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## NIGERIAN ELECTRICITY REGULATORY COMMISSION

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Order No/NERC/181/2019

### ORDER ON THE IMPLEMENTATION OF THE METER ASSET PROVIDER SCHEME IN THE NIGERIAN ELECTRICITY SUPPLY INDUSTRY

#### Whereas -

1. The Nigerian Electricity Regulatory Commission ("NERC" or the "Commission") is mandated by section 32(1)(b) of the Electric Power Sector Reform Act ("EPSRA") to-

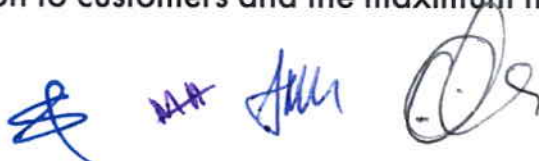
*maximize access to electricity services, by promoting and facilitating consumer connections to distribution systems in both rural and urban areas.*

2. The Commission exercising the powers conferred by section 96 of EPSRA and all other enabling powers released the Meter Asset Provider ("MAP") Regulation 2018 (the "Regulations") on 8<sup>th</sup> March 2018 to achieve the following objectives -
  - a. Encourage the development of independent and competitive meter services in the Nigerian Electricity Supply Industry ("NESI").
  - b. Eliminate estimated billing practices in NESI.
  - c. Attract private investment to the provision of metering services in NESI.

- d. Close the metering gap through accelerated meter roll out in NESI.
  - e. Enhance revenue assurance in NESI.
3. Section 8 of the Regulations outlines the procurement process to be adopted by distribution licensees ("DisCos") for the appointment of MAPs and the granting of permits to these MAPs by the Commission.
  4. Section 8(2) of the Regulations mandates DisCos to conduct and conclude the procurement process for the engagement of the first set of MAPs within 120 days from the 3<sup>rd</sup> day of April 2018.
  5. The deadline for the conclusion of the procurement process for the first set of MAPs was extended to "120 days from the 1<sup>st</sup> of July 2018" by Order No. NERC/180/2018.

**THE COMMISSION HEREBY ORDERS as follows –**


- A. The approval of ₦36,991.50 and ₦67,055.85 (excluding VAT) as prices for single-phase and 3-phase meters respectively. These prices shall cover the costs of meter procurement, financing, installation, maintenance and all associated cost with the meter.
- B. Customers who elect to pay upfront for their meters shall not pay more than the approved prices in "A" above and shall be metered within ten (10) days of making full payment, with no further charge to be imposed on such customers throughout the useful life of the meter.
- C. Customers who elect to obtain meters through an installment payment plan shall be liable to pay monthly meter service charge ("MSC") on their bills, separate from the energy charge in accordance with section 10 (5) of the Regulations, for the duration of their chosen installment payment plans.
- D. MAPs may apply the cost of financing meters to the MSC of customers who elect to obtain meters through installment payment. MAPs shall ensure that they obtain competitive rates for the cost of financing which shall be passed on to customers and the maximum financing costs which



shall be charged to customers shall not exceed a rate of 21% per annum on the approved prices in "A" above.

- E. DisCos and MAPs shall notify the Commission of the rate of financing costs that shall be applied to MSC of customers who obtain meters through installment payment plans.
- F. The approved rate of financing costs shall commence with effect from 1<sup>st</sup> August 2019 and may be reviewed by the Commission after 3 years.
- G. Customers shall have the option of choosing their repayment plan which shall not exceed a maximum period of 120 months.
- H. Customers shall also have the option of early settlement of outstanding balance on their repayment plans without incurring any penalty.
- I. The Commission shall enforce compliance with this Order, timelines specified in the Regulations, DisCos meter deployment plans and other reporting requirements specified by the Commission.

Dated this 30<sup>th</sup> day of August 2019

  
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James A. Momoh  
Chairman

  
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Dafe C. Akpeneye  
Commissioner  
Legal, Licensing & Compliance