



PUBLIC UTILITIES REGULATORY COMMISSION

Energy Sector Recovery Program (ESRP)

Operating Guidelines For Ghana's Electricity Industry Value Chain Cash Waterfall Mechanism (CWM)

Revision 1.2

PURPOSE, SCOPE AND APPLICATION PURPOSE

The purpose of the Cash Waterfall Operating Guidelines (the "Guidelines") is to set out the principles, methodology and processes for determination and disbursement of tariff revenue collected by an Electricity Distribution and Supply Utility licensed by the Energy Commission under the Energy Commission's Act 1997, (Act 541) to the various beneficiaries along the Electricity Value Chain. The Guidelines aim to provide guidance to the Cash Waterfall Implementation Committee to carry out its roles and responsibilities in accordance with the aims and objectives of the Cash Waterfall Mechanism.

SCOPE AND APPLICATION

The Guidelines apply to an Electricity Distribution and Supply Utility company licensed and authorised under law to own, operate and maintain the electricity distribution and supply assets in the regulated electricity market in Ghana, as the Host of the Cash Waterfall Mechanism.

Effective Date, Review, Additions and Amendments

- i. These Guidelines take effect from June 2025 and revoke all guidelines previously issued by the Cash Waterfall Implementation Committee
- ii. The Cash Waterfall Implementation Committee may review and update the Guidelines periodically. Review or updates to the Guidelines may be done in consultation with stakeholders in the electricity supply industry.
- iii. Amendments to the Guidelines may be made only with the approval of the Cash Waterfall Implementation Committee

Enforceability

These Guidelines are issued by the Cash Waterfall Implementation Committee under the authority of the Cabinet of the Republic of Ghana per the approval of the Implementation of the Cash Waterfall Mechanism for Electricity Service Providers by Cabinet dated July, 2017 and are enforceable in accordance with same.

Approved by the Cash Waterfall Implementation Committee on the Day of 2025

CONTENT AND STRUCTURE OF THE GUIDELINES

These Guidelines are issued by the Cash Waterfall Implementation Committee and constitute the approved guiding principles for determination and disbursement of PURC Approved Tariff Revenues which are collected by the Electricity Company of Ghana.

The Guidelines are structured as follows:

- Definitions and Interpretation
- The Cash Waterfall Philosophy
- Institutional Structure of Cash Waterfall Mechanism
- Appendix

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PART 1: DEFINITIONS AND INTERPRETATION

1.0 Definitions

TERM	DEFINITION
Billed Revenue Collected	This shall mean approved tariff revenue, statutory levies and any other charges payable by consumers for electricity usage within the regulated market that have been paid into an ECG account.
Cabinet	This shall mean the Cabinet of the Republic of Ghana.
Cash Waterfall Mechanism ("CWM")	This shall mean the collection and payment mechanism set forth in this document, which seeks to disburse the revenues collected by the Electricity Company of Ghana to all participants in the electricity value chain in a fair and transparent manner.
CWM Allocation Model	This shall mean the financial model applicable to the CWM provided in Appendix 1.
Capacity Revenue	This shall mean revenue attributable to recovery of generation investment cost.
Composite Bulk Generation Charge ("CBGC")	This shall mean the Composite Bulk Generation Charge as defined in PURC's gazetted tariffs in effect from time to time, intended to represent the approved tariff for the procurement of capacity and energy that distribution utilities shall be allowed to recover from customers.
Consumers	This shall mean consumers of electricity in the market regulated by the Public Utilities Regulatory Commission ("PURC").
Distribution Service Charge ("DSC")	This shall refer to the PURC approved maximum charge for the distribution of energy that distribution utilities shall be allowed to recover from customers through the PURC gazetted average end user tariff.
Distribution Utility	This shall refer to an entity licensed pursuant to the Energy Commission Act 1997 (Act 541) to distribute electricity in Ghana.
Electricity Service Provider ("ESP")	This shall mean an entity licensed for the generation, transmission and distribution of electricity e.g. Volta River Authority, Independent Power Producers (IPPs), Ghana Grid Company (GRIDCo), Electricity Company of Ghana (ECG) Northern Electricity Distribution Company (NEDCo) and Enclave Power Company (EPC).
Electricity Value Chain	This shall mean the Generation, Transmission, Distribution and sale of electricity
End User Tariff ("EUT")	This shall mean the PURC approved electricity charges payable by regulated consumers to the distribution utility and/or Retail Sale Licensee. This comprises charges for generation, transmitting and distributing electricity to the premises of the consumer.
Fuel Suppliers	This shall mean suppliers of natural gas, Light Crude Oil, Heavy Fuel Oil, Diesel, LPG and other fuels used for electricity generation.

TERM	DEFINITION
Generators	This shall mean to power producers who are licensed to generate electricity in Ghana and who have entered into power purchase agreements with ECG, Ministry of Energy or the Government of Ghana.
Host Institution	This shall refer to the Electricity Company of Ghana.
Administrator	This shall mean an entity who shall oversee the operations of the CWM.
National Electrification Scheme Levy	This shall mean levy as defined in the Energy Sector Levies Act 2015, (Act 899).
Non-Fuel Variable Operation and Maintenance cost	This shall mean costs which vary with the amount of electricity generated i.e. consumables.
Operators in Electricity Value Chain ("OECV")	This shall mean the Electricity Service Providers and Fuel Suppliers.
Paying Bank	This shall mean the Bank designated by ECG for effecting payments to beneficiaries along the value chain.
Power Factor Surcharge	This shall mean a penalty imposed on Special Load Tariff (as defined in the PURC Act) consumers with power factor below the benchmark allowable power factor set by the relevant Distribution Utility.
Public Lighting Levy	This shall mean the Energy Sector Levies Act 2015, (Act 899).
PURC	This shall mean the Public Utilities Regulatory Commission.
PURC Approved Total Revenue Requirement	This shall mean the total revenue required by the Utility to cover all cost and return on investment as determined by the PURC.
Revenue Allocation Framework	This shall mean the framework for disbursing revenues in accordance with PURC gazetted tariff as captured in the CWM Allocation Model.
Tariff Revenue	This shall mean revenue collected by the Host Institution less Statutory Levies and Charges and non-tariff revenue.
Retail Sale Licencee	This shall mean a person licensed to retail and sell electricity pursuant to the Energy Commission Act 1997 (Act 541).
Statutory Levies and Charges	This shall mean the Public Lighting Levy, National Electrification Levy, Value Added Tax (VAT), National Health Insurance Levy (NHIL) and Power Factor Surcharge as defined in their various relevant legislation.
Transmission Service Charge ("TSC")	This shall mean the PURC approved maximum charge for the transmission of energy that a Transmission Utility shall be allowed to recover from customers through the PURC gazetted average end user tariff.
Transmission Utility	This shall mean entities licensed pursuant to the Energy Commission Act 1997 (Act 541) to transmit electricity in Ghana.
Value-Added Tax/ National Health Insurance Levy	This shall mean as defined in relevant legislation as amended from time to time.

1.1 Interpretation

In these Guidelines:

1. Capitalized terms shall have the meanings assigned in the Definitions or in relevant legislation in Ghana.
2. References to the masculine gender include the feminine and vice versa
3. References to the singular include the plural and vice versa where the context demands

1.2 Equation Parameters

PURC Tariff Revenue Recognition	As calculated pursuant to Section 2.5.1
Billed Revenue Collected	As calculated pursuant to Section 2.5.1.1.1
Generation Tariff Revenue	As calculated pursuant to Section 2.6.1.1
Transmission Tariff Revenue	As calculated pursuant to Section 2.6.1.2
Distribution Tariff Revenue	As calculated pursuant to Section 2.6.1.3
Generation Tariff Revenue Proportion	As calculated pursuant to Section 2.7.1
Transmission Tariff Revenue Proportion	As calculated pursuant to Section 2.7.2
Distribution Tariff Revenue Proportion	As calculated pursuant to Section 2.7.3

PART 2: THE CASH WATERFALL PHILOSOPHY

2.0 Preamble

Ghana's Electricity Value Chain has over the past years been faced with a number of challenges among which is inadequate cash flow resulting from the inability of regulated Distribution Utilities (Electricity Company of Ghana Limited ("ECG") and Northern Electricity Distribution Company Limited ("NEDCo") to collect fully and as per PURC's Benchmark Tariff Revenue approved by the PURC. This development over the years led to inequitable distribution of revenue receipts among power producers, the transmission company and distribution utilities. To address this challenge, the PURC initiated and developed a CWM as one of several financial instruments and transparent strategies to ensuring equitable and predictable distribution of revenues to all stakeholders along the Electricity Value Chain. The CWM was subsequently approved by Cabinet on July 30, 2015 under a Cabinet Memorandum on Financial Restructuring of Electricity Utility Service Providers but was never implemented. To accelerate the resolution of the continuing financial challenges being experienced by the Operators in the Electricity Value Chain (OEVC) hence the overall Energy Sector, Cabinet in July 2017 further gave approval for immediate review and implementation of the CWM.

2.1 Legal Authority

This document draws its mandate from the Cabinet Approved Memorandum of July 27, 2017 and the Public Utilities Regulatory Commission Act 1997, (Act 538) Section 16 (3a, 3b and 3d).

2.2 Objectives of the Guidelines

The objective of these Guidelines is to provide guidance to the Host Institution and all relevant stakeholders to carry out their roles and responsibilities in accordance with the aims and objectives of the CWM.

The specific objectives of the CWM are to:

- (a) Ensure the allocation and payment of collected revenue to all Utility Service Providers and Fuel Suppliers in accordance with approved tariff allocation system.
- (b) Monitor all regulated and deregulated revenue collections and ensure compliance with the distribution mechanism and the Guidelines.

2.3 Implementation of the Cash Waterfall Mechanism

The CWM implementation shall be based on equity and transparency by taking into consideration, the interest of all Utility Service Providers along the Electricity Value Chain as captured through approved generation, transmission and distribution tariffs and embedded in the overall total tariff revenue per kilo-watt hour (kWh) of electricity approved by the PURC. In that respect, implementation of the CWM shall help address or achieve the specific objectives noted in Section 2.2.

2.4 Revenue Allocation Framework

Implementation of the CWM shall be based on a revenue allocation framework which ensures that collected revenues are disbursed according to PURC approved percentage allocation. CWM Allocation Model will take into consideration:

1. All generation, transmission and distribution utilities whose revenues are captured in the determination of the total revenue requirement;
2. Allocation based on capacity and energy charges actually incurred; and
3. Payments deemed priority for the Energy Sector as approved by NESC.

2.5 General Approach

In implementing these Guidelines the following approaches shall be adopted.

2.5.1 PURC Tariff Revenue Recognition

The PURC tariff revenue to be charged to regulated consumers for usage of electricity according to the First, Second, Third, Fourth and Fifth Schedules of the PURC Gazetted Electricity Tariffs ("PURC Tariff Revenue") shall be recognised as follows.

- (i) Composite Bulk Generation Charge ("CBGC")
- (ii) Transmission Service Charge ("TSC")
- (iii) Distribution Service Charge ("DSC")
- (iv) End User Tariffs ("EUT")

$$TR = BGC_R + TSC_R + DSC_R$$

Where:

TR	Tariff Revenue billed and collected by the Distribution Utility and/or Retail Sale Licensee to the Electricity Service Providers for electricity sales to the regulated market.
BGC_R	Pass through power purchase cost billed and collected by the Distribution Utility and/or Retail Sale Licensee on behalf of the Electricity Service Providers for electricity sales to the regulated market.
TSC_R	Pass through transmission service revenue billed and collected by the Distribution Utility and/or Retail Sale Licensee on behalf of the Transmission Utility.
DSC_R	Distribution Service Revenue billed and collected by Distribution Utility and/or Retail Sale Licensee to recover their cost of distribution added value, customer service, metering, billing, collection and disbursement activities.

2.5.1.1 Billed Tariff Revenue Components

The disbursement of any PURC Tariff Revenue to OEVC shall take into consideration various components of billed tariff revenues including the net billed tariff revenue in the average end-user tariff approved by the PURC and how these components are determined as captured in the following sections.

2.5.1.1.1 Billed Revenue Collected

Billed Revenue Collected from consumers shall be computed using the following formula:

$$\mathbf{BR\ (GHS)\ =\ TR\ +\ VAT\ +\ NHIL\ +\ PL\ +\ NEL\ +\ PF_{SCHG}}$$

Where:

BR is Billed Revenue Collected from Consumers

TR is Tariff Revenue

VAT + NHIL Is Value- Added Tax and National Health Insurance Levy representing a percentage on Energy Billed for Non-Residential and Special Load Tariff Consumers

PL Is Public Lighting representing percentage per price of kWh of Electricity Consumed

NEL Is National Electrification Levy representing percentage per price of kWh of Electricity Consumed

PF_{SCHG} Is Power Factor Surcharge as a penalty for power factor below the benchmark allowable power factor of the Distribution Utility.

2.6 Allocation of Tariff Revenues

The determination of Generation Tariff Revenue, Transmission Tariff Revenue and Distribution Tariff Revenues hence tariff revenue proportions of OEVC whose revenues are captured in the determination of the total revenue requirement as approved by the PURC for each period shall be computed as captured in the following sections.

2.6.1 Disbursement of Tariff Revenues

The disbursement of Generation Tariff Revenue, Transmission Tariff Revenue and Distribution Tariff Revenue under the CWM shall be based on the weight of each OEVC's tariff in the average end-user tariff as approved by the PURC. The weights of each Generator, Transmission Utility and Distribution Utility shall be computed as per the formulae contained in the following sections.

2.6.1.1 Generation Tariff Revenue

The Generation Tariff Revenue payable to each Generator in each month(N), shall be determined by multiplying the approved Generation Tariff for the relevant Generator plant by the actual energy generated by the relevant Generator.

$$\mathbf{GTR}_N = \mathbf{GT}_{N-2} * \mathbf{GE}_{N-2}$$

Where:

- GTR_N is Generation Tariff Revenue (GHS) payable from Tariff Revenue for month N
- GT_{N-2} is approved Gazetted Generation Tariff (GHS/kWh)
- GE_{N-2} is actual energy generated by the Generator (kWh)

2.6.1.1.1 Generation Capacity Charge Tariff Revenue

The Generation Capacity Charge Tariff Revenue payable to each Generator shall be determined by multiplying the PURC approved Generation Capacity Charge Tariff for a Generator by the actual energy generated by the Generator.

$$\mathbf{GCCTR}_N = \mathbf{GCRT}_{N-2} * \mathbf{GE}_{N-2}$$

Where:

- $GCCTR_N$ is Generation Capacity Charge Tariff Revenue (GHS)
- $GCRT_{N-2}$ Is Approved Generation Capital Recovery Tariff (GHS/kWh)
- GE_{N-2} is Actual Energy Generation Volume (kWh)

2.6.1.1.2 Generation Fuel Recovery Tariff Revenue

The Generation Fuel Recovery Tariff Revenue payable to each Generator shall be determined by multiplying the approved Generation Fuel Recovery Tariff for a Generator by the actual energy generated by the Generator.

$$\mathbf{GFRTR}_N = \mathbf{GFRT}_{N-2} * \mathbf{GE}_{N-2}$$

Where:

- $GFRTR_N$ is Generation Fuel Recovery Tariff Revenue (GHS)
- $GFRT_{N-2}$ is Approved Generation Fuel Recovery Tariff (GHS/kWh)
- GE_{N-2} is actual Energy Generation Volume (kWh)

2.6.1.2 Transmission Tariff Revenue

The Transmission Tariff Revenue payable to the Transmission Utility shall be determined by multiplying the approved Transmission Tariff (TSC1 approved by PURC) by the actual energy transmitted by the Transmission Utility.

$$\mathbf{TTR}_N = \mathbf{TT}_{N-2} * \mathbf{TE}_{N-2}$$

Where:

- TTR_N is Transmission Tariff Revenue (GHS)
- TT_{N-2} is Approved Gazetted Transmission Tariff (GHS/kWh)
- TE_{N-2} is Actual energy transmitted (kWh)

2.6.1.3 Distribution Tariff Revenue

The Distribution Tariff Revenue payable to the Distribution Utility shall be determined by multiplying the approved Distribution Tariff by the actual energy distributed by the Distribution Utility.

$$DRT_N = DT_{N-2} * DE_{N-2}$$

Where:

DTR_N is Distribution Tariff Revenue (GHS)

DT_{N-2} is approved Gazetted Distribution Tariff (GHS/kWh)

DE_{N-2} is actual energy distributed (kWh)

2.7 Generation, Transmission and Distribution Revenue Requirement Proportions

The Generation Tariff Revenue, Transmission Tariff Revenue and Distribution Tariff Revenue Requirement proportions shall be determined by applying the formulae captured in the following sections:

2.7.1 Generation Revenue Requirement Proportion

The Total Generation Tariff Revenue as a proportion of the PURC Approved Total Revenue Requirement for the Electricity Value Chain shall be determined as follows.

$$TGR(\%) = TGR / PATRR$$

Where:

TGR is Total Generation Tariff Revenue (GHS)

PATRR is PURC Approved Total Revenue Requirement (GHS)

2.7.1.1 Generation Capital Recovery Revenue Requirement Proportion

The Generation Capital Recovery Revenue as a proportion of the PURC Approved Total Revenue Requirement for the Electricity Value Chain shall be determined as follows.

$$GCRR(\%) = GCRR / PATRR$$

Where:

GCRR is Generation Capital Recovery Revenue (GHS)

PATRR is PURC Approved Total Revenue Requirement (GHS)

2.7.1.2 Generation Fuel Recovery Revenue Requirement Proportion

The Generation Fuel Recovery Revenue as a proportion of the PURC Approved Total Revenue Requirement for the Electricity Value Chain shall be determined as follows.

$$\text{GFRR}(\%) = \text{GFRR} / \text{PATRR}$$

Where:

GFRR is Generation Fuel Recovery Revenue (GHS)

PATRR is PURC Approved Total Revenue Requirement (GHS)

2.7.2 Transmission Revenue Requirement Proportion

The Total Transmission Tariff Revenue as a proportion of the PURC Approved Total Revenue Requirement for the Electricity Value Chain shall be determined as follows.

$$\text{TTR}(\%) = \text{TTR} / \text{PATRR}$$

Where:

TTR is Total Transmission Revenue (GHS)

PATRR is PURC Approved Total Revenue Requirement (GHS)

2.7.3 Distribution Tariff Proportion

The Total Distribution Tariff Revenue as a proportion of the PURC Approved Total Revenue Requirement for the Electricity Value Chain shall be determined as follows.

$$\text{TDR}(\%) = \text{TDR} / \text{PATRR}$$

Where:

TDR is Total Distribution Tariff Revenue (GHS)

PATRR is PURC Approved Total Revenue Requirement (GHS)

2.8 Sector Prioritization Approach

The sector Prioritization Approach sets out the assumptions and methodology for determination and disbursement of tariff revenue collected by the Electricity Company of Ghana to the various beneficiaries along the Electricity Value Chain based on two levels (2) - Level A and B based under the following assumptions.

1. ECG shall be directed to declare a monthly minimum collection subject to PURC's Approved Tariff Review for disbursement
2. Independent Power Producers (IPPs) shall be paid a fixed amount month
3. A fixed amount in respect of fuel supply shall be dedicated to a fuel account per month

2.8.1 Sector Prioritization Model

Based on above approach the cash water model shall reflect the various cost or revenue requirement components of the electricity value chain as approved by PURC as follows:

$$\mathbf{TC = SP + VBGC + GGF + GNPCMF + TSC1 + TSC2 + DSC1 + DSC2 + RL + LF}$$

Where:

TC	is Total Cost
SP	is Statutory Payment Covering Taxes and Levies Including Street Light Levy
VBGC	is Cost Attributable to Volta River Authority Operations
GGF	is Cost attributable to Ghana National Gas Company Fuel and Services
GNPCMF	is Cost Attributable to Ghana National Petroleum Corporation Gas Management Fees
TSC1	is Cost Attributable to GRIDCo Transmission Network Business
TSC2	is Cost Attributable to GRIDCo Network Transmission Losses
DSC1	is Cost Attributable to ECG's Distribution Network Business
DSC2	is Cost Attributable to ECG's Distribution Network Losses
RL	is Regulatory Levy
LF	is Liquid Fuel

2.8.2 Disbursement and Allocation

Disbursement and allocation shall be made to State Own Enterprises (SOEs) including Regulators of the powers sector based on the formulae stated in (2) after IPPs deduction has been made in accordance to above assumptions as indicated in Table-1.

Table 1: Allocation of Revenue Collected by ECG to Sector Players

COLLECTION			
Total Collection		A	
Payment to IPPs		B	
Balance for CWM		C=A-B	
Statutory Deductios (12.5%)		D	
Net Revenue for Allocation		E=C-D	
ALLOCATION			
Electricity Value Chain	Cost	%Allocation	Disbursement
Generation	G	G/T	(G/T) * E
Fuel	F	F/T	(F/T) * E
Regulatory Levies (Power)	RL	RL/T	(RL/T) * E
Distribution	Dis	Dis/T	(Dis/T) * E
Transmission	Tr	Tr/T	(Tr/T) * E
Total	T	100	

2.9 Operating/Revenue Collection Tracking System

To help track all revenues collected at any particular point in time, the Host Institution shall pool all cleared balances on all district revenue accounts into a single collection holding account in order to determine cash available for the month's disbursement. The cash balance in the single collection holding account shall be used to track and reconcile revenues collected from all district revenue accounts.

2.10 Disbursement Instructions

The Host Institution acting on instructions of the Cash Waterfall Implementation Committee shall issue transfer instructions to the Paying Bank immediately after the Cash Waterfall Committee meets on the 27th of every month in accordance with the CWM Allocation Model.

2.11 Basis of Allocation

Allocation shall be based on the Sector Prioritization Approach (SPA)

2.12 Periodic Reconciliation of Revenue Allocation

The Host Institution shall track on a monthly basis all payments made in accordance with the CWM as well as all unpaid amounts due and owing from each entity in the OEVC. It is envisioned that revenue received in any given month will be disbursed via the CWM approximately 45-60 calendar days in arrears, to allow for reconciliation of monies received, receipt and verification of generation and fuel invoices, and the application of the CWM allocation and approval process.

PART 3: INSTITUTIONAL STRUCTURE AND OBLIGATIONS OF CASH WATERFALL MECHANISM

3.1 Institutional Structure of Cash Waterfall Mechanism

The Institutional Structure of the CWM shall be made up of a Host Institution, an Administrator and an Implementation Committee.

3.1.1 Host Institution

The CWM shall be hosted by an Electricity Distribution and Supply Utility licensed by the Energy Commission under the Energy Commission's Act 1997, (Act 541). As a key requirement, the Host Institution shall disclose all PURC Approved Tariff Revenue Cash Receiving and Paying Accounts to the Cash Waterfall Implementation Committee. In addition, the Host institution shall perform the following functions on behalf of the Cash Waterfall Implementation Committee:

1. Isolate statutory payment components of the revenue collected
2. Isolate non-tariff revenue (other income such as: disconnection and reconnection charges) components of revenue collected
3. Keep a running record of accounts and invoices on a monthly basis.
4. Maintain a database for all Generators and Transmission Utility invoices, payments made and outstanding amounts and forward copies to the Cash Waterfall Implementation Committee.

3.1.2 Implementation Committee

(a) The Cash Waterfall Implementation Committee shall comprise one representative each of the following institutions:

- Ministry responsible for Finance
- Ministry responsible for Energy
- Public Utilities Regulatory Commission
- Energy Commission
- Volta River Authority
- Bui Power Authority
- Ghana Grid Company Limited
- Ghana National Petroleum Corporation
- Ghana National Gas Company

(b) The ESRP and the Electricity Company of Ghana shall have two representatives

(c) There shall be one person who is not an employee within the energy sector who shall act as an independent accountant ("Independent Accountant").

(d) There shall be three signatories from MoEnGT, PURC and ECG, who shall be required to authorize transactions on the single collection holding account for CWM implementation.

(e) Each institution within the Cash Waterfall Implementation Committee shall have a single vote in decision making.

The Implementation Committee shall perform the following functions:

1. Receive and review reports from the Host Institution through the Independent Accountant.
2. Review and approve the CWM Allocation Model
3. Assess periodically, the strengths of the CWM and propose improvements where necessary.
4. Report on a monthly basis, activities and operations of the CWM to the NESC.
5. The Independent Accountant will undertake the following:
 - i. Support the Cash Waterfall Implementation Committee in preparation of monthly reports to the NESC.
 - ii. Prepare and reconcile action statements for all Generators', Transmission Utilities and Fuel Suppliers' invoices, payments made and outstanding amounts.

3.1.3 Administrator

There shall be an administrator who shall oversee the operations of the CWM. The Administrator shall perform the following functions:

1. Ensure and Enforce compliance with the CWM Guidelines.
2. Monitor and review receipts and reports from the Auditor.
3. Prepare monthly revenue reports.
4. Run the monthly revenue collected through the CWM Allocation Model using the percentage revenue allocation.
5. Create a monthly disbursement schedule and forward same to the Host institution for payment to relevant OEVC.

3.2 Penalties for Non-Compliance by Host Institution to the Guidelines

The Host Institution shall comply fully with all aspects of the Guidelines. Failure to comply shall result in withholding 2% of their monthly Revenue Allocation Proportion as penalties to be released upon compliance. There will be a three-month moratorium from the effective date of these Guidelines on enforcement for non-compliance.

3.3 Transmission of Reports/Notices

All communications/ reports shall be done by written notifications

APPENDIX: CWM ALLOCATION MODEL

Cash Waterfall Allocation Index

Utility	Actual Energy (En) Volume (GWh)	PURC Approved Capacity+NfVOM /Fuel Recovery Charge (GHS/GWh)	PURC Approved Capacity +NfVOM/Fuel Revenue (GHS)	Allocation of Total Revenue requirement by proportion (%)
Capacity+NfVOM Revenue/Allocation Proportions				
GenCo 1	E1	C1	C1*E1	(C1*E1)/TATR
GenCo 2	E2	C2	C2*E2	(C2*E2)/TATR
GenCo 3	E3	C3	C3*E3	(C3*E3)/TATR
GenCo 4	E4	C4	C4*E4	(C4*E4)/TATR
GenCo 5	E5	C5	C5*E5	(C5*E5)/TATR
GenCo 6	E6	C6	C6*E6	(C6*E6)/TATR
GenCo 7	E7	C7	C7*E7	(C7*E7)/TATR
GenCo 8	E8	C8	C8*E8	(C8*E8)/TATR
GenCo 9	E9	C9	C9*E9	(C9*E9)/TATR
GenCo 10	E10	C10	C10*E10	(C10*E10)/TATR
Fuel Revenue/Allocation Proportions				
GenCo 1	E1	F1	F1*E1	(F1*E1)/TATR
GenCo 2	E2	F2	F2*E2	(F2*E2)/TATR
GenCo 3	E3	F3	F3*E3	(F3*E3)/TATR
GenCo 4	E4	F4	F4*E4	(F4*E4)/TATR
GenCo 5	E5	F5	F5*E5	(F5*E5)/TATR
GenCo 6	E6	F6	F6*E6	(F6*E6)/TATR
GenCo 7	E7	F7	F7*E7	(F7*E7)/TATR
GenCo 8	E8	F8	F8*E8	(F8*E8)/TATR
GenCo 9	E9	F9	F9*E9	(F9*E9)/TATR
GenCo 10	E10	F10	F10*E10	(F10*E10)/TATR
Total Generation Revenue			TGR	TGR/TATR
TRANSCo	Et	TSC-1	Et*TSC-1	(Et*TSC-1)/TATR
DISCo	Ed	DSC-1	Ed*DSC-1	(Ed*DSC-1)/TATR
Total Generation, Transmission & Distribution Revenue			TATR	

TGR - Total Generation Revenue (Sum of Capacity + NfVOM Revenue & Fuel Revenue)

TATR - Total Approved Tariff Revenue (Sum of Generation, Transmission & Distribution Revenue)

NB: VRA bills ECG: BGC VRA + TSC – 2

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WhatsApp: (+233) 540 126206

SUNYANI

Plot 15/16 South Industrial Estate
Sunyani Magazine
P. O. Box SY 1003
Sunyani, Bono Region
Tel: (+233) 352 021653
WhatsApp: (+233) 540 126207

CAPE COAST

First Floor, Data Bank Building
Tantri Road
P. O. Box CC 453
Cape Coast, Central Region
Tel: (+233) 332 137926
WhatsApp: (+233) 540 126208

WA

Katee Plaza, Wa Polytechnic Road
Adjacent Winners Chapel
P. O. Box 445
Wa, Upper West Region
Tel: (+233) 392 024275
WhatsApp: (+233) 540 126209

BOLGATANGA

Ground Floor, NCA Building
Opposite the Regional Hospital
P. O. Box BG 273
Bolgatanga, Upper East Region
Tel: (+233) 382 024524
WhatsApp: (+233) 540 126210

KOFORIDUA

Ground Floor, PURC Building
Galloway, Near Jubilee Park
P. O. Box KF 2781
Koforidua, Eastern Region
Tel: (+233) 342 020770
WhatsApp: (+233) 540 126205

