



# **Law No (19) of 2007**

**Concerning the Amendment of some Provisions of Law No (2) of 1998, concerning the Regulation of Water and Electricity Sector in the Emirate of Abu Dhabi**

**Unofficial Translation by the Regulation and Supervision Bureau**

**Law No. (19) Of 2007**  
**Concerning the Amendment of some Provisions of Law**  
**No. (2) of 1998**  
**Concerning the Regulation of Water and Electricity Sector**  
**in the Emirate of Abu Dhabi**

WE KHALIFA BIN ZAYED AL NAHYAN, RULER OF ABU DHABI

Having Persued Law No. (1) Of 1974 Concerning the Re-organisation of the Government System in the Emirate of Abu Dhabi and the amendments thereof;

AND Law No. (2) Of 1971, Concerning the 'National Consultative Council' and its amendments;

AND Law No. (2) Of 1998, Concerning the Regulation of Water and Electricity Sector in the Emirate of Abu Dhabi;

AND Law No. (17) Of 2005, Concerning the Establishment of Abu Dhabi Company for Sewerage Services, which was amended by Law No. (18) of 2007;

And in accordance with what has been submitted to the executive council and approved by the Executive Council;

WE issue the following LAW –

**ARTICLE (1)**

Addition to Article (1) of Law No. (2) of 1998, Concerning the Regulation of Water and Electricity Sector in the Emirate of Abu Dhabi, the following Definition:

Executive Council: Executive Council of the Emirate of Abu Dhabi

**ARTICLE (2)**

Statement of Article (28) of Law No. (2) of 1998, referred to, shall be replaced by the following statement:

It is permissible for 'Abu Dhabi Energy Company' to sell all or some of its shares in TRANSCO or RASCO, only after six months of the date it notified the Bureau and got his approval for selling. The Bureau can reduce this period after consultation with the bodies operating in the water and electricity sector".

**ARTICLE (3)**

Unofficial Translation by the Regulation and Supervision Bureau
---

Paragraph (2) of Article (35) of Law No. (2) of 1998, referred to, shall be replaced by the following statement:

2. ADWEC shall coordinate with the Bureau, after getting an approval from the Executive Council, in preparing the tendering documents for persons qualified financially, managerially and technically to provide any additional production energy.

#### **ARTICLE (4)**

Existing Article (42) repeated and extended of Law No (2) of 1998 is stating the following:

1. Each sewerage company, Licensed by the Bureau, shall undertake the following duties and responsibilities:
  - a. Development, maintenance and operation of networks that are safe, efficient and economic for collecting, processing, drainage and waste disposal
  - b. Providing contracting offers to persons in order to connect them to the sewerage collection networks.
  - c. Placement, development and amendments of Laws and Regulations of sewerage collection and disposal, and providing all related services in an efficient and economic way.
2. Any licensed operator to undertake the sewerage services is prohibited from differentiating between normal or artificial person (body or organization) concerning the sewerage services, including the connection to or using the sewerage connection networks.
3. sewerage services is defined in this Law as collection and processing of sewerage including wastewater and domestic and industrial waste or any sewerage or waste disposed through the sewerage network.

#### **ARTICLE (5)**

Article (44) of Law No. (2) of 1998, referred to, is replaced by the following statement:

(A Bureau is established in the Emirate for Regulation of the water and Electricity Sector, called "the Regulation and Supervision Bureau" and shall have a separate legal personality and shall have the capacity to act as such in accordance with this Law).

#### **ARTICLE (6)**

Article (45) of Law No (2) of 1998 is replaced by the following statement:

1. The Bureau is managed by a Board of Directors headed by a Chairman and a number of members not less than three and not more than seven. Internal regulations, procedures of conducting Board meeting, and voting on the Board decisions shall be determined.
2. Chairman and the Bureau's members shall be appointed according to a decision from the Chairman of Executive Council, on condition that they are qualified and have adequate experience.
3. Membership period in the Bureau is five years subject to renewal.

#### **ARTICLE (7)**

"Chairman of the Board of Management" in Article (46) and (47) of Law No. (2) of 1998 is replaced by "Chairman of the Executive Council".

#### **ARTICLE (8)**

Article (49) of Law No. (2) of 1998 is replaced by the following statement:

"The Board of Directors for the Regulation and Supervision Bureau, can appoint necessary employees, and form subsidiary committees necessary for conducting its functions.

#### **ARTICLE (9)**

Article (50) of Law No. 2 of 1998 is replaced by the following statement:

1. "Members of the Bureau's Board of Directors, and employees of the Regulation and Supervision Bureau shall be regulated by Laws and Regulations produced by the Bureau's Board"
2. Table (1) attached to Law No. (2) of 1998 is void.

#### **ARTICLE (10)**

Article (51) of Law No. (2) of 1998 is replaced by the following statement:

" The Board of Directors for the Regulation and Supervision Bureau shall produce the laws and Regulations for managing the Bureau and regulation of its employees' affairs".

#### **ARTICLE (11)**

"After consultation with Chairman of the Board of Management of the Authority" in Article (52) of Law No. (2) of 1998, is deleted.

## **ARTICLE (12)**

Article (54) of Law No. (2) of 1998 is replaced by the following statement:

The Bureau, when performing its functions and duties under this Law, is committed to execute in its best ways, functions that achieve the following:

1. Ensure the security of supply of water, wastewater and electricity services in the Emirate.
2. Supply customers with water and electricity and connecting them to sewerage grids.
3. Provision of special regulations of health and safety related to supply of water, electricity and wastewater services to general public.
4. Publish of information related to the performance level of licensed operators.
5. Take account of local and international standards for environment which can have an effect on the water, wastewater and electricity sector. In addition to, coordination with concerned parties of environment in the Emirate and the Country, for the benefit of the Consumer and the Sector.
6. Take account of people with special needs who can be threatened by lack of potable water or unavailability of electricity, whether it was a cost or supply method of water and electricity, or through use of devices and installations.
7. Promote competition in the water, wastewater and electricity sector.
8. Operation and development of a safe, efficient and economic sector for the water, wastewater, and electricity in the Emirate.
9. Protect the interest of consumers of water and electricity as to terms and conditions and price of supply (whether consumption is are domestic, commercial or industrial).
10. Protect the interests of users of sewerage services in the Emirate.

## **ARTICLE (13)**

Paragraphs (1), (4), (6), (7) and (8) of Article (55) of Law No. (2) of 1998, shall be replaced by the following paragraphs:

- (1) Revision of Provision Plans of water, wastewater and electricity in the Emirate.
- (4) Establishment, maintenance, revision and supervision of safety standards for the water, electricity and sewerage services supervision of compliance with such safety standards.
- (6) Regulation of tariff applied on water and electricity customers and consumers of sewerage services, and the methodology of applying and collecting such tariff.

(7) Approval of conditions and special statements concerning the supply of water, electricity and sewerage services to domestic customers and supervision on compliance with such condition and statements and amending them.

(8) Approval of modifications to water and electricity transmission and distribution codes, and operating codes of providing sewerage services.

#### **ARTICLE (14)**

"The Chairman of the Board of Management of the Authority" in Article (58) of Law No. (2) of 1998, is replaced by "Chairman of the Executive Council".

#### **ARTICLE (15)**

"In consultation with the Authority" in Article (62) of Law No. (2) of 1998, is replaced by "in consultation with who sees appropriate".

#### **ARTICLE (16)**

Paragraphs (1), and (2) of Article (63) of Law No. (2) of 1998, is replaced by the following two paragraphs:

- (1) Ensure supply of water and electricity and provision of regular and efficient sewerage services.
- (2) Protect the general public from danger resulted from electricity, water and wastewater works and installations.

A new paragraph given number (10) shall be added to this article as follows:

(10) Ensure compliance of sewerage connections with standards determined by the Regulation and Supervision Bureau.

#### **ARTICLE (17)**

Provisions of Paragraphs (2), and (4), and (14) of Article (65) of Law No. (2) of 1998, is replaced by the following paragraphs:

- (2) Notification of any accidents, failures of supply or transport or distribution of water and electricity when providing sewerage services.
- (4) Relieving ADWEC, in certain circumstances, or any licensed body from obligations to supply water, electricity and sewerage services.
- (14) Require electricity, water and wastewater installations to be of a prescribed size, nature, strength and quality.

## **ARTICLE (18)**

Article (66) of Law No. (2) of 1998 is replaced by the following:

"Failure of any person to comply with regulations stated under this Article (62) of this Law shall be punished with a fine of not less than AED 250,000. In case the same failure is repeated by such person, the fine is doubled".

## **ARTICLE (19)**

Article (70) of Law No. (2) of 1998 is replaced by the following statement:

"Failure of any person to comply with street works regulations shall be punished by a fine not less than AED 50,000 and not more than AED 1,000,000. In case the same failure is applied by such person, the fine is doubled".

## **ARTICLE (20)**

Article (71) of Law No. (2) of 1998 is replaced by the following statement:

"Regulated activity" means one of the following activities:

- (1) the desalination of water
- (2) the generation of electricity
- (3) the combined generation of electricity and desalination of water
- (4) the performance of the duties of the Abu Dhabi Water and Electricity Company
- (5) the transmission of water by trunk mains pipeline
- (6) the distribution of water by mains pipeline
- (7) the supply of water to premises
- (8) the storage of water
- (9) the Bulk supply of water from an unlicensed operator to the connection grid of a licensed operator for transmission.
- (10) the Bulk supply of electricity from an unlicensed operator to the connection grid of a licensed operator for transmission.
- (11) Transmission of electricity
- (12) Distribution of electricity
- (13) Supply of electricity to premises
- (14) Collection of sewerage from premises
- (15) Treatment and process of sewerage and wastewater
- (16) Disposal of wastewater and sewerage

## **ARTICLE (21)**

"After not less than six months' consultation with all licensed operators and the

Regulation and Supervision Bureau" in Article (76) of Law No. (2) of 1998 is replaced by the following statement:

"After not less than six months' consultation with all licensed operators and getting the Regulation and Supervision Bureau permit".

#### **ARTICLE (22)**

" after consultation with the Authority" which is present in Articles (79) and (80) of Law No. (2) of 1998 is replaced by the following statement:

" after approval of the Executive Council".

#### **ARTICLE (23)**

Article (82) of Law No. (2) of 1998 is replaced by the following statement:

"The Regulation and Supervision Bureau exclusively has the right and power to license any person to conduct any regulated activity".

#### **ARTICLE (24)**

A new article given the number (94) redundant, shall be added to Law No. (2) of 1998 as follows:

With prejudice to the provisions of Article (89) of Law No. (2) of 1998, licensing of conducting collection of wastewater, treatment, or process or disposal of waste or all those activities shall include the following conditions:

- (1) require the the licensed operator to engage in economic purchase
- (2) prohibiting the licensed operator from engaging in designated activiities othe than licensed activities
- (3) Establishment of tariffs which the licensed operator applies on wastewater customers and the methodology of calculation of such tariff.
- (4) Require the licensed operator to maintain separate accounts in respect of distinct parts of its business and prohibition of cross subsidy between those parts.
- (5) Require the licensed operator to offer terms of the connection to sewerage networks or wastewater collection or wastewater treatment.
- (6) Require the licensed operator to publish codes of practice in relation to the payment of bills, disconnection of service, provision of services to senior people and disabled, efficient use of water and customer complaint handling.
- (7) Require the licensed operator to prepare wastewater operation codes and regulations.

**ARTICLE (25)**

"And the Authority" is deleted from Article (100) of Law No. (2) of 1998.

**ARTICLE (26)**

"Consent to the creation and maintenance of security interests in relevant assets, required for the financing of independent water and power projects" in Article (133) of Law No. (2) of 1998 is replaced by the following statement:

"Consent to the creation and maintenance of security interests in relevant assets, is given for the licensed operator for the financing of independent water and power projects".

**ARTICLE (27)**

The first paragraph of Article (135) of Law No. (2) of 1998 is replaced by the following statement:

Without prejudice to any other stricter punishment in the Law, a person shall be punished with imprisonment of not more than one year and /or a fine of not less than AED 200,000.

**ARTICLE (28)**

Definition of "Specialised Authority" present in Article (1) of Table (2) attached to Law No. (2) of 1998 is amended as follows:

"Specialised Authority: Executive Council"

**ARTICLE (29)**

Any provision contradicting or in conflict with this Law shall be void.

**ARTICLE (29)**

This Law is effective from the date it is issued in the Official Gazette.

**KHALIFA BIN ZAYED AL NAHYAN**

**RULER OF ABU DHABI**

Issued in Abu Dhabi in  
July 1 2007

Unofficial Translation by the Regulation and Supervision Bureau
---