensee, by giving sixty days' notice, if the consumer breaches any terms of this Agreement or the provisions of the Regulations and does not remedy such breach within thirty days, or such other reasonable period as may be provided, of receiving notice of such breach, or for any other valid reason communicated by the licensee in writing.

(d) upon the occurrence of an event of default.

(2) For purposes of this agreement, an event of default shall occur upon the following:

(a) the consumer is liquidated or wound up or passes a resolution for voluntary winding up (otherwise than for a bona fide reconstruction or amalgamation) or if similar or analogous proceedings are instituted against or taken by that party;

(b) the consumer shall have a receiver or an administrative receiver appointed in respect of all or any part of their assets or if similar or analogous proceedings are instituted against the assets of that party;

(c) the consumer enters into an arrangement for the benefit of their creditors;

(d) the consumer dies;

(e) any warranty, representation or covenant made by the consumer in this agreement is false or inaccurate in any material respect;

(f) the electricity supply contract by the Licensee is terminated; or

(g) The consumer shall not make any alteration to the System and shall not remove any existing component (or components) from the System without the prior written consent of the licensee unless they are required to comply with any mandatory modifications by law or any regulatory authority. The consumer shall notify the licensee of such mandatory modifications before undertaking them. The application for approval shall be fourteen (14) days prior to any alteration.

#### 4. Other Clearances and Approvals:

(a) The consumer shall obtain any statutory approvals and clearances that may be required from the Authority and other relevant statutory agencies, before connecting the System to the distribution Network.

(b) If the consumer is occupying the premises where the System is situated under the terms of a lease, sub-lease or a licence, then the consumer shall obtain the prior written consent of the registered proprietor of the premises or any other person as required by the terms of the lease, sub-lease or licence for the installation and commissioning of the System.

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(b) by the consumer by giving sixty days' notice to the licensee;

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(c) the consumer enters into an arrangement for the benefit of their creditors;

(d) the consumer dies;

(e) any warranty, representation or covenant made by the consumer in this agreement is false or inaccurate in any material respect;

(f) the electricity supply contract by the Licensee is terminated; or

(g) the consumer vacates the premises and is no longer in control or possession of the premises and does not assign the agreement to the new owner or occupant of the premises.

#### 6. Access and Disconnection:

(a) The consumer shall provide access to the licensee to the metering equipment and disconnecting devices of the System, both automatic and manual.

(b) If, in an emergent or outage situation, the licensee cannot access the disconnecting devices of the System, both automatic and manual, it may disconnect power supply to the premises.

(c) Upon termination of this Agreement under Clause 5, the consumer shall disconnect the System forthwith from the Network of the Licensee.

#### 7. Warranties and representations:

The consumer warrants and represents that:

(a) the System shall conform to its specifications set out in the applicable Kenyan Standard and the Grid Code, be of satisfactory quality and fit for purpose and the System's installed capacity shall not exceed 1 MW; and

(b) they are in possession and control of the premises where the System is situated.

#### 8. Liabilities:

(a) The Parties shall indemnify each other for damages or adverse effects of either Party's negligence or misconduct during the installation operation or maintenance of the System.

(b) The Parties shall not be liable to each other for any loss of profits or revenues, business interruption losses, loss of contract or goodwill, or for indirect, consequential, incidental or special damages including, but not limited to, punitive or exemplary damages, whether any of these liabilities, losses or damages arise in contract, or otherwise.

#### 9. Commercial Settlement:

- (a) The commercial settlements under this Agreement shall be in accordance with the relevant provisions in the Regulations.
- (b) The licensee shall not be liable to compensate the consumer if his System is unable to inject surplus power generated into the licensee's Network on account of failure of power supply in the grid/Network.
- (c) The licensee shall issue monthly electricity bill for the net metered energy on the scheduled date of meter reading. If the exported energy exceeds the imported energy, the licensee shall show the net energy exported as credited Units of electricity as specified in the Regulations. If the exported energy is less than the imported energy, the consumer shall pay the licensee for the net energy imported at the prevailing tariff approved by Authority for the consumer category to which they belong.

#### 10. Connection Costs:

The consumer shall bear all costs related to the setting up of the System as prescribed by the Regulations.

#### 11. Dispute Resolution:

- (a) Any dispute arising under this Agreement shall be resolved promptly, in good faith and in an equitable manner by both Parties.
- (b) The aggrieved party shall have recourse to the Authority in accordance with the provisions of the Regulations.

#### 12. Service of notices:

- (a) All notices to be given in terms of this agreement will be given in writing and will be delivered by hand, or email or registered post to the postal address in first page of this agreement.
- (b) If delivered by hand during business hours, be presumed to have been received on the date of delivery. Any notice delivered after business hours or on a day which is not a business day will be presumed to have been received on the following business day.
- (c) If sent by registered post, be presumed to have been received five days afterposting.
- (d) A notice sent by e-mail will be deemed to have been received on the next day after being sent.
- (e) Notwithstanding the above, any notice given in writing, and actually received by the party to whom the notice is addressed, will be deemed to have been properly given and received, notwithstanding that such notice has not been given in accordance with this clause.

#### 13. General Provisions

##### (a) Waiver:

No failure or delay to exercise any power, right or remedy by either party shall operate as a waiver of that right, power or remedy and no single or partial exercise by that party of any right, power or remedy shall preclude its further exercise or the exercise of any other right, power or remedy.

##### (b) Variations to be in Writing:

No addition to or variation, deletion, or agreed cancellation of all or any clauses or provisions of the agreement will be of any force or effect unless in writing and signed by the parties.

##### (c) Severability of provisions:

Each of the provisions of the agreement is severable and distinct from the others and, if at any time one or more of these provisions is or becomes invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

##### (d) Taxes:

The consumer shall be responsible for all present and future taxes, duties, levies and other similar charges including any related interest and penalties, however designated, arising out or imposed by law in connection with the operation of the System.

Sign.....

for and on behalf of Consumer

Witness 1:.....

Witness 2:.....

Sign.....

for and on behalf of Licensee

Witness 1:.....

Witness 2:.....

FOURTH SCHEDULE (r. 11(2))

REGISTER OF CONSUMERS

S. No.	Name of Consumer	Technology of RE System	Installed Capacity	Region	Feeder/ Distribution line(Including Voltage Level)	Date of Approval of Net Metering Agreement
1						
2						
3						
4						
5						
6						