



# NIGERIAN ELECTRICITY REGULATORY COMMISSION

Plot no. 1387, Cadastral Zone, A00, Central Business District, Abuja  
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## CORRIGENDUM

### NOTICE OF APPLICATIONS FOR TARIFF REVIEW FOR ELECTRICITY DISTRIBUTION COMPANIES AND THE TRANSMISSION COMPANY OF NIGERIA PLC AND REQUEST FOR INTERVENORS TO PARTICIPATE IN THE PROCEEDINGS

Pursuant to procedures set out in Section 76 of the Electric Power Sector Reform Act 2004, the Nigerian Electricity Regulatory Commission adopted the Multi-Year Tariff Order (MYTO) methodology for electricity pricing in Nigeria, which sets out the basis and pricing principles and procedures for effecting Minor and Major Reviews of electricity tariffs in Nigeria.

The MYTO provides a tariff path for the electricity industry, with biannual minor reviews to take into account the impact of changes in a limited number of parameters (specifically inflation, US Dollar exchange rate to Naira, natural gas price and available generation capacity) and major reviews every 5 years, when all other value chain inputs are reviewed with stakeholders.

Section 9 of the "Regulations on Procedures for Electricity Tariff Reviews in the Nigerian Electricity Supply Industry" allows for Extraordinary Tariff Review in instances where the utilities can demonstrate that industry parameters have changed from those used in the operating tariffs to such an extent that a review is required urgently in order to maintain industry viability.

The Nigerian Electricity Regulatory Commission has received Extraordinary Tariff Review Applications from the eleven (11) Electricity Distribution Companies (DisCos) and the Transmission Company of Nigeria Plc (TCN) seeking approval for the following:

#### A. Review of Revenue Requirements.

- (i) The DisCos have each submitted Performance Improvement Plans (PIP) covering the period 2020-2024 in which the utilities made a case for new capital expenditure allowances over and above the provision in the subsisting MYTO 2015. The justifications advanced included the need to embark on a more aggressive loss reduction, improvement of customer service and the deployment of state-of-the-art-technology to improve service delivery.
- (ii) The Transmission Company of Nigeria Plc has filed a request for a review of its revenue requirement as a result of its reported significant additional investments in infrastructure currently not captured in its Regulatory Asset Base (RAB). The current stakeholder consultation process is focusing on a review of the rates for the provision of spinning reserves by GenCos.

#### B. Review of Rates and Rate Design

- (i) To consider a revised tariff classification and the creation of new customer classes; to reallocate load amongst the various customer classes with a view to ensuring that DisCos' revenue requirement recovered through rates is fair, just and reasonable and based on the costs each customer class impose on the network;
- (ii) To consider a gradual transition to cost-reflective tariffs (based on approved prudent expenditure) for the provision of much-needed investment in the networks and to ensure the long-term technical and financial viability of the utilities.

#### C. Review of Grid Load (Energy) Allocation to the various DisCos, and

#### D. Review of Ancillary Service Charge (Spinning Reserve) and the procurement of additional Spinning Reserve by the TCN.

In this regard, NERC has constituted two Hearing Panels to conduct the hearing of the various applications filed by DisCos and TCN. The Hearing Panels will hold their sittings as per the schedule below and all interested parties are invited to attend.

	APPLICANT	Venue of Public Hearing	Date of hearing
1	Eko Electricity Distribution Company	Lekki Event Center -17, Remi Olowude Street Lekki Phase 1, Lagos	Tuesday February 25 <sup>TH</sup> 2020
2	Kaduna Electricity Distribution Company	Asaa Pyramid Hotel- 13 Lafia ROAD Off Independence Way Kaduna.	Tuesday February 25 <sup>TH</sup> 2020
3	Abuja Electricity Distribution Company	Merit House- No. 22, J. T. Aguiyi Ironsi Street, Maitama, Abuja.	Wednesday February 26 <sup>TH</sup> 2020
4	Ikeja Electricity Distribution Company	The Summit Auditorium – No.5 NERC Road, Off Asabi Cole Str. Alausa, Ikeja Lagos	Wednesday February 26 <sup>TH</sup> 2020
5	Ibadan Electricity Distribution Company	Jogar Event Center-No.1 Harvester Drive, liberty Road Ibadan, Oyo State	Friday February 28 <sup>TH</sup> 2020
6	Jos Electricity Distribution Company	Hazibell Suites Event Centre, Along Dass Road, Opposite JED, Yelwa Office, Bauchi.	Friday February 28 <sup>TH</sup> 2020
7	Benin Electricity Distribution Company	Hotel Benza Ltd -14 Kingsley Emu Street, behind Fine Homes, Off Summit Road Asaba, Delta State.	Monday March 2 <sup>nd</sup> 2020
8	Port Harcourt Electricity Distribution Company	Transcorp Hotels- No 10 Murtala Muhammed Highway Calabar, Cross River State	Monday March 2 <sup>nd</sup> 2020
9	Yola Electricity Distribution Company	Wetlands Garden and Park off Lamido Zubairu Road, Yola Town Bypass, Adamawa State.	Thursday March 5 <sup>TH</sup> 2020
10	Enugu Electricity Distribution Company	Willow Wood Hotel-No.1 Rochas Okarocha Close, Opposite Market Square Orlu Road, Owerri Imo State	Friday March 6 <sup>TH</sup> 2020
11	Kano Electricity Distribution Company	Meena Event Center, 6 Lodge Road, Kano	Monday March 9 <sup>TH</sup> 2020
12	Transmission Company of Nigeria (TCN)	NERC Hearing Room- Nerc House Plot 1387 Cadastral Zone AO CBD Abuja	Wednesday 11 <sup>th</sup> March 2020

Accordingly, this notice on the review is issued in line with the Business Rules of the Commission to solicit for comments from the general public on the Extraordinary Tariff Review applications of the DisCos and the TCN. Details of the applications, including the PIPs and the Consultation Paper can be accessed on the NERC website [www.nerc.gov.ng](http://www.nerc.gov.ng) for the review of all stakeholders and the general public within the next 21 days from the date of this publication.

Any person wishing to participate in the proceedings as an intervenor should forward his/her application to NERC. The Request to Participate shall be in an electronic copy in Microsoft Office format or by e-mail, and shall include the following:

- i. An explanation of the person's interest in the proceeding and how the party would be affected by the outcome of the Application;
- ii. A description of the party's concerns, observations comments and/or objections to the application; and
- iii. An indication as to whether the party supports or objects to the Application submitted by the licensees.

Request to participate in the proceedings as an intervenor should be forwarded to the Commission within one (1) week of this publication. All comments or representations as well as the request to participate should be addressed to:

The Chairman  
Nigerian Electricity Regulatory Commission  
Plot 1387 Cadastral Zone A00  
Central Business District  
Abuja  
or  
By e-mail: [comments@nerc.gov.ng](mailto:comments@nerc.gov.ng)

For further information, please contact:  
Sharfuddeen Z. Mahmoud at [sharfuddeen.mahmoud@nerc.gov.ng](mailto:sharfuddeen.mahmoud@nerc.gov.ng)