

## **Guide for the Procedures governing submitting of the DSM proposals**

### **Article (1):**

This Guide shall be called "Guide for the Procedures governing submitting of the DSM proposals" and shall be put in effect as of the day of its publication in the Official Gazette.

**Article (2):** The following words and phrases, wherever mentioned in this Guide, shall have the meanings assigned to them hereunder unless the context provides otherwise

<b>The Commission:</b>	The Energy and Minerals Regulatory Commission
<b>The Council:</b>	The Council of Commissioners.
<b>The Ministry:</b>	The Ministry of Energy & Mineral Resources
<b>licensee:</b>	A company licensed by the Commission to undertake, Transmission, System Operation, Bulk Supply, Retail Supply or Distribution,
<b>Law:</b>	The General Electricity Law.
<b>Project:</b>	The DSM Project and / or projects submitted by the licensee in order to achieve efficiency, conservation and rationalization of energy.
<b>Incentives:</b>	The financial incentives granted to the licensee based on the achievement of results and the actual outcome.
<b>Fund:</b>	Renewable Energy and Energy Efficiency Fund established under the provisions of the Renewable Energy & Energy Efficiency Law of 2010.

### **Article (3):**

This Guide aims at encouraging the licensee to embark on the implementation of projects.

### **Article (4):**

The Licensee may submit a DSM proposal to the Commission for the sake of implementation.

The Licensee shall enclose with the proposal a report, which must include the following:

- (A) Objectives and description of the project.
- (B) A feasibility study: that should include the costs, savings, benefits, and the expected energy and capacity savings annually and expected through the entire duration of the project and any environmental, social or other benefits that can be achieved.
- (C) The methodology and mechanism of the implementation of the project.
- (D) An explanation of the methodology that the licensee will follow in the evaluation, measurement and verification of the project, including gathering of information to analyze the feasibility.
- (E) The steps that the licensee will follow to ensure the achievement of the objectives of the project.
- (F) An explanation on how the licensee will provide reports and its dates during the implementation period (reports of the progress of work) and time schedule to complete the project and follow-up reports after the completion of the project.

(G) Procedures and sources of funding.

(H) Any other issues that the licensee find necessary to exhibit in the report or may be required by the Commission.

**Article (5):**

- (A) After the licensee submits its proposal to the Commission, the Commission will study the proposal within thirty days of receiving it. The Commission may notify the licensee in the event it needs any additional information to evaluate the project.
- (B) Within fourteen days of the end of the study period mentioned in item (A) above, The Commission has the right to accept or reject any DSM proposal, as it deems appropriate. The licensee shall be notified in writing in case of rejection with a statement of reasons.
- (C) Within fourteen days from the date of notification issued by the commission in the (B) above, the licensee has the right to submit an objection stating the reasons and justification for the objection. The Commission shall consider the objection within fourteen days and should notify the licensee of the result.
- (D) The Commission may include in its approval any special conditions or requirements pertaining to the DSM proposal.

**Article (6):**

The licensee is entitled to request amendments to the DSM proposal, which was approved by the Commission, for the sake of getting the Commission approving the requested amendments. The licensee is committed to provide adequate justification for the amendments, and the Commission may accept or reject the requested amendments.

**Article (7):**

The Commission has the right to monitor the performance, effectiveness and the seriousness of the licensee in the implementation of the approved project by conducting financial and technical audits and implementing any other means of control as it deems appropriate, including the appointment of houses of expertise.

**Article (8):**

- A. The costs associated with the implementation of the project approved by the Commission, which the Commission is examining for deciding upon are limited to the following:
  - 1. Administrative costs.
  - 2. Operational costs.
  - 3. Technical and Financial Studies costs.
  - 4. Incentives associated with the implementation of the proposed project, which will be set for each individual project separately.
- B. The licensee shall bear the costs of any project approved by the Commission and is not implemented.

**Article (9):**

The Commission has the right to modify and / or review and / or change this Guide, according to requirements for the development of this business and to achieve tangible results through the

implementation of the projects and in accordance with the general policies of the electricity sector and the policies of renewable energy and energy efficiency.

**Article (10):**

The Council of Commissioners shall decide on cases, which are not provided for in this guide.

**Article (11):**

The Council of Commissioners shall issue the necessary explanations and clarifications to this guide whenever the need arises to do so.

