

Consent to TRANSCO for the Interconnection of the Electricity and Water Transmission Systems Operated by TRANSCO and Certain Entities outside the Emirate of Abu Dhabi

20 March 2011

ED/L03/064

Document	Approved by	Recipients of controlled	
ED/L03/064	Director General	TRANSCO	
		Bureau	

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Author Document Revision Publication date Approved by
Legal ED/L03/064 0 20 March 2011 Director General

Abu Dhabi Transmission and Despatch Company PO Box 173 Abu Dhabi

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1. Introduction

- 1.1 TRANSCO has requested that the Bureau issues its Consent (pursuant to Condition 2, paragraph 2 of the Licence) to the interconnection of the Electricity and Water Transmission Systems operated by TRANSCO and each of the Non-Abu Dhabi Entities listed in Schedule 1 outside the Emirate of Abu Dhabi.
- 1.2 The Bureau has previously provided its consent to TRANSCO to the interconnection of the electricity transmission systems operated by TRANSCO and DEWA.

2. Definitions

2.1 Terms used in this Consent shall (unless defined herein or the context otherwise requires) have the same meaning as ascribed to them in Law No (2) or the Licence.

"ADWEC" means the Abu Dhabi Water and Electricity Company.

"Bureau" means the Regulation and Supervision Bureau for the Water, Wastewater and Electricity Sector in the Emirate of Abu Dhabi as established under Law No (2).

"Consent" means this consent granted by the Bureau to TRANSCO for the interconnection of the Electricity and Water Transmission Systems operated by TRANSCO and each of the Non-Abu Dhabi Entities, including any amendments made from time to time.

"DEWA" means the Dubai Electricity and Water Authority.

"Electricity and Water Transmission System" means:

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- (a) a system consisting wholly or mainly of high voltage electric lines owned or operated by TRANSCO or a Non-Abu Dhabi Entity and used for the transmission of electricity from one generation unit to a sub-station or to another generation unit and includes any plant owned or operated by TRANSCO or a Non-Abu Dhabi Entity in connection with the transmission of electricity; and/or
- (b) a system consisting wholly or mainly of water pipelines owned or operated by TRANSCO or a Non-Abu Dhabi Entity and used for the transmission of potable water from one or more desalination facilities or water storage facilities to a pumping station or storage facility or between pumping stations and includes any plant owned or operated by TRANSCO or a Non-Abu Dhabi Entity in connection with the transmission of potable water in compliance with the Water Quality Regulations.

"Electricity Transmission Code" means the transmission code of that name which provides the operating standards for all electricity transmission assets in the Emirate of Abu Dhabi required to be prepared by TRANSCO and approved by the Bureau, as from time to time revised with the approval of the Bureau.

"Law No (2)" means Law No (2) of 1998, Concerning the Regulation of the Water and Electricity Sector in the Emirate of Abu Dhabi, as amended.

"Licence" means the power and water transmission and despatch licence, number ED/L01/005, granted by the Bureau to TRANSCO, as modified from time to time.

"Licensed Activities" means the activities permitted to be carried out by TRANSCO pursuant to the terms of the Licence.

"Licensed Operator" means the holder of a licence issued pursuant to Law No (2).

"Non-Abu Dhabi Entity" means the Persons listed in Schedule 1 with whom TRANSCO may enter into arrangements to interconnect Electricity and Water Transmission Systems outside the Emirate of Abu Dhabi.

"**Person**" means any person, company, body corporate, establishment, partnership or other entity having an independent legal personality.

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"Supervisor" means the Supervisor as defined and described in the ENG Interconnection (Operating) Code.

"TRANSCO" means the Abu Dhabi Transmission and Despatch Company.

"Water Transmission Code" means the transmission code of that name which provides the operating standards for all water transmission assets in the Emirate of Abu Dhabi required to be prepared by TRANSCO and approved by the Bureau, as from time to time revised with the approval of the Bureau.

"Water Quality Regulations" means the Water Quality Regulations, Revision 3, 1 January 2010 issued by the Bureau, as amended from time to time.

3. Consent

3.1 The Bureau hereby grants this Consent to TRANSCO pursuant to Condition 2, paragraph 2 of the Licence for the interconnection of the Electricity and Water Transmission Systems operated by TRANSCO and each of the Non-Abu Dhabi Entities listed in Schedule 1 outside the Emirate of Abu Dhabi.

4. Conditions of Consent

- 4.1 This Consent is subject to the following conditions:
 - (a) The Bureau's approval in writing of the ENG Interconnection (Operating)
 Code and, more particularly, the role of the Supervisor as described at clause
 6.1 of the ENG Interconnection (Operating) Code.
 - (b) The Bureau's approval in writing of the TRANSCO standard connection agreement, including any amendments or modifications thereto, between TRANSCO and the Non-Abu Dhabi Entities for the interconnection of the Electricity and Water Transmission Systems.
 - (c) The Bureau's approval in writing of any other associated trading code or interconnection code in relation to the interconnections.
 - (d) The Bureau's approval in writing of any other associated bi-lateral agreement (or interim bi-lateral agreement) between TRANSCO and the Non-Abu Dhabi Entities in relation to the interconnection.

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- (e) TRANSCO shall continue to comply with all the requirements of Law No (2) and the Licence in respect of its Licensed Activities, activities ancillary thereto, and any other activity for which TRANSCO has obtained the Bureau's consent pursuant to Condition 2, paragraph 2 of the Licence.
- (f) TRANSCO shall ensure that nothing in any connection and interface agreement or any other bi-lateral agreement entered into with the Non-Abu Dhabi Entities shall under any circumstances hinder compliance by TRANSCO with its obligations under Law No (2) and the Licence.
- (g) TRANSCO shall provide the Bureau with:
 - (i) all relevant information relating to any proposed amendment to any connection and interface agreement or any other bi-lateral agreement entered into with the Non-Abu Dhabi Entities within no less than 30 days prior to the effective date of any such proposed amendment; and
 - (ii) a copy of any such amendment after it has been entered into.
- (h) TRANSCO shall provide any information requested by the Bureau relating to the Consented Activities as soon as is practicable, but in any event, no later than 30 days following the Bureau's request for such information.
- (i) TRANSCO shall ensure that its performance of the Consented Activities does not adversely affect the ability of any other Licensed Operator to fulfil their obligations under any Licence, government authorisation or any other relevant statute, industry code or standard (which includes the Electricity Transmission Code and the Water Transmission Code), or regulatory requirement in the Emirate of Abu Dhabi.
- (j) TRANSCO shall, in relation to the Consented Activities, comply with all the requirements of Condition 8 ("Separate accounts for separate businesses") of the Licence as if the Consented Activities were "Separate Businesses" as defined in the Licence and shall submit to the Bureau in a timely manner all the accounting statements and information, including the audited separate business accounts for the Consented Activities.

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- (k) TRANSCO shall ensure that it has in place all the required information and accounting systems and shall ensure the separation and allocation of all direct and indirect costs and income between the Consented Activities and the Licensed Activities on a transparent, reasonable and verifiable basis.
- (I) TRANSCO shall ensure that it enters into an appropriate agreement with ADWEC (as the responsible party for all commercial arrangements in relation to the interconnection) to ensure that a transmission use-of-system charge (TUoS) for carrying bulk supplies of electricity and water is included in the cost of electricity and water, for which the prior written approval of the Bureau must be obtained.
- (m) This Consent shall not relieve TRANSCO from any requirement to comply with any other relevant law, decree, statute or governmental authorisation issued by any governmental instrumentality, including those outside the Emirate of Abu Dhabi.

5. Duration of Consent

- This Consent shall, in respect of the interconnection of the Electricity and Water Transmission Systems operated by TRANSCO and each of the Non-Abu Dhabi Entities, remain in force for the periods specified in Schedule 1.
- 5.2 Not less than 30 days prior to the expiry of the periods specified in Schedule 1, TRANSCO must write to the Bureau to either:
 - (a) request an extension of the relevant period; or
 - (b) confirm that the activities to which the Consent applies are no longer being carried out by TRANSCO.

6. Modification and Revocation

This Consent is subject to modification or revocation by the Bureau at any time with 30 days prior written notice to TRANSCO.

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GRANTED for and on behalf of the Bureau by:



Dated this 20th day of March 2011

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Schedule 1 to Consent No. ED/L03/64

List of Non-Abu Dhabi Entities with whom TRANSCO has consent to enter into arrangements to interconnect Electricity and Water Transmission Systems outside the Emirate of Abu Dhabi, and the duration of such consents

Non-Abu Dhabi Entity	End Date of Consent	
Dubai Electricity and Water Authority	31 December 2015	
Federal Electricity and Water Authority	31 December 2015	
Sharjah Electricity and Water Authority	31 December 2015	

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