



NIGERIAN ELECTRICITY REGULATORY COMMISSION

PRESS RELEASE: NERC COMMITTED TO PROTECTING CUSTOMERS

In response to media reports that there is an increase in tariffs for Nigerians, NERC wishes to clarify that tariff reviews going forward will only follow service-based principles. Under these service-based principles DISCOs will only be able to review tariff rates for customers when they consult with customers, commit to increasing the number of hours of supply per day and quality of service.

In all cases poor and vulnerable Nigerians will not experience any increase. In line with these expectations, DISCOs are directed to engage with their customers on a Service Based Tariff structure. Under the Service Based Tariff Structure, DISCOs can only review tariffs for customers under the following conditions:

1. Customers are consulted and communicated a guaranteed level of electricity service by the DISCOs based on hours of supply
2. Customers are metered
3. No estimated billing through the strict enforcement of the capping regulation. This means that unmetered customers will not experience any cost increase beyond what is chargeable to metered customers in the same area.

Even under the above conditions, there will be no change in tariff for the most vulnerable as tariffs for those consuming 50KW or less remain frozen. Customers receiving less than 12 hours of supply will also not experience any change in tariffs.

In addition, the President has directed that there should be a nationwide mass-metering program in an effort by the Federal Government to put a stop to estimated and arbitrary billing for electricity. He has also approved a waiver of the import levy on meters, so that those that do not have meters can be supplied as early as possible at reasonable costs.

The general public and all stakeholders in the power sector are by this statement urged to disregard any reports of an arbitrary tariff increase affecting Nigerians.

James. A. Momoh
Chairman, Nigerian Electricity Regulatory Commission