

Authority for Electricity Regulation, Oman

Article (109) Notice

The Authority for Electricity Regulation, Oman (“the Authority”) proposes to modify the Schedule 2 Charge Restriction Conditions (“SCRC”) of the Transmission & Dispatch Licence (the “Licence”) granted to Oman Electricity Transmission Company SAOC (the “Licensee”).

Modification of the Licence is required to facilitate implementation of new four year price controls (effective from 1 January 2019) for the Licensee, that will include:

- (i) Revised capital and operating expenditure allowances to ensure the Licensee is able to fulfil its statutory obligations (including meeting the reasonable demand growth);
- (ii) An annual efficiency (X) factor to incentivise the Licensee to operate more efficiently;
- (iii) a new separate Dispatch price control to better reflect the distinct nature and costs of the Transmission and Dispatch activities; and
- (iv) refinements to the Scheduling & Dispatch incentive mechanism to encourage the efficient management of spinning reserves.

The Licensee has agreed to the proposed modifications.

The Licence with the proposed modifications can be found on the Authority’s website (www.aer-oman.org) and is available on the Public Register in the Authority’s offices.

Any Person with an objection to the proposed modification is invited to submit details of their objection to the Authority within 28 days from the date of publication of this Notice. Any objection submitted after the period stipulated in this Notice will not be considered. Objections shall be submitted to the following address: -

Director of Economic and Financial Affairs

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