

Federal Decree by Law No. (17) of 2022
Regulating the Connection of Renewable Energy Production Units
Distributed on the Electrical Grid

We Mohammed bin Zayed Al Nahyan, President of the United Arab Emirates,

- Having reviewed the Constitution; and
- Federal Law No. (1) of 1972, Concerning the Competences of Ministries and the Capacities of Ministers, and its amendments thereof; and
- Federal Law No. (14) of 2016, Concerning the Administrative Violations and Sanctions in the Federal Government; and
- Federal Decree by Law No. (31) of 2020, Concerning Etihad Water & Electricity; and
- Based on the proposal of the Minister of Energy and Infrastructure, and the approval of the Cabinet;

Have promulgated the following Decree by Law:

Article (1)

Definitions

In application of the provisions of this Decree by Law, the following words and phrases shall have the meanings assigned to each of them, unless the context otherwise requires:

State	: United Arab Emirates.
Ministry	: Ministry of Energy & Infrastructure.
Emirate	: Any emirate of the State.
Competent Authority	: The ministry or local authority competent to regulate the production, distribution and supply of electricity, as the case may be.
Renewable energy	: Energy derived from natural sources that are replenished at a higher rate than they are consumed.
Service provider	: Federal or local government agencies, or one of the licensed

	private sector establishments, concerned with the distribution and supplying of electricity to consumers.
Person	: Natural or legal person.
Producer	: Any person who produces electricity using the distributed production unit, in accordance with the provisions of this Decree by Law and the legislation in force in the Emirate. This does not include the service provider.
Distributed production unit	: One or more units designated for the production of electricity by renewable energy sources, which are connected to the distribution network.
Distribution network	: The network of service provider, which consists, without limitation, of the electric power network with the voltage that lines, cables, substations, pole-mounted transformers, and analog electrical elements, such as resistors, inductors, capacitors, switches, and meters designated for distributing electricity to consumers.
Connection	: Connecting distributed production units to the distribution network.
Connection agreement	: The agreement between the service provider and the producer, which regulates the rules and conditions for the operation of the distributed production unit and its connection to the distribution network.
Annual limit	: The annual maximum limit of the distributed production units that are allowed to be connected with the service provider distribution network.
Imported electric power	: The electric power that is consumed by the producer and supplied from the distribution network by calculating the consumption allocated to measure the amount of electric energy imported from the distribution network to a specific real estate unit by one or more meters designated for this

	purpose owned by the producer.
Exported electric power	: The electric power produced by the producer through the distributed production unit, which is exported to the distribution network.
Renewable energy sources	: Renewable natural resources that are used to produce electric power.
Excess capacity	: The difference between exported electric power and imported electric power during a specified period of time.
Electrical installations contractors	: The consultant qualified to design, supervise and follow up the connection process, or the electrical contractor qualified to install, maintain and connect the distributed production units to the distribution network.

Article (2)

Objectives of the Decree by Law

This Decree by Law aims to:

1. Organise the connection of distributed production units to the distribution network and its specifications.
2. Enable people to produce electric power from renewable energy sources.
3. Enhance the diversification of renewable energy sources within the State with the aim of optimising the use of natural resources.
4. Contribute to protecting the environment by reducing carbon footprint.
5. Reduce the demand for electricity from the distribution networks during peak times.

Article (3)

Scope of Application

The provisions of this Decree by Law shall apply to the operations of connecting distributed production units to the distribution network, and also to all producers, service providers, and electrical installations contractors in the State, including economic, free, and investment

zones.

Article (4)

Competences of the Ministry

For the purposes of implementing this Decree by Law, the Ministry shall be responsible for the following:

1. Carry out the duties of the Competent Authority in the Emirates in which Etihad Water & Electricity, or any federal entity that takes its place, provides services.
2. Create a database of distributed production units and producers.
3. Coordinate with the local Competent Authorities and service providers regarding the implementation of the provisions of this Decree by Law.

Article (5)

Competencies of the Competent Authority

For the purposes of implementing this Decree by Law, the Competent Authority shall assume, within its jurisdiction, and in accordance with the legislation, regulations, and powers in force in the State, the following competencies:

1. Prepare and approve the general policy for the production of electric power from the distributed production units.
2. Determine the electrical voltage, the size of the distributed production units that are allowed to be connected to the distribution network, and the renewable power sources licensed to be used for the production of distributed electric power in coordination with the service provider.
3. Adopt the annual limit and the mechanism for distributing it to different categories of producers in order to achieve the objectives of the general policy for the production of electric power from distributed production units in coordination with the service provider.
4. Adopt the terms, regulations, agreements, requirements, standards, and specifications of linking distributed production units, and conducting a periodic review of them to ensure the stability of the distribution network, in accordance with the standards and specifications approved in the concerned State and Emirate, in coordination with service

providers.

5. Monitor and supervise producers and verify their compliance with the provisions of this Decree by Law, conditions, regulations, agreements, requirements, standards, and specifications of connecting distributed production units, impose fines and administrative penalties, and take appropriate corrective measures in accordance with the provisions of this Decree by Law and the legislation in force in each emirate.
6. Create a database for producers that includes all data and information on the size of production capacity, production volume, and location and quality of distributed production units.
7. License the production of energy from distributed production units and connect them to the distribution network in accordance with the legislation in force in the State.

Article (6)

Service Provider Functions

For the purposes of implementing this Decree by Law, service providers shall assume the following competencies:

1. Approve electrical installations contractors and ensure that they are fully aware of the requirements, specifications, and standards of distributed production units, the requirements for connecting them to the distribution network, and the risks of this connection to the stability of the network, in accordance with the specifications and technical requirements approved in each emirate.
2. Feed the database of the Ministry and the Competent Authority with the data of distributed production units and producers on a regular basis.

Article (7)

Connection agreement

Any person wishing to connect the distributed production unit to the distribution network shall obtain prior approval from the Competent Authority and conclude the connection agreement with the service provider in accordance with the legislation in force at the Competent Authority.

Article (8)

Producer obligations

The producer shall be committed to the following:

1. Obtain the approval of the Competent Authorities for licensing buildings and classifying land uses in the emirate before installing distributed production units and connecting them to the distribution network.
2. Contract with electrical installations contractors approved by the service provider.
3. Obtain a license from the Competent Authority for the production of electric power by distributed production units in accordance with the legislation in force at the Competent Authority.
4. Provide all requirements and devices necessary to install distributed production unit and connect them to the distribution network according to specifications, including security and safety requirements and electricity meters.
5. Comply with the terms of the connection agreement, all the requirements, conditions, and regulations of the connection, and any other conditions approved by the Competent Authority and the service provider in this regard.
6. Not exceeding the electric power limit that is allowed to be produced and exported to the distribution network.
7. Not doing any work that affects the safety and efficiency of the distribution network.
8. Cooperate with the employees of the Competent Authority and the service provider as to everything related to the provisions of this Decree by Law and the local legislation in force, including allowing them to measure the amount of exported electric power.
9. Preserve the environment, health, and public safety in accordance with the requirements of the legislation in force in this regard.
10. Pay the fees and costs of connecting distributed production units.

Article (9)

Consumption and export of the produced electric power

The Competent Authority may regulate the tariff for supplying imported electric power,

exported electric power, excess capacity, fees, and costs for connecting distributed production units to different categories of producers, and adopt any material or non-material incentive systems, in line with the approved general policy for the production of electric power from distributed production units in the emirate.

Article (10)

Amend the terms of connection and its annual limit

Without prejudice to the rights of the producers, the service provider, after obtaining the approval of the Competent Authority, may do the following:

1. Make the appropriate amendments to the terms of connection, provided that he shall announce these amendments and their effective date in accordance with the procedures determined by the Competent Authority.
2. Amend the annual connection limit, by increasing or decreasing it, to ensure the efficiency and safety of the distribution network and its related activities, and determining the priorities of the connection and the categories of targeted producers in accordance with the annual connection limit and the general policy for the production of electric power from distributed production units.

Article (11)

Distribution System Protection

The service provider may, at any time, disconnect the distributed production unit from the distribution network if there is a danger threatening the security and safety of the distribution network or if the producer violates any of the connection requirements or the connection agreement, provided that the service provider shall notify the Competent Authority in this case.

Article (12)

Administrative Violations and Sanctions

Violations and administrative penalties shall be defined for acts committed in violation of

the provisions of this Decree by Law and the resolutions issued in implementation thereof by the bodies that impose penalties and the mechanism of grievance, and the body concerned with collecting administrative fines, under a resolution issued by the Council of Ministers based on the proposal by the Minister and in coordination with the Competent Authority.

Article (13)

Delegation of competencies

The Competent Authority may delegate any of its competencies stipulated in this Decree by Law and the resolutions issued in implementation thereof to the service provider, in accordance with the legislation in force.

Article (14)

Regularisation

All producers and service providers shall regularise their status in accordance with the provisions of this Decree by Law within a maximum period of one year from the date of its enforcement, and the Competent Authority may extend this period for up to one year.

Article (15)

Executive Resolutions

The Competent Authority shall issue the resolutions necessary to implement the provisions of this Decree by Law, each according to its competence.

Article (16)

Repeals

Any provision that violates or contradicts the provisions of this Decree by Law shall be repealed.

Article (17)

Publication and Entry into Force of the Decree by Law

This Decree by Law shall be published in the Official Gazette and shall enter into force thirty (30) days as of the date of its publication.

Mohammed Bin Zayed Al Nahyan
President of the United Arab Emirates,

Issued by us at the Palace of the Presidency in Abu Dhabi:

On: Safar 30, 1444 H

Corresponding to: September 26, 2022