Cabinet Resolution No. (58) of 2026 Regarding Administrative Penalties for Acts Committed in Violation of the Provisions of Federal Decree by Law No. (31) of 2020 Regarding Al Etihad Water and Electricity Company

The Cabinet:

- Having reviewed the Constitution;
- Federal Law No. (1) of 1972 Regarding the Competences of Ministries and the Powers of Ministers, as amended;
- Federal Law No. (14) of 2016 Regarding the Administrative Violations and Penalties in the Federal Government;
- Federal Decree by Law No. (31) of 2020 Regarding Al Etihad Water and Electricity Company; and
- Upon the submitted proposal, and the approval of the Cabinet,

Hereby resolves as follows:

Article 1

Definitions

The definitions set forth in Federal Decree by Law No. (31) of 2020 Regarding Al Etihad Water and Electricity Company shall apply to this Resolution. In all other respects, the following terms and expressions shall have the meanings assigned to each of them, unless the context requires otherwise:

Person:	A natural or legal person.
Customer:	A Person benefiting from the services provided by the Company.
Service lines:	The underground, submarine, and overhead water and electricity transmission and distribution lines, together with their appurtenances, owned, managed, or supervised by the Company.
Permit:	A document issued by the Company indicating its non-objection to the execution of any works or activities within the area of, or near, the Public Network or the Service Lines, where such works or activities may affect such networks or lines.
Permit holder:	Any Person holding a valid Permit.
Competent Authorities :	The ministries, authorities, public institutions, and federal and local government entities having competence in matters relating to planning, surveying, buildings, roads, and other infrastructure services within the areas served by the Company.
Loss :	The quantity of electricity or water lost from the Public Network during a specified period, commencing from the occurrence of the violation and continuing until the violation ceases.
Decree by law :	Federal Decree by Law No. (31) of 2020 Regarding Al Etihad Water and Electricity Company.

Article 2

Scope of Application

The provisions of this Resolution shall apply to any Person who commits any act in violation of the provisions of the Decree by Law.

Article 3

Administrative Violations and Fines

1. Other than in emergency situations or circumstances requiring immediate intervention, the Company shall notify the violator in writing of the violation committed and of the period prescribed for its removal or rectification, provided that such period shall not be less than seven (7) working days and shall not exceed thirty (30) working days, depending on the nature of the violation.

2. Upon the expiry of the notification period specified in Clause (1) of this Article, and where the violator fails to remove or rectify the violation committed, and without prejudice to any penalty, administrative sanction, or measure prescribed by any other legislation, the Company may impose administrative fines on the violator in accordance with the amounts set out in the schedules annexed to this Resolution. The amount of the fine shall be doubled where the same violation is repeated within one year from the date of commission of the preceding violation, provided that the fine, after doubling, shall not exceed AED 1,000,000 (one million Dirhams).

3. The Company shall notify the violator of the amounts due and payable thereby, including the cost of repairing damages, the value of the Loss, and any other amounts due, while specifying the payment period and mechanism thereof. Where payment is not made and the necessary repairs are not carried out within the prescribed period, the Company shall take the legal measures necessary to recover such amounts. The cost of repairing damages sustained by the Public Network shall be determined in accordance with the technical standards and controls approved by the Company, without prejudice to the calculation of the value of the Loss in accordance with Article (4) of this Resolution.

4. Where any violation relating to the unlawful use of water or electricity, or the benefiting of subsidized or reduced tariffs for purposes other than those designated therefor, is detected, the Company shall have the right to suspend or revoke entitlement to such subsidy, disconnect the service temporarily or permanently, and confiscate the equipment and devices associated with the violation in accordance with the legislation in force.

5. The imposition of a fine shall not preclude the referral of the violator to the Competent Authorities where the violation results in substantial damage to the Public Network or constitutes an encroachment upon utilities.

Article 4

Loss in the Public Network

1. The imposition of a fine or the obligation of the violator to carry out repairs in accordance with the provisions of the Decree by Law and this Resolution shall not preclude the Company from requiring the violator to pay the monetary value of the Loss of water or electricity.

2. In calculating the Loss, the Company shall take into consideration the water flow rate or the electricity loss rate, based on the approved network standards and the duration for which the Loss continued, provided that the duration calculated shall not be less than one hour.

3. Where damage occurs to the Public Network, the monetary value of the Loss of electricity or water shall be calculated by multiplying the quantity of the Loss by the tariff rate, which shall be adopted as the unit price, at a rate of AED (0.5) per kilowatt-hour of electricity and AED (11) per cubic meter of water.

4. Where a violation relating to tampering with a service consumption meter or connection to the network without a meter is detected, the quantity of unrecorded consumption or the benefit lost by the Company shall be estimated on the basis of the available data for a period not exceeding one year. The tariff prescribed by the Company and applicable during the period in which the violation occurred shall be charged to the beneficiary of such consumption.

Article 5

Grievances

1. The Company shall notify the violating Person of the decision imposing the administrative penalty within fifteen (15) days from the date of its issuance, through the means approved by the Company. Such notification shall include particulars of the violation committed, the period necessary for its removal, and the regularization of the status, and any other data specified by the Company.

2. Any Person against whom an administrative penalty decision has been issued may submit a grievance against the decisions issued against them, including decisions relating to the assessment of the value of damages, Loss, or consumption, to the Chief Executive Officer of the Company, in accordance with the procedures adopted by the Company, within fifteen (15) days from the date of notification of the contested decision. The grievance shall be reasoned and accompanied by all supporting documents.

3. The Violations Committee of the Company shall examine the grievance and reassess the value of the violation or the financial amounts due, on the basis of the available data and information, and shall submit its recommendation to the Chairman of the Board or their delegate. The grievance shall be determined within thirty (30) days from the date of its submission. The lapse of such period without a decision being issued shall be deemed a rejection of the grievance.

Article 6

Cases of Exemption

1. The Board, or any Person delegated thereby, may, upon a reasoned written application submitted by the violator, exempt them wholly or partially from the administrative fines in any of the following case:

    a. Where the violator voluntarily reports the violation before it is discovered by the Company and removes the violation and fully rectifies its effects.

    b. Where the violator removes the violation and repairs the damages resulting therefrom within the period specified by the Company or during the grievance period.

    c. Where the violation occurred due to circumstances beyond the control of the violator or as a result of force majeure, and such fact is proven to the Board.

    d. Where the violation has not resulted in actual damage to the Public Network or has not caused a material Loss.

    e. Any other cases to be determined by a decision issued by the Board.

2. In considering an application for exemption, regard shall be had to the nature of the violation, the circumstances surrounding its commission, its gravity, and the extent of the damages resulting therefrom. This shall not prejudice the right of the violator to submit a grievance in accordance with the provisions of Article (5) of this Resolution.

Article 7

Collection of Administrative Fines

1. The administrative fines set forth in the schedule annexed to this Resolution shall be collected in accordance with the mechanism determined by the Company, and the proceeds of the administrative fines collected shall accrue to the Company.

2. The administrative fines shall be paid within thirty (30) days. Where the violator fails to satisfy the fines due within such period from the date on which they are notified of the decision specifying the fines payable thereby, the Company may:

    a. Recover such amounts from any amounts payable thereto by the Company.
    b. Restrict the violator's access to its services or deprive them thereof until all amounts due from them have been paid.
    c. Resort to the courts for the recovery of its dues.

Article 8

Repeals

Any provision that contradicts or conflicts with the provisions of this Resolution shall be repealed.

Article 9

Publication and Entry into Force

This Resolution shall be published in the Official Gazette and shall enter into force thirty (30) days after the date of its publication.

Mohammed bin Rashid Al Maktoum
Prime Minister

Issued by Us:
On: 2 Dhu al-Qi'dah 1447 A.H.
Corresponding to: 20 April 2026 A.D.

Schedules Annexed to Cabinet Resolution No. (58) of 2026 Regarding Administrative Penalties for Acts Committed in Violation of the Provisions of Federal Decree by Law No. (31) of 2020 Regarding Al Etihad Water and Electricity Company

Schedule No. (1)

Permit Violations and Non-Compliance

No.	Description of Violation	Fine (AED)
1.	Carrying out works in the vicinity of the Public Network without obtaining a Permit or in violation of the conditions of the Permit.	(10,000)
2.	Failure of the Permit Holder to designate a competent Person to supervise the works being carried out at the worksite, or the absence of such Person from the site throughout the duration of the works.	(5,000)
3.	Commencement by the Permit Holder of land levelling or work at the site before notifying the Company of the work schedule and before the lapse of twenty-four (24) hours from such notification.	(5,000)
4.	Failure of the Permit Holder to take all necessary means and measures to protect and safeguard the Public Network in accordance with the standards approved by the Company in this regard.	(5,000)
5.	The Permit Holder undertaking their works at the worksite in a manner contrary to the plans and timetable approved by the Company.	(5,000)
6.	Failure to immediately notify the Company where the Permit Holder's works intersect with the Public Network or where damage is caused thereto.	(5,000)
7.	Failure to provide a cable detector at the worksite.	(5,000)
8.	Commencing work at the site before carrying out the trial excavation inspections specified by the Company.	(5,000)
9.	Failure to install temporary signboards at the worksite indicating the routes of cables and water lines.	(5,000)
10.	Refusal to comply with a work stoppage order issued by the Company or any of its competent employees.	(10,000)
11.	Unauthorized excavation or encroachment on the routes of 33/11 kV underground cables without causing damage thereto, provided that the violator is instructed to obtain a work Permit.	(5,000)
12.	Excavation along the route of any high-voltage cable rated at 400/220/132 kV without obtaining prior authorization from the Company.	(10,000)

13.	Obstructing access to transformer room entrances in a manner that prevents the Company's personnel from gaining access thereto. The violator shall be notified to remove the obstruction within one working day, failing which the fine shall be imposed.	(2,000)
14.	Placing interlock paving, asphalt, construction debris, backfill materials, stockpiles, or the like over water lines, water chambers, or water control valves.	(10,000)
15.	Obstructing the work of Company's employees or Persons authorized thereby to conduct inspections.	(10,000)

Schedule No. (2)

Encroachment upon the Public Network and Misuse of Company's Services

No.	Description of Violation	Fine (AED)
1.	Breach by the Customer of the conditions governing the connection of electricity and water as prescribed by the Company, changing the nature of the establishment's activity or use from one consumption category to another without notifying the Company, submitting inaccurate connection-related information, or committing any act not otherwise provided for under the categories of violations set out hereinafter.	(5,000)
2.	Any person connecting electricity or water from the Company's Public Network or its branches to its establishment without passing through a meter licensed by the Company and without obtaining prior authorization therefrom.	(10,000)
3.	Addition by the Customer of an unlawful load for their own benefit through the meter without complying with the procedures approved by the Company or without obtaining prior authorization therefrom.	(10,000)
4.	Supply by the Customer of electricity or water to a third party through the meter allocated thereto by the Company, or supply to a third party with the service under a consumption category higher than that allocated to the Customer.	(5,000)

5.	Disconnecting electricity from smart meters with the intent of affecting their readings.	(10,000)
6.	The Customer tampers with the meter or connections in a manner that results in altering the correct meter reading.	(10,000)
7.	Restoration by the Customer of a service that has been disconnected by the Company for any reason, without authorization from the Company, whether personally or through a third party.	(5,000)
8.	Deactivating the power factor correction equipment (capacitors) by the Customer.	(10,000)
9.	A Customer benefiting from a subsidized or reduced tariff (whether for residential, agricultural, or any other category) engaging in any commercial activity or any unauthorized activity, including the operation of data centers, cryptocurrency mining, or similar activities.	(100,000)

Schedule No. (3)

Damage to the Public Network and Its Appurtenances

No.	Description of Violation	Fine (AED)
Water Network		
1.	Damaging secondary water connections (up to 100 mm).	(5,000)
2.	Damaging main water network pipelines (exceeding 100 mm and up to 500 mm).	(50,000)
3.	Damaging main water network pipelines (exceeding 500 mm and up to 1,000 mm).	(100,000)
4.	Damaging main water network pipelines exceeding 1,000 mm.	(250,000)
5.	Damaging valve chambers, air valves, washout valves, or any other type of network chamber.	(25,000)
6.	Cutting fibre-optic cables associated with water lines.	(25,000)
7.	Removing water line markers (Marker Posts), warning tiles, or warning tapes.	(5,000)

8.	Contaminating groundwater sources of the Company's wells or constructing septic tanks above water lines, connections, or their appurtenances.	(50,000)
Electricity Network		
9.	Damaging electrical power cables, towers, or poles of low-voltage overhead electricity lines.	(10,000)
10.	Damaging electrical power cables, towers, or poles of medium- and high-voltage overhead electricity lines.	(50,000)
11.	Damaging electricity distribution components and consumer service facilities (such as distribution boxes and meter boxes).	(5,000)
12.	Damaging protective installations and warning markers associated with underground cables.	(5,000)
13.	Damaging communication and control appurtenances without causing a cable outage.	(50,000)
14.	Damaging conductors of overhead lines.	(5,000)