

# ADEYEMI OGUNDEIN 08055427388, 08023074245

*Vice-Chairman, Solidarity Action Network (non-partisan civil society advocates for justice and good governance)*

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The Chairman,  
Nigerian Electricity Regulatory Commission  
Plot 1387 Cadastral Zone A00  
Central Business District,  
Abuja.

Dear Sir,

## **APPLICATION TO PARTICIPATE AS AN INTERVENOR IN TARRIF REVIEW PROCEEDINGS**

Further to your February 19, 2020 publication in the Punch Newspaper, I hereby tender my submissions in-line with the guidelines;

### **MY INTEREST IN THE PROCEEDINGS**

I am an electricity consumer with Ikeja Electric Distribution Company. I have suffered outrageous estimated billings for many years, billing without being supplied power and many unwholesome practices until I got judgement from NERC. That judgement has been partially complied with has refunds has not been made and I have been without power for over 90days. My experiences, including that of friends and associates whom I'm familiar with their experiences as unmetered customers will be very useful in reaching a fair decision to all parties.

I am also an entrepreneur engaged in food processing using cold-chain, a business that relies heavily on power to produce and store our products. The increase in tariff will adversely affect our operations including that of our distributors and we can't easily pass the cost since we are competing with imported products.

### **MY CONCERNS/OBSERVATIONS**

1. The percentage of metered consumers is still very low despite the MAP project. Many consumers are being issued estimated billing that can't be fairly defended by the discos like I was being issued as much as N45,000 monthly before I was metered only to be paying an average of N4,500 after I was metered. If the tariff is allowed to increase by 50%, it means that the estimated billing will be as much N67,500 when actually it should be N6,250, an outrageous 1080% above fair billing.
2. The recent VAT increase and other changes in the financial structure of the country as contained in the recently implemented Finance Bill is just settling-in and further increase in electricity tariff at this time will further exacerbate the cost of our operations and that of many organizations engaged in manufacturing.
3. Previous commitments for substantial investments into electricity distribution have not been fully honoured or implemented by the discos and there is no guarantee that this would be done at this time.
4. Our organization and many organizations have made long term plans and investments relying on the 2015 MYTO plan. An immediate review would make us unable to meet our financial obligations to our investors and other parties. We believe the planned increase if allowed should not be immediate but be planned too for at least 12months from the date of this proceedings.

## **RECOMMENDATIONS**

I am not in support of increase in electricity tariffs across board for all discos. I believe the increase should be allowed for discos that have;

1. Achieved up to 85% metering of consumers in their area of jurisdiction with independently verifiable proofs.
2. Met their previous commitments for development and investment into power distribution at least to 75% with independently verifiable proofs.
3. Resolved consumer disputes up to 90% and all disputes escalated to NERC up to 100%.
4. Consented to allow consumers pursue independent power solutions without any restrictions.

Finally, the increase should have a notice of up to 12months to allow for planning for companies, organizations and individuals.

I sincerely appreciate this opportunity and look forward to a favourable approval of my application to attend these proceedings in Lagos on Tuesday 25<sup>th</sup> and Wednesday 26<sup>th</sup> February 2020, these two locations where I have interest.

Yours faithfully,

Signed by: **YEMI OGUNDEIN**