

**PUBLIC UTILITIES REGULATORY COMMISSION  
(PURC)**



**Tariff Hearing Guidelines**

## PURPOSE AND PRELIMINARIES

### PURPOSE

The Public Utilities Regulatory Commission is an independent statutory body established under the Public Utilities Regulatory Commission Act, 1997 (Act 538) to regulate and oversee the provision of utility services in the country.

The Commission is mandated to examine and approve the rates charged by public utilities. This is to ensure that the rates or tariffs charged by utilities are just and prudent. The examination of rates entails hearing processes in which the Commission sits as an adjudicative body to hear the proposals of utility applicants and inputs of interested parties. Tariff hearings of the PURC comprise Investment Hearings, Rate Hearings, Public Hearings and Tariff Petitions. These guidelines are issued to inform and direct utility companies and interested parties of the processes and requirements for each type of hearing.

### CONTENT AND STRUCTURE

The document is arranged as follows:

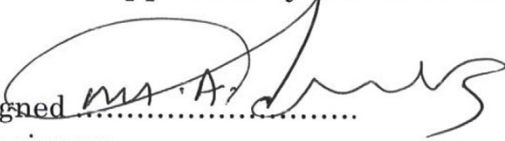
- PART A - Guidelines for Investment Hearings
- PART B - Guidelines for Rate Hearings
- PART C - Guidelines for Public Hearings
- PART D - Guidelines for Tariff Petitions


### EFFECTIVE DATE, REVIEW AND AMENDMENTS

The Commission reserves the right to review the guidelines periodically, in consultation with stakeholders where required.

Amendments to the guidelines may be made only with the approval of the Commission.

Approved by the Commission on the 29<sup>TH</sup> day of AUGUST 2025

Signed   
Chairman

Signed   
Executive Secretary

## **PART A - INVESTMENT HEARINGS**

### **1.0 The Goal of Investment Hearings**

An Investment Hearing is a formal hearing for the in-depth examination of the investment plans of a public utility, specifically the estimated cost and quality of service implications. Investments approved at an Investment Hearing are eligible to be incorporated into the tariff proposals of the public utility for the subsequent major tariff review. The Commission's examination of utility investment plans shall be conducted in accordance with the Commission's Guidelines for the Approval and Verification of Investments.

### **2.0 Submission and Preliminary Review of Investment Plans**

- 2.1 At least 180 days<sup>1</sup> before applying for a major tariff review, a public utility shall submit to the Commission, details of capital investments that the utility plans to undertake for the next tariff control period. The details shall be submitted in the form and containing the particulars specified in the Guidelines for Approval and Verification of Utility Investments.
- 2.2 The Commission shall conduct a preliminary review of the submission and work with the utility to ensure its completeness.

### **3.0 Establishment of Investment Hearing Panel**

The Executive Secretary of the Commission shall constitute a Panel for the conduct of an Investment Hearing, comprising all members of the Commission's Technical Committee. Additionally, the Executive Secretary may co-opt external independent consultants to complement the Panel. The Panel shall be chaired by the Chairperson of the Technical Committee.

### **4.0 Notices**

- 4.1 The Panel shall schedule investment hearings for various public utilities and issue notices to the utilities stating the dates, time and place at which a utility shall appear before the Panel to defend its investment plans.
- 4.2 Hearing shall be scheduled to commence not less than 14 working days from the date of the notice.
- 4.3 An investment hearing may be conducted in-person or by video conference.

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<sup>1</sup> Act 538, section 22(1)

## **5.0 Representation and Attendance at Investment Hearing**

- 5.1 A public utility shall be represented by a maximum of 7 persons during an investment hearing, at least one of whom shall be a staff of sufficiently high rank capable of defending all aspects of the investment plan.
- 5.2 The Panel shall invite relevant staff of the Commission to assist in its work.
- 5.3 Persons appearing before a Panel shall address themselves to the Panel and observe appropriate decorum and order in accordance with these rules.

## **6.0 Conduct of Hearing**

- 6.1 The Chairperson of the Panel shall begin a hearing with an opening statement stating:
- i. rules of the hearing, proposed schedule and hours;
  - ii. the order of presentation and questioning or examination;
  - iii. instructions regarding mode of address; and
  - iv. any other relevant information.
- 6.2 A public utility shall make a presentation on the contents of its investment plans as directed by the Panel.
- 6.3 At any time during the hearing, the Panel may ask questions or request clarification on the contents of the investment plans.
- 6.4 The Panel may request a utility to submit further documentation related to its investment plans where necessary, and the utility shall submit the information or documentation within 10 days of the request.

## **7.0 Duration of Investment Hearing**

The Panel shall conclude all utility investment hearings within 30 days from the date of commencement of hearings.

## **8.0 Recommendations of Hearing Panel**

The Panel shall submit a written report to the Commission within 28 days of the end of investment hearings. The report shall indicate with reasons, which investments are recommended for the next rate period, and which investments are not recommended.

## **9.0 Interim Notification to Public Utility**

The Commission shall, within 60 days of receipt of the report of the Panel, issue an interim notification to the public utility of eligible investments to be incorporated into the utility's tariff proposals for the next rate period.

## **10.0 Petition**

10.1 A public utility dissatisfied with the Commission's interim notification of eligible investments may petition the Commission within 14 days of receipt of the notification.

10.2 A petition shall be accompanied by a written statement setting out the grounds on which the utility relies, including

- i. justification for priority of the investment for financing by rate-payers;
- ii. financing solutions explored by the utility; and
- iii. relevant supporting studies and analysis.

## **11.0 Final Notification**

11.1 The Commission shall, either within 21 days of its interim notification or within 28 days of receipt of a petition, issue a final notification to the public utility of eligible investments to be incorporated into the utility's tariff proposals for the next rate period.<sup>2</sup>

11.2 No notification or decision taken by the Commission under these guidelines negates a public utility's obligation to comply with applicable laws on public funds, public investment and public procurement.

## **PART B - PUBLIC HEARINGS**

### **1.0 The Objective of Public Hearings**

Public Hearings are conducted to provide as far as practicable the public utility and consumers affected by rates a reasonable opportunity of being heard on rates proposed to be charged by the utility.<sup>3</sup> Public Hearings are an informal platform provided by the Commission for utilities and consumers, to enable the utilities to engage directly and satisfactorily with their consumers on proposed rates and services.

### **2.0 Administration of Public Hearings**

- 2.1 In accordance with the Commission's Rate Setting Guidelines, public hearings may be held before or concurrently with rate hearings as determined by the Commission.
- 2.2 The Commission's Stakeholder Management Committee shall meet with public utilities affected to schedule suitable dates for public hearings at selected locations in the country.
- 2.3 The Commission shall appoint one or more persons as moderators for public hearings, and the fee for moderation shall be added to the cost of public hearings.
- 2.4 The Commission shall prepare a fair and reasonable budget of expenses related to the conduct of public hearings and may request a public utility that has filed for a tariff adjustment to contribute to the cost of public hearings.
- 2.5 Cost items that a public utility may legitimately contribute to are:
  - i. the cost of venues;
  - ii. moderation fees;
  - iii. media costs; and
  - iv. security, if any.
- 2.6 Any other costs associated with public hearings shall be borne by the Commission.
- 2.7 Public hearing expenses shall be audited and reported on separately by the Commission's auditors.

### **3.0 Notices**

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<sup>3</sup> Act 538, section 18(4)

3.1 The Commission shall issue a public notice stating the schedule of public hearings including the dates, times and places at which hearings shall take place.

3.2 Public hearings shall be scheduled to commence not less than 14 days from the publication of a public utility's indicative tariff proposal on its website and the print media as prescribed in the Rate Setting Guidelines. This is to give the public ample time to study the proposals ahead of hearings.

#### **4.0 Representation and Attendance at Public Hearings**

4.1 Public hearings are open to all interested persons.

4.2 A public utility that has requested a tariff adjustment shall be represented at a public hearing by officers of sufficiently high rank capable of explaining and defending all aspects of the proposed rates.

4.3 The Commission shall be represented at each public hearing for auditory purposes only, but the Commission's representative may ask questions on the tariff proposal at the hearing.

#### **5.0 Conduct of Public Hearings**

5.1 A public hearing shall be conducted by the moderator appointed by the Commission to moderate the hearing.

5.2 The moderator shall commence a public hearing with an opening statement providing for the following:

- i. Introductions
- ii. The order of presentation by public utilities and questioning;
- iii. Instructions regarding the mode of address; and
- iv. Any other relevant information.

5.3 Participants at a public hearing shall address themselves to the Chairperson of the hearing and observe appropriate decorum and order in accordance with these rules.

5.4 The moderator shall invite public utilities to make presentations on the key aspects of their tariff proposals to the understanding of the participants. Where required, public utilities shall engage persons to accurately interpret their presentations in the language of the locality of the hearing.

5.5 At the end of each presentation, the moderator shall give consumers ample opportunity to ask questions or comment on the tariff proposal, and the public utility shall answer all questions and address all concerns raised.

5.6 Within 14 days of the end of public hearings, each public utility shall file a report with the Commission which succinctly sets out the issues raised by

consumers relating to that utility by category of issue and location, and the utility's proposed measures to address the issues.

- 5.7 Customer-specific or general complaints raised at a public hearing shall be resolved by the public utility, and a schedule of complaint resolutions shall be attached to the report together with customer details.
- 5.8 The Commission shall take into account representations made at public hearings in arriving at its decision on the tariff adjustment.

## **PART C - RATE HEARINGS**

### **1.0 The Goal of Rate Hearings**

A Rate Hearing is a formal hearing process conducted to examine rates proposed by a utility as tariffs for its services to be paid by consumers. A rate hearing provides an opportunity for a public utility to justify the details of its tariff proposal to the Commission, and enables the Commission to examine whether any expenditure incurred or to be incurred by the utility is justified or reasonable. Rate hearings may be held concurrently with or after public hearings as determined by the Commission, and shall be conducted in accordance with the Commission's Rate Setting Guidelines.

### **2.0 Administration of Rate Hearings**

- 2.1 The Commission may request a public utility that has filed for a tariff adjustment to contribute a reasonable and fair amount towards the cost of venue for rate hearings.
- 2.2 Any other costs associated with the hearings shall be borne by the Commission.
- 2.3 Rate hearing expenses shall be audited and reported on separately by the Commission's auditors, together with public hearing accounts.

### **3.0 Rate Hearing Panel**

The Commission's Technical Committee shall serve as the Hearing Panel for rate hearings. The hearings shall be chaired by the Chairman of the Technical Committee.

### **4.0 Notices**

- 4.1 The Panel shall schedule rate hearings for various public utilities and issue notices to the utilities stating the dates, time and place at which a utility shall appear before the Panel to defend its proposed rates.
- 4.2 The Panel shall issue invitations to persons, groups or institution that have submitted papers to the Commission on a utility tariff proposal as provided for in the Rate Setting Guidelines to attend rate hearings at specific dates and times.
- 4.3 Stakeholder groups that have not submitted papers to the Commission may be invited to attend rate hearings.

4.4 Hearing shall be scheduled to commence not less than 14 working days from the publication of the utility's indicative tariff proposal on its website and the print media as prescribed by in the Rate Setting Guidelines.

## **5.0 Representation and Attendance at Rate Hearing**

5.1 A public utility shall be represented by a maximum of 7 persons during a rate hearing, at least one of whom shall be a staff of sufficiently high rank capable of defending all aspects of the proposed rates.

5.2 Persons, groups or institutions which have submitted papers to the Commission on a utility tariff proposal may attend rate hearings on specific dates and times stated in the invitation addressed to them.

5.3 Members of the Commission who are not members of the Panel may be in attendance during rate hearings, but only for auditory purposes.

5.4 Relevant staff of the Commission shall attend rate hearings to assist the Panel in its work.

5.5 The Commission may engage experts and consultants to assist the Panel.

## **6.0 Conduct of Rate Hearing**

6.1 The Chairperson of the Panel shall begin a hearing with an opening statement stating the following:

- i. the rules of the hearing, proposed schedule and hours;
- ii. the order of presentation and questioning or examination;
- iii. instructions regarding mode of address; and
- iv. any other relevant information.

6.2 A public utility shall make a presentation on the key points of its tariff proposal.

6.3 At any time during the hearing, the Panel may question or request clarification on matters related to the tariff proposal.

6.4 Persons appearing before a Panel shall address themselves to the Panel and observe appropriate decorum and order in accordance with these rules.

## **7.0 Duration of Rate Hearings**

Rate hearings shall be concluded within 30 days from the date of commencement of the hearings.

# TARIFF PETITION

## **1.0 Introduction**

The Commission's tariff petition process enables a public utility to request a review of specific components of a major tariff adjustment decision of the Commission. These tariff petition guidelines shall be read together with the Commission's Rate Setting Guidelines. A tariff petition shall be heard in accordance with the Commission's Formal Hearing procedures as adapted below.

## **2.0 Filing of Petition**

2.1 Within 10 days of receipt of the Commission's notification of approval of a major tariff review, a utility may, if aggrieved by the decision, file a petition with the Commission requesting a review of the decision.

2.2 The petition shall be accompanied by a written statement setting out the specific aspects of the decision the utility is aggrieved with, the grounds on which the utility relies, and relevant supporting documents.

2.3 A utility shall file the petition through an electronic portal provided by the Commission and shall also submit a minimum of five hard copies to the Commission.

## **3.0 Constitution of Tariff Petition Panel**

3.1 The Commission shall constitute a Panel of five persons made up of 2 Commissioners and 3 external independent experts with relevant knowledge and experience to hear tariff matters.

3.2 The Commission shall appoint one of the external experts to chair the Panel.

## **4.0 Panel Conference**

The Chairman of a Panel shall convene a panel conference for Panel members to agree on the conduct of the petition.

## **5.0 Pre-Hearing Conference**

The Panel may, where necessary, hold a pre-hearing conference with the public utility to

- i. review the petition documents;
- ii. schedule the date, time and venue for the hearing; and
- iii. request any relevant additional information.

## **6.0 Submission of Documents for Hearing of Tariff Petition**

A Petitioner who submits documents to the Panel shall submit in electronic copy, together with a sufficient number of physical copies for all Panel members and a copy for the record, as directed by the Chairman of the Panel.

## **7.0 Representation and Attendance**

The Petitioner

- i. shall be represented at the hearing by officers including at least one person not below the rank of a Director;
- ii. may be represented by counsel or an expert; and
- iii. shall be entitled to call witnesses in support of the petition.

## **8.0 Conduct of Hearing**

8.1 At the commencement of the hearing the Chairman of the Panel shall make an opening statement stating the following:

- i. the particulars of the petition and reliefs sought;
- ii. the order in which parties, witnesses and experts, if any, will be heard;
- iii. instructions regarding mode of address; and
- iv. any other relevant information.

8.2 The Petitioner shall be afforded the opportunity to present its case fully through oral evidence on oath, or sworn witness statements with supporting documentary evidence attached, or both, as the Panel may direct.

8.3 A petitioner shall address each ground of its petition. Documents referred to shall be clearly identified for ease of reference by the Panel.

8.4 At the close of the petitioner's case, the Panel may question or request clarification from the petitioner, its witness or experts on any issues before the Panel.

8.5 The Panel may take evidence on any matter related to the Petition from a third party.

8.6 The Panel may invite relevant staff of the Commission to give evidence related to the Petition.

## **9.0 Interim Orders in Hearing of Tariff Petition**

The Panel may make interim orders which it may deem fit prior to the final determination of the Petition.

## **10.0 Duration of a Tariff Petition**

- 10.1 A tariff petition shall be heard and concluded within 30 days from the commencement of hearing.

## **11.0 Panel Recommendations on a Tariff Petition**

- 11.1 The Chairman shall convene a Panel Conference immediately after the closure of the hearing of a petition, for Panel members to deliberate on the issues and evidence presented during the hearing.
- 11.2 Within 14 working days of the closure of hearing, the Panel shall submit its recommendations to the Commission.
- 11.3 In preparing its recommendations the Panel may recommend any related policy issues for the Commission's consideration.
- 11.4 The Panel's recommendations shall be signed by the Chairman of the Panel.
- 11.5 A Panel member who dissents from the decision of the majority is entitled to write a dissenting opinion and this shall form part of the record.

## **12.0 Commission Decision**

- 12.1 The Commission shall consider the recommendations of the Panel and may accept or reject a part or the whole of the Panel's recommendations, with stated reasons.
- 12.2 The decision of the Commission shall be signed by the Chairman of the Commission and issued in the form of an Order which shall be forwarded to the Petitioner and the decision shall be final, following which all administrative remedies are exhausted.
- 12.3 The tariff decision of the Commission which is the subject of a petition shall be implemented notwithstanding a petition, and any changes to the tariff following a petition shall be implemented in subsequent quarterly adjustments.

## **13.0 Hearing Expenses**

- 13.1 Parties shall be responsible for their own expenses related to a Tariff Petition including transportation, cost of counsel and submission of documentation.
- 13.2 Parties may be required to pay an administrative charge in respect of the Formal Hearing of a Tariff Petition