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### SUBSIDIARY LEGISLATION

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THE PETROLEUM ACT (CAP. 392)

(Made under section 259(1)(a))

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THE PETROLEUM (NATURAL GAS) (STORAGE) RULES, 2019

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### PART I PRELIMINARY PROVISIONS

Citation and commencement 1. These Rules may be cited as the Petroleum (Natural Gas) (Storage) Rules, 2019 and shall come into operation upon publication in the *Gazette*.

Application

2. These Rules shall govern theactivities relatedtogas storage activities andrelatedmattersinMainlandTanzania.

Interpreta-

3.-(1) In these Rules, unless the context otherwise requires:

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"Act" means the Petroleum Act;

"applicable law" means any principal law, treaty, convention, proclamation, regulation, rule, order or by-law that is customarily treated in Tanzania as having legally binding force and which is relevant to matters pertaining to the regulation of gas activities;

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"approved specification" means any specification or standard in relation to a gas product applied by the Authority and as approved by the Tanzania Bureau of Standards pursuant to the Standards Act, or any other standards that are widely used for best

international petroleum industry practices;

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- "Authority" means the Energy and Water Utilities Regulatory Authority established under the provisions of the EWURA Act;
- "best international petroleum industry practices" means practices in accordance with the most up to date international standards that are generally accepted in the international gas industry for the conduct of gas storage activities taking into account the relevant safety, economic, technological and environmental aspects;

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"Council" means the National Environment Management Council established under the provisions of the Environment Management Act;

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"compliance order" means an order issued by the Authority pursuant tosection39oftheEnergy and Water Utilities Regulatory Authority Act;

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- "EWURA Act" means the Energy and Water Utilities Regulatory Authority Act;
- "facility" means a facility designed and constructed for the storage of gas and includes storage tanks or vessels, connecting pipelines, buildings and firefighting systems;
- "gas" shall have the meaning ascribed to it under the Act;
- "gas leakage" means a non-expected release of gas from a facility or other containment into a living area or any other area and which could create a hazardous situation;
- "Government" has the meaning ascribed to it under the Act;
- "hazardous situation" means asituation involving gasthat:
  - (a) endangers the safety or health of a person, or the safety of a person's property; or
  - (b) createsan eminent risk of significant environmental harm;

<sup>&</sup>quot;incident" means any of the following events:

- (1) an event that involves a release of gas from a gas leakage that results in one or more of the following consequences;
  - (a) death, or personal injury necessitating inpatient hospitalization as a consequence of an action that is related to a licensed activity;
  - (b) estimated property damage of one hundred million (100,000,000) Tanzanian Shillings or more, including loss to the operator and others, or both, but excluding cost of gas lost;
  - (c) unintentional estimated gas loss of three million cubic feet or more;
- (2) an event that results in an emergency shutdown of the facility;
- (3) an event that is significant in the judgement of the licensee, even though it did not meet the criteria of paragraphs (1) or (2) of this definition; or
- (4) any other significant event that may adversely affect the conduct of a licensed activity;
- "inspector" means an officer of the Authority or an agent of the Authority appointed by the Authority to perform the functions of inspection as required under the Act and applicable law;
- "integrity pledge" has the meaning ascribed to it under the Act;
- "licence" means a licence issued by the Authority to undertake a regulated activity, granted under these Rules and pursuant to the Act;
- "licence fee" means a fee payable by a licensee as shall be prescribed by the Authority from time to time;
- "licensed activity" means the regulated activity in respect of which a licence has been issued;
- "licensee" means the holder of a licence or may include a prospective licensee;
- "Minister" means the minister responsible for petroleum

affairs;

- "National Oil Company" or "NOC" has the meaning ascribed to it under the Act;
- "natural gas" has ascribed to it under the Act;
- "NPGIS" has the meaning ascribed to it under the Act;
- "regulated activity" means the operation of a facility and includes any activity reasonably required in connection with the operation of a facility;
- "standards" means any specification or standards in relation to gas applied by the Authority and as approved by the Tanzania Bureau of Standards pursuant to the Standards Act, or any other standards that are widely used for best international petroleum industry practices;
- "storage" means receiving, holding and delivering gas at fixed facilities other than liquefaction, regasification or pipeline facilities;
- "supervisor" means the operator or other person responsible for the management and monitoring of a facility and is deemed to be authorized to:
  - (a) grant aninspector access toafacility, answer their questions and witnessthe taking of samples and the carrying out of inspections; and
  - (b) identify physical defects and operational deficiencies within the facility and, as required, take decisions related to the suitability of such facility for use; and
- "tariff" means a charge, fee, price or rate charged for the provision of gas storage services as shall be approved by the Authority.
- (2) In these Rules, references to any act, regulation, rules or other law include such act, regulation, rules or other law as amended from time to time and any successor act, regulation, rules or other law.

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### PART II APPLICATION FOR A CONSTRUCTION APPROVAL

Application for a construction approval

- 4.-(1) No person shall construct a facility without seeking and obtaining a construction approval from the Authority in a manner provided herein.
- (2) The construction approval sought under this Rule shall relate to:
  - (a) construction of new gas storage facilities;
  - (b) relocation of existing gas storage facilities;
  - (c) major replacement of existing gas storage facilities; and
  - (d) major repair of the existing gas storage facilities.
- (3) Any person who intends to construct a facility shall apply to the Authority by filling a form prescribed in the First Schedule to these Rules.
- (4) The application shall be accompanied by the following:
  - (a) certified copies of the applicant's Memorandum and Articles of Association;
  - (b) certified certificate of incorporation or certificate of incorporation on change of name (whichever is more recent);
  - (c) certified copy of the latest annual return;
  - (d) details of the direct and indirect shareholders of the applicant, including the shareholdings;
  - (e) the applicant's name and business address and location, telephone number, faxnumber and email address;
  - (f) details of all participants in the project;
  - (g) a project feasibility study;
  - (h) details of the technical and financial expertise and resources available for carrying out the regulated activity;
  - (i) proof of ownership of the site or authorization

- of development of the site, including building permit, if any;
- (j) details of financing arrangements;
- (k) detailed estimates of total cost of the project, showing the cost of construction by operating units such as survey, materials, labour, engineering and inspections, administrative over-head, fees for legal and other services, allowance for funds during construction and contingencies;
- (l) project documents including drawings, plans and design specifications of the proposed facility:
- (m)the proposed maximum technical storage capacity of the proposed facility;
- (n) a certified copy of an environmental clearance as required in the Environmental Management Act:
- (o) public awareness measures;
- (p) a local content plan in accordance with applicable law;
- (q) full project schedule;
- (r) a non-refundable application fee as shall be prescribed by the Authority; and
- (s) any other information as shall be required by the Authority.
- (5) Where the applicant is a consortium or group of persons, the information required under Rule 4(4) shall be provided in respect of each member of the consortium.
- (6) Where information to be provided under Rule 4(4) is of a factual nature, the applicant shall also submit supporting documents as appropriate or as may be required by the Authority.
- (7) Any person who contravenes sub-rule 4(1) commits an offence and shall, upon conviction, be liable to a fine of not less than twenty million (20,000,000)

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Tanzanian Shillings or imprisonment for a term of not less than three (3) years or both.

Publication of application for a construction approval

- 5.-(1) An application for a construction approval received by the Authority shall be evaluated to verify its completeness and the legality of the information contained therein and thereafter a notice of the application shall be published in at least two newspapers of wide circulation in Tanzania one in English and another in Kiswahili with a view to soliciting comments and representations on the application.
- (2) The costs of publication of notices under sub-Rule 5(1) shall be borne by the Authority.
- (3) The public shall be invited to submit comments and representations to the Authority within fourteen (14) days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the construction application.

Grant of a construction approval

- 6.-(1) The Authority shall, upon consideration of an application for construction approval, within thirty (30) days of receipt of the application:
  - (a) deny the application;
  - (b) grant the application and issue a construction approval; or
  - (c) refer back the application.
- (2) The Authority shall, while making a decision whether to grant or deny a construction approval, consider:
  - (a) the applicant's compliance to land use laws;
  - (b) the applicant's compliance to health, safety and environmental requirements;
  - (c) any representations and objections to the regulated activity made by the public pursuant to sub-Rule 5(3); and
  - (d) whether the facility provides for access to third

parties.

- (3) Where the Authority refers the application back to the applicant:
  - (a) the Authority may notify the applicant of any changes in the designs or specifications considered by the Authority to be necessary for reasons related to safety or environmental protection;
  - (b) the applicant may thereafter make any changes required pursuant to sub-Rule 6(3)(a) and resubmit the application to the Authority; and
  - (c) where the application is re-submitted, Rule 5 shall apply and the Authority shall then proceed in accordance with sub-Rule 6(1) in respect of the re-submitted application.
- (4) Notwithstanding the generality of sub-Rule 6(1), the Authority may issue a construction approval with specific conditions to be fulfilled within a prescribed time to an applicant who fails to meet some of the requirements in sub-Rule 4(4).
- (5) The Authority shall cause to be published in the *Gazette* a construction approval issued under sub-Rule 6(1)(b).
- (6) The applicant shall, after issuance of an approval by the Authority, be notified to come and collect the approval.
- (7) The Authority shall, in the event that it denies an application for a construction approval, within fourteen (14) days of its decision, inform the applicant of such decision in writing, including the reasons therefor.

Duration of a construction approval 7.-(1) A construction approval issued by the Authority under Rule 6 shall remain in force for such period as the Authority may allow provided that, in the event the holder of the said approval fails to commence

construction within twenty-four (24) months from the date it was issued such construction approval shall cease to have effect.

(2) The Authority may, upon an application by a holder of a construction approval extend the duration of the construction approval to such period as it may think fit.

Notice of commencement 8. Any person with a construction approval shall issue a notice of intention to commence construction to the Authority not less than thirty (30) days prior to the commencement of construction.

Construction approval obligations

9. A person issued with a construction approval shall, at all times, comply with technical standards and specifications as specified in the Act, regulations, these Rules, codes and guidelines made thereof.

Withdrawal, revocation, suspension or amendment

- 10.-(1) The Authority may, by written notice, withdraw, revoke, suspend or amend any construction approval if any of the terms and conditions thereof have not been complied with.
- (2) Where the Authority intends to withdraw, revoke, suspend or amend a construction approval it shall, at least twenty-one (21) days before the date of intended withdrawal, revocation, suspension or amendment notify the holder of such approval about the intention and the reasons therefor.
- (3) Notwithstanding the provisions of sub-Rules 10(1) and (2) the Authority may, by notice in the *Gazette*, withdraw, suspend or revoke any construction approval on the application of or with the consent of the holder of such approval.
- (4) The Authority may, by written notice, reinstate a construction approval which was previously withdrawn, revoked or suspended if the Authority is satisfied that the

reasons for the withdrawal, revocation or suspension no longer exist.

### PART III LICENSING PROCEDURES

Obligation to obtain a licence

- 11.-(1) No person shall conduct a regulated activity without a licence from the Authority.
- (2) Any person who contravenes sub-Rule 11(1) commits an offence and shall, upon conviction, be liable to a fine of not less than twenty million (20,000,000) Tanzanian Shillings or imprisonment for a term of not less than two (2) years but not more than five (5) years or both.
- (3) Notwithstanding the penalty prescribed under sub-Rule 11(2), the Authority may, in the event it determines that any person has contravened the provisions of sub-Rule 11(1), enter upon the relevant facility and close it down.

Application for licence

- 12.-(1) Any person who intends to conduct a regulated activity shall apply to the Authority for a licence by filling a form as prescribed in the Second Schedule to these Rules.
- (2) The application for a licence shall be accompanied by the following:
  - (a) certified copies of the applicant's Memorandum and Articles of Association;
  - (b) certified certificate of incorporation or certificate of incorporation on change of name (whichever is more recent);
  - (c) certified copy of the latest annual return;
  - (d) details of the direct and indirect shareholders of the applicant, including the shareholdings;
  - (e) certified copy of tax identification number certificate:
  - (f) certified copy of tax clearance certificate;

- (g) a local content plan in accordance with applicable law;
- (h) a duly signed integrity pledge in the form set out in the Fifth Schedule to these Rules (or as otherwise prescribed by the Authority);
- (i) an environmental impact assessment certificate or environment audit certificate as the case may be:
- (j) a business plan describing the scope of the proposed licensed activity;
- (k) proof of possession of adequate skilled personnel with relevant technical skills to undertake the regulated activity;
- (1) financing plan;
- (m)a list of facilities available;
- (n) a commissioning report (if available);
- (o) non-refundable application fee prescribed by the Authority; and
- (p) any other information as shall be required by the Authority.

Inquiry Cap 414

13. The Authority shall, before issuing, modifying, suspending or revoking a licence, conduct an inquiry in accordance with section 19 of the EWURA Act.

Publication of a licence application

- 14.-(1) A licence application received by the Authority shall be evaluated to verify its completeness and the legality of the information contained therein and thereafter a notice of the application shall be published in at least two newspapers of wide circulation in Tanzania one in English and another in Kiswahili with a view to soliciting comments and representations on the application.
- (2) The costs of publication of notices under sub-Rule 14(1) shall be borne by the Authority.
- (3) The public shall be invited to submit comments and representations to the Authority within fourteen (14)

days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the license application.

# Grant of a licence

- 15.-(1) The Authority shall, within sixty (60) days from the date of receiving a complete licence application, upon consideration of such application:
  - (a) deny the application;
  - (b) grant the application and issue a licence; or
  - (c) refer back the application.
- (2) After issuance of a licence under sub-Rule 15(1), the applicant shall be notified to come and collect it upon payment of the licence fee to be prescribed by the Authority.
- (3) The Authority shall, in making a decision to grant or refuse a licence under sub-Rule 15(1) take into consideration the following:
  - (a) technical, administrative and financial capabilities of the applicant in relation to the regulated activity for which the licence is sought;
  - (b) viability of the sources of supply of gas;
  - (c) contribution of the storage regulated activity to meet future gas needs by customers;
  - (d) compliance to land ownership and land use laws;
  - (e) a local content plan in accordance with applicable law;
  - (f) contribution of the regulated activity to competitive conditions in the gas industry;
  - (g) if applicable, the effects of the proposed project on other processing, distribution or storage facilities;
  - (h) methods and procedures proposed to be adopted for operating and maintaining the storage

- facilities or other related facilities;
- (i) technical specifications of the proposed storage facilities;
- (j) risk analysis of the regulated activity;
- (k) social and environmental impact of the regulated activity;
- (l) compliance of the facility on matters including:
  - (i) safety;
  - (ii) health:
  - (iii)security;
  - (iv)handling of hazardous substances; and
  - (v) environmental.
- (m) basis for potential demand for the gas storage;
- (n) impact that regulated activity may have on health and safety of employees and the public;
- (o) cost of storage activities and the effect on gas prices to customers;
- (p) economic efficiency of the facility and benefit to the public in general of the facility;
- (q) the basis for potential demand for storage facilities;
- (r) any representations and objections to the regulated activity made pursuant to sub-Rule 14(3);
- (s) a detailed emergency preparedness plan towards any accident or incident;
- (t) the applicant's record of compliance with the Act, these Rules and other applicable law;
- (u) public interests that may be affected by the regulated activity;
- (v) capital costs of the project;
- (w) assessment of economies of scale; and
- (x) any other information as shall be required by the Authority.
- (4) Notwithstanding the generality of sub-Rule 15(3), the Authority may issue a licence with specific

conditions to be fulfilled within a prescribed time to an applicant who fails to meet some of the requirements in sub-Rule 15(3).

Refusal of a licence

- 16.-(1) The Authority may deny the application for a licence under sub-Rule 15(1) for any of the following reasons:
  - (a) the application does not comply with the provisions of these Rules or the Act;
  - (b) the applicant submitted false information in relation to the application for a licence (or any other licence issued under the Act);
  - (c) the applicant has not complied with the provisions of any licence issued under the Act;
  - (d) the applicant has been convicted of corruption, money laundering, economic crimes or tax evasion;
  - (e) the applicant refused to sign an integrity pledge; or
  - (f) any other reasons as the Authority may determine.
- (2) The Authority shall, in the event that it denies an application for a licence, within fourteen (14) days of its decision inform the applicant of such decision in writing, including the reasons thereof.

Validity and duration of a licence

- 17.-(1) Unless otherwise revoked or suspended, every licence granted shall be valid for a period of up to twenty-five (25) years as may be determined by the Authority.
- (2) Notwithstanding the provisions of sub-Rule 17(1), the Authority may revoke a licence if the respective licensee fails to conduct a licensed activity:
  - (a) within six (6) months after issuance of the licence; or
  - (b) fails to conduct the licensed activity for a period

- of six (6) consecutive months during the licence term.
- (3) Notwithstanding the provisions of sub-Rule 17(1), the Authority may, on the written application of a licensee, extend or reduce the period of the licence as may be determined by the Authority.

Application for transfer of a licence

- 18.-(1) A licence shall not be assigned to or transferred from a storage licensee to another person without a written approval of the Authority.
- (2) Any transferor or assignor of a licence shall apply to the Authority by filling in the form prescribed in the Third Schedule to these Rules.
- (3) The application for transfer or assignment of a licensee shall be accompanied by the following documents:
  - (a) a certified copy of the transfer agreement;
  - (b) the documents and items referred to in Rule 12(2), in each case in respect of the transferee; and
  - (c) any other information as may be required by the Authority.
- (4) A licence transfer application received by the Authority shall be evaluated to verify its completeness and the legality of the information contained therein and thereafter a notice of the application shall be published in at least two newspapers of wide circulation in Tanzania one in English and another in Kiswahili with a view to soliciting comments and representations on the application.
- (5) The costs for publication of the notice under sub-Rule 18(4) shall be borne by the Authority.
- (6) The public shall be invited to submit comments and representations within fourteen (14) days from the date of publication of the notice and the comments and representations shall be considered by the Authority in arriving at the decision on the application.
  - (7) The Authority shall, after the expiration of the

notice in sub-Rule 18(4), evaluate the application together with comments received (if any) and make a decision within sixty (60) days of the application whether to grant or deny the application for transfer or assignment of the licence as the case may be.

- (8) The Authority shall, in making a decision to grant or refuse the transfer or assignment of the licence under sub-Rule 18(7) take into consideration the following:
  - (a) technical, administrative and financial capabilities of the transferee in relation to the licensed activity;
  - (b) the transferee's compliance to land ownership and land use laws:
  - (c) the transferee's local content plan in accordance with applicable law;
  - (d) the transferee's record of compliance with the Act, these Rules and other applicable law; and
  - (e) any other information or issues determined to be relevant by the Authority.
- (9) If the Authority grants the application for transfer or assignment of the licence under sub-Rule 18(7), the applicant shall be notified to come and collect it.
- (10) Notwithstanding sub-Rule 18(4), no application for a transfer or assignment of a licence shall be evaluated by the Authority unless it is endorsed by the intended transferee or assignee of the licence.
- (11) Where a licence is transferred or assigned in accordance with these Rules:
  - (a) the transferee or assignee shall comply in all respects with applicable law and with the terms and conditions of the licence, and shall not alter in any way the approved arrangements of the relevant facility without the written approval of the Authority, nor use such facility for any other purpose than those prevailing at the time the licence is transferred;

- (b) the licence shall continue in force in all respects; and
- (c) obligations and liabilities of the transferor in respect of the licence whether past, present or future and whether existing, accrued, contingent or unknown shall, to the extent that the licence is transferred or assigned, become obligations and liabilities of the transferee.

Change of name of licensee

19. A licensee who has changed its name shall notify the Authority in writing within fourteen (14) days after such change, which shall be accompanied by a certificate of change in name issued by the Registrar of Companies.

Change of shareholding of licensee

- 20.-(1) Where the direct or indirect ownership of shares (or voting rights or interests) in a licensee is proposed to be changed, the licensee shall, no less than sixty (60) days prior to such proposed change, notify the Authority in writing about such change and shall submit an application in the form of the Third Schedule to these Rules together with:
  - (a) a copy of any agreement or instrument by which any shares are proposed to be transferred; and
  - (b) the documents and items referred to in Rule 12(2), in each case in respect of the licensee and its direct and indirect shareholders; and
  - (c) any other information as may be required by the Authority.
- (2) The Authority shall evaluate the application and shall notify the licensee within thirty (30) days of whether it consents to the proposed change in shareholding. The Authority shall, in making a decision as to whether to consent to the proposed change in shareholding, take into consideration the following, in each case as such would be affected by the proposed change in shareholding:

- (a) technical, administrative and financial capabilities of the licensee and its direct and indirect shareholders in relation to the licensed activity;
- (b) the licensee's and its direct and indirect shareholders' compliance to land ownership and land use laws;
- (c) the licensee's local content plan in accordance with applicable law;
- (d) the licensee's and its direct and indirect shareholders' record of compliance with the Act, these Rules and other applicable law; and
- (e) any other information or issues determined to be relevant by the Authority.
- (3) Where the Authority consents to the proposed change in shareholding, the licence shall remain valid in accordance with the terms and conditions on which it was previously granted. Any consent by the Authority to a proposed change in shareholding shall not relieve a licensee or its direct or indirect shareholders from any obligations under applicable law in relation to such change.
- (4) Where the Authority does not consent to the proposed change in shareholding, and the change in shareholding subsequently occurs, the Authority may suspend or revoke the licence in accordance with Rule 23 or Rule 24...

Modification of a licence

- 21.-(1) The Authority may, on its own motion or upon application by a licensee, modify any terms and conditions of a licence, along with such fees as prescribed in the Petroleum (Natural Gas)(Licensing Fees )Rules, 2018 (G.N. 292)
- (2) A licensee who intends to make an application for the modification of any terms and conditions of a licence shall apply to the Authority in writing by filling in an application form prescribed in the Fourth Schedule to

these Rules.

- (3) Where the Authority approves the application for the modification of a licence, it shall notify the licensee in writing within fourteen (14) days of its decision.
- (4) Where the Authority rejects the application for the modification of a licence, it shall notify the licensee in writing within fourteen (14) days of its decision, including the reasons thereof.
- (5) In the event the Authority acts on its own motion to modify the terms and conditions of any licence, it shall give at least sixty (60) days' notice to the licensee of its intention to modify the licence.

Application for renewal of a licence

- 22.-(1) A licensee who wishes to renew a licence may, at least six months before expiration of the licence, apply to the Authority for renewal of the licence.
- (2) A renewal of a licence shall be granted for a maximum period of fifteen (15) years, or for such longer period as may be determined by the Authority.
- (3) A licensee who intends to make an application for a renewal of a licence shall apply to the Authority in writing by filling in an application form prescribed in the Second Schedule to these Rules. Such application form shall be accompanied by tax clearance certificates and other documents as the Authority may require.
- (4) The Authority shall, while making a decision whether to grant or refuse an application for renewal of a licence, consider the applicant's compliance with the conditions of the licence which is due to expire, the Act, these Rules and applicable law.
- (5) The Authority shall, in the event that it rejects an application for renewal of a licence, inform the applicant of such decision in writing within sixty (60) days of such decision, including the reasons there for.
- (6) Notwithstanding the provisions of sub-Rule 22(4), the Authority shall not renew the licence of a

licensee who has, during the term of the licence which is due to expire, resisted or failed to comply with any order given by the Authority to the said licensee.

Suspension of a licence

- 23.-(1) The Authority may suspend a licence where:
  - (a) the licensee violates any provision of the terms and conditions of the licence or any provision of other applicable law relating to protection of occupational health; or
  - (b) there is a change in the shareholding structure of the licensee which has not been approved in advance by the Authority.
- (2) The Authority shall not suspend a licence, unless written notice of the intention to suspend is issued to the licensee at least twenty-one (21) days before such suspension comes into effect.
- (3) Upon suspension of a licence, the Authority shall specify in writing the period of suspension, during which the licence shall be of no legal force or effect.
- (4) Notwithstanding sub-Rule 23(1), the Authority may waive the licence suspension if it is satisfied that a licensee has abstained from the act or omission that caused the suspension and the reason for the suspension no longer exists.

Revocation of a licence

- 24.-(1) The Authority shall revoke a licence where the licensee:
  - (a) violates any of the provisions of the Act or the conditions attached to the licence which affects the conduct of the regulated activity;
  - (b) obtained a licence by fraud or deliberate submission of false information or statements;
  - (c) fails to comply with obligations conferred within the terms stated in the licence;

- (d) persistently fails to comply with the approved local content plans;
- (e) interrupts services to other users without authorization of the Authority;
- (f) carries on business in a manner that is detrimental to the welfare or interest of other users;
- (g) violates the tariffs, rates and charges established by the Authority;
- (h) persistently fails or refuses to submit information to the NPGIS;
- (i) fails to comply with the applicable health, safety, service, quality or environmental standards, or any other additional standards as may be stated in the licence; or
- (j) is convicted or found guilty of an offence relating to corruption, money laundering, economic crimes or tax evasion.
- (2) The Authority may revoke a licence if there is a change in the shareholding structure of the licensee which has not been approved in advance by the Authority.
- (3) Upon revocation of a licence under sub-Rule 24(1), the Authority shall notify the licensee in writing the revocation and effective date of the order from which the licence shall no longer be of any legal force or effect.
- (4) A licensee shall, within fourteen (14) days of receiving an order of revocation, return the licence to the Authority.
- (5) Any person whose licence has been revoked pursuant to the provisions of sub-Rule 24(1) shall not be eligible for issuance of a licence for a period of twenty-four (24) months from the date of revocation.
- (6) The rights and powers of the Authority set out in these Rules shall be without prejudice to any rights and

powers of the Authority set out in regulations or rules governing the inspection and monitoring of facilities.

### PART IV SUB-PART I OBLIGATIONS OF A LICENSEE

General obligations of a licensee.

- 25. A licensee shall at all times:
- (a) comply with:
  - (i) these Rules;
  - (ii) the Act;
  - (iii) any applicable law;
  - (iv) guidelines, orders and directions of the Authority;
  - (v) the terms and conditions of the licence;
  - (vi) applicable codes and standards on safety, hazardous substances, security, health and environment; and
  - (vii) best international petroleum industry practices;
- (b) undertake reliable and safe gas storage services;
- (c) provide efficient and effective services consistent with the principles of uniformity, homogeneity, regularity, safety, timeliness and continuity;
- (d) operate and maintain the facility, and conduct its licensed activity in accordance with the applicable standards and in a manner that does not endanger public health, safety or environment:
- (e) serve prompt notice to the Authority concerning any event that requires modification of conditions under the licence for provision of the licensed activity;
- (f) not engage in any activity that impedes or may impede either proper implementation of the

- licensed activity or any licensed activity of other licensees;
- (g) ensure management of the licensed activity in a manner consistent with the principles of ensuring technical expedience and the objective of achieving the highest quality of gas storage services;
- (h) procure and maintain valid insurance cover against any liability that the licensee may incur in constructing or operating a facility:
  - (i) in compliance with relevant applicable insurance law; and
- (ii) during the full term of its licence period;
- (i) carry out all works related to the facility in accordance with best international petroleum industry practices;
- (j) adhere to the approved local content plan;
- (k) inform the Authority as soon as practicable, but in any event not more than one hour after the occurrence of a hazardous situation or incident related to its licensed activity, occurring within its facility, provided that a detailed report including the steps taken or proposed to be taken to remedy such situation or to eliminate or minimize the hazard arising from such situation be submitted within time as stipulated in the emergency response plan prepared under Rule 42;
- (l) when the facility is left unattended, ensure that it is left in the safest condition possible;
- (m)employ a sufficient number of qualified personnel to ensure that the conduct of its licensed activity complies with these Rules;
- (n) pay all applicable fees;
- (o) submit to the Authority correct formal data, records, samples and information as the

- Authority may require;
- (p) submit to the Authority the quantity of gas stored on a daily basis;
- (q) print its licence number on all accounting documents employed in its licensed activity, including invoices, delivery notes and receipts;
- (r) notify the Authority and its customers in writing thirty (30) days prior to a planned disruption of a licensed activity;
- (s) notify the Authority for approval at least thirty (30) days before it installs additional facilities related to its regulated activity;
- (t) notify the Authority and its customers in writing prior to decommissioning a facility in accordance with Rule 40;
- (u) accord full cooperation to the Authority during any inspection, investigation or monitoring exercise over the facility;
- (v) establish and maintain records pursuant to these Rules, the Act, any applicable law and the orders and directions of the Authority;
- (w) provide the Authority with full access to its records, documents, sites and assets pursuant to these Rules and applicable law;
- (x) not to keep any source of ignition or any other instruments or products in or near a facility that might pose a risk of fire or otherwise;
- (y) ensure the availability of adequate fire-fighting equipment;
- (z) not to abandon a facility other than in accordance with the Act, these Rules, the licence conditions, any applicable law and the orders and directions of the Authority;
- (aa) ensure that a facility equipment is calibrated for correct measurements and are in good working condition in accordance with required standards

- and best international petroleum industry practices;
- (bb) ensure that a supervisor is present at a facility at all times, and in his absence any person employed or acting as an agent of a licensee at a facility shall perform the duties of a supervisor;
- (cc) display in a conspicuous place at a facility a licence or a certified copy thereof; and
- (dd) as soon as practicable, but in any event not later than thirty (30) days after it becomes aware of the fact, notify the Authority:
  - (i) if it is unable to conduct its licensed activity; or
  - (ii) if the conduct of its licensed activity would or might lead to the breach of any of these Rules or materially affect its operation.

Tariff

26. A licensee shall charge to customers a tariff for storage as approved by the Authority in accordance with the Energy and Water Utilities Regulatory Authority (Tariff Application and Rates Setting) Rules, 2017 (as may be amended or substituted from time to time) or shall obtain the approval of the Authority for tariffs charged.

Third Party Access and unused storage capacity

- 27.-(1) A licensee shall utilise or offer the maximum technical storage capacity of the facility in respect of which it holds a licence.
- (2) A licensee shall provide third party access to the facility in respect of which it holds a licence as required by any applicable law governing the provision of third party access and usage rights to facilities.

Transshipme nt to authorized persons

28.-(1) Where the terms of the construction approval and licence issued for the relevant facility permit the trans shipment of gas, the licensee shall provide trans shipment to authorized persons.

- (2) For the purposes of sub-Rule 30(1), "authorized persons" shall mean persons holding an appropriate licence issued pursuant to the Act, the terms of which licence permit the relevant person to deal with the gas which is to be trans shipped.
- (3) Notwithstanding the generality of sub-Rule 30(1), the trans shipment of gas from a licensee to an authorized person shall be subject to agreement of commercial terms between the licensee and the authorized person in accordance with any applicable law governing the provision of third party access and usage rights to facilities.

### SUB-PART II TECHNICAL OBLIGATIONS OF A LICENSEE

Technical obligations of a licence

- 29. A licensee shall at all times:
- (a) maintain the highest gas quality and standard throughout the facility;
- (b) submit, in the format required by the Authority, the technical specifications of the facility;
- (c) prepare and maintain a manual containing procedures for storage operations, corrosion control, integrity management, operations and maintenance, way leave management, effective leakage management, safety work permit or any other information as may be required by the Authority;
- (d) ensure that it has conducted training exercises in carrying out emergency response plans;
- (e) ensure that it is capable of adequately responding to gas leakages;
- (f) ensure that it decommissions a facility pursuant to these Rules and applicable law;
- (g) ensure that a facility and related equipment are calibrated, recalibrated, or functional checks of the equipment performed, for correct

- measurements, and are in good working condition in accordance with manufacturer specifications, required standards and best international petroleum industry practices; and
- (h) promptly notify the Authority of any gas unaccounted for.

### PART V CONSTRUCTION

Construction contract requirements

- 30.-(1) If a person contracts for the provision of services in respect of the construction of a facility, the contract shall:
  - (a) require the contractor and the subcontractors to be fully informed of and to comply with the requirements of these Rules applicable to the construction of the facility and of the licensee's (or applicant's, where the relevant licence has not yet been granted) prescribed policies and procedures to the extent that they are applicable to the construction of the facility; and
  - (b) impose on the person an obligation to appoint as its safety office ran individual having sufficient expertise, knowledge and training to carryout competently the duties described in sub-Rule 32(2).
- (2) A person appointed under sub-Rule 32(1)(b) has a duty to regularly monitor the construction of the facility and to halt any activity in circumstances where, in the safety officer's judgement, the activity is creating a hazard to the public or personnel at the construction site or to the environment.

### PART VI OPERATIONS AND MAINTENANCE

Operations

- 31.-(1) A licensee of a facility shall take all reasonable steps to ensure that:
  - (a) operating activities at the facility do not create a detriment to the environment or a hazard to the safety of persons that is greater than the detriment or hazard normally associated with identical activities carried on elsewhere;
  - (b) no equipment is operated with a hazarddetection alarm or shutdown device that is bypassed or rendered inoperable; and
  - (c) data recorded at the facility are retained for an alysis in the event of an incident or near-miss.
  - (2) The licensee of a facility shall:
  - (a) test all hazard-detection devices as part of regular maintenance activities to determine whether they are fully functional;
  - (b) document and maintain records of all testing, repairs and replacement of parts in the hazard-detection devices;
  - (c) clearly mark the open and closed positions of main emergency shutdown valves;
  - (d) post signs along the site boundaries of its facility indicating the name of the licensee and the telephone number to call in the event of an emergency at the facility; and
  - (e) post warning signs of potential hazards.

Compliance with specifications and standards

- 32.-(1) A licensee shall comply with the approved specifications and standards pertaining to gas, material, design, construction, testing, operation, maintenance and equipment which are consistent with these Rules and applicable law.
- (2) A licensee shall not deviate from any approved specification without prior approval of the Authority, and the Authority shall not grant such an approval unless it is

satisfied that such deviation is for public interest and will not negatively affect public safety, the environment or the facility.

(3) A licensee of a facility shall not alter the facility to change its design, specifications or relocate, unless an application in respect to the change is submitted to the Authority in the form prescribed in the Fourth Schedule to these Rules and approved by the Authority.

Safety requirements

- 33. A licensee shall equip its facility with:
- (a) a source of emergency power;
- (b) systems that are appropriate to its buildings or structures and that a redesigned for the detection of:
  - (i) explosive and flammable gases;
  - (ii) toxic or noxious gases; and
  - (iii) fire, the products of combustion or temperature rise; and
- (c) alarm devices that are:
  - (i) located where they can be heard or seen from all locations within the facility; and
  - (ii) designed in a manner that will allow a timely warning of danger to be given to persons in the facility or in the vicinity of the facility in order to permit safe evacuation or actions to control the danger.

Fire precaution

- 34.-(1) A licensee, on taking precautions to prevent the out break of fire when storing gas, shall:
  - (a) ensure that any building, road, structure or plant used in connection with a licensed facility is designed, constructed, equipped and maintained:
    - (i) in such a way as to prevent fire and explosion; and

- (ii) so as to minimize the harmful effects of fires or explosions if they occur;
- (b) ensure that personnel involved in the operation of gas storage facilities exercise caution in respect of anything that may cause fire or an explosion, and that such personnel follow applicable law on matters related to fire and explosions; and
- (c) clearly indicate by a sign a place at a licensed facility where gas is stored.
- (2) A licensee shall make reasonable efforts to ensure that no person throws, leaves or creates any open or naked light, spark or flame or any burning or smouldering material at a licensed facility.
- (3) A licensee shall provide adequate fire extinguishing equipment and maintain such equipment in good working condition in accordance with these Rules, applicable law and best international petroleum industry practices and pursuant to directions issued by the Authority.
  - (4) A licensee shall:
  - (a) position the equipment described in sub-Rule 36(3) in accessible places at a licensed facility; and
  - (b) in any event, not less than once a year, test the equipment described in sub-Rule 38(3) pursuant to applicable law.
- (5) A licensee shall establish a fire emergency plan to be employed in the event of a fire at a licensed facility that shall:
  - (a) include a suitable and adequate fire-fighting plan that comprises:
    - (i) the locations and types of all fire-fighting equipment; and
    - (ii) an action plan that identifies, among other things, assembly points and the tasks of all

### employees;

- (b) include provisions for the training and retraining of employees to deal with a fire emergency situation, the records of which shall be preserved;
- (c) be provided to employees in or on the relevant premises; and
- (d) be made available to the Authority on request.

Occurrence of hazardous situation or act

- 35.-(1) In the event of the occurrence of any incident that adversely affects the normal operation of the facility or causes a significant risk to public health and safety (or any near-miss that would have done so had it occurred), the licensee shall immediately notify the Authority and in any event within twenty-four (24) hours after the incident (or near-miss, as applicable).
- (2) Subject to sub-Rule 37(1), the licensee shall submit to the Authority a report regarding the incident within fourteen (14) days after the incident or near-miss occurred.

Suspension of operations

- 36.-(1) A licensee shall not fully or partially suspend its operations without notifying the Authority at least thirty (30) days before the intended date of full or partial suspension.
- (2) The notification referred to in sub-Rule 38(1) shall be in writing stating the reasons for suspension.
- (3) The Authority, after receiving the notification, shall notify the licensee within fourteen (14) days on whether to suspend or continue with the operations as the Authority may direct.

Operations and maintenance

37.-(1) A licensee shall promptly after, and in any event within three (3) months of, being issued a licence

manual

prepare and maintain an operations and maintenance manual containing procedures for operation, corrosion control, integrity management, maintenance and repair; and upon request, file a copy of such manual with the Authority for review.

- (2) The operations and maintenance manual referred to in sub-Rule 39(1) shall include provision for evaluation and mitigation of issues with the facility and the licensee shall update the manual as necessary to:
  - (a) ensure that the contents are correct; and
  - (b) be able to demonstrate that the procedures contained in the manual are being implemented.
- (3) The operations and maintenance manual referred to in sub-Rule 39(1) shall be submitted to the Authority by the licensee with comprehensive operating information and procedures to ensure safety, environmental protection and prevention of waste in the operation of the licensee's facility, including:
  - (a) a list of all structures, facilities, equipment and systems critical to the operations, including:
    - (i) drawings, plans, flow sheets and schematics;
    - (ii) measurement and technical specifications;
    - (iii) safety factors, operability limits and process control set points;
    - (iv) identification of all hazardous locations and their classifications; and
    - (v) locations of safety equipment and escape routes:
  - (b) a summary of the systems and procedures for the inspection, testing and maintenance of all structures, facilities, equipment and systems critical to the operations; and
  - (c) the organizational structure for the facility which:
    - (i) clearly explains the authority and reporting

- relationship within the structure; and
- (ii) provides the contact information and position of the person accountable for the operations and maintenance manual and of the person responsible for implementing it.

Decommissi oning procedures

- 38.-(1) A licensed facility may, subject to the provisions of the Act and these Rules, be decommissioned.
- (2) A licensee seeking to decommission a licensed facility shall notify the Authority not less than two (2) years prior to such decommissioning in order to enable the Authority make necessary inspections and to issue the necessary approvals.
- (3) Without prejudice to sub-Rules 40(1) and 40(2), a licensee shall ensure that a facility is decommissioned in all respects in accordance with applicable law.

Site restoration

- 39.-(1) A licensee shall be responsible for the restoration of the site upon which the facility is (or was) located.
- (2) The Authority shall, after confirming that the area where a licensed facility has been constructed has been restored to its original state by a licensee, issue a certificate of compliance to such licensee.
- (3) For the purposes of sub-Rule 41(1), "restore" (and its derivatives) means to:
  - (a) return the area on which a licensed facility is located to its original and natural state as it was prior to the installation of such facility; or
  - (b) render the area on which a licensed facility is located, or part thereof, compatible with its intended after-use, including:
    - (i) removing buildings, structures, plant and debris;
    - (ii) establishing compatible contours and

#### drainage;

- (iii) replacing topsoil, re-vegetation, slope stabilization; and
- (iv) infilling excavations.
- (4) The Authority shall, before issuing a certificate of compliance to the licensee under sub-Rule 41(2), consult the Council.

# PART VII EMERGENCY RESPONSES

Emergency response plan

- 40.-(1) A licensee shall prepare and maintain an emergency response plan for the licensed facility in accordance with best international petroleum industry practices and submit a copy to the Authority for review on request.
- (2) A licensee's emergency response plan shall contain procedures for how to respond to and mitigate the effects of any reasonably foreseeable event that might compromise safety or environmental protection at the licensee's facility.
  - (3) An emergency response plan shall provide for:
  - (a) contingency plans;
  - (b) a method of classifying incidents and response actions for specific incidents;
  - (c) internal and external notification, communication and reporting procedures;
  - (d) procedures for accessing essential safety and environmental information;
  - (e) organizational structure and resources to manage the emergency, including trained personnel, equipment and facilities;
  - (f) duties, responsibilities and authorities of all personnel involved in the emergency response, including job descriptions and checklists;
  - (g) communication protocols and coordination and

- liaison measures with relevant governmental emergency response organizations;
- (h) a process for periodic review and updates of emergency response plans and personnel evacuation plans;
- (i) a description of the safety equipment and medical equipment;
- (j) communication systems designed and protected to enable operation in an emergency;
- (k) all reasonably practicable steps to ensure safety and environmental protection;
- (l) prompt and effective response to a notice of each type of emergency, including gas detected inside or near a building; and
- (m) natural disaster.
- (4) The licensee of a facility shall:
- (a) update the emergency response plan for the licensed facility as necessary;
- (b) conduct training exercises in carrying out emergency response plans;
- (c) establish and maintain a liaison with the agencies that may be involved in an emergency response activity at its facility, including the appropriate fire, police and other public responsible institutions, and consult with them in developing and updating its emergency procedures manual;
- (d) take all reasonable steps to inform persons who may be associated with an emergency response activity at its facility of the practices and procedures to be followed and make available to them the relevant information from the emergency procedures manual; and
- (e) develop and implement the continuing education programmes for police, fire department, medical facilities other appropriate

organizations and agencies and the public residing in proximity to the facility to inform them of its location, potential emergency situations involving the facility and the safety procedures to be followed in the event of an emergency.

Control and response to gas leakage

- 41.-(1) Without prejudice to the generality of Rule 31, a licensee shall at all times ensure that it is capable of adequately responding to gas leakages.
  - (2) A licensee shall, in the event of a gas leakage:
  - (a) take all necessary steps pursuant to best international petroleum industry practices and the emergency response plan prepared and maintained in accordance with Rule 42 as may be necessary to remedy the effect of such gas leakage;
  - (b) without prejudice to the provisions of Rule 27, as soon as practicable, and in any event, not more than twenty-four (24) hours after the occurrence of such gas leakage, update the Authority regarding such gas leakage with all details then available.
- (3) In the event a licensee fails to comply with sub-Rule 43(2) within the period of time established by the Authority, the Authority may, by written notice, order such licensee to take such steps as the Authority may require in order to remedy the effect of such leakage at the licensee's own cost.
- (4) Any licensee who, without reasonable excuse, fails to comply with an order of the Authority issued pursuant to sub-Rule 43(3)commits an offence and shall on conviction, be liable to:
  - (a) a fine of not less than one hundred million (100,000,000) Tanzanian Shillings or to imprisonment for a term of not less than ten (10)

years or both; or

(b) in case of a body corporate, to a fine of not less than five hundred million (500,000,000) Tanzanian Shillings.

# PART VIII RECORDS, REPORTING AND INFORMATION

Record Keeping

- 42.-(1) A licensee shall at all times keep and maintain complete and accurate records and data related to its regulated activity.
- (2) A licensee shall comply in all respects with applicable law concerning keeping and maintaining reports, records and returns related to its regulated activity.

Maintenance of records, provision and disclosure of information

- 43.-(1) A licensee shall, in accordance with the Authority's requirements and pursuant to the Authority's directions, promptly provide to the Authority documents, records, samples and information related to its regulated activity.
- (2) Any licensee who is unable to, or refuses to, furnish any information or statements as required under sub-Rule 45(1) or furnishes false information or statements to the Authority shall be liable on conviction to a fine of not less than ten million (10,000,000) Tanzanian Shillings or to imprisonment for a term of not less than two (2) years or both.

Obligation to provide information to NPGIS

- 44.-(1) A licensee shall, through the internet, lodge to the NPGIS periodic reports and other information as may be prescribed by the Authority.
- (2) A licensee who fails or refuses to provide information to the NPGIS as required by sub-Rule 48(1) commits an offence and its licence shall be subject to suspension or revocation pursuant to Rule 23 or 24 (as

applicable).

# PART IX GENERAL PROVISIONS

Staffing plan and training program

- 45.-(1) Every licensee shall have a staff plan updated regularly which shall provide for:
  - (a) the number of persons to operate its facility safely; and
  - (b) the competencies required for each position.
- (2) The licensee shall ensure that its facility at all times are staffed with competent personnel in accordance with the plan referred to in sub Rule 47(1):
  - (a) all personnel have, before assuming their duties, the necessary experience, training and qualifications and are able to conduct their duties safely, competently and in compliance with these Rules; and
  - (b) records of the experience, training and qualifications of all personnel are kept and made available to the Authority on request.
- (3) A licensee's training program shall contain instructions for all personnel directly involved in the operation of its facility respecting:
  - (a) the safety practices and procedures applicable to the operation of the facility;
  - (b) responsible environmental practices and procedures in the operation of the facility;
  - (c) the proper operating procedures for the equipment that they could reasonably be expected to use; and
  - (d) the emergency procedures set out in the operation and maintenance manual referred to in Rule 39.

Inspections

- 46.-(1) A licensee shall:
- (a) conduct annually a complete inspection of its facility to determine whether the facility is in compliance with these Rules, the conditions of the licence and the directions of the Authority; and
- (b) maintain and submit upon request by the Authority records of all inspections conducted.
- (2) An inspection under sub-Rule 48(1) shall be conducted during each calendar year (twelve (12) months following the grant of the licence but with intervals not exceeding eighteen (18) months.
  - (3) The Authority may:
  - (a) by a notice direct the licensee to test, inspect or perform an engineering assessment of all or any part of its facility in accordance with the directions in the notice, if the Authority considers that the notice is warranted by concerns related to safety or environmental protection; and
  - (b) request the licensee to submit a report respecting the test, in section or assessment by the dead line in the notice containing the request.
- (4) If the licensee engages a contractor to perform an inspection under sub-Rule 48(1) or a test, inspection or engineering assessment referred to in sub-Rule 48(3), the contractor shall be independent of:
  - (a) the contractor who constructed the facility;
  - (b) any person who participated in the fabrication of any of the components to be tested.
- (5) If an annual inspection under sub-Rule 48(1) or a test, inspection or engineering assessment referred to in sub-Rule 48(3) is performed by the licensee, it shall be performed under the direct supervision of an independent agent engaged by the licensee for the purpose who has

sufficient expertise, knowledge and training to perform it competently

#### Compliance Audit

- 47.-(1) A licensee shall, as directed by the Authority from time to time, conduct an audit in compliance with:
  - (a) these Rules;
  - (b) records related to the facility, including prescribed programs, to determine whether the licensee was, during the period covered by the audit, in compliance with the Act, these Rules and the licence; and
  - (c) the satisfactory competency of personnel in supervisory or operational positions at its facility; and
  - (d) applicable law.
- (2) The compliance audit shall be conducted by an independent auditor or any other expert hired by the Authority.
- (3) The costs associated with the audit described in sub-Rule 49(2) shall be paid by the Authority.

#### Health, safety and environment

- 48.-(1) A licensee shall comply with the requirements of all applicable environmental laws and standards related to a licensed facility.
- (2) A licensee shall, while storing gas take such precautions and exercise such care as may be reasonable under the circumstances in order to:
  - (a) observe strict health, and industrial safety standards as required to avoid end angering the safety or health of any person, or the safety of any person's property;
  - (b) take all necessary preventive measures to reduce pollution resulting from operating its storage plants;
  - (c) prevent risk of significant environmental harm; and

- (d) perform an environmental audit related to its licensed activity in accordance with applicable environmental laws.
- (3) A licensee shall dispose of waste in a manner and at a place intended for the disposal of gas waste products.
- (4) When a substance escapes from a facility and it appears to the Authority that the substance may not otherwise be contained and cleaned up in the immediate near term, the Authority may:
  - (a) require a licensee to take any steps that the Authority deems necessary to contain and clean up, to the satisfaction of the Authority and the Ministry responsible for Environment, the substance that has escaped and to prevent further leakage of the substance; or
  - (b) enter on the area where the substance has leakage and conduct any operations it deems necessary to contain and clean up the substance that has leakage and to prevent further leakage of the substance if the licensee has failed to take the required steps.
- (5) When the Authority enters on an area pursuant to sub-Rule 50(4)(b):
  - (a) every person responsible for the escape of the substance, the licensee and every officer and employee of such licensee shall, until the operations to be conducted by the Authority are completed, obey the orders concerning those operations given by the Authority or a person or persons the Authority places in charge of those operations;
  - (b) the Authority may recover, deal with and dispose of the escaped substance as if it were the property of the Authority, and if any escaped substance is sold, apply the proceeds to pay the

- costs and expenses of the operations conducted by the Authority; and
- (c) the Authority may engage any persons it deems necessary to conduct any of the operations on its behalf.
- (6) When any operations are conducted pursuant to sub-Rule 50(5):
  - (a) by a licensee or other person under sub-Rule 50(4)(a) and such person requests the Authority to do so; or
  - (b) by or on behalf of the Authority under sub-Rule 50(4)(b), the Authority may determine the costs and expenses of the operations and direct whom and to what extent they shall be paid.
- (7) A licensee shall appoint an adequate number of health, safety and environment officers to address and be responsible on health, safety and environment matters related to the licensed activity.

Visitors

49. A licensee of a facility shall take all reasonable steps to ensure that all visitors to its facility are familiar with the components of the safety program necessary for their personal safety before they enter the site for the facility and comply with the safety program while they are on the site of the facility.

Compensati on for loss suffered

- 50.-(1) A licensee shall be obliged to compensate any person who has suffered any injury, loss of life nor property or the environment as a result of the licensed activity.
- (2) Any person who has suffered injury, loss of life or property or environment as a result of a licensed activity shall first lodge a complaint with a licensee whose licensed activity has caused such loss with a view to reaching an amicable settlement.

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(3) In the event no settlement is reached under sub-

- rule 52(2), the person who has suffered injury or loss may refer the matter to the Authority for decision and the Authority shall deal with such matter as if it is a complaint lodged pursuant to the provisions of the EWURA Act.
- (4) For the purpose of this Rule, a person includes an administrator, executor or executrix of the estate of a deceased person.

# Confidential information

- 51.-(1) All information submitted to the Authority for tariff application shall be presumed not to be confidential and shall become a matter of public record, scrutiny and inquiry.
- (2) A licensee may request the Authority not to circulate specific data or information that it has provided to the Authority, provided, that only the Authority shall determine whether such information is confidential.
- (3) The Authority shall limit or prohibit the publication of any information to the public in the event it makes a determination that such information is confidential.

# Investigation of facility

- 52.-(1) The Authority may initiate an investigation of the licensed activity in relation to technical, economic and safety issues, including:
  - (a) Incidents that result in damage of any facility, injury or loss of life or property; and
  - (b) in relation to activities of a licensee.
  - (2) The Authority may initiate an investigation:
  - (a) upon receipt of a complaint by any third party; or
  - (b) on its own motion.
- (3) The Authority may investigate and require a licensee to comply with:
  - (a) the relevant quality, safety and reliability design standards applicable to the licensed activity; and
  - (b) the applicable environmental law.

(4) Upon investigation, where the Authority concludes that a licensee has not complied with any condition of its licence, these Rules or any applicable law, the Authority may impose penalties pursuant to applicable law.

Power to enter for inspection and close agas storage facility

- 53.-(1) The Authority shall have the right to enter the premises for the purpose of conducting an inspection to any facility.
  - (2) During inspection the Authority may:
  - (a) take samples of any substance or articles stored in a facility;
  - (b) make copies or take extracts from any book, accounts or records kept on a licensed facility;
  - (c) inspect machinery, equipment, appliances, meters, fittings and apparatus; and
  - (d) inspect any common carrier, facility, or installation.
- (3) Notwithstanding any provision in these Rules an inspector may:
  - (a) enter upon any facility and close it down where it has been determined that a licensed activity is being conducted in contravention of these Rules; and
  - (b) invoke any other remedy available to the Authority under applicable law, including rules and regulations covering the inspection and monitoring of facilities.
- (4) An inspector may while discharging his obligation under sub-rule 53(3) seek the assistance of any law enforcement institutions including the police and such institution shall provide the requested assistance to the inspector.

Prohibited

54.-(1) A licensee shall not:

acts against inspectors

- (a) hinder or obstruct the Authority in the exercise of any of the powers conferred upon it under these Rules;
- (b) use abusive, threatening or insulting language to an employee of the Authority;
- (c) deny or fail to comply with a requirement, direction or notice of the Authority; and
- (d) when required by the Authority to answer a question, deny or fail to answer such question to the best of his knowledge, information and belief.
- (2) Any person who contravenes the provisions of sub-Rule 56(1) or who commits an offence shall be liable, on conviction, to a fine of not less than ten million (10,000,000) Tanzanian Shillings or to imprisonment for a term not exceeding two (2) years or both.

Transitional provision

55. Any person who conducts activities in connection with a facility whether licensed or not shall within twelve (12) months after coming into force of these Rules, adjust its operations and upgrade its facilities in order to comply with the provisions of these Rules.

Penalties and remedial measures

- 56. The Authority may, without prejudice to other specific remedies, powers and penalties prescribed in these Rules and applicable law, where it determines that a licensee is in violation of these Rules or applicable law:
  - (a) issue a warning;
  - (b) issue a compliance order restraining a licensee from continuing violation of these Rules, licence conditions, the Act or applicable law;
  - (c) restrict the conduct of a licensed activity;
  - (d) order a licensee to remedy any situation as a result of such violation; or
  - (e) issue a partial suspension of a licence for such period as the Authority may determine.

Appeal

57. A person who is aggrieved by a decision, direction or order of EWURA or an authorised officer under these Rules may, within fourteen (14) days from the date of the decision, direction or order, appeal to the Fair Competition Tribunal in accordance with the provisions of the Fair Competition Act.

#### FIRST SCHEDULE

(Made under Rule 4(3) of the Petroleum (Natural Gas) (Storage) Rules, 2019

APPLICATION FOR CONSTRUCTION APPROVAL FOR A FACILITY



7<sup>TH</sup> Floor, LAPF Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama P O Box 72175, Dar es Salaam, Tanzania Tel: +255-22 2923513-18; Fax: +255-22 2923519

Email: <a href="mailto:info@ewura.go.tz">info@ewura.go.tz</a> Website: <a href="http://www.ewura.go.tz">http://www.ewura.go.tz</a>

	For EWURA Use Only
Date Received:	Docket Number:
Time Received:	Received by:

<u>IMPORTANT NOTES</u>: Please complete this form and return the relevant enclosures to the Authority.

In order to avoid unnecessary delays, please answer all items in full and submit to EWURA a complete form with all necessary enclosures. No application will be processed until it has been found to be complete.

When completing this form, PRINT IN BLUE OR BLACK INK ONLY. Where options are given tick the relevant box. Leave no item unanswered or un-ticked. If an item seems not applicable to the specific application, you should indicate with block capitals N/A meaning Not Applicable. Please ensure that all the required documents are enclosed and that each separate sheet of information attached to the application corresponds to a specific item in the application.

Part1A – General Particulars			
1. Name of Applying Entity:		FOR EWURA USE ONLY	
		Dotails match with	

2.	Registration (attach documents)		registration authorities? ☐ Yes ☐ No
	a) Certificate of Incorporation No		Further action required?
	b) Memorandum and Articles of Association		
	c) TIN No		
	d) VAT No		
	a) Physical address:		Date requested
	b) Postal address:		Date received.
	c) Landline:		All details completed in full?
	d) Facsimile:		☐ Yes ☐ No
	e) Cellular Phone:		Further information required?
	f) E-mail:		Date requested
	g) Website address:		Date received.
	a) Contact name:		Date requested
	b) Position in organisation:		Date received.
		ı	
3.	If the applicant is a Joint Venture with other entity, provide particulars:		Further action required?
	a) Official Names of Directors:		Date requested
	b) Official Names of Partners:		
	c) Nationality:		
	d) Shareholding (%):		
	e) Physical address:		Date received

	f) Postal address: g) E-Mail:			
	Part1B – Details of Cons	truc	tion	
4.	Type of construction approval applied for:		FOR EWURA USE ONLY	
	<ul><li>a)  Gas Processing</li><li>b) Gas Transportation</li></ul>		Further information required?	
	c)		Further action required?	
	e)		Date received.	
5.	Type of application			
	a) New			
	b) Extension			
6.	Application Fee amount and method of payment			
			Correct fees paid?	
	a) Amount: TShs US\$		☐ Yes ☐ No	
	b) Mode: Cash Cheque Other (specify)		Further action required?	
7.	Fees Payment Receipt No.		Action completed?	
			☐ Yes ☐ No	
Part 1C – Financial Information				

8. Provide Certified Audited Financial Statements and Accounts for the last 3 years (or latest 3 years) prior to application.		All documents submitted
		☐ Yes ☐ No
☐ last year ☐ last 2 years ☐ last 3 years		Further action required?
Part1D– Extension of a Const	ruction	ı Approval
9. Extension applied for:		FOR EWURA USE ONLY
a) Gas Transportation		Further information  ☐ Yes ☐ No
b) 🔲 Gas Distribution		
c) Gas Storage		
10. Please provide the reference number of the existing application approval		Is reference number  □ Yes □ No

	Further information
	☐ Yes ☐ No
11. Provide the duration of extension sought	
	Action completed?  Yes No
	All details completed in
	☐ Yes ☐ No
	Action completed?
Part2 – Enclosures	
12. Provide the following accompanying documents	
☐Project document showing:	Further information
— Project definition	
<ul><li>Technical analysis</li></ul>	
<ul> <li>Financial and economic analysis</li> </ul>	
<ul> <li>Project implementation schedule</li> </ul>	
— The proposed route or corridor of the	
pipeline	☐ Yes ☐ No
Maximum operating pressure	

<ul> <li>Technical and financial experts profiles</li> </ul>		
□□Site Maps		
□□Land-use Plan		
☐ Proof of Land Use Rights		
☐☐Environmental Impact Assessment Certificate		
□□Safety Policy		FOR EWURA USE ONLY
□□relevant contracts, agreements, permits, conventions,		FOR EWURA USE ONLI
or memorandum of understanding		
	ı	
13. State the specific areas to which regulated gas will be supplied.		
		Further information
		☐ Yes ☐ No
		Date received.
Part3– Declaration by the App	olicant	
Ihereby declare that I am authorized to make this applica	tion o	(insert title/position) n behalf of the applicant
(insert the name of the applicant). I further declare t the information supplied herein are correct.	that to	the best of my knowledge
_		
SWORN/AFFIRMED atby the saidwho is identified to		
me by/known to me personally		
the latter being known to me personally this DECLARANTday of20		
-		

# BEFORE ME:

# COMMISSIONER FOR OATHS

## NOTE:

If this application form is completed electronically it must be printed out, signed before a Commissioner of Oaths and shall, with the necessary supporting documents be submitted to EWURA Headquarter office or at Zonal Office

#### SECOND SCHEDULE

(Made under Rule 12(1) / 22(3) of the Petroleum (Natural Gas) (Storage) Rules, 2019

APPLICATION FOR A GAS STORAGE LICENCE



7<sup>TH</sup> Floor, LAPF Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama P O Box 72175, Dar es Salaam, Tanzania Tel: +255-22 2923513-18; Fax: +255-22 2923519

Email: info@ewura.go.tz Website: http://www.ewura.go.tz

For E	WURA Use Only
Date Received:	Docket Number:
Time Received:	Received by:

IMPORTANT NOTES: Please complete this form and return the relevant enclosures to the Authority.

In order to avoid unnecessary delays, please answer all items in full and submit to EWURA a complete form with all necessary enclosures. No application will be processed until it has been found to be complete.

When completing this form, PRINT IN BLUE OR BLACK INK ONLY. Where options are given tick the relevant box. Leave no item unanswered or un-ticked. If an item seems not applicable to the specific application, you should indicate with block capitals N/A meaning Not Applicable. Please ensure that all the required documents are enclosed and that each separate sheet of information attached to the application corresponds to a specific item in the application.

Part1A – General Particulars		
1. Name of Applying Entity:	FOR EWURA USE ONLY	
	Details match with	
2. Registration (attach documents)	re gi st	
	ra	

			ti on au th or iti es ? 
	a)	Certificate of Incorporation No	Further action required?
	b)	Memorandum and Articles of Association	
	c)	TIN №	
	d)	VAT №	
3.	Phys	sical and Postal address	
	a)	Physical address:	Date requested
	b)	Postal address:	Date received
	c)	Landline:	All details completed in fu ll ?
	d)	Facsimile:	☐ Yes ☐ No
	e)	Cellular Phone:	FOR EWURA USE ONLY
	f)	E-mail:	

# Petroleum (Natural Gas) (Storage)

			0 .
GN.	No. 182 (Contd.)		
	g) Website address:		
	h) Contact name		
	i) Position in organisation		
4.	If the applicant is a Joint Venture with other entity, provide particulars:		Further action required?
	a) Official Names of Directors:		Date requested
	b) Official Names of Partners:		
	c) Nationality:		
	d) Shareholding (%):		
	e) Physical address:		Date received.
	f) Postal address:		
	g) E-Mail:		
	Part1B – Details of Appl	icatio	ı
5.	Type of licence applied for:		FOR EWURA USE ONLY
	a) Gas Storage		Further information req uir ed
			? Further action required?
6.	Type of application		
	a) New		
	b) Renewal		
	c) Extension		
7.	Application Fee		Correct fees paid?
	a) Amount: TShs US\$		☐ Yes ☐ No
	h) Mode: \( \subseteq \text{Cash} \subseteq \text{Cheque} \subseteq \text{Other}		Further action required?

(specify)		
8. Fees Payment Receipt No.		FOR EWURA USE ONLY
o. Tees I uymeni Keceipi No.		
		Action completed?
Part1C – Financial Infor	mation	
0		FOR EWURA USE ONLY
9. Provide financial capability either-		
(a) an audited financial statement; or		All documents submitted in
(b) a bank guarantee or a credit facility; or		Au aocumenis suomitiea in full
(c) a bank statement showing a credit balance;		?
or		☐ Yes ☐ No
(d) an unequivocal letter of comfort from a		
financial institution or a bank.		
10. Bankers financial references in Tanzania		
a) Banker's Name		Further information required?
b) Address		
c) Contact Person		
Please continue on a separate sheet (if necessary)		Date requested
,, ,, ,, , ,, , ,, , ,, , ,, , ,, , ,, , ,, , ,, , , .		<b>1</b>
Part1D– Extension of a li	cence	
11. Extension applied for:		FOR EWURA USE ONLY
☐ Gas Storage		Further information
_ Gus Storage		r
		$rac{e}{q}$
		ui
		r
		e d
		a?
		☐ Yes ☐ No

	1	
12. Please provide the reference number of the existing application approval		Is reference number correct?
		Further information required?
13. Provide the duration of extension sought		
		Action completed?
		All details completed in full?
		Action completed?
Part2A – Project Description		
(This Part shall not be applicable for Applicants renew licences and Applicants granted with a Construction Approval by the Authority)		
14. Provide detailed description of the project and attach the detailed:		
Feasibility Study Report of the proposed project including without limitation details of:  — Technical analysis		Further information required?
<ul> <li>Project implementation schedule</li> </ul>		
☐Site Maps		
□ Land-use Plan □ Environmental Impact Assessment Certificate □ Land Rights □ Contracts, Agreements, Permits, Conventions, or Memorandum of Understanding		
Part 2B – Enclosure		
15. Provide the following accompanying documents		

(this part shall not apply unless the documents previously submitted to the Authority have been superseded or are no longer accurate)	
	FOR EWURA USE ONLY
☐Business Plan	Further information required?
Gas Sales/Supply Agreement(s) if any	105 110
Gas Processing Agreement(s)	
☐ Commissioning Report	
☐ As-built Project Drawings	
☐Emergency response plan	
☐ Commissioning Plan	
☐ Distribution System Plan	
☐Integrity Pledge	
Local Content Plan	
Others (if any)	Date received.
16. State the specific areas to which regulated gas will be supplied.	
	Further information required?
	☐ Yes ☐ No
	Date received.
I	

Part3– Declaration by the Applicant
I
SWORN/AFFIRMED at
BEFORE ME:
COMMISSIONER FOR OATHS
NOTE:  If this application form is completed electronically it must be printed out, signed before a Commissioner of Oaths and shall, with the necessary supporting documents be submitted to EWURA Headquarter office or at Zonal Office

#### THIRD SCHEDULE

(Made under Rule 18(2)/20(1) of the Petroleum (Natural Gas) (Storage) Rules, 2019 APPLICATION TO TRANSFER A LICENCE



7<sup>TH</sup> Floor, LAPF Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama P O Box 72175, Dar es Salaam, Tanzania Tel: +255-22 2923513-18; Fax: +255-22 2923519

Email: <a href="mailto:info@ewura.go.tz">info@ewura.go.tz</a> Website: <a href="http://www.ewura.go.tz">http://www.ewura.go.tz</a>

This section to be completed by the Current Licensee					
	Current Licensee to complete as appropriate				
Current Licensee's name					
Name and address of the Transferor (of the Licence or of the shares in the Licensee)					
Reason for Transfer (attach documentary proof)					
Address of the Licensed Facility					
	Postcode		Tel No.		
	Email				

					1	
Licence Particulars		Type of Licence :				
		Licence No:				
		Licence Durat	ion:			
		Expiry Date:				
I agree to the [Lic transferred to the			] [DELETE A	AS A	APPROPR	RIATE] being
Name and physical Address of the Transferee :			Date:			
Business Organisation (Sole proprietor, Company, Partnership)			Position:			
			Date:			Company Seal
Principal Officer (only if						
the transferee is a company or partnership)			Signature:			
			1.			
Names of			2.			
Partners or Shareholders			3.			
(before and after any transfer of shares, as applicable)			4.			
			5.			
			6.			
			7.			

#### This section to be completed by the Applicant(s)

- I the undersigned, being the new occupier of the premises detailed in the application, hereby apply for the transfer of the [current licence / shares in the current licensee] [DELETE AS APPROPRIATE] and I hereby declare that the information stated herein in regard to the transferee is true to the best of my knowledge.
- 2. In the event of a licence being transferred:
  - (a) I agree to abide by the conditions laid down by EWURA and applicable law, and not to alter in any way the approved arrangements of the facility without the written approval of EWURA, nor use the said facility for any other purpose than those prevailing at the time the licence is transferred;
  - (b) the licence shall have the like effect in all respects; and
  - (c) all duties and responsibilities that were to be fulfilled by the transferor shall be duties and responsibilities of the transferee.

Date		
Signed:	Position:	
Print Name		

Ownership of the site comprising the licensed facility.

If the licensee is not the owner of the site (i.e. a tenant), enter below the name and address of the owner or owners, as the case may be:

Details	Current licensee / Transferor to complete if applicable		
Name (of owner)			
Address:			
Post Code		Tel No.	

Email
-------

Fee TZS	•••••	Payable to: EWURA Account: 01J1022244000; CRDB
		Holland Branch.

#### Notes

- 1. The applicant(s), (if an individual person or partnership) must be over 18 years of age.
- 2. By signing the form both the transferee and transferor declare that they are authorized to make this application and that the information supplied there herein is correct.
- 3. This application together with the appropriate fee, should be forwarded to the Director General, EWURA at 7TH Floor, LAPF Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama, P.O Box 72175, Dar es Salaam.

The application must include the documents required under Rule 18(3) or Rule 20(1), as applicable.

#### FOURTH SCHEDULE

(Made under Rule 21(2) / 34(3) of the Petroleum (Natural Gas) (Storage) Rules, 2019

## APPLICATION FORMAT FOR FACILITY RELOCATION OR ALTERATION



7<sup>TH</sup> Floor, LAPF Pension Fund Tower,

# ISO 9001:2008 Certified

Opposite Makumbusho Village, Kijitonyama P O Box 72175, Dar es Salaam, Tanzania Tel: +255-22 2923513-18; Fax: +255-22 2923519

Email: <a href="mailto:info@ewura.go.tz">info@ewura.go.tz</a> Website: <a href="http://www.ewura.go.tz">http://www.ewura.go.tz</a>

	Particulars	Response
1.	Name of the licensee	
2.	Licence Number	
3.	Licensed activity	
4.	Describe the nature of alteration or relocation (attach any relevant document)	
5.	Describe the financial implication (how the project will be funded)	
6.	Describe the environmental and social impact including remedial measures (attach any relevant document)	
7.	Time frame of the proposed alteration or relocation	
8.	(If relocation) Describe the intended proposed new site's ability to with the requirements set out in Rule 15(3) (attach any relevant document)	
9.	Any other relevant information	



## ISO 9001:2015 Certified

7<sup>th</sup> Floor, LAPF Pension Fund Tower, Opposite Makumbusho Village, Kijitonyama P O Box 72175, Dar es Salaam, Tanzania Tel: +255-22 2923513-18; Fax: +255-22 2923519

Email: <u>info@ewura.go.tz</u> Website: http://www.ewura.go.tz

## GAS STORAGE LICENCE

(Issued pursuant to Section 133 of the Petroleum Act, Cap. 392)

## LICENCE NO. NGSL – 20.... – XXX

registered office atto	o
years unless revoked, suspende	day of20 and shall remain in force for d or extended by the Energy and Water Utilities r the provisions of the Petroleum Act, Cap. 392, the plations made thereunder.
SEAL Date of Issue	Director General
	Secretary to the Board

#### APPENDIX I

# TERMS AND CONDITIONS FOR A GAS STORAGE LICENCE

This licence is granted pursuant to the Petroleum (Natural Gas) (Storage) Rules, 20[●] ("Rules"). Terms used but not defined in this licence have the meaning given to them in the Rules.

#### 1. Transfer, Suspension and Revocation

This licence may be transferred, modified, extended, suspended or revoked pursuant to the provisions of the Act, the EWURA Act, regulations made by the Minister responsible for gas and rules made by the Authority.

#### 2. Rights of the Licensee

During the term of the licence, the licensee shall be entitled to:

- (a) conduct its licensed activity in accordance with the Petroleum Act, Cap. 392, the EWURA Act, Cap. 414, Rules made by the Authority, Codes issued by the Authority and other competent entities, and any other applicable law; and
- (b) plan, maintain, refurbish, install and develop its licensed facility and equipment.

#### 3. Obligations of the Licensee

At all times during the term of the licence, the licensee shall:

- (a) undertake reliable and safe gas storage activities;
- (b) ensure management of the licensed activity in a manner consistent with the principles of ensuring technical expedience and the objective of achieving highest quality of gas storage activities;
- (c) operate and maintain the licensed facility;
- (d) carry out all works related to the licensed facility in accordance with best international petroleum industry practices;
- (e) comply with:
  - (i) the Act;
  - (ii) EWURA Act;
  - (iii) orders and directives of EWURA;
  - (iv) applicable law;
  - (v) rules made by EWURA;
  - (vi) these terms and conditions; and
  - (vii) applicable codes and standards.

- (f) inform the Authority as soon as practicable, but in any event not more than twenty-four (24) hours after the occurrence of a hazardous situation or incident related to its licensed activity, including the steps taken or proposed to be taken to remedy such situation or to eliminate or minimize the danger arising from such situation;
- (g) ensure that all equipment related to the facility is adequately secured to prevent unauthorized access and use;
- (h) obtain and maintain valid insurance cover in respect of all liabilities that may arise from the conduct of the licensed activity;
- employ a sufficient number of qualified personnel to ensure that the conduct of its licensed activity complies with these terms and conditions;
- (j) conduct its licensed activity in compliance with health, safety and environment laws:
- (k) pay the applicable fees to the Authority;
- (1) submit to the Authority in a true and correct form all data and information the Authority may require;
- (m) notify the Authority of any change of its address, name or location not later than seven (7) days after such change;
- (n) notify the Authority to request approval at least thirty (30) days before it proposes to install any additional equipment or facilities related to its licensed activity;
- (o) charge to customers any tariff approved by the Authority;
- (p) ensure that any service to be provided in the course of the licensed activity shall be just and reasonable and not show undue discrimination against any particular person of any class or description as regards any aspect of any service under this licence;
- (q) accord full cooperation to the Authority during investigation or monitoring exercises over the licensed facility; and
- display in a conspicuous place at the licensed facility this Licence or a certified copy thereof.

#### 4. Customer Service Charter

The licensee shall within one (1) year from the date of this licence prepare and submit to the Authority for approval a Customer Service Charteras prescribed in the rules made by the Authority.

#### 5. Environmental Protection, Health and Safety

The licensee shall at all times comply with all laws, regulations and standards applicable to environmental protection, health and safety.

#### 6. Inspections of a Facility

The Authority may inspect the licensed facility pursuant to the Act, the EWURA Act, any rules and regulations made thereunder, and these terms and conditions.

#### 7. Third Party Access

The licensee shall provide gas storage services to all users on a fair, reasonable and nondiscriminatory basis as required under applicable law relating to third party access.

#### 8. Security and safety of Supply

The licensee shall provide its customers with contact information they can use to notify the licensee of any matter or incident related to the availability of storage services that:

- (a) causes danger or requires urgent attention; or
- (b) affects or is likely to affect the security of supply, availability or quality of any storage services.

#### 9. Revocation and Suspension

The Authority may suspend or revoke this licence:

- (a) in case of violation of a licence term; and
- (b) otherwise pursuant to any applicable provision of the Act, the Rules or applicable law.

#### 10. Notices

Any correspondence or notice to be given under any of these terms and conditions shall be in writing and shall be deemed to have been properly served if hand-delivered or sent by registered mail or transmitted by facsimile (and received the sender's processing report) to the relevant party at the address set out below or such other address as that party may from time to time specify in writing to the other:

The Licensee:

Chief Executive Officer,

[Insert Name of the Company,]

[Insert physical and postal address,]

Telephone: [Insert landline number] Facsimile: [Insert landline number]

# Petroleum (Natural Gas) (Storage)

GN. No. 182 (Contd.)

Energy and Water Utilities Regulatory Authority, Plot 11 & 12 Block D, New City Road, Makumbusho Area, 7th Floor, LAPF Pension Fund Towers, P.O. Box 72175, Dar es Salaam.

Tel: +255 22 212 3850/3/4/6 Fax: +255 22 212 3180 Website: <u>www.ewura.go.tz</u>

APPENDIX II
Description of the Licensed Facility

#### FIFTH SCHEDULE

(Made under Rule 12(2)(h) of the Petroleum (Natural Gas) (Storage) Rules, 2019

#### CORPORATE INTEGRITY PLEDGE

- As a company involved in petroleum activities in Tanzania, we acknowledge our responsibility to ensure good governance because it is necessary for continued growth and business sustainability. We also acknowledge the importance of conducting our business with the highest standards of transparency, ethics and integrity;
- 3. While the Government and Prevention and Combating of Corruption Bureau (PCCB) have their own initiatives for reducing corruption and other unethical practices, we realize that those initiatives cannot succeed without individual and collective commitment from business community to level the playing field and to build integrity in the business environment.
- 4. In view of the foregoing, we pledge the following:
  - (a) not, through any of our employees, representatives or agents, to involve in any form
    of bribery, corruption whether direct or indirect or unethical behaviour in whatever
    form;
  - (b) to clearly communicate with all employees and business partners about stance on fighting all forms of bribe, corruption and other unethical behaviour in whatever form:
  - (c) to maintain and share with our employees the code of conduct which will be a guide in executing our daily business operations in order to comply with high ethical standards of conduct and anti-corruption laws;
  - (d) to conduct regular training on anti-bribery and anti-corruption to our employees and business partners in order to ensure that they are updated and knowledgeable of the Company's policy in implementing this pledge;
  - (e) to conduct integrity risk assessment that will help to identify corruption risks inherent in business operations and apply effective measures;
  - (f) to maintain appropriate financial reporting mechanisms that are accurate and transparent;
  - (g) to enter into integrity pacts with business partners and government agencies when dealing with procedures related to the bidding and procurement of supplies, materials, equipment, and construction;
  - (h) to maintain channels by which employees and other stakeholders can raise ethical concerns and report suspicious circumstances in confidence without risk of reprisal, and a designated officer will be tasked with investigating all reports received and taking appropriate action;
  - to refrain from engaging in business with parties who have demonstrated unethical business practices;

- (j) not to engage in any arrangements that undermines or is prejudicial to the national security; and
- (k) to maintain a proper insurance cover against losses, injuries or damage to environmental, communities, individual and properties that may be occasioned in the course of carrying business.
- 5. To ensure collective action in preventing any unethical and corrupt behaviour and the highest standards of ethics, integrity and transparent in business transactions in Tanzania, we commit to:
  - (a) support a nationwide initiative intended to create fair market conditions, transparency in business transactions, and ensure good corporate governance;
  - (b) participate in roundtable discussions, meetings, and forum to identify the key concerns and current problems affecting the private sectors related to integrity and transparency in business transactions;
  - share the international best practices, tools and concepts which are intended to be used by all participating entities to achieve the goals of the nationwide integrity behaviour initiative;
  - (d) participate in the creation of key measures and control activities intended to ensure transparency, integrity and ethical business practice;
  - (e) support the development of an audit and certification program (including a training program for advisers and auditors) that will offer a toolbox for enterprises to introduce and implement ethical practices in their business processes; and institutionalize the whole process to promote sustainability of the integrity initiative.
- 6. To confirm our commitment to this pledge, we hereby commit ourselves as a company and individuals to be bound in all aspects by this integrity pledge and shall be responsible for all the consequences which may result to non-compliance to this pledge.
- 7. To fight any form of corruption practices whereby zero tolerance action will be taken against any employee, staff or other person involved in corruption in relation to the business, regardless of position and status;
- To report any corrupt or unethical practices that occur in the business place to the appropriate Authority;
- 9. We shall also ensure that our employees and agents comply with this pledge and in any event of non-compliance we commit ourselves to be responsible for their action.

Signed by		 for and	on behalf of
		 this	day
	of	 [20]	

# Petroleum (Natural Gas) (Storage)

GN. No. 182 (Contd.)		
Signature Designation:		
Witness Name: Signature: Designation:		
Dodoma,	, 2019	NZINYANGWA E. MCHANY Director General