



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**

Amendment History

Issue no.	Modification	DSCE Approved	Authorised for publication
1.0	First issue	27-06-2022	G. Sims
1.1	Updated following changes to fuel surcharge	04-09-2022	G. Sims
1.2	Added/Clarified definitions for Activation Fee and Connection Charge	25/01/2023	DocuSigned by: <i>James Grinnell</i> 232A35C51A5D477...

1. Definitions

Activation Fee – a fee that may be applied by the permit holder on commencement of billing services to a customer at a Unit.

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.

Capacity Charge – means the multiple of Capacity Tariff and Contracted Capacity normally applied on a monthly basis.

Capacity Tariff – means the unit charge normally quoted in dirhams per year for each refrigeration ton of cooling capacity made available to the Customer.

Cooling Services Agreement – an agreement for the provision of chilled water services between a District Cooling Service Provider and a Customer.

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 one-time charge that may be applied on first connection to the District Cooling System.

Consumption – means the refrigeration-ton-hours of cooling energy as measured by the metering equipment, installed, operated and maintained in accordance with RD06.

Consumption Charge – the multiple of Consumption Tariff and Consumption and is normally calculated on a monthly basis.

Consumption Tariff – the unit charge in Dirhams for each refrigeration ton hour of cooling energy consumed by the Customer.

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 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 average demand during a four (4) hour period exceeds Contracted Capacity.

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.

2. Approved Tariffs

- a. Charges levied by District Cooling Service Providers shall be calculated based on the tariffs approved in the Schedules appended to Permits and applied in accordance with the provisions of Cooling Services Agreements.
- b. 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.
- c. 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.

3. Term of Approval

- a. Approved tariffs shall, unless changed in accordance with this regulation, remain in place until the expiry of the Concession Agreement or Cooling Services Agreement under which they are applied, whichever is earlier.
- b. Prior to renewal of a Concession Agreement or Cooling Services Agreement the District Cooling Service Provider concerned shall apply for approval of a revised Capacity Tariff and revised Consumption Tariff and any other tariffs applicable to the District Cooling System.

4. Changes to Tariffs

- a. The DSCE shall reset Consumption Tariffs when there are changes in the DEWA tariffs for electricity and water, including the fuel surcharge.
- b. The DSCE shall consider resetting Consumption Tariffs when there are changes in applicable Dubai Municipality tariffs.
- c. The DSCE shall consider adjusting tariffs at any time, taking into account the following:
 - i. Industry utilisation of sources of water other than DEWA's public supply.
 - ii. Improvements in industry-level electrical and water efficiency.
 - iii. Improvements in industry-level operation and maintenance costs.
- d. A Billing Service Provider may apply to the DSCE for an increase in the approved tariff by writing in the first instance, to the RSB setting out the reasoning and justification for such an increase. The RSB shall review the application and make recommendations to the DSCE in respect of the application.

5. Additions

- a. Where buildings are added to an existing District Cooling System, the tariffs applied to the new building must be no higher than the existing approved tariffs applicable to that system.
- b. Where Billing Agents agree to serve Units in additional Buildings, the tariffs applied to those Units are approved so long as:
 - i. Capacity Tariffs and Consumption Tariffs are no higher than those approved for the Building, and
 - ii. Billing Service fees and other charges are no higher than those already approved for use by the Billing Agent concerned.

6. Conditions of Use

- a. Low Delta T charges may not be applied in the bills charged to Units under any circumstances.

- b. Any tariffs approved by the DSCE are approved only to the extent that they are applied in accordance with the relevant applicable Regulatory Documents.
- c. Failure to apply tariffs in accordance with this regulation or application of tariffs not approved by the DSCE may be deemed a violation of the terms of the permit and attract the corresponding penalty.