

KINGDOM OF CAMBODIA
NATION RELIGION KING
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Royal Government
Of Cambodia
No.: 131 OR.N.KR-BK

SUB-DECREE
ON
THE DETERMINATION OF MAXIMUM LICENSE FEE
FOR ELECTRIC POWER SERVICE PROVIDERS IN THE
KINGDOM OF CAMBODIA

- Seen the Constitution of the Kingdom of Cambodia;
- Seen the Royal KRET No. NS/RKT/1198/72 of November 30, 1998 on the Appointment of the Royal Government;
- Seen the Royal KRAM No. 02/NS/94 of July 20, 1994 promulgating the law for establishment of the Council of Ministers;
- Seen the Royal KRAM No.NS/RKM/0201/03 dated February 02, 2001 promulgating the Electricity Law of the Kingdom of Cambodia;
- Approval from Council of Ministers at the plenary session on December 07, 2001

Hereby Decided

Article 1:

This Sub-Decree determines the maximum license fee. Pursuant to this maximum rate, Electricity Authority of Cambodia shall determine license fee for each financial year to ensure the balance of revenue and expenditure on its operation. The applicants and licensees shall pay the license fees to EAC pursuant to the Authority's determination.

Article 2:

An individual or legal person, who provides electric power service in the Kingdom of Cambodia, shall pay license application fee at the time of applying for license to the

Authority. License application fee is the amount which the applicant pays to the Authority to meet expenses on its operation including review, analysis, publicizing, consultation and licensing. The maximum license application fee is determined as follows:

1. For the application for favorable electric power services (Rural Electrification), application fee shall not exceed fifty thousands (50,000) riels per license
2. For the application for small size electric power services (less than 500 kW), application fee shall not exceed one hundred thousand (100,000) riels per license
3. For the application for medium size electric power services (from 500 kW to 3000 kW), application fee shall not exceed six hundred thousands (600,000) riels per license.
4. For the application for large size electric power services (over 3000 kW), application fee shall not exceed one million (1,000,000) riels per license.

This application fee shall be paid once, when the applicant applies for license. The Authority shall refund this fee to the applicant in case the Authority decides not to issue license to the applicant.

An individual or legal person, who is operating electric power service and has permission from the Ministry of Industry, Mines and Energy or any government agency, prior to the commencement of operation by EAC, can apply for license from the Authority without payment of license application fee.

Article 3:

An individual or legal person, who is given the license by the Electricity Authority of Cambodia to provide electric power service in the Kingdom of Cambodia, shall pay a fee to the Authority at the rate determined by the Authority for each financial year. This fee is called License Fee. License Fee is the amount which licensee shall pay monthly to the Authority for meeting its expenses of its operation. Maximum license fee for each type of service is as follows:

1. Generation or power purchasing from other countries: license fee shall not exceed 1.70 riels per kWh of generated or purchased power.
2. Transmission: license fee shall not exceed 0.70 riels per kWh of transmitted power.
3. Distribution and Sale: license fee shall not exceed 1.20 riels per kWh of sold power
4. Retailing: license fee shall not exceed 0.50 riels per kWh of sold power
5. Other services set forth in Article 29 of Electricity Law of the Kingdom Cambodia: license fee shall not exceed 0.1% of the service fee.

The Electricity Authority of Cambodia shall determine the license fees for each financial year and their method of calculation in the Annual Budget which shall be submitted to the Royal Government for review and approval.

Article 4:

Minister in charge of Office of Council of Ministers, Minister of Economy and Finance, Minister of Industry, Mines and Energy, Chairman of Electricity Authority of Cambodia, Minister, Secretary of State, all Ministries and Government Institutions and all provincial-city governors have duty to enforce this Sub-Decree from the date of signing.

Capital of Phnom Penh, Date: December 27, 2001

Prime Minister

Signed by

HUN SEN

Recipients:

- Ministry of Royal Palace
- General Secretariat of Senate
- General Secretariat of National Assembly
- Office of Prime Minister
- As Article 4
- File