



ELECTRICITY GENERATION LICENCE

If you are seeking to become an Independent Power Producer ('IPP') in Samoa that generates electricity and sell to the national grid, it is important that you observe and meet the following regulatory requirements:

1. Letter

You are required to apply in writing to the Regulator for a 'generation licence' in accordance with Section 13 of the Electricity Act 2010 ('Act')

There is no standard requirement on form and content of the application letter however it is required that the letter is presented on the *letterhead* of the principal applicant and *signed* by the principal applicant or authorised representative of the principal applicant

2. Application

Your application will be evaluated based on three (3) criteria and you are required to submit the following with the application letter

1. Legal (5 points)

You are required to provide:

- (i) Proof of *incorporation and registration* in the Companies Register in Samoa. To register, you have to apply to the Ministry of Commerce, Industry and Labour ('MCIL'). More information on company registration in Samoa can be sourced on www.mcil.gov.ws
- (ii) Proof of a *valid business licence* – This is evidence that you are licensed to do business in Samoa and comes in the form of a certificate issued by the Ministry for Revenue ('MfR'). To obtain a licence, you have to apply to the MfR. The licence should specify correctly the nature of the business and its activities. More information on business licence requirements in Samoa can be sourced on www.revenue.gov.ws

Applications that do not satisfy the legal criteria will not be evaluated further

2. Financial (60 points)

You are required to provide information on the following:

- (i) Sources of funds
 - (a) Amount and nature of financing. That is debt, equity and/or grant
 - (b) Guarantor of funds
 - (c) Nature, history, reliability and goodwill of institution providing funds
- (i) Availability of funds
 - (a) Letter of comfort or letter of intent from individual or institution providing funds
 - (b) Financial records of individual or institutions providing funds
 - (c) Audited statements of the applicant where applicable
- (ii) Going Concern / New Business Entity
 - (a) A Business Plan outlining the following
 - Pro forma financial statements and assumptions used

- Market analysis and marketing plan
- Projected market share and activity levels
- (b) Performance Indices as follows
 - Liquidity
 - Debt service ability
 - Profitability
- (iii) Experience of Management
 - (a) Bio-data of key management personnel indicating experience in business

3. Technical (35 points)

- (i) Engineering experience
- (ii) Availability and qualifications of technical staff
- (iii) Appropriateness of technology
- (iv) System design/strategy

The successful applicant must obtain:

- **A minimum overall score of 65% AND**
- **A minimum of 50% of the points allocated to the financial criterion**

Assigned Weights for Scoring

Criterion	Assigned Weight
Legal	5
Financial	60
(i) Sources of Funds	10
(ii) Availability of Funds	20
(iii) Going Concern / New Entrant	
(a) Business Plan	10
(b) Performance Indices	
▪ Liquidity	5
▪ Debt Service ability	5
▪ Profitability	5
(iv) Experience of Management	5
Technical	35
(i) Engineering Experience	5
(ii) Availability and Qualifications of Technical Staff	10
(iii) Appropriateness of Technology	10
(iv) System Design / Strategy	10
Total	100
Pass Mark	65

3. Letter of Intent from EPC

You are required to submit with your application a 'Letter of Intent' from the national grid owner, the Electric Power Corporation ('EPC') confirming EPC's commitment to negotiating a Power Purchase Agreement ('PPA') with your company to purchase your generated power.

4. Development Consent

You are required to submit with your application, a Development Consent from the Planning and Urban Management Agency ('PUMA') of the Ministry of Natural Resources and Environment ('MNRE'). The Development Consent assures safeguarding the environment from any harmful effects that may result from your project. For more information on obtaining a Development Consent, visit www.mnre.gov.ws/puma

5. Delivery

Your application may be hand delivered to our office at Mulinnu or mailed to the following postal address:

Office of the Regulator
Private Bag
Apia
Samoa

To facilitate review of your application, we recommend that you also send an electronic copy to any of the following email addresses: FS@regulator.gov.ws / PL@regulator.gov.ws / IF@regulator.gov.ws

6. Review Timeframe

The Office of the Regulator normally requires 14 days from the date your application is received, to review and make a decision depending on completeness of the information submitted in your application. More days may be required for the review process should the Regulator require additional information from you for clarification and/or to complete your application.

7. Decision

If approved, the Regulator would issue you a 'Letter of Authorisation' authorising you to start operations. The Letter of Authorisation will also specify the tentative conditions of the authorisation and the date at which your full licence will be issued. Your full licence will outline in detail the terms and conditions of your generation licence.

Trust the above will help with your application. Should you require further clarification on the above, contact our Electricity Sector Division at the Office of the Regulator on email AS@regulator.gov.ws or PL@regulator.gov.ws or telephone +685 30282.

Unutoa Auelua Fonoti
REGULATOR