



NIGERIAN ELECTRICITY REGULATORY COMMISSION

BEFORE THE NIGERIAN ELECTRICITY REGULATORY COMMISSION

NERC/DIRECTIVE/155

COMMISSION'S DIRECTIVE ON THE ISSUE OF NON-COMPLIANCE OF PORT-HARCOURT ELECTRICITY DISTRIBUTION PLC (PHED) WITH SECTION 75 OF THE ELECTRIC POWER SECTOR REFORM (EPSR) ACT, 2005, REGULATION 5(1) AND 11 OF NERC ELECTRICITY INDUSTRY (ENFORCEMENT) REGULATIONS 2014 AND OTHER REGULATORY INSTRUMENTS ISSUED BY THE NIGERIAN ELECTRICITY REGULATORY COMMISSION (NERC)

To:

The Managing Director

Port-Harcourt Electricity Distribution Company

No. 42 Obi Wali Road,

Port – Harcourt

BACKGROUND:

1. Pursuant to Section 62 (7) of the EPSR Act 2005 and Regulation 5(1) (a) and 11 of the NERC Electricity Industry (Enforcement) Regulations 2014, the Commission commenced Enforcement Actions against PHEDC vide a Notice dated June 22, 2016, for non compliance with the provisions of NERC Customer Complaints Handling: Standards and Procedures Regulation 2006.
2. Specifically, the Notice required PHEDC to "SHOW CAUSE" within Ten (10) days, why Enforcement Action should not be taken against it for violating:

Section 11 (6) of the NERC Customer Complaints Handling: Standards and Procedures Regulation 2006 which states that the Distribution Company Licensee shall implement the decisions of the forum within the time specified in the Directives of the Forum. The Distribution licensee shall also report its compliance with the Directive of the Forum, or the reason for any delay in complying with the directives within five working days of the directive being implemented. This violation is contrary to **Section 63 of the the Act 2005, which provides that; "A licensee shall comply with the provisions of his license, regulations, codes and other requirements issued by the Commission from time to time."**

WHEREAS:

The ten (10) days granted PHED to "SHOW CASE" WHY Enforcement Action should not be commenced against PHED expired on July 2, 2016, and PHEDC has failed or neglected to respond to the manifest and flagrant breaches observed by the Commission.

STATEMENT OF FACTS

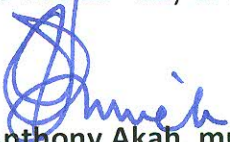
1. Existence of NERC Customer Complaints Handling Standards & Procedure Regulation, 2006 which mandates Distribution Companies to comply with the decisions of the forum;
2. PHED refused and or neglect to comply with the forum's decision in respect of the Complaint from One Toba Aremu Olugbemi against non availability of paid meter for which an electronic mail was sent on May 11, 2016 to customercare@phed.com.ng and nanccy.abdala@phed.com.ng in respect of same, which was due for response on or before May 30,2016; and also failed and neglected to report compliance and reason for delay in complying with the forum directives in accordance with the NERC Customer Complaints Handling: Standards & Procedure Regulation, 2006.

CONSEQUENTLY, IT IS HEREBY DIRECTED THAT:

1. For failing to comply with section 11(6) of NERC Customer Complaints Handling: Standards and Procedures Regulation, 2006, PHED had breached has breached the provision of section 63 (1) of the EPSR Act, 2005. Consequently , the Commission fines PHEDC **Ten Thousand Naira (N10,000) per day from May 30, 2016 to date (28/09/2016) giving a total of N1,210,000.00 (One Million, Two Hundred and Ten Thousand Naira).**
2. Above notwithstanding, PHEDC shall still comply with the Commission's Directive.
3. **The total fine of One Million, Two Hundred and Ten Thousand Naira (N1, 210,000.00) only shall be paid by PHED Electricity Distribution Plc within two (2) weeks from the date of this directive.**
4. **Failure to pay the fines within the stipulated time shall attract additional interest of 5% per day, until the total fine is paid.**

BY DIRECTIVE OF THE COMMISSION

Dated this 28th day of September, 2016


Dr. Anthony Akah, mni
Ag. Chairman/CEO


Mrs. Olufunke Dinneh
General Manager
Legal, Licensing & Enforcement