



# LICENCE AND PERMIT APPLICATION MANUAL

for  
service providers  
in the

# NATURAL GAS SUPPLY INDUSTRY

**June 2020**



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## **PREFACE**

In accordance with the provisions of the Energy Commission Act, 1997 (Act 541), the Licence Application Manual for Service Providers in the Natural Gas Supply Industry has been developed and issued by the Energy Commission of Ghana to formally establish the framework for licensing service providers engaged in Natural Gas Wholesale Supply (Brokerage, Gas processing facility, CNG facility, LNG facility, Bulk sale, Export, and Import), Transmission, Distribution (CNG/LNG/Pipeline), and Retail Sale as stipulated by the Energy Commission Act, 1997 (Act 541).

The Manual for service providers in the Natural Gas industry has been prepared as a reference to guide prospective natural gas service providers with regard to licensing requirements as well as assisting in ensuring compliance with codes and standards governing quality, health and safety. The natural gas industry will be monitored by regulatory mechanisms that have been developed and approved to assure open access, reliability and safety of transactions and operations in the industry.

In accordance with the mandate of the Energy Commission, the Manual is subject to periodic review in order to improve its quality and to make it more amenable to its objects and functions as and when it deems it necessary. The previous edition was published in, 2013. The 2020 version is the second edition.

Finally, users of the Manual are highly encouraged to make submissions on any part or portion of it that they consider needs improvement and refinement to assist in the establishment of a responsive licensing framework for the natural gas supply industry in Ghana. Submission of any relevant comments and ideas in this regard should be forwarded to:

***The Executive Secretary, Energy Commission, PMB, Ministries Post Office, Accra,  
Ghana; e-mail: [info@energycom.gov.gh](mailto:info@energycom.gov.gh) and telephones: (233-302) 813763,  
813762 or 813756***

## Definitions

"Act "	<i>means</i> the Energy Commission Act, 1997 (Act 541).
“ancillary service”	<i>means</i> a service like compression, cleaning, balancing, storage or pressure regulating that ensures reliability and supports the transmission of natural gas from a supply point such as a regulating and metering station and a processing plant to customers.
"applicant"	<i>means</i> a person who has applied for a licence under the Act.
"bulk customer"	<i>means</i> a customer who purchases or receives natural gas of such amount or level as the Commission may specify.
"Commission"	<i>means</i> the Energy Commission of Ghana established under section 1 of Act 541.
“Coordination Agreement”	<i>means</i> the agreement initiated by the transmission utility and negotiated with all market participants which details the operation coordination/harmonization issues, compliance requirements and obligations of all participants under various operational scenario including contingencies and congestion management, to ensure safe, optimal and reliable operation of the NIGTS.
“ distribution system”	<i>means</i> the distribution network which forms an integral part of the system for the supply of natural gas to consumers in an area or zone designated by Commission and has a pipeline diameter of 12” and below.
“ECOWAS”	<i>means</i> the Economic Community of West African States
“EPA”	<i>means</i> the Environmental Protection Agency established under the EPA Act, 1994 (490)
“ Framework Agreement”	<i>means</i> the agreement entered into between the Transmission Utility and any other licensee engaged in the supply and distribution of natural gas whereby the Transmission Utility and the licensee agree to be bound by <ul style="list-style-type: none"> <li>(a) the procedure for obtaining and terminating transmission and interconnection services for natural gas;</li> </ul>

<p>“interconnection service”</p>	<p>(b) the method of response to a request for its services, and  (c) maps and diagrams of its natural gas transmission facilities in the country as required under Section 24(2)(c) of the Act.</p> <p><i>means</i> the safe and reliable connection of one person’s natural gas facilities to another person’s natural gas facilities with due consideration for</p> <p>(a) any facilities necessary to accommodate the connection,  (b) the coordinated operation of the connected systems; and  (c) the economic impact of the connection on the connected systems.</p>
<p>“Interconnection Service Agreement”</p>	<p><i>means</i> the agreement of that name entered into between the Transmission Utility and any other licensee engaged in the supply and distribution of natural gas whereby the Transmission Utility and the licensee agree to be bound by the safe and reliable connection of one persons’ facilities with due consideration for</p> <p>(a) any facilities necessary to accommodate the connection,  (b) the coordinated operation of the connected systems, and  (c) the economic impact of such connections on the connected systems.</p>
<p>“Licence Year”</p>	<p><i>means</i> the period from 1<sup>st</sup> January to 31<sup>st</sup> December of each calendar year.</p>
<p>“licence”</p>	<p><i>means</i> a licence or permit granted under the Act by the Commission to a person to enable that person to carry out activities in the natural gas industry.</p>
<p>“manual “</p>	<p><i>means</i> the License and Permit Application Manual</p>
<p>“Minister”</p>	<p><i>means</i> the Minister assigned responsibility for the natural gas industry.</p>
<p>“Natural Gas Sale/Purchase Agreement”</p>	<p><i>means</i> the agreement of that name entered into whereby the buyer agrees to purchase its natural gas from a seller according to terms of this agreement.</p>
<p>“NIGTS”</p>	<p><i>means</i> the National Interconnected Gas Transmission System</p>
<p>“NGTU”</p>	<p><i>means</i> the Natural Gas Transmission Utility</p>
<p>“off-spec gas”</p>	<p><i>means</i> natural gas which fails to conform to the off-take specification when the Utility makes it available for off-take at an off-take point</p>

“person”	includes a body corporate, whether corporation aggregate or corporation sole and an unincorporated body of persons as well as an individual.
“PURC”	<i>means</i> the Public Utilities Regulatory Commission established under Act 538.
“Shipper”	<i>means</i> a wholesale supplier, bulk customer or distribution company registered by the NGTU and which contracts the NGTU to transport natural gas in the transmission system
“Siting Committee”	<i>means</i> the committee established by the Energy Commission that approves the location of a processing facility, transmission systems, distribution network and interconnection facilities.
“transmission system”	<i>means</i> the transmission pipeline transporting natural gas and associated installations that are operated by the transmission utility and has a diameter of 16” and above.
“transmission utility”	<i>means</i> a person licensed under the Act to provide transmission and interconnection services for natural gas without discrimination throughout the country.
“wholesale supplier”	<i>means</i> a producer licensed under the Act to install and operate facilities to procure natural gas for sale to bulk customers or to a distribution company along with the ancillary services and storage facilities needed to maintain reliability and gas quality of the NGTS.
CNG	<i>means</i> Compressed Natural Gas is methane stored at high pressure which remains clear, odourless and non-corrosive.
LNG	<i>means</i> Liquefied Natural Gas is natural gas (predominantly methane, CH <sub>4</sub> , with some mixture of ethane, C <sub>2</sub> H <sub>6</sub> ) that has been cooled down to liquid form for ease and safety of non-pressurized storage or transport.

## CHAPTER

# 1

## BACKGROUND

### Introduction

**1.1** The Energy Commission was established by an Act of Parliament, Energy Commission Act, 1997 (Act 541) to license and regulate the technical operations of service providers in the natural gas supply industry amongst other things. The Commission performs these regulatory functions and ensures the enforcement of licensing conditions, technical rules of practice and standards of performance regulations.

**1.2** This Licence and Permit Application Manual is to guide the Commission in the performance of its licensing obligations and to serve as a source of information to both licensed operators and prospective applicants who intend to operate in the industry.

### Purpose of Licence & Permit Application Manual

**1.3** The purpose of this Licence Application Manual is to outline the Energy Commission's framework for licensing service providers in the Natural Gas supply industry. The Manual provides an outline of procedures and processes involved in the granting of licences and permits.

**1.4** The Manual is essentially a document developed both to guide the Commission in the performance of its licensing obligations and to provide information to both licensed operators and prospective applicants who wish or intend to engage in operations in the industry.

**1.5** This Manual is based on the Energy Commission Act, 1997 (Act 541). If the legislation or other material underlying this Manual is amended, the Commission reserves the right to amend the Manual.

### Obligation to be licensed

**1.6** Sections 11 and 25 of the Act provides that a person shall not engage in commercial activities for the transmission, wholesale supply, distribution or sale of Natural Gas unless the person:

- (a) holds a licence granted under the Act authorising the relevant operations; or
- (b) is exempted from holding a licence.

A breach of this requirement is an offence under the Act and may be sanctioned accordingly.

- 1.7** Whilst permits from the Environmental Protection Agency (EPA) and the relevant local authorities are required for the construction of any physical structure, acquisition of such permits does not absolve a person from the requirement to be licenced.

### **Exemptions**

- 1.8** The Commission may grant an exemption from some or all of the requirements in the *General Provisions on Licences* of the Act.
- 1.9** A request for an exemption under clause 1.8 should be made to the Commission in a form similar to an application for a licence.
- 1.10** An application for an exemption will be considered on its merits in the light of the relevant legislation. Exemptions would be granted by the Commission only under exceptional circumstances.

### **Framework Agreement and Network Connection Agreement**

- 1.11** The acquisition of a Distribution or Natural Gas Wholesale Supply Licence does not authorise the prospective natural gas service provider to connect to the Natural Gas Transmission System in Ghana or any distribution network. A *Framework Agreement* or *Network Connection Agreement* with the relevant network service provider is required for that purpose.
- 1.12** A person seeking to connect to the transmission network must negotiate and conclude a Connection Agreement with the Natural Gas Transmission Utility
- 1.13** Without prejudice to clause 1.2, the scope of a Framework and Network Connection Agreement, shall among other things seek to secure a network user's agreement to:
- a) Pay for services provided by the network operator according to negotiated prices up to the maximum prices approved by the Public Utilities Regulatory Commission (PURC);
  - b) Use all reasonable endeavours to ensure that:
    - i) The user's actual demand at a connection point does not exceed the contract maximum demand for that connection;
    - ii) The quantity of natural gas transferred to the natural gas network by, or on behalf of the user at a connection point does not exceed the declared scheduled and nomination volume(s) from the user in respect of that connection;
  - c) Comply with good natural gas industry practice in operating, maintaining, constructing and commissioning of the facility or equipment connected to the natural gas network to facilitate the transfer of natural gas to or from the network;
  - d) Comply with all technical rules and codes of practices issued by the Commission and any other relevant agency regarding connection to and the use of the natural gas network; and
  - e) Make a contribution (after negotiating with the relevant asset owner) in respect of the capital investment associated with the designing, constructing, installing and

commissioning of the connection facility or network system assets where the granting of access necessitates the augmentation of connection equipment or network system assets that would otherwise not be “commercially viable”.

**1.14** A person seeking to connect to the transmission system must negotiate and conclude a Connection Agreement with the Natural Gas Transmission Utility.

**1.15** The conditions for a Framework Agreement shall at all times be in full compliance with all Regulations governing operations in the *Natural Gas Supply Industry*.

**1.16.** A Framework Agreement shall include an arrangement between the NGTU and the network user to ensure:

- (a) that the quantity of natural gas transferred through the NIGTS on behalf of the network user at a connection point shall meet the entry point requirement and shall not exceed the declared sent-out capacity from the user in respect of that connection;
- (b) that payment for services provided by the NGTU shall be subject to the approval of the PURC (reference Energy Commission Act, 1997 (Act 541), subsection 24(1)(b))
- (c) that a network user's actual off-take at a connection point does not exceed the contracted maximum capacity for that connection;
- (d) that the NGTU facilitates the settlement for any balancing amount of natural gas;
- (e) full compliance with natural gas industry best practice in constructing, commissioning, operating and maintenance of the plant or equipment connected to the natural gas network to facilitate the transfer of natural gas to or from the network;
- (f) full compliance with all technical rules and codes of practice to be issued by the Commission and any other relevant agency regarding connection to and the use of the natural gas network; and
- (g) that a capital contribution is made in respect of the capital investment associated with the design, construction, installation and commissioning of the connection equipment or network system assets where the granting of access necessitates the augmentation of connection equipment or network system assets that would otherwise not be commercially viable.

## CHAPTER

# 2

## ROLE OF THE COMMISSION

### Guiding principles

**2.1** In its decision making with respect to licensing and other functions, the Commission must have regard to the general factors specified in the Act.

**2.2** The Commission will:

- (a) promote competitive and fair market conduct,
- (b) prevent misuse of monopoly or market power,
- (c) regulate entry into and exit from the natural gas market,
- (d) ensure that consumers benefit from competition and efficiency, and
- (e) collaborate with the PURC to
  - (i) protect the interests of consumers with respect to reliability and quality of natural gas supply services,
  - (ii) promote economic efficiency, fair, transparent and competitive operations in the natural gas supply industry, and
  - (iii) facilitate the maintenance of a financially viable natural gas supply industry.

**2.3** The Commission shall ensure the safe and efficient processing, transmission, distribution and sale of natural gas by establishing and enforcing proper:

- (a) standards of safety, reliability and quality in the supply of natural gas,
- (b) safety and technical standards for natural gas installations, and
- (c) standards to ensure efficient natural gas end-use practices and promote productive uses of natural gas.

### Licensing and Permitting functions of the Commission

**2.4** The Commission has responsibility for several licensing functions under the Act, notably:

- (a) assessing, processing and granting of licences and permits;
- (b) specifying licences terms and conditions;
- (c) varying licensing terms and conditions;
- (d) maintaining a register of issued licences;
- (e) monitoring of compliance and enforcement of licence terms and conditions; and

- (f) suspension or cancelling of licences.

### **Granting of a Licence**

- 2.5** The Commission may issue a licence if satisfied that:
- a) the applicant is a suitable person to hold the licence;
  - b) the facility or activity to be licensed will not place undue technical or financial stress on the regulated natural gas sector; and
  - c) specified requirements are met for each licence type.

### **Specifying Licence conditions**

- 2.6** The Act provides that the Commission, in granting a licence, may make the licence subject to certain statutory and other conditions in a manner determined by the Commission.

### **Varying Licence conditions**

- 2.7** The Commission may vary licence conditions by written notice to the natural gas service provider involved, as the Commission considers appropriate. A variation may be made only if the Commission considers it necessary to further the objects of the Act.

### **Granting of Bulk Customer Permits**

- 2.8** The Commission may issue a Bulk Customer with a Permit if satisfied that:
- a) the applicant is a suitable person to hold the permit; and
  - b) specified requirements are met for each permit type.

### **Register of issued Licences and Permits**

- 2.9** The Commission shall keep a register of the licences and permits granted to natural gas service providers and bulk customers under the Act. A copy of the Register shall be made available at the Commission's web site ([www.energycom.gov.gh](http://www.energycom.gov.gh)) to facilitate access by the public.

### **Compliance monitoring and enforcement**

- 2.10** The Commission shall monitor and enforce compliance with all Licence terms and conditions. A contravention of the licence is a breach of the Act and would attract penalties. The Commission may suspend or cancel the licence of a natural gas service provider where that licensee contravenes a condition of the licence.

- 2.11** As part of the compliance monitoring procedure, the licensee shall be required to submit to the Commission a detailed corporate performance statistic quarterly, annual and incident report required under the relevant natural gas regulations and the annual report at the end of each financial year.

**2.12** The performance statistics shall include, but shall not be limited to, the benchmarks stipulated in all the relevant legislation and Codes, as well as the benchmarks, stipulated in the respective licences.

**2.13** Authorised officers of the Commission shall have the right of access to the premises and operational area of the licensee for the purpose of inspection and ensuring compliance with the licence terms and conditions.

**2.14** In the course of an inspection, the Licensee is required to co-operate with and render assistance to any officer(s) authorised by the Commission.

**2.15** While on the premises of the licensee, the authorised officer(s) shall adhere to all the internal rules and regulations of the licensee, particularly relating to health, safety and environment.

### **Suspension or cancellation of licence**

**2.16** The Commission has the mandate under Section 19 of the Act to suspend or cancel a licence when it is convinced that there has been:

- (a) an act of default, meaning that the licensee is not complying or has not complied with any of the conditions stipulated in its licence; or
- (b) a modification of the licensed facility by the licensee without prior written approval of the Commission; or
- (c) a change in circumstances for which the licence was granted such that the natural gas service provider would no longer be entitled to a licence.
- (d) the licensee contravenes a term or condition of the Licence and Regulations made by the Commission and other applicable legislation,
- (e) the licence is not utilised within two years from the date of its grant, after giving the licensee not less than thirty days' notice,
- (f) the licensee fails to demonstrate to the satisfaction of the Commission, that it is in a position to fully and efficiently discharge its duties and obligations under the licence,
- (g) that the licensee fails to pay fees or other charges within thirty days after the due date,
- (h) that the licensee's financial status as reasonably determined by the Commission prevents the licensee from performing duties and obligations under the terms and conditions of the licence,
- (i) that the existing licensee fails to file an application for a renewal of the licence within sixty days before the expiry of the licence required to be renewed as specified in 3.12,
- (j) the licensee's environmental permit is revoked by the Environmental Protection Agency, or
- (k) the licensee's actions significantly or repeatedly endanger public safety.

**2.17** Prior to the suspension or cancellation of a licence, the Commission shall serve the licensee with written notice specifying:

- (a) the cause of dissatisfaction,
- (b) the directives for rectification of the breach, and
- (c) the Commission's proposed line of action in the event that the licensee does not comply within the period specified in the written notice.

**2.18** The defaulting licensee served with a notice under clause 2.17 shall be given an opportunity to respond to the Commission's written complaint and the proposed remedy.

**2.19** The Commission shall take into consideration in its determination to suspend or cancel a licence, the extent to which any person is likely to suffer loss or damage as a result of the suspension or cancellation of a licence.

**2.20.** A Licence that has been granted but has not been utilized within one (1) year from the date of issue may be cancelled by the Commission after giving thirty (30) days' notice to this effect.

## CHAPTER

# 3

## TYPES AND DURATION OF LICENCES OR PERMITS

### Types of services and licence

3.1 (a) The activities in the Natural Gas supply industry for which a licence or permit is required are

- (i) Natural Gas Wholesale Supply
  - a. brokerage
  - b. Export
  - c. Import
  - d. Gas processing facility
  - e. CNG facility
  - f. LNG facility
  - g. Bulk sale
- (ii) Transmission
- (iii) Distribution (CNG/LNG/Pipeline)
- (iv) Retail sale
- (v) Bulk customer permit.

(b) A separate licence shall be required for each activity under 3.1(a).

(c) The Commission may grant more than one license to a person provided such an action does not breach the laws.

3.2 Without limiting 3.1 the Commission may require a licence for any other activity in the natural gas supply industry.

3.3 A **Natural Gas wholesale supply licence** shall permit the licensee to either procure, process or store natural gas, a mixture of hydrocarbon gases and vapours, consisting of principally methane (CH<sub>4</sub>) for sale to a bulk customer or to a distribution company. This shall include brokerage, export, import, processing and Bulk Sale.

3.4 A **Natural Gas brokerage licence** will authorise the licensee to facilitate procurement of Natural Gas by Bulk customers or distribution companies from wholesalers/suppliers.

3.5 An **export licence** shall authorise a licensed Wholesale Supplier to export NG/LNG/ CNG to any country.

- 3.6 An Import licence** shall authorise a Wholesale Supplier to import NG/LNG/CNG into the country.
- 3.7 Bulk Sale Licence** shall authorize the licensee to procure and sell natural gas in bulk to distribution companies and bulk customers.
- 3.8 A Natural Gas facility operation licence** shall permit the licensee to install and operate natural gas facilities to process or store natural gas for or on behalf of a licensed natural gas utility licensee. This may include Gas Processing Plant (GPP), Compressed Natural Gas (CNG) facility and Liquefied Natural Gas (LNG) facility import and export terminals.
- 3.9 A Natural Gas Transmission Licence** shall permit the licensee
- (a) to monitor and control the operation of the National Interconnected Transmission System for the transmission of natural gas throughout the country, and to ensure the safe, reliable and economic transportation of natural gas within the transmission system;
  - (b) to provide transmission interconnection services without discrimination to any other licensee in the natural gas industry;  
and
  - (c) to provide transmission interconnection services to operators of natural gas networks in ECOWAS member states.

The Commission shall grant a **Natural Gas Transmission licence** to only one operator, the NGTU, in accordance with Sections 23 and 24 of the Act. (b) The NGTU shall not be licensed to operate in any other activity.

- 3.7 A Natural Gas Distribution licence** shall
- a) permit the licensee to install and operate natural gas distribution infrastructure (including CNG, LNG and pipeline) to supply natural gas without discrimination to consumers who own or occupy premises within a designated (concession) area or zone, as specified in the licence.
  - b) specify the location and geographical limits of the service area.
- 3.8 A Natural Gas Retail Sale licence** shall permit the licensee to sell natural gas through a distribution network without discrimination to consumers who own or occupy premises within a designated area (concession) or zone, as specified in the licence;
- 3.9 A Bulk Customer permit** shall authorise the permit holder to operate in the deregulated natural gas market and negotiate supply contracts with any wholesale supplier of natural gas subject to terms and conditions specified in the permit. A

bulk customer in respect of Natural Gas is any customer who consumes a minimum amount of gas a day as may be determined by the Commission.

**3.10** A natural gas distribution licence or sale licence shall be specific with the location and geographical limits of the service area.

**3.11** A modification of licence shall be required if a licensee decides to engage in a similar service at a same location or to expand its service beyond its service area for which a fee shall be paid as indicated in the fees schedule.

**Duration of licence and Permits**

**3.12** A licence shall be granted for a definite period. The duration of licences and permits shall be as indicated in Table 1 and may be renewed subject to compliance with the conditions of the licence or permit.

**3.13** Notwithstanding **Error! Reference source not found.**2, the duration of the various licences shall take into consideration the useful life of the facilities including all transmission and distribution medium after commissioning.

**Table 1: Duration of Licences**

Type of Licence	Duration
Natural Gas Wholesale Supply – Brokerage	Up to 5 years
Natural Gas Wholesale Supply - Export	Up to 5 years
Natural Gas Wholesale Supply - Import	Up to 5 years
Natural Gas Wholesale Supply - <b>Processing Facility Licence</b>	Up to 20 years
Natural Gas Wholesale Supply - <b>CNG Facility Licence</b>	Up to 20 years
Natural Gas Wholesale Supply - <b>LNG Facility Licence</b>	Up to 20 years
Natural Gas Wholesale Supply - <b>Bulk Sale Licence</b>	Up to 5 years
Natural Gas Transmission	Up to 25 years
Natural Gas Distribution	Up to 20 years
Natural Gas Retail Sale	Up to 5 years
Siting Permit (Siting Clearance)	Up to 24 months
Construction Permit	Up to 24 months
Bulk Customer Permit	Up to 60 months

**Renewals**

**3.14** (a) An application for renewal of a licence shall be made to the Commission not later than sixty (60) days before the expiry of the licence desired to be renewed,

- (b) The procedure for renewal of a licence granted under the Act shall be the same as that applicable to the grant of the original licence,
- (c) A licensee who fails to renew a licence or whose application for the renewal is rejected by the Commission shall cease to provide the services to which the licence relates,

## CHAPTER

# 4

## APPLICATION FOR AND APPROVAL OF LICENCE

### Qualification for a licence

4.1 The applicant must be

- (a) a citizen of Ghana, or
- (b) a body corporate registered under the Companies Act, 1963 (Act 179) or under any other law of Ghana, or
- (c) a partnership registered under the Incorporated Private Partnerships Act, 1962 (Act 152).

### Application for a licence

4.2 An application for a licence shall be made in writing addressed to the Executive Secretary of the Commission and shall be submitted together with all relevant information as specified in the respective chapter for each licence type.

4.3 An application for a licence shall be made in the form which may be obtained at the Commission's Office or accessed from the Commission's website ([www.energycom.gov.gh](http://www.energycom.gov.gh)).

4.4. The applicant shall complete the appropriate application form and submit all relevant requirements in the respective chapter for each licence type with supporting statutory declaration of the correctness of information required at the time an application is filed.

4.5 An applicant shall be required to furnish the Commission with additional information on request.

4.6. The Commission shall acknowledge receipt of an application for a licence within ten (10) working days after the receipt of the application.

4.7 An incomplete application will not be processed or may be rejected.

## Steps in the Acquisition of Licence

### Project Registration

4.8 Registering a project at the Energy Commission provides the legitimacy to allow a prospective participant in the industry to undertake the following:

- (a) engage with potential off takers for sale of natural gas;

- (b) engage with financiers for funding of the project;
- (c) engage sponsors for support in initial stage of the project; and (d) engage Natural Gas Transmission Utility (NGTU).

**4.9** The Project Registration does not:

- (a) permit the commencement of site preparation works;
- (b) guarantee the issuance of a Gas Sales Agreement (GSA);
- (c) allow commencement of construction of the project; and
- (d) allow commissioning the project.

#### **Siting Permit**

**4.10** The Siting Permit is relevant to ensure that the site selected for the construction undergoes due diligence for environmental, evacuation and safety concerns.

#### **Construction Permit**

**4.11** The Construction Permit is relevant to permit the commencement and construction of gas related facilities that are not associated with the need to acquire a licence.

#### **Operations approval (projects involving construction)**

**4.12** Once construction is fully completed, and the facility has been commissioned, operations approval must be secured by submission of the required commissioning reports. Operations approval entitles the licensed facility to commence commercial operations.

#### **Application fees**

**4.13.** Applicants shall pay to the Commission the application fees stated in Schedule II: Schedule of Licence Fees. The application fees, as stated in the Schedule shall be approved annually by the Parliament of Ghana, and published on the Commission's website ([www.energycom.gov.gh](http://www.energycom.gov.gh)).

**4.14.** The stipulated application fee will be payable in respect of each type of licence sought, regardless of whether or not applications are made separately or are aggregated into a single application document.

**4.15.** A licence application shall not be assessed unless the appropriate fee is paid by the applicant.

**4.16.** Fees paid on submission of an application shall cover the specific stage in the licensing process.

**4.17.**An amendment application filing fee shall be charged for a request to amend an approved licence, siting clearance, construction work permit or authorization to operate.

**4.18.**The amendment application filing fee shall be determined by the Commission based on the amount of work involved with the amended portion of the application.

#### **Siting Committee**

**4.19.**All applications for the installation of equipment and pipelines shall be subject to the approval of the Siting Committee of the Commission (refer to appendix IV- Membership of the Siting Committee).

**4.20.** Siting approval shall be required for processing facilities, transmission systems, distribution networks and interconnection facilities.

**4.21.** The Commission shall review an application taking into consideration the recommendations of the Siting Committee.

#### **Submission of licence application**

**4.22** On completion of the preliminary processes above, the applicant may begin processes towards applying for a licence as specified in the respective chapter for each licence type.

**4.23.**Once all the required submissions are available, together with all other requirements of the financial institution from which funding is sought, the applicant may submit a formal application for a licence to the Office of the Executive Secretary of the Commission.

**4.24.**The applicant shall complete the appropriate forms in their entirety and submit all required attachments, affidavits, and evidence of capability specified.

**4.25.**An incomplete application will not be processed or may be rejected.

**4.26.**Separate applications are required from an applicant to engage in different market activities that fall within different segments of the industry. The Commission may accept a single application from an applicant in respect of multiple activities in the same segment of the industry, but separate licences will be issued for each market activity or facility where the activity is carried out and the appropriate fees charged.

**4.27.**An applicant may be requested to furnish the Commission with further information as the Commission may deem necessary, and the applicant will be required to submit such information before the application will be deemed to be complete.

**4.28.**An application shall be deemed to have been successfully lodged only if and when all relevant supporting documentation required, as indicated in the respective chapter for each

licence type (as well as any additional information requested), are provided to the Commission and full payment of the required application fee has been made.

- 4.29. The Commission shall acknowledge receipt of an application for a licence **within ten (10) working days** of submission of an application and indicate whether the applicant's submissions fully satisfy the requirements expected of the relevant type of licence or otherwise.
- 4.30. In the case of Natural Gas Facility Licences, all related Gas Purchase Agreements should capture the obtaining of the required licence as a Condition Precedent to the effectiveness of the agreement. The Energy Commission Licencing procedures are not subject to the requirements or terms of any Gas Purchase Agreement, and the refusal of the Commission to grant a licence applied for, cannot be used as grounds for lodging a claim against any public entity.
- 4.31. The applicant is required to sign a declaration indicating that all data presented to the Energy Commission in the application for licence are true and correct to the best of the Applicant's knowledge.
- 4.32. The applicant may be required to make a presentation to the Board of the Commission as the final step in the application process.
- 4.33. **For projects that require construction of facilities** and for which financing must be sought from third parties (such as banks), a provisional licence will be issued in the first instance. This licence will provisionally authorise the commencement of the construction of the facility, **subject to achievement of financial close within 18 months of issuance of the licence**. The applicant shall pay a fee of 10% of the Initial Licence Fee as a performance guarantee against the achievement of financial close.
- 4.34. Where a licensee is unable to achieve financial close within the stipulated 18 months, **the licensee may apply for an extension of time for a period not exceeding 6 months**, providing evidence that the granting of the requested extension would, with a high degree of certainty, lead to the achievement of financial close within the extension period requested. The Commission will consider such application, and determine whether or not to grant the extension period requested on the basis of the evidence submitted. **Any application for extension must however be submitted at least two clear months before the expiry of the provisional licence**.
- 4.35. Failure to notify the Commission of financial close (and make full payment of the initial licence fee) within 18 months of issuance of this provisional licence or failure to secure an extension of the 18 month window before expiry of the licence, will lead to the licence being cancelled without option for renewal, and the performance guarantee paid shall be forfeited.

4.36. On achieving financial close, the licensee shall apply to the Commission for the full licence, with evidence that financial close has been achieved. This licence will authorise the licensee to move to site and commence construction activities in accordance with the provisions of the licence

#### **Consideration and approval of application**

4.37. The Commission shall within sixty (60) working days after acknowledging receipt of the last relevant submission from an applicant, provide an applicant with a written notice of the Commission's decision on the determination of the status of an application for a licence.

4.38. The Commission shall issue a licence if it is satisfied that;

- (a) The applicant is suitable to hold the licence applied for;
- (b) For a Natural Gas Distribution licence – the proposed distribution system has the necessary characteristics and integrity to distribute Natural Gas to consumers efficiently;
- (c) For Natural Gas sale licence - the applicant shall demonstrate that it has the financial capability to operate a sales licence and can meet all other obligations specified by the Commission;
- (d) For Natural Gas Wholesale supply export licence – the applicant must show evidence of having met all domestic obligations before export;
- (e) for Natural Gas Wholesale supply import licence- the applicant shall be a Wholesale Supplier, Distribution Company or a Bulk Customer licensed by the Energy Commission; and for Natural Gas Wholesale brokerage licence – the applicant shall demonstrate that it has the financial capability to operate a Brokerage licence and can meet all other obligations specified by the Commission.

4.39. In deciding whether an applicant is suitable to hold a licence, the Commission will consider:

- a) the applicant's previous commercial and other dealings, within and outside Ghana, as may be deemed appropriate by the Commission (including that of its major officers, principals and shareholders) in order to determine or assess the applicant's standard of credibility and integrity and to ascertain, among other things, possible past breaches of statutory and other legal obligations in previous dealings;
- b) The financial and technical capability of the applicant and the human resources available for the operations under the licence; and
- c) Other matters as prescribed by the Act or any other relevant laws and Regulations.

## CHAPTER

# 5

## LICENCE AND PERMIT CONDITIONS

### General Conditions

- 5.1** Every licence shall be subject to conditions that require a licensee to
- (a) comply with any applicable legislation in force at the time of application or that shall be enacted after the grant of the licence;
  - (b) comply with protocols, standards and codes related to the natural gas supply industry;
  - (c) meet specified requirements relating to the entity's capacity to continue operations under the licence;
  - (d) notify the Commission about any change of designations and major shareholders;
  - (e) develop and comply with customer-related standards, charters and procedures; and
  - (f) pay on time all appropriate fees and charges to the Commission.
  - (g) comply with all other licence terms and conditions not stated in the above where necessary
- 5.2** A licensee shall not contravene a condition of its licence. A licensee that contravenes a condition of its licence may be subject to:
- a) an order for compensation payment;
  - b) the recovery of any profits realized by the licensee from the contravention of a licence condition; and
  - c) the suspension or cancellation of the licence for a material contravention of a licence condition.

### Initial and Annual Licence Fees

- 5.3** The initial licence fee for a particular type of licence shall be determined by the Commission.
- 5.4** Each licensee shall pay an Annual Licence Operating Fee consisting of a Fixed and Variable components during the period of commercial operation.
- 5.5** A licensee is exempted from payment of the annual licence operating fee during the construction period.
- 5.6** The licensee shall pay in full to the Commission an Initial Licence Fee after notification of approval of Licence by the Commission.

**5.7** The Fixed Component of the Annual Licence Fee shall be due for payment on the first working day of January in each Licence Year.

**5.8** The Variable Component of the Annual Licence Fee shall be paid quarterly based on the actual volume of gas.

**5.9** Payment of the licence fees does not relieve the licensee from the payment of any other charges arising from its operations under the Licence.

**5.10** The licensee shall pay interest on all fees where the licensee defaults in payments under the Licence.

**5.11** The annual licence fees shall be reviewed annually by Parliament, and published on the Commission website (*www.energycom.gov.gh*).

### **Charges**

**5.12** A wholesale supply licence (Facility, Brokerage, import and Export) shall specify that charges for the services to public distribution companies shall be subject to the approval of the Public Utilities Regulatory Commission.

**5.13** The transmission licence shall specify that tariffs chargeable by the NGTU for its services shall be subject to the approval of the Public Utilities Regulatory Commission.

**5.14** A distribution licence or sale licence, shall specify that the rates or charges by a distribution company for its services, shall be subject to the approval of the Public Utilities Regulatory Commission.

### **Natural Gas Wholesale Supply (Facility) Licence Conditions**

**5.15** A Natural Gas Wholesale Supply (Facility) Licence shall require the licensee to

- (a) specify the location of the facility;
- (b) comply with any directive given by the Natural Gas Transmission Utility in compliance with the regulations for the operation of the NGITS made under section 56(1)(a)(vii) of the Act;
- (c) only process or store NG/CNG/ LNG but not to sell;
- (d) supply natural gas of the quality suitable for the NGITS as specified in the licence;
- (e) avoid any act that may affect the compatibility of the facility with any other natural gas facility or network, or that is likely to compromise safety of supply;
- (f) grant to the Natural Gas Transmission Utility the rights to use or have access to facilities that are necessary for the purpose of ensuring safe and efficient integrated operation of the NGITS; and
- (g) facilities located off-shore are subject to relevant maritime regulations applicable.

**5.16** Without limiting 5.19 a licensee shall comply with the conditions specified in the licence.

**Natural Gas Wholesale Supply (Brokerage, Facility, Import, Export and Bulk Sale )  
Licence Conditions**

**5.17** A wholesale supply licence shall require the licensee to

- (a) comply with any directive given by the Natural Gas Transmission Utility in compliance with the regulations for the operation of the NGITS made under section 56(1)(a)(vii) of the Act;
- (b) procure or produce natural gas of the quality suitable for the NGITS as specified in the licence;
- (c) avoid any act that may affect any natural gas facility network that is likely to compromise safety of Supply; and

**5.18** Without limiting 5.17 a licensee shall comply with the conditions specified in the wholesale supply Brokerage licence and applicable regulations.

**Transmission Licence Conditions**

**5.19** A transmission licence shall require the licensee to

- (a) establish and make available to the public at its offices
  - (i) the procedure for obtaining and terminating transmission and interconnection services for natural gas,
  - (ii) the method of response to the request for its service, and
  - (iii) maps and diagrams of its natural gas transmission facilities in the country.
- (b) operate the natural gas network in co-ordination with WAGP network and other natural gas networks of ECOWAS member states to which it is connected,
- (c) exercise the functions and the powers of the system operator in the best interest of all parties operating in the NGITS,
- (d) consult with the Energy Commission and obtain written permission prior to any modification of the application of any technical and operational rules of practice concerning the operation of the NGITS,
- (e) grant to each wholesale supply licensee the rights to use or have access to any part of the natural gas network that are necessary for the purpose of ensuring proper integration and operation of the NGITS.
- (f) take responsibility for control and operation and ensure the timely and proper maintenance of the NGITS for the transmission of natural gas throughout the country ,
- (g) maintain proper books of account and make them available to users of the NGITS; and
- (h) follow the approved process to resolve any dispute it may have with another licensee concerning the provision of transmission and interconnection services.

**5.20** A licensee shall not have a direct or indirect financial interest in any other segment of the natural gas supply industry without the approval of the Commission.

**5.21** Without limiting 5.19, the licensee shall comply with the conditions of the transmission licence.

### **Distribution Licence Conditions**

**5.22** A **distribution licence** shall require the licensee to

- (a) make available to the public for inspection at the licensee's office, diagrams and maps of the natural gas distribution network and facilities that the licensee is authorised to operate in the designated area relevant to the licence,
- (b) take reasonable steps to ensure that there is in place at all times arrangements to distribute natural gas to customers located within the licensee's designated area of operation without discrimination,
- (c) maintain the distribution network to ensure the integrity of the network for safe, reliable and standard quality service to each category of the licensee's customers,
- (d) request the licensee's bulk customers to give written consent to the distribution entity to provide relevant documentation to the Commission,
- (e) allow each bulk customer to operate in the deregulated market and inform the Commission accordingly,
- (f) enter into and comply with all service agreements with the licensee's customers,
- (g) follow the approved process to resolve disputes including arrangements for handling any complaint that a customer has about the quality of the services,
- (h) comply with the minimum standards of service and safety with respect to all customers in accordance with the *Natural Gas Distribution and Sale (Standards of Performance) Regulations, 2007 L.I. 1912*, and any other legislation, and
- (i) receive from the Siting Committee siting clearance for the distribution infrastructure prior to the commencement of construction activities.

**5.23** Without limiting 5.22 the licensee shall comply with the conditions of a distribution licence.

### **Retail Sale Licence Conditions**

**5.24** A **Retail sale licence** shall require the licensee to

- (a) make available to the public for inspection at the licensee's office, diagrams and maps of the natural gas facilities that the licensee is authorised to operate or use in the designated area relevant to the licence,

- (b) take reasonable steps to ensure that there is in place at all times arrangements to procure and sell natural gas to customers who own or occupy premises within a designated area or zone, as specified in the licence,
- (c) enter into and comply with all service agreements with the licensee's customers,
- (d) follow the approved process to resolve disputes including arrangements for handling any complaint that a customer has about the quality of the services, and
- (e) comply with the minimum standards of service and safety with respect to all customers in accordance with the *Natural Gas Distribution and Sale (Technical and Operational) Rules, 2007 L.I. 1911* and any other legislation.

**5.25** Without limiting **5.24** the licensee shall comply with the conditions of a Retail Sale licence.

### **Bulk Customer Permit Conditions**

**5.26** A **bulk customer permit** shall entitle the permit holder to negotiate for the supply of natural gas at a price negotiated between the wholesale supplier and the bulk customer.

The permit holder shall

- (a) specify the location of facility,
- (b) operate efficiently in order to achieve the classified consumption threshold.
- (c) ensure its consumption does not fall short by more than 5% of the stipulated minimum consumption threshold under the classification,
- (d) negotiate supply contracts with any wholesale supplier of Natural Gas,
- (e) provide the Commission with copy of the supply contract with the wholesale supplier, and
- (f) provide the Commission with quarterly data and information on natural gas purchases, minimum and maximum pressures experienced, frequency and duration of supply interruptions and others as may be determined by the Commission from time to time.

**5.27** Without limiting **5.26** the permit holder shall comply with the conditions of a bulk customer permit.

### **Reporting**

**5.28** Each licensee shall lodge with the Commission reports in accordance with relevant Regulations and reporting requirements

**5.29** A licensee who fails to submit reports for a particular year shall be sanctioned in line with Section 19 of the Act.

### **Contravention of licence conditions**

**5.30** A licensee who contravenes a term and condition of the licence shall

- (a) pay a compensation to a person who suffers an injury or loss as a result of the contravention in accordance with any existing laws and Regulations,
- (b) refund to the Commission any profits realized as a result of the contravention of the licence condition,
- (c) be subject to suspension or cancellation of the licence, and
- (d) (d) pay administrative fines imposed by the Commission.

**5.31** Without prejudice to (a) – (d) the offending licensee may be prosecuted in the law courts for breaches.

**5.32** A person licensed to undertake operations in the natural gas supply industry is liable for damages

- (a) that arise out of a partial or total failure to supply natural gas to a customer; or
- (b) for supplying off-spec natural gas.

## CHAPTER

# 6

## REVIEW OF DECISIONS

### Application for review

- 6.1** A person who is aggrieved by the decision of the Commission to grant or renew a licence or in respect of the transfer, modification, suspension or cancellation of a licence, may apply to the Commission for a review of its decision.
- 6.2** An application for the review of a decision of the Commission shall
- (a) be made in writing,
  - (b) state the decision to which the application relates,
  - (c) state in detail the grounds on which the applicant seeks a review of the decision,
  - (d) be accompanied by any information or evidence that the applicant considers, shall be taken into account by the Commission, and
  - (e) be lodged with the Commission within fourteen days after the decision.
  - (f)
- 6.3** The Commission shall respond to the application with reasons within thirty (30) days of the receipt of the application for review.

### Appeal for review of decisions

- 6.4** A person who is dissatisfied with the review of the Commission may appeal to the responsible Minister.
- 6.5** The Minister shall make a decision within thirty days of receipt of the complaint.
- 6.6** Where a person is dissatisfied with the decision of the Minister or where thirty days have expired without a decision being taken, that person may pursue the matter in the courts.

## CHAPTER

# 7

## NATURAL GAS WHOLESALE SUPPLY (BROKERAGE) LICENCE

### 7.1 Stages in Acquiring Natural Gas Wholesale Supply Brokerage Licence

Business Registration, and Initial due diligence

#### **STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE**

##### **Required Submissions:**

Exhibit B1 - Completed Application Forms with signed Disclosure Statement

Exhibit B2 - Document Registration

Exhibit B3 - Ownership and Corporate Structure

Exhibit B4 - Cross-ownership and ring-fencing

Exhibit B5 - Project Brief

Exhibit B6 - Local Participation

Exhibit B7 - Commercially Sensitive Information (Optional)

Exhibit B8 - Proof of Application Fee Payment (Non-refundable)

Approval for Operations

#### **STAGE 2: OPERATIONS APPROVAL**

##### **Required Submissions:**

Exhibit B9 - Operational Experience and Expertise

Exhibit B10 - Local Content Plan for Operations

Exhibit B11 - Public Notice

Exhibit B12 - Financial Capability

Exhibit B13 - Signed Gas Sales and Purchase Agreement

Exhibit B14 - Receipt of Initial License Fee Payment

### **Procedure for Acquisition of a Natural Gas Wholesale Supply Licence**

#### **Stage 1: -Procedure for Acquisition of Registration Certificate**

1. An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit B1 - “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A),

Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit B2 - “Document Registration”** provide evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include:

- a. Business Registration Documents
  - i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179) (where applicable)
- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company’s registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit B3 - “Ownership and Corporate Structure”** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit B1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit B4 - “Cross-Ownership and Ring-Fencing”**. Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other businesses by shareholding as in Schedule IV;

- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;
- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit B5 - “Project Brief”** provides a summary of the proposed project including the proposed operational nature of the applicant’s business, location, and background of the entity (ies) to own and operate the facility.

**Exhibit B6 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit B7 - “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit B8 – “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

## **Stage 2: -Procedure for acquisition of Operations Approval**

- 1 An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2 Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit B9 –“Operational Experience and Expertise** CV of key personnel involved in the operational aspects of the applicant’s business.

**Exhibit B10 – “Local Content & Local Participation”** Proof of compliance with the Local Content Policy of Ghana to the extent of recruiting personnel and procurement of equipment/services for construction.

**Exhibit B11 - “Public Notice”** An affidavit of the details of the notice published and the original complete page of the newspaper in which the notice has been published as per **Appendix V**.

**Exhibit B12 - “Financial Capability”** Applicant should demonstrate that all relevant industry costs, as well as overheads, have been considered, and that impacts of growth have been included.

Financial projections should be for the first two years after commencing supply and highlight the projected profitability and percentage gross and net profit margins. The Commission will consider whether appropriate preparations have been made and that the plans submitted are based on relevant and reasonable assumptions. The applicant must demonstrate that you have given due regard to managing your risks and provide details of your operational capabilities. Where the financial statements do not provide adequate proof of financial capability, the applicant may provide additional acceptable proof of funding, which could be in the form of cash or liquid assets, debt finance or letter of credit, guarantee from finance backer. It is acceptable that some funding may be conditional on completing market entry steps (including licensing), but there should be no onerous conditions/limited timeframes attached to accessing the funding. A signed declaration of financial and operational adequacy will also be required.

**Exhibit B13 “Signed Gas Sales and Purchase Agreement”** Gas Purchase and Sale Agreement (where relevant especially with Bulk Customers).

**Exhibit B14 - “Proof of Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

## CHAPTER

# 8

## NATURAL GAS WHOLESALE SUPPLY (EXPORT) LICENCE,

### 7.1 Stages in Acquiring Natural Gas Wholesale Supply (Export) Licence

Business Registration, and Initial due diligence

#### **STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE**

##### **Required Submissions:**

- Exhibit E1 - Completed Application Forms with signed Disclosure Statement
- Exhibit E2 - Document Registration
- Exhibit E3 - Ownership and Corporate Structure
- Exhibit E4 - Cross-ownership and ring-fencing
- Exhibit E5 - Project Brief
- Exhibit E6 - Local Participation
- Exhibit E7 - Commercially Sensitive Information (Optional)
- Exhibit E8 - Proof of Application Fee Payment (Non-refundable)

Approval for Operations

#### **STAGE 2: OPERATIONS APPROVAL**

##### **Required Submissions:**

- Exhibit E9 - Operational Experience and Expertise
- Exhibit E10 - Local Content Plan for Operations
- Exhibit E11 - Public Notice
- Exhibit E12 - Financial Capability
- Exhibit E13 - Signed Gas Purchase and Sales Agreement
- Exhibit E14 - Receipt of Initial License Fee Payment

### **Procedure for Acquisition of a Natural Gas Wholesale Supply Licence**

#### **Stage 1: -Procedure for Acquisition of Registration Certificate**

- 1** An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2** Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit E1 - “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit E2 - “Document Registration”** provide evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include:

- a. Business Registration Documents
  - i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179) (where applicable)
- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company’s registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit E3 - “Ownership and Corporate Structure”** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit E1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit E4 - “Cross-Ownership and Ring-Fencing”.** Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other business by shareholding as in Schedule IV;

- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;
- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit E5 - “Project Brief”** provides a summary of the proposed project including the proposed operational nature of the applicant’s business, location, plant type and production capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit E6 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit E7 - “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit E8 – “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

## **Stage 2: -Procedure for acquisition of Operations Approval**

- 1 An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2 Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit E9 –“Operational Experience and Expertise CV** of key personnel involved in the operational aspects of the applicant’s business.

**Exhibit E10 – “Local Content & Local Participation”** Proof of compliance with the Local Content Policy of Ghana to the extent of recruiting personnel and procurement of equipment/services for construction.

**Exhibit E11 - “Public Notice”** An affidavit of the details of the notice published and the original complete page of the newspaper in which the notice has been published as per **Appendix V**.

**Exhibit E12 - “Financial Capability”** Applicant should demonstrate that all relevant industry costs, as well as overheads, have been considered, and that impacts of growth have been included.

Financial projections should be for the first two years after commencing supply and highlight the projected profitability and percentage gross and net profit margins. The Commission will consider whether appropriate preparations have been made and that the plans submitted are based on relevant and reasonable assumptions. You must demonstrate that you have given due regard to managing your risks and provide details of your operational capabilities.

Where the financial statements do not provide adequate proof of financial capability, the applicant may provide additional acceptable proof of funding, which could be in the form of cash or liquid assets, debt finance or letter of credit, guarantee from finance backer. It is acceptable that some funding may be conditional on completing market entry steps (including licensing), but there should be no onerous conditions/limited timeframes attached to accessing the funding. A signed declaration of financial and operational adequacy will also be required.

**Exhibit E13 “Signed Gas Sales and Purchase Agreement”** Gas Purchase and Sale Agreement (where relevant especially with Bulk Customers).

**Exhibit E14 - “Proof of Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

## CHAPTER

# 9

## NATURAL GAS WHOLESALE SUPPLY (IMPORT)

### 7.1 Stages in Acquiring Natural Gas Wholesale Supply (Import) Licence

Business Registration, and Initial due diligence

#### **STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE**

##### **Required Submissions:**

- Exhibit A1 - Completed Application Forms with signed Disclosure Statement
- Exhibit A2 - Document Registration
- Exhibit A3 - Ownership and Corporate Structure
- Exhibit A4 - Cross-ownership and ring-fencing
- Exhibit A5 - Project Brief
- Exhibit A6 - Local Participation
- Exhibit A7 – Commercially Sensitive Information (Optional)
- Exhibit A8 - Proof of Application Fee Payment (Non-refundable)

Approval for Operations

#### **STAGE 2: OPERATIONS APPROVAL**

##### **Required Submissions:**

- Exhibit A9 - Operational Experience and Expertise
- Exhibit A10 - Local Content Plan for Operations
- Exhibit A11 - Public Notice
- Exhibit A12 - Financial Capability
- Exhibit A13 - Signed Gas Purchase and Sales Agreement
- Exhibit A14 - Receipt of Initial License Fee Payment

### **Procedure for Acquisition of a Natural Gas Wholesale Supply Licence**

#### **Stage 1: -Procedure for Acquisition of Registration Certificate**

- 1** An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2** Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit A1 - “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit A2 - “Document Registration”** provide evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include:

- a. Business Registration Documents
  - i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179) (where applicable)
- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company’s registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit A3 - “Ownership and Corporate Structure”** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit A1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit A4 - “Cross-Ownership and Ring-Fencing”.**

Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other business by shareholding as in Schedule IV;

- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;
- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit A5 - “Project Brief”** provides a summary of the proposed project including the proposed operational nature of the applicant’s business, location, plant type and production capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit A6 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit A7 - “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit A8 – “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

## **Stage 2: -Procedure for acquisition of Operations Approval**

- 1 An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2 Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit A9 –“Operational Experience and Expertise CV** of key personnel involved in the operational aspects of the applicant’s business.

**Exhibit A10 – “Local Content & Local Participation”** Proof of compliance with the Local Content Policy of Ghana to the extent of recruiting personnel and procurement of equipment/services for construction.

**Exhibit A11 - “Public Notice”** An affidavit of the details of the notice published and the original complete page of the newspaper in which the notice has been published as per **Appendix V**.

**Exhibit A12 “Financial Capability”** Applicant should demonstrate that all relevant industry costs, as well as overheads, have been considered, and that impacts of growth have been included.

Financial projections should be for the first two years after commencing supply and highlight the projected profitability and percentage gross and net profit margins. The Commission will consider whether appropriate preparations have been made and that the plans submitted are based on relevant and reasonable assumptions. You must demonstrate that you have given due regard to managing your risks and provide details of your operational capabilities.

Where the financial statements do not provide adequate proof of financial capability, the applicant may provide additional acceptable proof of funding, which could be in the form of cash or liquid assets, debt finance or letter of credit, guarantee from finance backer. It is acceptable that some funding may be conditional on completing market entry steps (including licensing), but there should be no onerous conditions/limited timeframes attached to accessing the funding. A signed declaration of financial and operational adequacy will also be required.

**Exhibit A13 “Signed Gas Sales and Purchase Agreement”** Gas Purchase and Sale Agreement (where relevant especially with Bulk Customers).

**Exhibit A14 - “Proof of Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

## CHAPTER

# 10

## NATURAL GAS WHOLESALE SUPPLY GAS PROCESSING FACILITIES LICENCE

### 8.1 Stages in Acquiring Natural Gas Wholesale Supply - Gas Processing Facilities Licence

Business Registration, and Initial due diligence

#### **STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE**

##### **Required Submissions:**

- Exhibit PF1 - Completed Application Forms with signed Disclosure Statement
- Exhibit PF2 - Project Brief
- Exhibit PF3 - Document Registration
- Exhibit PF4 - Ownership and Corporate Structure
- Exhibit PF5 - Cross-ownership and ring-fencing
- Exhibit PF6 - Commercially Sensitive Information (Optional)
- Exhibit PF7 - Local Participation
- Exhibit PF8 - Proof of Application Fee Payment (Non-refundable)

Identification and selection of site for project

#### **STAGE 2: ACQUISITION OF SITING CLEARANCE (SITING PERMIT)**

##### **Required Submissions:**

- Exhibit F9 - Site Analysis Report (Appendix I)
- Exhibit F10 - Initial Search Report from Lands Commission/Land Conveyance Agreement
- Exhibit PF11 - Environmental and Social Impact study
- Exhibit PF12 - Attestation from Geological Survey/Bathymetric study (applicable to only marine facilities)
- Exhibit PF13 - Proof of Siting Permit Fee Payment (Non-refundable)

Prior to Commercial Operations

#### **STAGE 3: ACQUISITION OF GAS PROCESSING FACILITY LICENCE (AUTHORIZATION TO CONSTRUCT)**

##### **Required Submissions:**

- Exhibit PF14 - Land Conveyance Agreement (if not submitted for Siting Permit)
- Exhibit PF15 - Environmental Protection Agency (EPA) Permit
- Exhibit PF16 - Detailed Implementation Schedule
- Exhibit PF17 - Construction Procedures
- Exhibit PF18 - Signed Engineering, Procurement and Construction Contract
- Exhibit PF19 - Building Permit
- Exhibit PF20 - FEED

Exhibit PF21 - HAZID/ HAZOP Reports  
Exhibit PF22 - Geological Survey Report (if not submitted for Siting Permit)  
Exhibit PF23 - Processing Agreements (optional),”  
Exhibit PF24 - Gas Sales and Purchase Agreements (not mandatory)  
Exhibit PF25 - Local Content Plan for Construction  
Exhibit PF26 - Health, Safety & Environmental Plan  
Exhibit PF27 - Proof of Licence Fee Payment

Approval for Operations

**STAGE 4: OPERATIONS APPROVAL**

**Required Submissions:**

Exhibit PF28 - Operational Experience Expertise  
Exhibit PF29 - Operations Insurance and Fire Certificate  
Exhibit PF30 - Commissioning Test Report  
Exhibit PF31 - As Built Drawing  
Exhibit PF32 - Local Content Plan for Operations and Maintenance

**Stage 1: -Procedure for Acquisition of Registration Certificate**

- 1 An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2 Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit PF1 “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit PF2 - “Project Brief”** provide a summary of the proposed project including the proposed operational nature of the applicant’s business, location, plant type and production capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit PF3 - “Document Registration”** Evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include

- a. Business Registration Documents
  - i. Certificate of Registration
  - ii. Certificate to Commence Business

- iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179)(where applicable)
- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company's registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit PF4 “Ownership and Corporate Structure (Equity ownership)”** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit PF1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation

**Exhibit PF5 - “Cross-ownership and Ring-fencing”.** Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other business by shareholding as in Schedule IV;
- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;
- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit PF6 - “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit PF7 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit PF8 – “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

#### **Stage 2: - A. Procedure for Acquisition of Siting Clearance**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall give a power point presentation as per Appendix II of their proposed site to the Siting Committee prior to the site visit to appraise the site.
3. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibits, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit PF9 – “Site Analysis”** Provide details as per Appendix I-Site Analysis for the siting of Liquefied Natural Gas (LNG) facilities.

**Exhibit PF10 – “Initial Search Report from Lands Commission/Land Conveyance Agreement”** provide a search report from the Lands Commission confirming ownership and availability of the land for the project.

**Exhibit PF11 – “Environmental and Social Impact Study”** provide a copy of your Environmental Social Impact Assessment report.

**Exhibit PF12 – “Attestation from Geological Survey/Bathymetric Studies”** provide a report attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site. For Bathymetric Studies provide a report on hydrography, bathymetric map, Bottom/seabed scanning and topographic surveys.

**Exhibit PF13 - “Proof of Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

**Stage 3:- Procedure for Acquisition of Natural Gas Processing Facilities Licence (Authorisation to Construct)**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicant shall arrange for at least a staff of Energy Commission, the NGTU and a technology expert to undertake inspection of critical components of the plant prior to shipment at the cost of the applicant.
3. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit PF14– “Land Conveyance Agreement”** provide approved documentation of proof of title to land, or leases and assignments, and zoning permit from relevant authority including the siting permit from the Commission on which the facility will be built.

**Exhibit PF15 -“Environmental Protection Agency (EPA) Permit”** provide an Environmental Permit or Permanent Environmental Certificate issued by the EPA.

**Exhibit PF16 - “Detailed Implementation Schedule,”** provide detailed timelines for the specific activities that must be performed to produce the various project deliverables.

**Exhibit PF17 – “Construction Procedures”** provide copies of construction procedures of the facility.

**Exhibit PF18 – “Signed Engineering, Procurement and Construction Contract,”** provide a copy of the signed EPC contract with evidence of selection process.

**Exhibit PF19 – “Building Permit”**, provide Building Permit from the relevant authority

**Exhibit PF20 – “FEED”, Provide Copies of Front End Engineering Design.**

**Exhibit PF21 – “HAZID/ HAZOP Reports”** provide Hazard Identification and Hazard & Operability Study Reports of the processing facility. At least one staff of the Energy Commission shall be involved in these studies at the cost of the applicant.

**Exhibit PF22 - “Geological Survey,”** provide a report from the Geological Survey Department of Ghana attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site for gas supply facility.

**Exhibit PF23 – Processing Agreements (optional),”** Natural Gas processing Agreement if it is a tolling entity.

**Exhibit PF24 - “Purchase and Sales Agreements (optional),”** Natural Gas Purchase and Sales Agreements.

**Exhibit PF25 - “Local Content Plan for Construction,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and procurement of facilities. This Plan shall cover the construction phase of the project.

**Exhibit PF26 - “Health, Safety & Environmental Plan,”** provide plans to comply with all legislation and standards relevant to the construction activities and implement systems and structures that prevent the occurrence of injuries, ill health and hazardous conditions.

**Exhibit PF27 - “Proof of Construction Permit Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

#### **Stage 4: -Procedure for acquisition of Operations Approval**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit PF28 –“Operational Experience and Expertise or Operation and Maintenance Agreement,”** provide CVs of key personnel involved in the operational aspects of the applicant’s business. If an Operation and Maintenance Agreement is signed with a third-party, such an agreement shall be provided.

**Exhibit F29 – “Operations Insurance and Fire Certificate”** An insurance policy covering the applicant’s staff and third-party personnel as well as a fire certificate from the Ghana National Fire Service during the operations of the facility.

**Exhibit F30 - “Commissioning Test Report,”** Satisfactory commissioning test report.

**Exhibit F31 - “As Built Drawing”**, applicant shall submit the As Built engineering drawing of the facility.

**Exhibit F32 - “Local Content Plan for Operations and Maintenance,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and operation of facilities. This Plan shall cover the operational phase of the project.

## CHAPTER

# 11

## NATURAL GAS WHOLESALE SUPPLY - COMPRESS NATURAL GAS (CNG) FACILITIES LICENCE

### 8.1 Stages in Acquiring Natural Gas Wholesale Supply - CNG Facilities Licence

Business Registration, and Initial due diligence

#### **STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE**

##### **Required Submissions:**

Exhibit CF1 - Completed Application Forms with signed Disclosure Statement

Exhibit CF2 - Project Brief

Exhibit CF3 - Document Registration

Exhibit CF4 - Ownership and Corporate Structure

Exhibit CF5 - Cross-ownership and ring-fencing

Exhibit CF6 - Commercially Sensitive Information (Optional)

Exhibit CF7 - Local Participation

Exhibit CF8 - Proof of Application Fee Payment (Non-refundable)

Identification and selection of site for project

#### **STAGE 2: ACQUISITION OF SITING CLEARANCE (SITING PERMIT)**

##### **Required Submissions:**

Exhibit CF9 - Site Analysis Report (Appendix I)

Exhibit CF10 - Initial Search Report from Lands Commission/Land Conveyance Agreement

Exhibit CF11 - Environmental and Social Impact study

Exhibit CF12 - Attestation from Geological Survey/Bathymetric study (applicable to only marine facilities)

Exhibit CF13 - Proof of Siting Permit Fee Payment (Non-refundable)

Prior to Commercial Operations

#### **STAGE 3: ACQUISITION OF CNG FACILITY LICENCE (AUTHORIZATION TO CONSTRUCT)**

##### **Required Submissions:**

Exhibit CF14 - Land Conveyance Agreement (if not submitted for Siting Permit)

Exhibit CF15 - Environmental Protection Agency (EPA) Permit

Exhibit CF16 - Detailed Implementation Schedule

Exhibit CF17 - Construction Procedures

Exhibit CF18 - Signed Engineering, Procurement and Construction Contract

Exhibit CF19 - Building Permit  
Exhibit CF20 - FEED  
Exhibit CF21 -HAZID/ HAZOP Reports  
Exhibit CF22 - Geological Survey Report (if not submitted for Siting Permit)  
Exhibit CF23 - Compression Agreements (optional),”  
Exhibit CF24 - Gas Sales and Purchase Agreements (not mandatory)  
Exhibit CF25 - Local Content Plan for Construction  
Exhibit CF26 - Health, Safety & Environmental Plan  
Exhibit CF27 - Proof of Licence Fee Payment

Approval for Operations

**STAGE 4: OPERATIONS APPROVAL**

**Required Submissions:**

Exhibit CF28 - Operational Experience Expertise  
Exhibit CF29 - Operations Insurance and Fire Certificate  
Exhibit CF30 - Commissioning Test Report  
Exhibit CF31 - “As Built” Drawing  
Exhibit CF32 - Local Content Plan for Operations and Maintenance

**Stage 1: -Procedure for Acquisition of Registration Certificate**

- 1 An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2 Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit CF1 “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit CF2 - “Project Brief”** provide a summary of the proposed project including the proposed operational nature of the applicant’s business, location, plant type and production capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit CF3 - “Document Registration”** Evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include

- a. Business Registration Documents
  - i. Certificate of Registration

- ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179) (where applicable)
- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company's registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit CF4 “Ownership and Corporate Structure”** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit CF1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit CF5 - “Cross-ownership and Ring-fencing”.** Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other businesses by shareholding as in Schedule IV;
- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;

- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit CF6 - “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit CF7 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit CF8 – ‘ “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

#### **Stage 2: - A. Procedure for Acquisition of Siting Clearance**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall give a power point presentation as per Appendix II of their proposed site to the Siting Committee prior to the site visit to appraise the site.
3. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibits, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit CF9 – “Site Analysis”** Provide details as per Appendix I-Site Analysis for the siting of Liquefied Natural Gas (LNG) facilities.

**Exhibit CF10 – “Initial Search Report from Lands Commission/Land Conveyance Agreement”** provide a search report from the Lands Commission confirming ownership and availability of the land for the project.

**Exhibit CF11 – “Environmental and Social Impact Study”** provide a copy of your Environmental Social Impact Assessment report.

**Exhibit CF12 – “Attestation from Geological Survey/Bathymetric Studies”** provide a report attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site. For Bathymetric Studies provide a report on hydrography, bathymetric map, Bottom/seabed scanning and topographic surveys.

**Exhibit CF13 - “Proof of Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

**Stage 3:- Procedure for Acquisition of Liquefied Natural Gas (LNG) Licence (Authorisation to Construct)**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicant shall arrange for at least a staff of Energy Commission, the NGTU and a technology expert to undertake inspection of critical components of the plant prior to shipment at the cost of the applicant.
3. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit CF14– “Land Conveyance Agreement”** provide approved documentation of proof of title to land, or leases and assignments, and zoning permit from relevant authority including the siting permit from the Commission.

**Exhibit CF15 -“Environmental Protection Agency (EPA) Permit”** provide an Environmental Permit or Permanent Environmental Certificate issued by the EPA.

**Exhibit CF16 - “Detailed Implementation Schedule,”** provide detailed timelines for the specific activities that must be performed to produce the various project deliverables.

**Exhibit CF17 – “Construction Procedures”** provide copies of construction procedures of the LNG facility.

**Exhibit CF18 – “Signed Engineering, Procurement and Construction Contract,”** provide a copy of the signed EPC contract with evidence of selection process.

**Exhibit CF19 – ‘Building Permit’**, provide Building Permit from a relevant agency or authority on which the project is been developed.

**Exhibit CF20 – “FEED”**, Provide Copies of Front End Engineering Design.

**Exhibit CF21 – “HAZID/ HAZOP Reports”** provide Hazard Identification and Hazard & Operability Study Reports of the processing facility. At least one staff of the Energy Commission shall be involved in these studies at the cost of the applicant.

**Exhibit CF22 - “Geological Survey,”** provide a report from the Geological Survey Department of Ghana attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site for gas supply facility.

**Exhibit CF23 – Compression Agreements (optional),”** Natural Gas Compression Agreement if it is a tolling entity.

**Exhibit CF24 - “Purchase and Sales Agreements (optional),”** Natural Gas Purchase and Sales Agreements.

**Exhibit CF25 - “Local Content Plan for Construction,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and procurement of facilities. This Plan shall cover the construction phase of the project.

**Exhibit CF26 - “Health, Safety & Environmental Plan,”** provide plans to comply with all legislation and standards relevant to the construction activities and implement systems and structures that prevent the occurrence of injuries, ill health and hazardous conditions.

**Exhibit CF27 - “Proof of Construction Permit Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

#### **Stage 4: -Procedure for acquisition of Operations Approval**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit CF28 –“Operational Experience and Expertise or Operation and Maintenance Agreement,”** provide CVs of key personnel involved in the operational aspects of the applicant’s business.

If an Operation and Maintenance Agreement is signed with a third-party, such an agreement shall be provided.

**Exhibit CF29 – “Operations Insurance and Fire Certificate”** An insurance policy covering the applicant’s staff and third-party personnel as well as a fire certificate from the Ghana National Fire Service during the operations of the facility.

**Exhibit CF30 - “Commissioning Test Report,”** Satisfactory commissioning test report.

**Exhibit CF31 - “As Built Drawing”**, applicant shall submit the As Built engineering drawing of the facility.

**Exhibit CF32 - “Local Content Plan for Operations and Maintenance,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and operation of facilities. This Plan shall cover the operational phase of the project.

## CHAPTER

# 12

## NATURAL GAS WHOLESALE SUPPLY - LIQUIFIED NATURAL GAS FACILITIES LICENCE

### Stages in Acquiring Natural Gas Wholesale Supply LNG Facilities Licence

Business Registration, and Initial due diligence

#### **STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE**

##### **Required Submissions:**

Exhibit LF1 - Completed Application Forms with signed Disclosure Statement

Exhibit LF2 - Project Brief

Exhibit LF3 - Document Registration

Exhibit LF4 - Ownership and Corporate Structure

Exhibit LF5 - Cross-ownership and ring-fencing

Exhibit LF6 - Commercially Sensitive Information (Optional)

Exhibit LF7 - Local Participation

Exhibit LF8 - Proof of Application Fee Payment (Non-refundable)

Identification and selection of site for project

#### **STAGE 2: ACQUISITION OF SITING CLEARANCE (SITING PERMIT)**

##### **Required Submissions:**

Exhibit LF9 - Site Analysis Report (Appendix I)

Exhibit LF10 - Initial Search Report from Lands Commission/Land Conveyance Agreement

Exhibit LF11 - Environmental and Social Impact study

Exhibit LF12 - Attestation from Geological Survey/Bathymetric study (applicable to only marine facilities)

Exhibit LF13 - Proof of Siting Permit Fee Payment (Non-refundable)

Prior to Commercial Operations

#### **STAGE 3: ACQUISITION OF LNG FACILITY LICENCE (AUTHORIZATION TO CONSTRUCT)**

##### **Required Submissions:**

Exhibit LF14 - Land Conveyance Agreement (if not submitted for Siting Permit)

Exhibit LF15 - Environmental Protection Agency (EPA) Permit

Exhibit LF16 - Detailed Implementation Schedule

Exhibit LF17 - Construction Procedures

Exhibit LF18 - Signed Engineering, Procurement and Construction Contract  
Exhibit LF19 - Building Permit  
Exhibit LF20 - FEED  
Exhibit LF21 -HAZID/ HAZOP Reports  
Exhibit LF22 - Geological Survey Report (if not submitted for Siting Permit)  
Exhibit LF23 - Liquifaction Agreements (optional),”  
Exhibit LF24 - Gas Sales and Purchase Agreements (not mandatory)  
Exhibit LF25 - Local Content Plan for Construction  
Exhibit LF26 - Health, Safety & Environmental Plan  
Exhibit LF27 - Proof of Licence Fee Payment

Approval for Operations

**STAGE 4: OPERATIONS APPROVAL**

**Required Submissions:**

Exhibit LF28 - Operational Experience Expertise  
Exhibit LF29 - Operations Insurance and Fire Certificate  
Exhibit LF30 - Commissioning Test Report  
Exhibit LF31 - “As Built” Drawing  
Exhibit LF32 - Local Content Plan for Operations and Maintenance

**Stage 1: -Procedure for Acquisition of Registration Certificate**

- 1 An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2 Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit LF1 “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit LF2 - “Project Brief”** provide a summary of the proposed project including the proposed operational nature of the applicant’s business, location, plant type and production capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit LF3 - “Document Registration”** Evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include

- a. Business Registration Documents

- i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179) (where applicable)
- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company’s registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit LF4 “Ownership and Corporate Structure”** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit LF1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit LF5 - “Cross-ownership and Ring-fencing”.** Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other businesses by shareholding as in Schedule IV;
- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether

separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;

- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit LF6 - “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit LF7 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit LF8 – ‘ “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

#### **Stage 2: - A. Procedure for Acquisition of Siting Clearance**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall give a power point presentation as per Appendix II of their proposed site to the Siting Committee prior to the site visit to appraise the site.
3. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibits, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit LF9 – “Site Analysis”** Provide details as per Appendix II-Site Analysis for the siting of Liquefied Natural Gas (LNG) facilities.

**Exhibit LF10 – “Initial Search Report from Lands Commission/Land Conveyance Agreement”** provide a search report from the Lands Commission confirming ownership and availability of the land for the project.

**Exhibit LF11 – “Environmental and Social Impact Study”** provide a copy of your Environmental Social Impact Assessment report.

**Exhibit LF12 – “Attestation from Geological Survey/Bathymetric Studies”** provide a report attesting to either the absence of or acceptable levels of seismic activity on and around

the proposed site. For Bathymetric Studies provide a report on hydrography, bathymetric map, Bottom/seabed scanning and topographic surveys.

**Exhibit LF13 - “Proof of Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

**Stage 3:- Procedure for Acquisition of Liquefied Natural Gas (LNG) Licence (Authorisation to Construct)**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicant shall arrange for at least a staff of Energy Commission, the NGTU and a technology expert to undertake inspection of critical components of the plant prior to shipment at the cost of the applicant.
3. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit LF14- “Land Conveyance Agreement”** provide approved documentation of proof of title to land, or leases and assignments, and zoning permit from relevant authority including the siting permit from the Commission.

**Exhibit LF15 -“Environmental Protection Agency (EPA) Permit”** provide an Environmental Permit or Permanent Environmental Certificate issued by the EPA.

**Exhibit LF16 - “Detailed Implementation Schedule,”** provide detailed timelines for the specific activities that must be performed to produce the various project deliverables.

**Exhibit LF17 – “Construction Procedures”** provide copies of construction procedures of the LNG facility.

**Exhibit LF18 – “Signed Engineering, Procurement and Construction Contract,”** provide a copy of the signed EPC contract with evidence of selection process.

**Exhibit LF19 – “Building Permit”**, provide Building Permit from District or Municipal Assembly or Town and Country Planning.

**Exhibit LF20 – “FEED”,** Provide Copies of Front End Engineering Design.

**Exhibit LF21 – “HAZID/ HAZOP Reports”** provide Hazard Identification and Hazard & Operability Study Reports of the processing facility. At least one staff of the Energy Commission shall be involved in these studies at the cost of the applicant.

**Exhibit LF22 - “Geological Survey,”** provide a report from the Geological Survey Department of Ghana attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site for gas supply facility.

**Exhibit LF23 – liquefaction / Regasification Agreements (optional),”** Natural Gas Regasification Agreement if it is a tolling entity.

**Exhibit LF24 - “Purchase and Sales Agreements (optional),”** Natural Gas Purchase and Sales Agreements.

**Exhibit LF25 - “Local Content Plan for Construction,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and procurement of facilities. This Plan shall cover the construction phase of the project.

**Exhibit LF26 - “Health, Safety & Environmental Plan,”** provide plans to comply with all legislation and standards relevant to the construction activities and implement systems and structures that prevent the occurrence of injuries, ill health and hazardous conditions.

**Exhibit LF27 - “Proof of Construction Permit Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

#### **Stage 4: -Procedure for acquisition of Operations Approval**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit LF28 –“Operational Experience and Expertise or Operation and Maintenance Agreement,”** provide CVs of key personnel involved in the operational aspects of the applicant’s business.

If an Operation and Maintenance Agreement is signed with a third-party, such an agreement shall be provided.

**Exhibit LF29 – “Operations Insurance and Fire Certificate”** An insurance policy covering the applicant’s staff and third-party personnel as well as a fire certificate from the Ghana National Fire Service during the operations of the facility.

**Exhibit LF30 - “Commissioning Test Report,”** Satisfactory commissioning test report.

**Exhibit LF31 - “As Built Drawing”**, applicant shall submit the As Built engineering drawing of the facility.

**Exhibit LF32 - “Local Content Plan for Operations and Maintenance,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and operation of facilities. This Plan shall cover the operational phase of the project.

## CHAPTER

# 13

## NATURAL GAS BULK SALES LICENCE

### Stages in Acquiring Natural Gas Bulk Sales Licence

Business Registration, and Initial due diligence

#### STAGE 1: PROJECT REGISTRATION

##### STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE

###### Required Submissions:

Exhibit BS1 - Completed Application Forms with signed Disclosure Statement

Exhibit BS2 - Document Registration

Exhibit BS3 - Ownership and Corporate Structure

Exhibit BS4 - Cross-ownership and ring-fencing

Exhibit BS5 - Project Brief

Exhibit BS6 - Commercially Sensitive Information (Optional)

Exhibit BS7 - Local Participation

Exhibit BS8 - Proof of Application Fee Payment (Non-refundable)

#### STAGE 2: PROJECT REGISTRATION

##### STAGE 2: ACQUISITION OF OPERATIONAL LICENCE

###### Required Submissions:

Exhibit BS9 - Operational Experience and Expertise

Exhibit BS10 - Public Notice

Exhibit BS11 - Signed Gas Purchase and Sales Agreement

Exhibit BS12 - Signed Gas Distribution Service Agreement

Exhibit BS13 - Local Content Participation

Exhibit BS14 - Receipt of Licence Fee

#### Stage 1:- Procedure for Acquisition of Project Registration Certificate

1. An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit BS1 “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit BS2 – “Document Registration”** Evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include

- a. Business Registration Documents
  - i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179) (where applicable)
  
- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company’s registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit BS3 - “Ownership and Corporate Structure”** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit BS1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit BS4 - “Cross-ownership and Ring-fencing”.** Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other businesses by shareholding as in Schedule IV;
- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;
- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit BS5 – “Project Brief”** provide a summary of the proposed project including the proposed operational nature of the applicant’s business, location, capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit BS6 – “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit BS7 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit BS8 – “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

## **Stage 2-Procedure for acquisition of Authorization to Operate**

**Exhibit BS9 – “Operational Experience and Expertise or Operation and Maintenance,”** provide CVs of key personnel involved in the operational aspects of the applicant’s business. If an Operation and Maintenance Agreement is signed with a third-party, such an agreement shall be provided.

**Exhibit BS10 – “Public Notice”** An affidavit of the details of the notice published and shall also file the original complete page of the newspaper in which the notice has been published as per **Appendix V**.

**Exhibit BS11 – “Signed Gas Purchase & Sale Agreement”** provide Gas Purchase and Sales Agreements with a Shipper or a Bulk Customer.

**Exhibit BS12– “Signed Gas Distribution Service Agreement”** provide Gas Distribution Service Agreement with Distribution Company.

**Exhibit BS13 – “Local Content Plan”** provide plans in accordance with the Local Content Policy of Ghana to the extent of recruiting personnel and procurement of equipment/services; and operation of facilities.

**Exhibit BS14 - “Receipt of Licence Fee,”** Evidence of payment of the appropriate prevailing licence fee to the Energy Commission.

## CHAPTER

# 14

## NATURAL GAS TRANSMISSION LICENCE

### Stages in Acquiring Natural Gas Transmission Licence

Business Registration, and Initial due diligence

#### **STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE**

##### **Required Submissions:**

Exhibit T1 - Completed Application form with signed Disclosure Statement

Exhibit T2 - Document Registration

Exhibit T3 - Ownership and Corporate Structure

Exhibit T4 - Cross-ownership and ring-fencing

Exhibit T5 - Project Brief

Exhibit T6 - Commercially Sensitive Information (Optional)

Exhibit T7 - Local Participation

Exhibit T8 - Proof of Application Fee Payment (Non-refundable)

Identification and selection of site for project

#### **STAGE 2: ACQUISITION OF SITING CLEARANCE (SITING PERMIT)**

##### **Required Submissions:**

Exhibit T9 - Site Analysis Report (Appendix II)

Exhibit T10 - Initial Search Report from Lands Commission/Land Conveyance Agreement

Exhibit T11 - Environmental and Social Impact study

Exhibit T12 - Attestation from Geological Survey/Bathymetric study (applicable to only marine facilities)

Exhibit T13 - Proof of Siting Permit Fee Payment (Non-refundable)

Prior to Commercial Operations

#### **STAGE 3: ACQUISITION OF NATURAL GAS TRANSMISSION LICENCE (AUTHORIZATION TO CONSTRUCT)**

##### **Required Submissions:**

Exhibit T14 - Land Conveyance Agreement (if not submitted for Siting Permit)

Exhibit T15 - Environmental Protection Agency (EPA) Permit

Exhibit T16 - Detailed Implementation Schedule

Exhibit T17 - Construction Procedures

Exhibit T18 - Signed Engineering, Procurement and Construction Contract

Exhibit T19 - Building Permit from the District Assembly

Exhibit T20 -FEED Exhibit T21 - HAZID/ HAZOP Reports Exhibit T22 - Geological Survey Report (if not submitted for Siting Permit) Exhibit T23 - Local Content Plan for Construction Exhibit T24 - Health, Safety & Environmental Plan Exhibit T25 - Proof of Licence Fee Payment
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Approval for Operations

<b>STAGE 4: OPERATIONS APPROVAL</b> <b>Required Submissions:</b> Exhibit T26 - Operational Experience and Expertise or Operation and Maintenance Agreement Exhibit T27 - Framework Agreement Exhibit T28 - Network Connection Agreement Exhibit T29 - Gas Transmission Service Agreement Exhibit T30 - Operations Insurance and Fire Certificate Exhibit T31 - As Built'' Drawing Exhibit T32 - Commissioning Test Report Exhibit T33 - Local Content Plan for Operations and Maintenance (if applicable)
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### **Stage 1: -Procedure for Acquisition of Registration Certificate**

1. An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit T1 “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit T2 - “Document Registration”** Evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include

- a. Business Registration Documents
  - i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179) (where applicable)

- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company's registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit T3 - "Ownership and Corporate Structure"** Provide details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit T1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit T4 - "Cross-ownership and Ring-fencing"**

Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other businesses by shareholding as in Schedule IV;
- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;
- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit T5 - “Project Brief”** provide a summary of the proposed project including the proposed operational nature of the applicant’s business, location, capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit T6 - “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit T7 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit T8 – “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

**Stage 2: - A. Procedure for Acquisition of Siting Clearance**

3. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
4. Applicants shall give a power point presentation as per Appendix II of their proposed site to the Siting Committee prior to the site visit to appraise the site.
5. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibits, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit T9 – “Site Analysis”** Provide details as per Appendix II-Site Analysis for the siting of the Pipeline and Associated facilities.

**Exhibit T10 – “Initial Search Report from Lands Commission/Land Conveyance Agreement”** provide a search report from the Lands Commission confirming ownership and availability of the land for the project.

**Exhibit T11 – “Environmental and Social Impact Study”** provide a copy of your Environmental Social Impact Assessment report.

**Exhibit T12 – “Attestation from Geological Survey/Bathymetric Studies”** provide a report attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site. For Bathymetric Studies provide a report on hydrography, bathymetric map, Bottom/seabed scanning and topographic surveys.

**Exhibit T13 - “Proof of Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

**Stage 3:- Procedure for Acquisition of Natural Gas Transmission Licence (Authorisation to Construct)**

- 1** An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2** Applicant shall arrange for at least a staff of Energy Commission, the NGTU and a technology expert to undertake inspection of critical components of the plant prior to shipment at the cost of the applicant.
- 3** Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit T14 - “Land Conveyance Agreement”** provide approved documentation of proof of title to land, or leases and assignments, and zoning permit from relevant authority including the siting permit from the Commission.

**Exhibit T15 - “Environmental Protection Agency (EPA) Permit”** provide an Environmental Permit or Permanent Environmental Certificate issued by the EPA.

**Exhibit T16 - “Detailed Implementation Schedule,”** provide detailed timelines for the specific activities that must be performed to produce the various project deliverables.

**Exhibit T17 – “Construction Procedures”** provide copies of construction procedures of the LNG facility.

**Exhibit T18 – “Signed Engineering, Procurement and Construction Contract,”** provide a copy of the signed EPC contract with evidence of selection process.

**Exhibit T19 – “Building Permit”**, provide Building Permit from the appropriate authority.

**Exhibit T20 – “FEED”**, Provide Copies of Front End Engineering Design.

**Exhibit T21 – “HAZID/ HAZOP Reports”** provide Hazard Identification and Hazard & Operability Study Reports of the processing facility. At least one staff of the Energy Commission shall be involved in these studies at the cost of the applicant.

**Exhibit T22 - “Geological Survey,”** provide a report from the Geological Survey Department of Ghana attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site for gas supply facility.

**Exhibit T23 - “Local Content Plan for Construction,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and procurement of facilities. This Plan shall cover the construction phase of the project.

**Exhibit T24 - “Health, Safety & Environmental Plan,”** provide plans to comply with all legislation and standards relevant to the construction activities and implement systems and structures that prevent the occurrence of injuries, ill health and hazardous conditions.

**Exhibit T25 - “Proof of Construction Permit Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees)

#### **Stage 4: -Procedure for acquisition of Operations Approval**

- 1 An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
- 2 Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit T26 –“Operational Experience and Expertise or Operation and Maintenance Agreement,”** CVs of key personnel involved in the operational aspects of the applicant’s business.

If an Operation and Maintenance Agreement is signed with a third-party, such an agreement shall be provided.

**Exhibit T27 – Framework Agreement,”** an agreement between the NGTU referred in section 23(1) of the Energy Commission Act 1997 (Act 541) and a Shipper. It sets out

- (a) the procedure for obtaining and terminating transmission and interconnection services for natural gas;
- (b) the method of response to request for the NGTU’s services; and

(c) maps and diagrams of the NGTU's Natural Gas Transmission facilities in the country as required under Section 24(2)(c) of the Energy Commission Act, 1997 (Act 541).

**Exhibit T28 - "Network Connection Agreement,"** the terms and conditions between the NGTU and the Shipper for the physical connection of the shipper's facility to the Natural Gas Interconnected Transmission System (NGITS) for the sale or delivery of gas.

**Exhibit T29 - "Gas Transmission Service Agreement,"** the terms and conditions between the NGTU and the Shipper for the transportation of gas through the NGITS.

**Exhibit T30 - "Operations Insurance and Fire Certificate"** An insurance policy covering the applicant's staff and third-party personnel as well as a fire certificate from the Ghana National Fire Service during the operations of the facility.

**Exhibit T31 - "As Built Drawing",** applicant shall submit the As Built engineering drawing of the facility.

**Exhibit T32 - "Commissioning Test Report,"** Satisfactory commissioning test report.

**Exhibit T33 - "Local Content Plan for Operations and Maintenance,"** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and operation of facilities. This Plan shall cover the operational phase of the project.

## CHAPTER

# 15

### NATURAL GAS DISTRIBUTION LICENCE (LNG/CNG/NG)

#### Stages in Acquiring Natural Gas Distribution Licence

Business Registration, and Initial due diligence

#### **STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE**

##### **Required Submissions:**

Exhibit D1 - Completed Application Forms with signed Disclosure Statement

Exhibit D2 - Project Brief

Exhibit D3 - Document Registration

Exhibit D4 - Ownership and Corporate Structure

Exhibit D5 - Cross-ownership and ring-fencing

Exhibit D6 - Commercially Sensitive Information (Optional)

Exhibit D7 - Local Participation

Exhibit D8 - Public Notice

Exhibit D9 - Proof of Application Fee Payment (Non-refundable)

Identification and selection of site ONLY when pipeline is required

#### **STAGE 2: ACQUISITION OF SITING CLEARANCE (SITING PERMIT)**

##### **Required Submissions:**

Exhibit D10 - Description of the Distribution System

Exhibit D11 - Site Analysis Report (Appendix II)

Exhibit D12 - Initial Search Report from Lands Commission/Land Conveyance Agreement

Exhibit D13 - Environmental and Social Impact study

Exhibit D14 - Attestation from Geological Survey/Bathymetric study (applicable to only marine facilities)

Exhibit D15 - Proof of Siting Permit Fee Payment (Non-refundable)

Prior to Commercial Operations

#### **STAGE 3: ACQUISITION OF NATURAL GAS DISTRIBUTION LICENCE (AUTHORIZATION TO CONSTRUCT)**

##### **Required Submissions:**

Exhibit D16 - Land Conveyance Agreement (if not submitted for Siting Permit)

Exhibit D17 - Environmental Protection Agency (EPA) Permit

Exhibit D18 - Detailed Implementation Schedule

Exhibit D19 - Construction Procedures

Exhibit D20 - Signed Engineering, Procurement and Construction Contract  
Exhibit D21 - Building Permit  
Exhibit D22 - FEED  
Exhibit D23 - HAZID/ HAZOP Reports  
Exhibit D24 - Geological Survey Report (if not submitted for Siting Permit)  
Exhibit D25 - Local Content Plan for Construction  
Exhibit D26 - Health, Safety & Environmental Plan  
Exhibit D27 - Proof of Licence Fee Payment

Approval for Operations

#### **STAGE 4: OPERATIONS APPROVAL**

##### **Required Submissions:**

Exhibit D28 - Operational Experience and Expertise  
Exhibit D29 - Framework Agreement  
Exhibit D30 - Network Connection Agreement  
Exhibit D31 - Gas Distribution Service Agreement  
Exhibit D32 - Operations Insurance and Fire Certificate  
Exhibit D33 - "As Built" Drawing  
Exhibit D34 - Commissioning Test Report  
Exhibit D35 - Local Content Plan for Operations and Maintenance

#### **Stage 1: -Procedure for Acquisition of Registration Certificate**

1. An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed. Location, capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit D1 - "Completed Application Form"** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit D2 - "Project Brief"** provide a summary of the proposed project including the proposed operational nature of the applicant's business.

**Exhibit D3 - "Document Registration"** Evidence that the applicant has registered with the Registrar General's Department. Exhibits required include

- a. Business Registration Documents

- i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179) (where applicable)
- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company's registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit D4 - "Ownership and Corporate Structure"** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable), including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit D1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant's financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit D5 - "Cross-ownership and Ring-fencing"**. Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other businesses by shareholding as in Schedule IV;
- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;
- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available;

- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow.

**Exhibit D6 - “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit D7 – “Local Participation”** provide a plan detailing:

- a. the role and responsibilities of the indigenous Ghanaian;
- b. the equity participation of the indigenous Ghanaian; and all other
- c. shareholders and
- d. the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit D8 – “Public Notice”** An affidavit of the details of the notice published and shall also the original complete page of the newspaper in which the notice has been published as per **Appendix V**.

**Exhibit D9 – “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

#### **Stage 2: - A. Procedure for Acquisition of Siting Clearance**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall give a power point presentation as per Appendix II of their proposed site to the Siting Committee prior to the site visit to appraise the site.
3. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibits, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit D10 – “Description of Distribution Network”** Provide detail Description of the Gas Distribution System.

**Exhibit D11 – “Site Analysis”** Provide details as per Appendix II-Site Analysis for the siting of the Pipeline and Associated facilities.

**Exhibit D12 – “Initial Search Report from Lands Commission/Land Conveyance Agreement”** provide a search report from the Lands Commission confirming ownership and availability of the land for the project.

**Exhibit D13 – “Environmental and Social Impact Study”** provide a copy of your Environmental Social Impact Assessment report.

**Exhibit D14 – “Attestation from Geological Survey/Bathymetric Studies”** provide a report attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site. For Bathymetric Studies provide a report on hydrography, bathymetric map, Bottom/seabed scanning and topographic surveys.

**Exhibit D15 - “Proof of Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

**Stage 3:- Procedure for Acquisition of Natural Gas Distribution Licence (Authorisation to Construct)**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicant shall arrange for at least a staff of Energy Commission, the NGTU and a technology expert to undertake inspection of critical components of the plant prior to shipment at the cost of the applicant.
3. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit D16– “Land Conveyance Agreement”** provide approved documentation of proof of title to land, or leases and assignments, and zoning permit from relevant authority including the siting permit from the Commission.

**Exhibit D17 -“Environmental Protection Agency (EPA) Permit”** provide an Environmental Permit or Permanent Environmental Certificate issued by the EPA.

**Exhibit D18 - “Detailed Implementation Schedule,”** provide detailed timelines for the specific activities that must be performed to produce the various project deliverables.

**Exhibit D19 – “Construction Procedures (ONLY for pipeline)”** provide copies of construction procedures of the LNG facility.

**Exhibit D20 – “Signed Engineering, Procurement and Construction Contract,”** provide a copy of the signed EPC contract with evidence of selection process.

**Exhibit D21 – “Building Permit ”,** provide Building Permit from relevant authority in which the infrastructure is to be built. District on Municipal Assembly or Town and Country Planning.

**Exhibit D22 – “FEED (ONLY for pipeline),”** Provide Copies of Front End Engineering Design.

**Exhibit D23 – “HAZID/ HAZOP Reports”** provide Hazard Identification and Hazard & Operability Study Reports of the processing facility. At least one staff of the Energy Commission shall be involved in these studies at the cost of the applicant.

**Exhibit D24 - “Geological Survey (if not submitted for sitting permit),”** provide a report from the Geological Survey Department of Ghana attesting to either the absence of or acceptable levels of seismic activity on and around the proposed site for gas supply facility.

**Exhibit D25 - “Local Content Plan for Construction,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and procurement of facilities. This Plan shall cover the construction phase of the project.

**Exhibit D26 - “Health, Safety & Environmental Plan,”** provide plans to comply with all legislation and standards relevant to the construction activities and implement systems and structures that prevent the occurrence of injuries, ill health and hazardous conditions.

**Exhibit D27 - “Proof of Construction Permit Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed permit application fee (reference schedule II – Schedule of Licence Fees).

#### **Stage 4: -Procedure for acquisition of Operations Approval**

1. An Applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed,

**Exhibit D28 –“Operational Experience and Expertise or Operation and Maintenance Agreement,”** provide CVs of key personnel involved in the operational aspects of the applicant’s business.

**Exhibit D29 – Framework Agreement (ONLY for pipeline),”** an agreement between the Distribution Company referred in section 26(1) of the Energy Commission Act 1997 (Act 541) and a Transmission Utility. It sets out

- (a) the procedure for obtaining and terminating distribution and interconnection services for natural gas;
- (b) the method of response to request for the Distribution services; and
- (c) maps and diagrams of the Distribution network and facilities in the country as required under Section 26(4) of the Energy Commission Act, 1997 (Act 541).

**Exhibit D30 - “Network Connection Agreement (ONLY for pipeline),”** the terms and conditions between the Distribution Company and the Bulk Customer for the physical connection of the Bulk Customer’s facility to the Distribution network for the sale or delivery of gas.

**Exhibit D31 – “Gas Distribution Service Agreement,”** the terms and conditions between the Distribution Company and the Bulk Customer for the delivery of gas through the Distribution Network.

**Exhibit D32 – “Operations Insurance and Fire Certificate”** An insurance policy covering the applicant’s staff and third-party personnel as well as a fire certificate from the Ghana National Fire Service during the operations of the facility.

**Exhibit D33 - “As Built Drawing (ONLY for pipeline)”**, applicant shall submit the As Built engineering drawing of the facility.

**Exhibit D34 - “Commissioning Test Report,”** Satisfactory commissioning test report.

**Exhibit D35 - “Local Content Plan for Operations and Maintenance,”** provide plans to comply with Local Content Policy of Ghana to the extent of recruiting personnel and operation of facilities. This Plan shall cover the operational phase of the project.

## CHAPTER

# 16

## NATURAL GAS RETAIL SALES LICENCE

### Stages in Acquiring Natural Gas Retail Sales Licence

Business Registration, and Initial due diligence

#### STAGE 1: ACQUISITION OF PROJECT REGISTRATION CERTIFICATE

##### **Required Submissions:**

Exhibit RS1 - Completed Application form with signed Disclosure Statement

Exhibit RS2 - Document Registration

Exhibit RS3 - Ownership and Corporate Structure

Exhibit RS4 - Cross-ownership and ring-fencing

Exhibit RS5 - Project Brief

Exhibit RS6 - Commercially Sensitive Information (Optional)

Exhibit RS7 - Local Participation

Exhibit RS8 - Proof of Application Fee Payment (Non-refundable)

#### STAGE 2: ACQUISITION OF OPERATIONAL LICENCE

##### **Required Submissions:**

Exhibit RS9 - Operational Experience and Expertise

Exhibit RS10 - Public Notice

Exhibit RS11 - Signed Gas Purchase and Sales Agreement

Exhibit RS12 - Signed Gas Distribution Service Agreement

Exhibit RS13 - Local Content Participation

Exhibit RS14 - Receipt of Licence Fee

### **Stage 1:- Procedure for Acquisition of Project Registration Certificate**

1. An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Applicants shall provide two (2) hard copies and one soft copy of the following exhibits as separate Exhibit, clearly labeled and all pages sequentially numbered and initialed.

**Exhibit RS1 “Completed Application Form”** Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit RS2 – “Document Registration”** Evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include

- a. Business Registration Documents
  - i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second Schedule to the Companies Act, 1963 (Act 179)
- b. For Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company’s registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit RS3 - “Ownership and Corporate Structure”** Details of ownership as in Form C (Schedule I), and diagram of corporate structure (where applicable) including;

- i. A list and description of all existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- ii. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence or had licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.
- iii. Each partner, director or major shareholder (with any share ownership) is required to provide a declaration/disclosure statement (Ref: Exhibit RS1) relating to any existing, pending or past rulings, judgments, contingent liabilities, revocation of authority, regulatory investigations, or any other matter that could adversely impact the applicant’s financial or operational status or ability to provide the services it is seeking to be certified to provide.
- iv. A statement indicating whether any of his associates, partners, promoters, or Directors was ever refused a licence or had a licence cancelled, and if so, the particulars of such application, date of making the application, date of order refusing or cancelling licence and reasons for such refusal or cancellation.

**Exhibit RS4 - “Cross-ownership and Ring-fencing”.**

Information on cross-ownership and ring-fencing. This should outline the following:

- i. Details of cross-ownership in other businesses by shareholding as in Schedule IV;
- ii. The basis on which services and resources will be transacted between relevant operating areas of the applicants, or the applicant and its other related entities;

- iii. In the case of applicants that are wholly owned subsidiaries, information on proposed audit arrangements should be provided and also stated whether separate reports for the licensee and its parent company (if applicable) are to be prepared and made publicly available; and
- iv. Other guidelines or standards relating to financial separation, ring-fencing and separate audit arrangements which the applicant intends to follow

**Exhibit E5 – “Project Brief”** provide a summary of the proposed project including the proposed operational nature of the applicant’s business, location, capacity, and background of the entity (ies) to own and operate the facility.

**Exhibit RS6 – “Commercially Sensitive Information”** The Commission may make public the information included in an application for a licence. Where the applicant considers information contained in an application to be commercially sensitive, the applicant shall clearly identify such information and state the reasons why they are to be regarded as commercially sensitive, to enable the Commission determine its consideration of the confidentiality request.

**Exhibit RS7 – “Local Participation”** provide a plan detailing (a) the role and responsibilities of the indigenous Ghanaian; (b) the equity participation of the indigenous Ghanaian; and all other shareholders and (c) the strategy for the transfer of technology and know-how to the indigenous Ghanaian company.

**Exhibit RS8 – “Proof of Application Fee Payment”** Applicants shall attach receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees).

### **Stage 2-Procedure for acquisition of Authorization to Operate**

**Exhibit S9 – “Operational Experience and Expertise or Operation and Maintenance,”** CVs of key personnel involved in the operational aspects of the applicant’s business

**Exhibit E10 – “Public Notice”** An affidavit of the details of the notice published and shall also file the original complete page of the newspaper in which the notice has been published as per **Appendix V**.

**Exhibit RS11 – “Signed Gas Purchase & Sale Agreement”** provide Gas Purchase and Sales Agreements with a Shipper or a Bulk Customer.

**Exhibit RS12– “Signed Gas Distribution Service Agreement”** provide Gas Distribution Service Agreement with Distribution Company.

**Exhibit RS13 – “Local Content Plan”** provide plans in accordance with the Local Content Policy of Ghana to the extent of recruiting personnel and procurement of equipment/services; and operation of facilities.

**Exhibit RS14 - “Receipt of Licence Fee,”** Evidence of payment of the appropriate prevailing licence fee to the Energy Commission.

## CHAPTER

# 17

### NATURAL GAS BULK CUSTOMER PERMIT

#### Acquisition of Bulk Customer Permit

**Required Submissions:**

Exhibit F1	-	Completed Application form with signed Disclosure Statement
Exhibit F2	-	Project Summary
Exhibit F3	-	Company Registration
Exhibit F4	-	Annual Gas Consumption data (gas bills)
Exhibit F5	-	Proof of Permit Application Fee Payment

#### Stage 1:- Procedure for Acquisition of Natural Gas Bulk Customer Permit

1. An applicant shall submit a signed application letter addressed to the Executive Secretary of the Commission.
2. Copies of natural gas consumption bills (last 3 months) from the wholesale supplier or distribution company **OR** a Business Plan indicating the planned consumption of natural gas by the customer in place of the 3 months natural gas consumption bill for applicants who are yet to start production or plan to increase natural gas consumption to the levels required for Bulk Customer Classification.
3. Applicant shall fill and submit one original application form signed by a Principal Officer (reference schedule 1-Application form A), Including a signed declaration/disclosure statement by each Director/Principal Shareholder of the company relating to any liabilities or investigations affecting their suitability as a Director/Shareholder of a licensed company.

**Exhibit F1 “Completed Application Form”** Original application form signed by a Principal Officer (reference schedule 1-Application form A).

**Exhibit F2 – “Project Summary,”** A summary of the proposed operational nature of applicant’s project and background of the entity(ies) to own and operate the Network.

**Exhibit F3 "Company Registration,"** Evidence that the applicant has registered with the Registrar General’s Department. Exhibits required include

- a. Business Registration Documents
  - i. Certificate of Registration
  - ii. Certificate to Commence Business
  - iii. Regulations 8 to 82; Second schedule to the Companies Act, 1963 (Act 179)

- b. For Limited Liability Companies; names, titles, nationalities, addresses and telephone numbers of the Company's registered Directors or/and Company Secretary (where applicable), with at least one (1) Director being a citizen of Ghana, and also one (1) Director being resident in Ghana.

**Exhibit F4- "Annual Energy Consumption Data"** Twelve (12) month gas consumption bill or estimate of gas consumption for 12 months.

**Exhibit F5 – "Proof of Fee Payment"** Receipt confirming the payment of the prescribed licence application fee (reference schedule II – Schedule of Licence Fees)

**Schedule I: Application Form A**

**A-1 Applicant intends to be licensed for the service of: (tick as applicable)**

- Natural Gas Wholesale Supply - Brokerage Licence
- Natural Gas Wholesale Supply - Export Licence
- Natural Gas Wholesale Supply - Import licence
- Natural Gas Wholesale Supply - Processing Facility Licence
- Natural Gas Wholesale Supply - CNG Facility Licence
- Natural Gas Wholesale Supply - LNG Facility Licence`
- Natural Gas Wholesale Supply - Bulk Sale Licence
- Natural Gas Transmission
- Natural Gas Distribution
- Natural Gas Retail Sale
- Natural Gas Bulk Customer

**A-2 Applicant's registered name, postal address, telephone number, fax and web site address**

Registered Name \_\_\_\_\_

Postal Address \_\_\_\_\_

Telephone # \_\_\_\_\_ Fax # \_\_\_\_\_

Website address (if any) \_\_\_\_\_

**A-3 Office location address / Principal place of Business**

House/Plot \_\_\_\_\_ Number \_\_\_\_\_

Street Name \_\_\_\_\_

Town/City \_\_\_\_\_ Region \_\_\_\_\_

**A-4 Contact person for regulatory matters**

Name \_\_\_\_\_

Title \_\_\_\_\_

Business \_\_\_\_\_ address

Telephone # \_\_\_\_\_ Fax #

E-mail \_\_\_\_\_ address \_\_\_\_\_ (if any) \_\_\_\_\_

**A-5 Location of franchise zone.**

Community \_\_\_\_\_

Town/City \_\_\_\_\_

District \_\_\_\_\_

Region \_\_\_\_\_

**A-6 Provide the approximate start date that the applicant proposes to begin delivering services**

\_\_\_\_\_

**A-7 Proposed duration of licence**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Signature of Applicant and Title**

**Date**

**FINANCIAL INFORMATION (Form B)**

**B-1 Applicant/Company's legal name:** \_\_\_\_\_

**B-2 Net worth:**

As per the audited accounts for immediate past three (3) years or such shorter period as may be applicable, (specify financial year as applicable)

#	From (dd/mm/yyyy)	To (dd/mm/yyyy)	Net Worth (GH ¢)
1			
2			
3			

**Note:** Copies of Annual Reports or certified audited accounts to be enclosed in support of above

**B-3 Annual turnover for immediate past three (3) financial years or such shorter period as may be applicable, (specify financial year as applicable)**

#	From (dd/mm/yyyy)	To (dd/mm/yyyy)	Annual Turn Over (GH ¢)
1			
2			
3			

**B-4 List of supporting documents enclosed:**

- a. \_\_\_\_\_  
—
- b. \_\_\_\_\_  
—
- c. \_\_\_\_\_  
—
- d. \_\_\_\_\_  
—

\_\_\_\_\_  
(Signature of the Applicant)  
Or the authorised person

Place: \_\_\_\_\_

Date: \_\_\_\_\_

COMPANY OWNERSHIP STRUCTURE (Form C)

**C-1 Applicant/Company's legal name:** \_\_\_\_\_

**C-2 Licences held by applicant (if any)**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**C-3 Incorporation**

Place of Incorporation /Registration

\_\_\_\_\_

Year of Incorporation/ Registration

\_\_\_\_\_

**C-4 Shares**

Authorised share  
capital \_\_\_\_\_

Issued share capital

\_\_\_\_\_

Subscribed share  
capital \_\_\_\_\_

Paid up share

capital \_\_\_\_\_

**C-5 Details of shareholding as of the date of making the application (Give details of each of the shareholders holding 5% and above of the shares of the applicant directly or with relatives)**

#	Name of shareholder	Citizenship	Residential Status	No. of shares held	% holding of total paid-up capital of the company
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					

**Note:** Copies of the following documents shall be enclosed

- a. Memorandum of Association and Articles of Association
- b. Original power of attorney in favour of the signatory to commit the applicant

## Schedule II: Natural Gas Supply Industry Licence Fees

Industry Segment	Application Fee (US\$)	Initial Licence Fee (US\$)	Annual Operating Fee (USD)	
			Fixed (USD)	Variable (USD)
Processing Facilities (LNG, CNG or GPP)	10,000	100,000	62,500	0.5% of NG Processing Fee/MMSCFD
Wholesale Supply (Brokerage, Import, Export, Bulk Sale)	10,000	50,000	62,500	0.5% of Total cost of NG Gas sold in the license year
Transmission Services	10,000	75,000	Nil	0.5% of NG Transportation Charge/MMSCFD
Distribution Services	10,000	60,000	Nil	0.5% of NG Distribution Charge/MMSCD
Retail Sale Services	10,000	50,000	10,000	US\$79.00 /MMSCF of gas Sold
Bulk Customer Permit	5, 000	NIL	1,000	US\$0.79 /MMSCF of gas consumed
Siting Fee	10,000	-	-	-
Construction Permit Fee	0.1% of Engineering Procurement and Construction (EPC) Cost	-	-	-

## **Appendix I: Site analysis for the siting of Natural Gas Transmission and Distribution Facilities**

- A. Project summary and facility overview**
- B. Site and route alternatives analyses**
- C. Technical data**
- D. Financial and Economic impact data**
- E. Environmental Data**

### **A. Project summary and facility overview**

1. An application for clearance to site a natural gas transmission or distribution facility shall provide a project summary and overview of the proposed project. The summary and overview shall include:
  - (a) a statement explaining the general purpose of the facility;
  - (b) a description of the proposed facility;
  - (c) a description of the site or route selection process, including descriptions of the major alternatives considered;
  - (d) a discussion of the principal environmental and socioeconomic considerations of the preferred and alternative sites; and
  - (e) an explanation of the project schedule (a bar chart is acceptable).
2. Information filed by the applicant in response to the requirements of section (A) shall not be deemed responses to any other section [from (B) to (F)] of the application requirements.
3. An applicant shall provide a statement explaining the need for the proposed facility, including a listing of the factors upon which it relied to reach that conclusion and references to the most recent long-term forecast report (if applicable).

### **B. Site and route alternative analyses**

1. The applicant shall conduct a site and route selection study prior to submitting an application for a natural gas transmission and Distribution lines. The study shall be designed to evaluate all practicable sites, routes, and route segments for the proposed facility identified within the project area.

- (a) The applicant shall provide the following:
    - (i) a description of the study area or geographic boundaries selected, including the rationale for the selection;
    - (ii) a map of suitable scale which includes the study area and which depicts the general routes, route segments, and sites which were evaluated;
    - (iii) a comprehensive list of all siting criteria utilized by the applicant, including any quantitative or weighting values assigned to each;
    - (iv) a description of relevant factors or constraints identified by the applicant and utilized in the route and site selection process;
    - (v) a description of the process by which the applicant utilized the siting criteria to determine the preferred and alternative routes and sites;
    - (vi) a description of the routes and sites selected for evaluation, their final ranking, and the rationale for selecting the preferred and alternative routes and sites; and
    - (vii) a description of any qualitative or other factors utilized by the applicant in the selection of the preferred and alternative routes or sites.
  - (b) The applicant shall provide one copy of any constraint map utilized for the study to the Committee for review.
2. The applicant shall provide a summary table comparing the routes, route segments, and sites, utilizing the technical, financial, environmental, socioeconomic, and other factors identified in the study. Design and equipment alternatives shall be included where the use of such alternatives influenced the siting decision.
  3. The applicant may provide a copy of any route and site selection study report produced by or for the applicant for the proposed project as an Exhibit to the application. The study report may be submitted in response to paragraphs (1) and (2) of this section, provided that the information contained therein is responsive to the requirements of the referenced paragraphs.

### **C. Technical data**

1. *Site/route alternatives:* Information on the location, major features, and the topographic, geologic, and hydrologic suitability of site/route alternatives shall be submitted by the applicant.

(a) **Map features:** The map(s) required in paragraph (a) shall include the following features:

- i. the proposed pipeline alignments, including proposed turning points;
- ii. the proposed compressor station site locations;
- iii. major highway and railroad routes;
- iv. identifiable air transportation facilities, existing or proposed;
- v. utility corridors;

- vi. proposed permanent access roads;
- vii. lakes, ponds, reservoirs, streams, canals, rivers, and swamps;
- viii. topographic contours;
- ix. soil associations or series; and
- x. population centers and legal boundaries of cities, villages and townships.

(b) **Slope and soil mechanics:** The applicant shall:

- (i) provide a brief, but specific description of the soils in the areas depicted on the above map(s) where slopes exceed twelve per cent. This information may be extracted from published sources; and
- (ii) discuss the rationale as to suitability of the soils for foundation construction.

2. **Layout and construction:** The applicant shall provide information on the proposed layout and preparation of route/site alternatives, and the description of the proposed major structures and their installation as detailed below.

(a) **Site activities** - The applicant shall describe the proposed site clearing, construction methods and reclamation operations, including:

- i. surveying and soil testing;
- ii. grading and excavation;
- iii. construction of temporary and permanent access roads and trenches; iv. laying of pipe;
- v. removal and disposal of construction debris such as crates, pallets, etc; and
- vi. post-construction reclamation.

(b) **Layout for associated facilities-** The applicant shall:

- (i) provide a map of 1:2,500 scale of the site of major associated facilities such as, compressor stations and other stations, showing the following proposed features:
  - Final grades after construction, including the site and access roads;
  - Proposed location of major structures and buildings;  Fenced-in or secured areas; and  Estimated overall dimensions.
- (ii) describe reasons for the proposed layout and any unusual features; and
- (iii) describe plans for any future modifications in the proposed layout, including the nature and approximate timing of contemplated changes.

#### **D. Financial and Economic impact data**

**Ownership:** The applicant shall state the current and proposed ownership status of the proposed facility, including sites, rights-of-way, structures, and equipment. The information shall cover sole and combined ownerships, any leases, options to purchase, or franchises, and shall specify the extent, terms, and conditions of ownership, or other contracts or agreements.

#### **E. Environmental data**

1. The information requested in this section shall be used to assess the environmental effects of the proposed facility.
2. The requirements for environmental disclosure on the facility at the proposed site and all alternatives considered shall be in accordance with Environmental Protection Agency Regulations, LI 1652 and Energy Sector Guidelines for environmental assessment.

### **Appendix II: Instructions for the Preparation of Siting Clearance applications for a Natural Gas Facility (Processing/ CNG/LNG)**

#### **A. Project summary and facility overview**

#### **B. Review of need for proposed project**

#### **C. Site alternatives analyses**

#### **D. Technical data**

#### **E. Environmental data**

#### **A. Project summary and facility overview**

1. An applicant for a clearance to site a natural gas processing facility shall provide a project summary and overview of the proposed project. The summary and overview shall include:
  - (a) an explanation of the general purpose of the facility;
  - (b) a description of the proposed facility;
  - (c) a description of the site selection process, including descriptions of the major alternatives considered;
  - (d) a discussion of the principal environmental and socioeconomic considerations of the preferred and alternate sites; and
  - (e) an explanation of the project schedule for which purpose a bar chart is acceptable.
2. Information filed by the applicant in response to the requirements under this section (A) shall not be deemed as responses to any other section [from (B) to (F)] of the application requirements.

## **B. Review of need for proposed project**

1. ***Need statement:*** An applicant for a clearance to site a natural gas processing facility under these guidelines shall provide a statement explaining the need for the proposed facility, including a listing of the factors upon which it relied to reach that conclusion and references to the most recent long-term forecast report (if applicable).

### **2. *Description of proposed facility:***

- (a) The applicant shall submit for each alternative site:
  - i. type, number of units and the designed plant capacity;
  - ii. preliminary product slate, indicating volumes or tonnage and product specifications;
  - iii. land area requirement;
  - iv. a list of types of pollutant emissions; and
  - v. utilities, source and requirements of water, off site and wastewater treatment facilities, quantity of any discharge and names of receiving streams.

### **3. *Project schedule:***

- (a) The applicant shall provide a proposed schedule in bar chart format covering all applicable major activities and milestones, including:
  - i. acquisition of land and land rights;
  - ii. preparation and submission of the Siting Clearance application;
  - iii. consideration and grant of Siting Clearance;
  - iv. issuance of the relevant production licence;
  - v. preparation of the final design; (vi) construction of the facility; and (vii) commercial operation of the facility.
- (b) The applicant shall describe the impact of critical delays on the eventual date of commencement of operations.

## **C. Site alternative analysis**

1. The applicant shall conduct a site selection study prior to submitting a Siting Clearance application for natural gas processing facility. The study shall be designed to evaluate at least two alternate sites for the proposed facility.

- (a) The applicant shall provide the following:
  - (i) a description of the study area or geographic boundaries selected, including the rationale for the selection;
  - (ii) a map of suitable scale which includes the study area and which depicts the general sites which were evaluated;

- (iii) a comprehensive list of all siting criteria utilized by the applicant, including any quantitative or weighting values assigned to each;
  - (iv) a description of relevant factors, or constraints, identified by the applicant and utilized in the site selection process;
  - (v) a description of the process by which the applicant utilized the siting criteria to determine the proposed site and any proposed alternative site(s);
  - (vi) a description of the sites selected for evaluation, their final ranking, and the rationale for selecting the proposed site and any proposed alternative site(s); and
  - (vii) a description of any qualitative or other factor utilized by the applicant in the selection of the proposed site and any proposed alternative site(s).
- (b) The applicant shall provide one copy of any constraint map utilized for the study to the Committee for review.
2. The applicant shall provide a summary table comparing the sites, utilizing the technical, financial, environmental, socioeconomic, and other factors identified in the study. Design and equipment alternatives shall be included where the use of such alternatives influenced the siting decision.
3. The applicant may provide a copy of any site selection study produced by or for the applicant for the proposed project as an Exhibit to the application. The study report may be submitted in response to paragraphs 1 and 2 of this section, provided that the information contained therein is responsive to the requirements of the referenced paragraphs.

#### **D. Technical data Site**

1. Information on the location, major features, and the topographic, geologic, and hydrologic suitability of the proposed site and any proposed alternative site(s) shall be submitted by the applicant. Specifically, the applicant shall provide the following for each site alternative.
- (a) **Geography and topography:** The applicant shall provide a map of 1:50,000 scale containing a five-kilometer radius from the proposed facility and showing the following features:
- (i) the proposed facility;
  - (ii) major population centers and geographic boundaries;
  - (iii) major transportation routes and utility corridors;
  - (iv) bodies of water which may be directly affected by the proposed facility;
  - (v) topographic contours;
  - (vi) major institutions, parks, recreational areas; and

- (vii) residential, commercial and industrial buildings and installations.
- (b) A digital survey map of 1:2,500 scale of the site, showing the following existing features shall be provided:
- (i) topographic contours;
  - (ii) land use and classifications;
  - (iii) existing vegetative cover and the vegetative cover that may be removed during construction;
  - (iv) individual structures and installations; and (v) surface water bodies.
- (c) **Geology and seismology:** The applicant shall provide a geological and structural map of suitable scale of the proposed facility site and also describe:
- (i) the suitability of the site with respect to seismic sensitivity status; and
  - (ii) the suitability of soil for grading, compaction, and drainage, and describe plans to remedy any identified inadequacies. (d) **Hydrology and wind:** The applicant shall provide
    - (i) the natural and the man-made water bodies, and if available, daily and monthly river/stream flows likely to be directly affected by the proposed facility;
    - (ii) an analysis of the prospects of floods for the area, including the probability of occurrences and likely consequences of various flood stages, and describe plans to mitigate any likely adverse consequences; and
    - (iii) an analysis of the prospects of high winds for the area, including the probability of occurrences and likely consequences of wind velocities, and describe plans to mitigate any likely adverse consequences.

***Layout and construction***

2. The applicant shall provide information on the proposed layout and preparation of the proposed site and any proposed alternative site(s) and the description of proposed major structures and installations located thereon.
- (a) **Site activities:** The applicant shall describe the proposed site preparation and reclamation operations, including:
- (i) test borings;
  - (ii) removal of vegetation;
  - (iii) grading and drainage provisions;
  - (iv) access roads;
  - (v) removal and disposal of debris; and (vi) post-construction reclamation.

- (b) **Future plans:** The applicant shall describe any plans for future additions to the natural gas processing facility earmarked for the site (including the type and timing) and the maximum anticipated production capacity for the site.

### 3. Equipment

- (a) The applicant shall describe the proposed *process plant equipment* for the proposed site and any proposed alternative site(s).
- (b) The applicant shall describe all *emission control and safety equipment* including:
  - (i) all proposed major flue gas emission control equipment, including tabulations of expected efficiency, power consumption, and operating costs for supplies and maintenance;
  - (ii) the reliability of the equipment and the reduction in efficiency for partial failure;
  - (iii) the equipment proposed for control of effluents discharged into bodies of water and receiving streams; and
  - (iv) all proposed major public safety equipment.
- (c) The applicant shall describe any other major equipment constituting the proposed facility that is not discussed in paragraph 3(b).

### 4. Natural Gas processing output evacuation arrangement and facilities

The applicant shall describe the method for the evacuation of the output of the facility for local distribution and marketing or for export.

## E. Environmental data

1. The information requested in this section shall be used to assess the environmental effects of the proposed facility.
2. The requirements for environmental disclosure on the facility at the proposed site and all alternatives considered shall be in accordance with Environmental Protection Agency Regulations, LI 1652 and Energy Sector Guidelines for environmental assessment.

## Appendix III: Construction Procedures for LNG facilities

### 1. Piers and wharves

- (a) If the maritime facility handling LNG is in a region subject to earthquakes, the piers and wharves must be designed to resist earthquake forces.

- (b) Substructures, except moorings and breasting dolphins, that support or are within 5 meters (16.4 feet) of any pipe or equipment containing LNG, or are within 15 meters (49.2 feet) of a loading flange, must:
  - (1) be made of concrete or steel; and
  - (2) have a fire endurance rating of not less than two hours.
- (c) LNG storage tanks must have the minimum volume necessary for:
  - (1) surge protection; (2) pump suction supply; or
  - (3) other process needs.

## **2. Layout and spacing of marine transfer area for LNG**

- (a) An LNG impounding space must be located so that the heat flux from a fire over the impounding spaces does not cause structural damage to an LNG vessel moored or berthed at the maritime facility handling LNG.
- (b) An LNG loading flange must be located at least 300 meters (984.3 feet) from the following which are primarily intended for the use of the general public or railways:
  - (1) a bridge crossing a navigable waterway; and
  - (2) an entrance to any tunnel under a navigable waterway.

## **3. Electrical power systems**

- (a) An electrical power system serving a maritime facility handling LNG must have a power source and a separate emergency power source, so that failure of one source does not affect the capability of the other source.

Current supply shall be such that, in the event of failure of the normal supply to, or within, the facility concerned, emergency lighting, emergency power, or both shall be available within the time required for the application but not to exceed 10 seconds. In selecting an emergency source of power, consideration shall be given to the occupancy and the type of service to be rendered, whether of minimum duration, as for evacuation of the facility, or longer duration, as for supplying emergency power and lighting due to an indefinite period of current failure from trouble either inside or outside the facility. Equipment shall be designed and located to minimize the hazards that might cause complete failure due to flooding, fires, icing, and vandalism.

- (b) An emergency power source serving a maritime facility handling LNG must provide enough power for the operation of the:
  - (1) Emergency shutdown system;

- (2) Communications equipment; (3) Firefighting equipment; and (4) Emergency lighting.
- (c) If an auxiliary generator is used as an emergency power source, it must meet the following:
- (1) A generator set driven by a prime mover shall be sized in accordance with:
    - a) **Capacity and Rating.** An emergency system shall have adequate capacity and rating for all loads to be operated simultaneously. The emergency system equipment shall be suitable for the maximum available fault current at its terminals.
    - b) **Selective Load Pickup, Load Shedding, and Peak Load Shaving.** The alternate power source shall be permitted to supply emergency, legally required standby and optional standby system loads where automatic selective load pickup and load shedding is provided as needed to ensure adequate power to
      - a. the emergency circuits,
      - b. the legally required standby circuits, and
      - c. the optional standby circuits, in that order of priority.The alternate power source shall be permitted to be used for peak load shaving, provided the above conditions are met. A portable or temporary alternate source shall be available whenever the emergency generator is out of service for major maintenance or repair.

Means shall be provided for automatically starting the prime mover on failure of the normal service and for automatic transfer and operation of all required electrical circuits. A time-delay feature permitting a 15-minute setting shall be provided to avoid retransfer in case of short-time reestablishment of the normal source.
  - (2) Where internal combustion engines are used as the prime mover, an on-site fuel supply shall be provided with an on-premise fuel supply sufficient for not less than 2 hours full-demand operation of the system. Where power is needed for the operation of the fuel transfer pumps to deliver fuel to a generator set day tank, this pump shall be connected to the emergency power system.
  - (3) Where a storage battery is used for control or signal power, or as the means of starting the prime mover, it shall be suitable for the purpose and shall be equipped with an automatic charging means independent of the generator set. Where the battery charger is required for the operation of the generator set, it shall be connected to the emergency system. Where power is required

for the operation of dampers used to ventilate the generator set, the dampers shall be connected to the emergency system.

- (4) Generator sets that require more than 10 seconds to develop power shall be acceptable, provided an auxiliary power supply will energize the emergency system until the generator can pick up the load.

#### **4. Lighting systems**

- (a) A marine transfer area for LNG must have a lighting system and separate emergency lighting.
- (b) An outdoor lighting must be located or shielded so that it is not confused with any aids to navigation and does not interfere with navigation on the adjacent waterways.
- (c) A lighting system must provide an average illumination on a horizontal plane one meter (3.3 feet) above the deck that is:
  - (1) 54 lux (five foot-candles) at any loading flange; and
  - (2) lux (one foot-candle) at each work area.
- (d) An emergency lighting must provide lighting for the operation of the:
  - (1) emergency shutdown system;
  - (2) communications equipment; and
  - (3) firefighting equipment.

#### **5. Communications systems**

- (a) A marine transfer area for LNG must have a ship-to-shore communication system and a separate emergency ship-to-shore communication system.
- (b) A ship-to-shore communication system must be a dedicated system that allows voice communication between the person in charge of transfer operations on the vessel, the person in charge of shore-side transfer operations, and personnel in the control room.

#### **6. Warning signs**

- (a) A marine transfer area for LNG must have warning signs that:
  - (1) can be seen from the shore and the water; and
  - (2) have the following text:
    - a) warning;
    - b) dangerous cargo;

- c) no visitors;
- d) no smoking; and
- e) no open lights.

(b) A letter in the words on the sign must be:

- (1) block style;
- (2) black on a white background; and
- (3) 7.6 centimeters (3 inches) high.

## **Equipment**

### **1. Sensing and alarm systems**

- (a) A fixed sensor must have audio and visual alarms in the control room and audio alarms nearby.
- (b) A fixed sensor that continuously monitor for LNG vapours must be in an enclosed area where vapour or gas may accumulate.

### **2. Fire Detectors**

Fire detectors shall activate an alarm at the plant site and at a constantly attended location if the plant site is not attended continuously.

### **3. Portable gas detectors**

A marine transfer area for LNG must have at least two portable gas detectors capable of measuring 0-100% of the lower flammable limit of methane.

### **4. Emergency shutdown**

A transfer system serving a maritime facility handling LNG must have an emergency shutdown system that:

- (a) can be activated manually; and
- (b) is activated automatically when a fixed sensor under 1(b) measure LNG concentrations exceeding 40% of the lower flammable limit.

### **5. Warning alarms**

- (a) A marine transfer area for LNG must have a rotating or flashing amber light with a minimum effective flash intensity, in the horizontal plane, of 5000 candelas. At least 50% of the required effective flash intensity must be maintained in all directions from 1.0 degree above to 1.0 degree below the horizontal plane.
- (b) A marine transfer area for LNG must have a siren with a minimum  $\frac{1}{3}$  octave band sound pressure level at 1 meter of 125 decibels referenced to 0.0002 microbars. The

siren must be located so that the sound signal produced is audible over 360 degrees in a horizontal plane.

- (c) A light and a siren must be located so that the warning alarm is not obstructed for a distance of 1.6 km (1 mile) in all directions.

#### Appendix IV: Membership of the Siting Committee

1. Representative of Energy Commission (chairman).
2. Representative of Environmental Protection Agency.
3. Representative of Geological Survey Department.
4. Representative of the Ministry of Defence.
5. Representative of Town and Country Planning Department.
6. Representative of Water Resources Commission.
7. Representative of Natural Gas Transmission Utility (NGTU).
8. Representative of the District Assembly where the facility is to be built.
9. Public Stakeholder from the community where the facility is to be built.

#### **APPENDIX V: PUBLIC NOTICE**

- A** The applicant shall post the complete application along with attachments (reference 8.10) on the applicant's official website so as to facilitate access of the application by any person, and shall make same accessible on the website until the disposal of the application.
- B** The applicant shall within 7 days of making the application, publish a notice in two daily papers having circulation in all of Ghana's regions with the following particulars:
1. Name of the applicant (in bold) at the top clearly bringing out whether the applicant is an individual/sole proprietor, an association or body of individuals, a registered partnership, a private limited company or a public limited company, giving full particulars of its registered office address, and address for correspondence;
  2. A statement that the applicant has made an application for grant of licence under Section 13 of the Act, and the Category of licence applied for.
  3. Volume of gas intended to be traded per year (if applicable);

4. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors has been declared insolvent, and if so, the details thereof and whether or not they have been discharged;
  5. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors was ever refused licence, and if so, the particulars of such application, date of making the application, date of order refusing licence and reasons for such refusal;
  6. A statement whether an order cancelling the licence of the applicant or any of his associates, or partners, or promoters, or Directors has been made by the Commission and if so the details thereof;
  7. A statement whether the applicant or any of his associates, or partners, or promoters, or Directors has been found guilty of non-compliance of any of the provisions of the Act or the rules or the regulations made thereunder or an order made by the appropriate legal entity;
  8. A statement to the effect that the application and other documents filed before the Commission, are available with the applicant for inspection by a member of the public;
  9. Name and address and other relevant details of the person under the control of the applicant with whom the application and other documents can be inspected;
  10. Address of the website where the complete application along with attachments has been posted;
  11. A statement that objections or suggestions, if any, be filed before the Energy Commission, with a copy of the objections or suggestions to the applicant, **within 30 calendar** days of the publication of the notice;
- C** The applicant shall within 7 days from the date of publication of the notice as aforesaid, submit to the Commission on affidavit, the details of the notice published and shall also file the original complete page of the newspaper in which the notice has been published.
- D** The applicant may file his reply to the objections or suggestions received in response to the Notice within 30 days of its publication in the newspapers.
- E** The Commission after consideration of the objections or suggestions received in response to the notice published by the applicant and his reply may propose to grant licence.
- F** When the Commission proposes to grant licence, it shall publish its proposal in two daily newspapers, as the Commission may consider appropriate, stating the name and address of the person to whom it proposes to issue the licence, with such other details as the Commission considers appropriate, to invite further suggestions or objections to its proposals.
- G** On consideration of further objections or suggestions received and the reply of the applicant thereto, if any, the Commission may grant the licence or reject the applications, for reasons to be recorded in writing, provided that no application shall be rejected, unless the applicant has been given an opportunity of being heard.

