



## RETAIL SUPPLY LICENCE APPLICATION FORM

**Please send the completed form to**

**ZIMBABWE ENERGY REGULATORY AUTHORITY**

14th Floor Century Towers  
45 Samora Machel Avenue  
P.O Box CY308 Causeway  
HARARE

**Tel:** +263-4-780010, 253461

**Fax:** 263-4-250696

**E-Mail:** [admin@zera.co.zw](mailto:admin@zera.co.zw)

**Website:** [www.zera.co.zw](http://www.zera.co.zw)

Application must be submitted in triplicate plus 1CD/r soft copy and application must be accompanied by an application fee of **\$2 500.00 plus 15% VAT**

## Checklist of Requirements

### 1. General Requirements

Requirement	Submitted	
	YES	NO
ZERA Application Form		
Business Plan		
Certificate of Incorporation/Articles of Association		
Memorandum of Association		
Particulars of Shareholders and Directors of the company		
Board Profile and Shareholding Structure		
Proof of Financial capability (Equity, Debt Financing/loan/grant/etc)		
Projected Cash Flow Statements for 5 years		
Tax Clearance		
Application fees		

## 2. Retail supply license requirements

<b>Requirement</b>	<b>Submitted</b>	
	<b>YES</b>	<b>NO</b>
Source of Generation Capacity		
Buyer/off-taker Agreement(s)		
Tariff and assumptions		
Transmission and Distribution Wheeling Agreement with Transmitter and Distributor		
Use of system (UoS) agreements		
Maps indicating the location of Consumer(s)		
Estimated energy to be supplied		

**APPLICATION FORM FOR THE ISSUE OF AN ELECTRICITY RETAIL  
SUPPLY LICENCE BY THE ZIMBABWE ENERGY REGULATORY  
AUTHORITY (ZERA) IN TERMS OF THE ELECTRICITY ACT  
(CHAPTER 13:19 OF 2002)**

**Introduction**

This document is intended to provide guidance to persons wishing to apply to the Zimbabwe Energy Regulatory Authority (ZERA) for a licence in terms of the Electricity Act (Chapter 13:19) number 4 of 2002 (*hereinafter referred to as the Act*) for the provision of electricity services.

Section 40 (1) of the Act requires that no person shall in Zimbabwe operate an electricity undertaking that generates, transmits, distributes or supplies electricity in excess of 100 kilowatts (kW) without an appropriate licence issued under the Act.

The Act defines three categories of licences namely generation, transmission and bulk supply and the distribution and retail licences.

The *retail supply licence* shall authorize the licensee to procure electricity for resale from a bulk supply licensee and from other sources and shall engage in purchasing, selling and trading of electricity.

A holder of a retail supply licence includes procuring electricity outside Zimbabwe, under an arrangement approved by the Authority and to sell power to Zimbabwean licensees or consumers

Applicants are reminded that it is an offense under the Act (Section 60) to make any statement which he knows is false or does not have reasonable grounds to believe to be true before the Authority. Provision of false, misleading or incomplete information would go directly to the question of the suitability of an applicant to hold a licence.

**Basis of the form**

The application form is issued in terms of section 46 of the Act that requires that an application for a licence shall be made to the Authority in the form and manner prescribed.

**Use of the form**

Applicants should provide the requested information in the spaces provided and where necessary provide further information. The form can be filled electronically (MS Word).

**Prior reading**

It is advised that applicants familiarize themselves with the provisions of the ACT and the ZERA licence application guidelines.

**LICENCE APPLICATION FORM**

**1. Identity of the applicant**

Name of applicant	
Legal form of applicant	
Physical address	
Postal address	
Telephone number	
Fax number	
Contact person	
Contact person's e-mail address	
Contact person's phone number	

Attach where applicable – company registration details, memorandum of association, lease agreements.

**2. Sources of supply**

Source of supply	Indicate type of supplier (Generator, Bulk Supplier, transmission licensee or other)
1.	
2.	
3.	
4.	
5.	
6.	
7.	

**3. Indicate the proposed consumers**

Please specify the premises to be supplied under this licence application

<b>Name of customer</b>	<b>Peak Capacity to be Consumed (MW)</b>	<b>Annual Energy Consumed (GWh)</b>	<b>Location of Consumer</b>	<b>Connection Voltage</b>	<b>Energy Tariff ZWLc/kWh</b>
1					
2					
3					

4					
5					

#### **4. Nature and scope of operations for which licence is being sought**

Please provide the following information:

- (i) Details of your financial projections,
- (ii) Proof of funding for at least your first year's operation after commencing supply of electricity
- (iii) Audited financial statements for the previous three years
- (iv) Budgeted financial statements for the next 2 years
- (v) Tariff and tariff assumptions (plant load factor)
- (vi) Estimates of financial performance in the next 2 years
- (vii) A statement of intent in respect of customer service obligations under the licence applied for and the steps you will take to comply with those obligations.

#### **5. Electricity Interconnectors**

Please submit documents in connection with any connection, use of system or third party access agreements.

#### **6. Technical capabilities**

Applicants must show that they have the technical capacity to comply with the conditions of the licence they are applying for and any associated codes and guidelines as published at the time. Applicant should also demonstrate if they have the technical resources required.

In order to demonstrate technical capacity to the Authority, applicants should provide among others –

- (i) details of their experience in and knowledge of the electricity industry
- (ii) tabulated summary of the skills and experience of the senior managers and key personnel and their relevance to meeting the requirements of the licence. Technical expertise in complaints handling, monitoring and testing services, operations and maintenance of systems to be demonstrated.
- (iii) If applicant is to rely on another entity to provide skills a summary of the relationship between the entity and the applicant including formal agreements to provide services, duration of agreement and a summary of evidence that the contracted entity has the necessary skills, experience and technical capacity has to be provided together with the application. Applicant has to attach relevant contracts and other documents as proof.

## **7. Equity structure of the applicant**

If the company is a wholly owned subsidiary of another company or one of a group of related companies provide :

- (i) details of the ownership structure of the group, including proportions of equity held.
- (ii) details of the contractual arrangements that define relationships within the group – shared resources, guarantees, revenue flows, obligations.
- (iii) consolidated audited financial statements for the group.
- (iv) Provide a copy/(copies) of shareholders' agreement.

Summary information about the parent company and the ownership structure of the related companies should be provided. Any breach of statutory or legal obligation of any of the directors, principal owners and principal officers should be made known to the Authority.

In the table below show shareholding of the company:

<b>Name of shareholder</b>	<b>% shares held</b>	<b>Full address of shareholder</b>
1.		
2		
3.		

## **8. Previous applications**

Provide:

- (i) Details of any offences or successful prosecutions in Zimbabwe/international.
- (ii) Details of any licence currently held by the applicant or company related to the applicant in Zimbabwe/international.
- (iii) Revocations/suspensions of previous local or international licences
- (iv) Details of any international/local previous unsuccessful utility licence applications by applicant or company related to applicant including reasons for refusal

## **9. Names and addresses of key personnel of the applicant**

Applicant needs to reveal in the application the names of the key personnel who make important decisions in the organization. Such people include Chief Executive officer, directors, company secretary

No.	Name	Surname	Position	Physical address	Contact Telephone

**Additional information**

It is very important for the applicant to provide as much information as possible. The applicant can therefore provide further information if they feel that such information will help in the consideration of the application by the Zimbabwe Energy Regulatory Authority (ZERA). The applicant should also demonstrate that their operations are in compliance with other laws of the land such as investment regulations, environmental laws and other relevant statutes.

**10. Declarations**

The applicant is required to submit (where possible):

- (i) Declaration from the Chief Executive Officer stating that the officer is not aware of any factor that would affect the applicant’s ability to securely finance the activities to be performed under the proposed licence.
- (ii) Declaration by the CEO that all information submitted by the applicant is correct. Applicant are drawn to provisions Subsection 2(a) of Section 51 and Section 60 of the Electricity Act (Chapter 13:19) of 2002.
- (iii) A written declaration from an independent auditor or financial advisor stating that :-
  - a. the applicant has not been deregistered, wound or dissolved, is not under external administration
  - b. that they are not aware of any factor that would affect the applicant’s ability to securely finance the activities to be performed under the licence

**Application Submission Declaration**

- (1) I have due authority to make this application;
- (2) I have read and understood this application form and the application guidance currently published;
- (3) To the best of my knowledge and belief, all the details provided in this application form are true and complete and all the information or document(s) supplied with this application form are true and complete;

- (4) I have read and understood the relevant standard conditions of the licence that I am applying for; and
- (5) I understand that knowingly or recklessly making false, incomplete or misleading statement in support of this application may lead to the grant of the licence being refused or revoked and may result in criminal proceedings being instituted.

Dated \_\_\_\_\_ this.....day  
of.....20.....at.....

Signature :.....

Name in capital letters :.....

Capacity of signatory :.....

Company stamp :

