



مكتب التنظيم والرقابة لقطاع الكهرباء و المياه
RSB FOR ELECTRICITY & WATER

**REGULATORY AND SUPERVISORY BUREAU FOR THE
ELECTRICITY AND WATER SECTOR**

**REGULATIONS FOR DISTRICT COOLING PURSUANT TO
EXECUTIVE COUNCIL RESOLUTION (6) OF 2021**

**RD10: DUBAI SUPREME COUNCIL OF ENERGY APPROVAL OF
TARIFFS, CHARGES AND FEES**

1. Definitions

Billing Service Provider – a District Cooling Service Provider or the Billing Agent as the case may be.

Billing Agent – an entity permitted to provide Billing Services in accordance with the Resolution.

Billing Service Fee – the total of all fixed monthly charges applied by a Billing Service Provider.

Building – a stand-alone structure comprised of one or more Units.

Cap – a maximum allowable value. Charges may be reduced without the need to seek approval. Any proposal to increase charges beyond the Cap requires the express approval of the DSCE.

Capacity Charge – an annual charge in AED per refrigeration-ton of Contracted Capacity.

Cooling Services Agreement - the RSB's RD04b Cooling Services Agreement or other such agreements made prior to the coming into effect of RD04b.

Concession Agreement – an agreement providing for a District Cooling Service Provider to have exclusive rights to provide cooling in a defined geographic area.

Connection Charge – a charge to be applied (if any) to recover the costs of providing the Cooling Services Connection.

Consumption Charge – a charge per refrigeration-ton-hour of energy transfer as recorded by metering equipment installed, operated and maintained in accordance with RD06.

Contracted Capacity – the maximum cooling capacity measured in refrigeration tons that the District Cooling Service Provider is obliged to make available to the Customer. Where Contracted Capacity is mentioned in respect of Units, it is the share of the Building's Contracted Capacity that has been allotted to the Unit.

District Cooling Service – any activity related to generating, distributing, selling or billing cooling energy.

District Cooling System – A system determined by the RSB to be a District Cooling System.

District Cooling Service Provider – an entity permitted to furnish District Cooling Services in accordance with the Resolution.

DSCE – the Supreme Council of Energy.

Excess Demand – is the value, measured in refrigeration tons, by which Peak Demand exceeds Contracted Capacity.

Peak Demand – means the highest observed average demand, in refrigeration tons, during a four (4) hour period as measured and recorded by the meter.

RSB – means the Regulatory and Supervisory Bureau for the Electricity and Water Sector.

Unit – means a designated part of a Building recognized on the real property register.

Term – is the period for which District Cooling Services are to be provided in accordance with the Cooling Services Agreement.

2. Charges applied by District Cooling Service Providers
 - a. Payments due under charges approved by the DSCE shall be calculated in accordance with the provisions of the Cooling Services Agreement.
 - b. Capacity Charges
 - i. All current Capacity Charges are Capped at their existing level. This approval is valid until the end of the Term of the Cooling Services Agreement or Concession Agreement governing the District Cooling Services concerned, whichever occurs sooner.
 - A. Should a District Cooling Service Provider wish to increase charges in accordance with an escalation or indexation provision in an existing Cooling Services Agreement, then he shall apply to the DSCE for approval.
 - B. The DSCE does not intend to approve new tariff arrangements that include indexation or escalation of capacity charges.
 - C. New Cooling Services Agreements under an existing Concession Agreement shall also be subject to the Cap referred to in this clause 2.b.i.
 - ii. Prior to renewal of a Concession Agreement or Cooling Services Agreement the District Cooling Service Provider concerned shall reapply for approval of its Charges.
 - iii. Capacity Charges for new District Cooling Systems must be approved by the DSCE prior to the permitting of the District Cooling System concerned.
 - c. Consumption charges
 - i. Consumption Charges which are part of a tariff arrangement that includes Capacity Charges are Capped at their current level or 63fils/TRh, whichever is the lower.
 - ii. Consumption Charges that are levied without a corresponding Capacity Charge are Capped at their current level.
 - iii. The DSCE will reset these Caps when there are changes in DEWA tariffs for electricity and water, including the fuel surcharge.
 - iv. The DSCE will consider resetting these Caps in future, taking into account the following:
 - A. Industry utilisation of sources of water other than DEWA's public water supply.
 - B. Improvements in industry-level electrical and water efficiency.
 - C. Improvements in industry-level operation and maintenance costs.
 - d. Delta T
 - i. All current Low Delta T Charges are Capped at their existing level.
 - e. Connection Charges
 - i. District Cooling Service Providers shall provide to the RSB their proposed schedule of standard Connection Charges, which may be approved by the RSB on behalf of the DSCE.

- ii. Where a District Cooling Service Provider proposes a Connection Charge different to that in their approved schedule, he shall submit that charge to the RSB for approval on behalf of the DSCE.
 - f. Excess Demand
 - i. Shall be Capped at 120% of the District Cooling Service Provider's Capacity Charge.
 - g. Deposit
 - i. Shall be Capped at the value equal to four (4) months' Capacity Charges for the District Cooling Service concerned.
 - h. Other
 - i. Re-connection charge shall be Capped at current levels and in any case no more than AED100 per occurrence.
 - ii. Late payment fee shall be Capped at current levels and in any case no more than AED100 per occurrence.
 - iii. Meter tampering charges shall be applied to recover the reasonable costs of repair or replacement plus 10%.
- 3. Charges Applied by Billing Service Providers
 - a. These provisions apply to Billing Agents and to District Cooling Service Providers when they are responsible for Billing Services.
 - b. Payments due under charges approved by the DSCE shall be calculated in accordance with the RSB's standard billing services agreement and RD06 – Billing, Metering and Charges.
 - c. Capacity Charges and Consumption Charges may not be higher than the charge made by the District Cooling Service Provider for the Building concerned.
 - d. Where a Billing Service Provider makes a charge per refrigeration ton hour which incorporates the capacity charge for the District Cooling Service concerned, then he shall, on request, demonstrate to the RSB's satisfaction that this charge recovers no more than the total costs (capacity and consumption) of that supply.
 - e. Low Delta T charges may not be applied in the bills charged to Units under any circumstances.
 - f. All charges made for Billing Services are capped at their current level, except for the following charges that may no longer be made:
 - i. Final bill fee
 - ii. Kiosk fee
 - iii. NOC fee
 - iv. Disconnection fee
 - g. Deposits. The default deposit amount is capped at 4 month's capacity charges. If a Billing Service Provider wishes to use a different basis for calculation, such as unit area, then they must demonstrate to the RSB's satisfaction that their approach is consistent with this value.
- 4. No other Charges are permitted.