**SCHEDULE 1A**

**AGREEMENT FORM FOR AN EXCLUSIVE PROJECT DEVELOPMENT PERIOD AT A SITE FOR AN ISOLATED MINI-GRID**

***N.B* – *This is a template form that can be amended to suit the specific circumstance and peculiarities of the parties.***

**This Agreement** is dated [XXX]

**Between**

[XXXX], a company duly incorporated under the laws of the Federal Republic of Nigeria with registration number [**RC Number**] and having its registered office at [**OFFICE ADDRESS**] called the “**Mini-Grid Developer**”.

**AND**

[XXXX], a legally authorised representative of [**NAME OF COMMUNITY**] in its capacity as [Village Head] called the “**Community Representative**”.

**OR**

[XXXX] a Company/Association duly incorporated/registered under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**] acting as the legally authorised representative of [**NAME OF COMMUNITY/CHAIRMAN OF THE LOCAL GOVERNMENT AREA**] called the “**Community.**”

(In this Agreement, the Mini-Grid Developer and Community Representative are referred to as **“Parties”** or **“Party”**).

**RECITAL/ BACKGROUND**

1. The Mini-Grid Developer is in the business of developing and constructing Mini-Grids.
2. The Mini-Grid Developer seeks to develop a Mini-Grid to supply electricity to the Community from electricity generated by the Mini-Grid.
3. The Mini-Grid Developer has identified the Location as suitable for a Mini-Grid in accordance with the Mini-Grid Regulation and seeks to undertake feasibility studies preparatory to developing a Mini-Grid to supply electricity to the Community.
4. In view of the above, the Community Representative has agreed to grant the Mini-Grid Developer an exclusivity period to develop the Mini-Grid under the terms set out in this Agreement.

**NOW THEREFORE, the Parties agree as follows:**

1. **DEFINITIONS AND INTERPRETATIONS** 
   1. In this Agreement each of the following words and expressions shall have the following meanings:

|  |  |
| --- | --- |
| “**Confidential”**  **“Information**” | shall include but is not limited to technical know-how, information and data, plans, strategies, techniques, processes, operations, formulae, proprietary information, and material belonging to any of the Parties in respect of the mini-grid Project. |
| “**Effective Date**” | means the date of this Agreement. |
| “**Exclusivity Period**” | means the Initial Exclusivity Period, Supplementary Exclusivity Period and any further extensions of the exclusive period granted pursuant to Clause 4. |
| “**Location**” | means the area within the distribution network where a mini-grid is proposed to be located. |
| **“NERC”** | means the Nigerian Electricity Regulatory Commission. |
| **“Permit”** | means a Permit granted by NERC to a Mini-Grid Operator for the construction, operation, maintenance, and where applicable ownership of Mini-Grids. |
| **“Technical Codes”** | shall have the same meaning in the Mini-Grid Regulation. |

* 1. In this Agreement, except where the context otherwise requires:
     1. any reference to “this Agreement” includes the Schedules and Annexures to it, each of which forms part of this Agreement for all purposes;
     2. if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day; and
     3. if a period of time is specified as to a given day, or to the day of an act or event, it shall be calculated inclusive of that day.

1. **COMMENCEMENT**

This Agreement shall commence on the Effective Date.

1. **MINI-GRID PROJECT**

The Parties agree that the Mini-Grid Developer shall have the right to investigate, develop and commission a Mini-Grid in the Community (“**Mini-Grid Project**”).

1. **EXCLUSIVITY PERIOD** 
   1. The Exclusivity Period shall start on the Effective Date and shall end [12 or 24 months] after (“**Initial Exclusivity Period”**) unless extended pursuant to this Clause 4 in this Agreement.
   2. Where the Initial Exclusivity Period is for 12 months, the Community Representative shall have the discretion to extend the Initial Exclusivity Period for up to an additional 12 months after the expiration of the Initial Exclusivity Period (“**Supplementary Exclusivity Period**”), provided that the Mini-Grid Developer has made significant progress to the satisfaction of the Community. ***[NOTE: the Parties can set out specific conditions precedent that needs to be satisfied by the Parties during the exclusivity period.]***
   3. A Supplementary Exclusivity Period can only be granted by the Community Representative subject to NERC’s approval.
   4. Pursuant to Clause 4.3, NERC’s approval for the extensions shall be granted provided that -
      1. the Parties are able to set out progress made and provide a justification to the satisfaction of the Community why an extension is required; and
      2. any delays experienced are due to no fault of the Mini-Grid Developer.

* 1. Where the Initial Exclusivity Period exceeds 12 months, the Mini-Grid Developer and the Community shall in addition to this Agreement, execute Form A in Schedule 1 and thereafter submit to NERC for approval.
  2. Where a Supplementary Exclusivity Period is required, the Mini-Grid Developer and the Community shall execute Form B in Schedule 1 and thereafter submit to NERC for approval.
  3. Where an extension is required, the Mini-Grid Developer shall duly notify the Community Representative at least a month before the expiration of the Exclusivity Period using the applicable form in Schedule 1 to this Agreement stating the reasons for the extension.

1. **DUTIES AND OBLIGATIONS OF THE PARTIES** 
   1. For the duration of the Exclusivity Period, the duties and obligations of the Community Representative shall be as follows:
      1. The Community Representative shall ensure that the Community does not –
         1. directly or indirectly take any action to solicit, initiate, encourage, assist the submission of any proposal, negotiation or offer from any person or entity other than the Mini-Grid Developer for the purpose of developing, installing, commissioning and/or operating a mini-grid; and
         2. act in a manner that will adversely affect the mini-grid project.
      2. Cooperate in good faith and provide the Mini-Grid Developer all such information, documentation and authority required for the mini-grid Project.
   2. For the duration of the Exclusivity Period, the duties and obligations of the Mini-Grid Developer shall be as follows -
      1. undertake the feasibility and investigations required for mini-grid Project in a timely manner; and
      2. ensure that the mini-grid project is in compliance with the Technical Codes.
2. **TIME IS OF THE ESSENCE**

The Parties agree that, for the purpose of this Agreement and for the duration of the Exclusivity Period, they will carry out their respective obligations with respect to the mini-grid project in a timely and efficient manner.

1. **POST EXCLUSIVITY PERIOD** 
   1. At the end of the Exclusivity Period, where the Mini-Grid Developer decides to implement the mini-grid project:
      1. A definitive agreement will be executed between the Parties;
      2. The Mini-Grid Developer shall comply with the Mini-Grid Regulation 2023.
   2. At the end of the Exclusivity Period, where the Mini-Grid Developer decides not to implement the Mini-Grid Project:
      1. it shall duly notify the other Party stating the reasons for its decision;
      2. make the necessary restorations required following investigative activities undertaken for the mini-grid project; and
      3. Save for Clause 7.2.2, the Mini-Grid Developer shall have no liability.
2. **TERMINATION** 
   1. This Agreement may terminate by mutual agreement by all Parties.
   2. This Agreement automatically terminates, where the Parties execute a definitive agreement pursuant to Clause 7.1.1 for the mini-grid project.
   3. The Community Representative may terminate this Agreement on written notice to the other Parties if:
      1. The distribution network licence decides to expand before the expiration of the Exclusivity Period.
      2. The Mini-Grid Developer breaches Clause 5.2.
      3. The Mini-Grid Developer abandons the Project for a period of more than 3 consecutive months.
   4. The Mini-Grid Developer may terminate this Agreement on written notice to the other Parties if -
      1. it decides not to pursue the mini-grid project; or
      2. the Community Representative breaches Clause 5.1.
3. **REMEDIES**

If during the Exclusivity Period, the Community Representative breaches any of its obligations to the Mini-Grid Developer which results to a loss suffered by the Mini-Grid Developer, the Community Representative must reimburse the Mini-Grid Developer all the costs incurred as a result of the loss.

1. **CONFIDENTIAL INFORMATION** 
   1. A Party shall not intentionally disclose or allow to be disclosed to any third party any Confidential Information concerning the other Parties or any information obtained under this Agreement and in furtherance to the execution of the Mini-Grid Project unless:
      1. the disclosure is expressly assented to in writing by the Party to which the Confidential Information belongs; or
      2. the disclosure is subject to a legal obligation of disclosure.
   2. Each Party, after consultation with the others, shall adopt reasonable procedures to preserve the Confidential Information of the other Parties.
   3. No information shall constitute Confidential Information if -
      * 1. the information is generic in nature, or have at the relevant time become public knowledge or has been in the public domain, other than as a result of disclosure by the Parties or their representative;
        2. the information has at the relevant time become, already in the possession of the Parties free from any obligation of confidentiality to either of the Parties or any other person and has not been acquired by any person in breach of any obligations of confidentiality;
        3. the information is required to be disclosed by law or order of any court, tribunal or agency of competent jurisdiction or by any governmental body, department or agency having jurisdiction or it or by any equivalent laws or regulations of institutions or other equivalent authorities in jurisdictions outsider Nigeria; or
        4. the information is expressly stated in writing to be non-confidential.
2. **NON-CIRCUMVENTION** 
   1. At any time prior to the expiration of the Exclusivity Period and two years thereafter, it is expressly agreed that the identities of any individual or entity and any other third parties (including, without limitation, suppliers, customers, financial sources, manufacturers and consultants) discussed and made available by the any Party in respect of the mini-grid project and any related business opportunity shall constitute Confidential Information and the recipient or any group company or associated entity or individual shall not (without the prior written consent of the disclosing Party):

11.1.1 directly or indirectly initiate, solicit, negotiate, contract, or enter into any business transactions, agreements, or undertakings with any such third party identified or introduced by the disclosing Party; or

11.1.2 seek to by-pass, compete, avoid or circumvent the disclosing Party from any business opportunity that relates to the mini-grid project by utilising any Confidential Information or by otherwise exploiting or deriving any benefit from the confidential information.

* 1. Except in so far as the Party was engaged in a prior business relationship with the individual or entity or third party.

1. **ENTIRE AGREEMENT**

The Parties agree that this Agreement including the Schedules and the Forms therein executed for extensions of the Exclusivity Period constitutes the entire Agreement between the parties irrespective of all previous agreements, promises, assurances, warranties, representations and understanding between them, whether written or oral, relating to its subject matter.

1. **GOVERNING LAW AND DISPUTE RESOLUTION**

**Governing Law**

13.1. This Agreement and any disputes or claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

**Dispute Resolution**

13.2. Except as otherwise provided in this Agreement, any dispute of whatever nature which may arise between all or any of the Parties out of or in connection with this Agreement shall be dealt with in accordance with the Dispute Resolution Mechanism set out by NERC.

13.3. The Parties acknowledge and agree that, except as expressly provided in this Agreement, the provisions of the dispute resolution mechanism set out by NERC constitute the sole remedy of the Parties.

***IN WITNESS*** *whereof this Agreement was executed the day and year first above written.*

For **[MINI-GRID DEVELOPER]**

Signed at on this .......... day of ...................... 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For **[COMMUNITY REPRESENTATIVE]**

Signed at ........................ on this ............. day of ...................... 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE 1B**

**AGREEMENT FORM FOR AN EXCLUSIVE PROJECT DEVELOPMENT PERIOD AT A SITE FOR AN INTERCONNECTED MINI-GRID**

***N.B* – *This is a template form agreement that can be amended to suit the specific circumstance and peculiarities of the parties.***

**This Agreement** is dated --------------------------------------

**Between**

XXXX, a company duly incorporated under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**] hereinafter called the “**DisCo**” which expression shall where the context so admits include its successors-in-title.

**AND**

XXXX, a company duly incorporated under the laws of the Federal Republic of Nigeria with registration number [**RC Number**] and having its registered office at [**OFFICE ADDRESS**] hereinafter called the “**Mini-Grid Developer**”.

**AND**

[XXXX] a legally authorised representative of [**NAME OF COMMUNITY**] in its capacity as [Village Head] hereinafter called the “**Community Representative**”.

**OR**

[XXXX] a Company/Association duly incorporated/registered under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**] acting as the legally authorised representative of [**NAME OF COMMUNITY/CHAIRMAN OF THE LOCAL GOVERNMENT AREA**] hereinafter called the “**Community**”.

(In this Agreement, the DisCo, Mini-Grid Developer and Community Representative are referred to collectively as **“Parties”** and individually as **“Party”**.)

**RECITAL/ BACKGROUND**

1. The Mini-Grid Developer is in the business of constructing and developing Mini-Grids.
2. Pursuant to Section 68 of the Electricity Act 2023 Nigerian Electricity Regulatory Commission has issued to the DisCo a distribution Licence to undertake distribution activities and other related businesses within [**AREA OR ZONE WHERE THE DISCO CAN OPERATE**] which includes the Distribution Network.
3. The Mini-Grid Developer has identified the Location as suitable for a Mini-Grid in accordance with the Mini-Grid Regulation, 2023 and seeks to undertake feasibility studies preparatory to developing a Mini-Grid to be connected to the DisCo’s distribution network described in Schedule 1 below to supply electricity to the Community.
4. In view of the above, the Community Representative and the DisCo have agreed to grant the Mini-Grid Developer an exclusive period to develop the Mini-Grid under the terms set out in this Agreement.

**NOW THEREFORE,** in view of the foregoing and in consideration of the mutual benefits to be derived contained herein, and any other good and valuable consideration, the sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

1. **DEFINITIONS AND INTERPRETATIONS** 
   1. In this Agreement each of the following words and expressions shall have the following meanings:

|  |  |
| --- | --- |
| “**Confidential** | shall include but is not limited to technical know-how, information |
| **“Information**” | and data, plans, strategies, techniques, processes, operations, formulae, proprietary information, and material belonging to any of the Parties in respect of the mini-grid project. |
| “**Effective Date**” | means the date of this Agreement |
| “**Exclusivity Period**” | means the Initial Exclusivity Period, Supplementary Exclusivity Period and any further extensions of the exclusive period granted pursuant to Clause 4 |
| “**Location**” | means the area within the distribution network where a mini-grid is proposed to be located |
| “**Permit**” | means a Permit granted by NERC to a Mini-Grid Operator for the construction, operation, maintenance, and where applicable ownership of mini-grids |
| “**Technical Codes**” | shall have the same meaning in the Mini-Grid Regulation |
| “**Tripartite Contract**” | means the contract between an interconnected mini-grid operator, distribution licensee and connected community which shall be as agreed between the Parties. |

* 1. In this Agreement, except where the context otherwise requires:

1.2.1 any reference to “this Agreement” includes the Schedules and Annexures to it, each of which forms part of this Agreement for all purposes;

1.2.2 if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day; and

1.2.3 if a period of time is specified as to a given day, or to the day of an act or event, it shall be calculated inclusive of that day.

1. **COMMENCEMENT**

This Agreement shall commence on the Effective Date.

1. **MINI-GRID PROJECT**

The Parties agree that the Mini-Grid Developer shall have the right to investigate, develop and commission a Mini-Grid in the Community (“**Mini-Grid Project**”).

1. **EXCLUSIVITY** **PERIOD**
   1. The Exclusivity Period shall commence on the Effective Date and shall terminate [12 or 24] months thereafter (“**Initial Exclusivity Period”**).
   2. Where the Initial Exclusivity Period is for 12 months, the DisCo and the Community Representative shall have the discretion to extend the Initial Exclusivity Period for up to an additional 12 months after the expiration of the Initial Exclusivity Period (“**Supplementary Exclusivity Period**”), provided that the Mini-Grid Developer has made appreciable progress to the satisfaction of the DisCo and Community ***[NOTE: the Parties can set out specific conditions precedent that needs to be satisfied by the Parties during the exclusivity period.]***
   3. Where an extension is required, the Mini-Grid Developer shall duly notify the DisCo and the Community Representative at least a month before the expiration of the Exclusivity Period using the applicable form in Schedule 1 to this Agreement stating the reasons for the extension.
2. **DUTIES AND OBLIGATIONS OF THE PARTIES** 
   1. For the duration of the Exclusivity Period, the duties and obligations of the DisCo and the Community Representative shall be as follows:
      1. The DisCo and the Community Representative shall ensure that the Community does not:

5.1.1.1 directly or indirectly take any action to solicit, initiate, encourage, assist the submission of any proposal, negotiation or offer from any person or entity for the purpose of developing, installing, commissioning and/or operating a mini-grid; and

5.1.1.2 act in a manner that will adversely affect the mini-grid project.

5.1.2. Cooperate in good faith and provide the Mini-Grid Developer all such information, documentation and authority required for the mini-grid project.

* 1. For the duration of the Exclusivity Period, the duties and obligations of the Mini-Grid Developer shall be as follows:

5.2.1 undertake the feasibility and investigations required for the mini-grid project in a timely manner;

5.2.2 ensure that the mini-grid project is in compliance with the Technical Codes.

1. **TIME IS OF THE ESSENCE**

The Parties agree that, for the purpose of this Agreement and for the duration of the Exclusivity Period they will carry out their respective obligations with respect to the mini-grid project in a timely and efficient manner.

1. **POST** **EXCLUSIVITY PERIOD**
   1. At the end of the Exclusivity Period, where the Mini-Grid Developer decides to implement the mini-grid project, a Tripartite Contract will be executed between the Parties;
   2. At the end of the Exclusivity Period, where the mini-grid Developer decides not to implement the mini-grid project:

7.2.1 it shall duly notify the other Parties stating the reasons for its decision;

7.2.2 make the necessary restorations required following investigative activities undertaken for the mini-grid project; and

7.2.3 Save for Clause 7.2.2, the mini-grid developer shall have no liability.

1. **TERMINATION**
   1. This Agreement may terminate by mutual agreement by all Parties.
   2. This Agreement automatically terminates, where the Parties execute a Tripartite Contract for the mini-grid project or any other definitive agreement.
   3. The DisCo and/or Community Representative may terminate this Agreement on written notice to the other Parties if:

8.3.1 it decides to expand before the expiration of the Exclusivity Period;

8.3.2 where the Mini-Grid Developer fails to make appreciable progress with the Exclusivity Period and this is as a result of no fault of the Disco or Community; or

8.3.3 where the Mini-Grid Developer breaches Clause 5.2.

* 1. The Mini-Grid Developer may terminate this Agreement on written notice to the other Parties if:

8.4.1 it decides not to pursue the Mini-Grid Project; or

8.4.2 where the DisCo or the Community Representative breaches Clause 5.1.

1. **REMEDIES**

If during the Exclusivity Period, the Community Representative and/or the DisCo breaches any of its obligations to the Mini-Grid Developer which results to a loss suffered by the Mini-grid Developer, the Community Representative and DisCo will be held jointly liable and must reimburse the Mini-Grid Developer all the costs incurred as a result of the loss.

1. **CONFIDENTIAL** **INFORMATION** 
   1. A Party shall not intentionally disclose or allow to be disclosed to any third party any Confidential Information concerning the other Parties or any information obtained under this Agreement and in furtherance to the execution of the Mini-Grid Project unless:

10.1.1 the disclosure is expressly assented to in writing by the Party to which the Confidential Information belongs; or

10.1.2 the disclosure is subject to a legal obligation of disclosure.

* 1. Each Party, after consultation with the others, shall adopt reasonable procedures to preserve the Confidential Information of the other Parties.
  2. No information shall constitute Confidential Information if:

10.3.1 the information is generic in nature, or have at the relevant time become public knowledge or has been in the public domain, other than as a result of disclosure by the Parties or their representative;

10.3.2 the information has at the relevant time become, already in the possession of the Parties free from any obligation of confidentiality to either of the Parties or any other person and has not been acquired by any person in breach of any obligations of confidentiality;

10.3.3 the information is required to be disclosed by law or order of any court, tribunal or agency of competent jurisdiction or by any governmental body, department or agency having jurisdiction or it or by any equivalent laws or regulations of institutions or other equivalent authorities in jurisdictions outsider Nigeria; or

10.3.4 the information is expressly stated in writing to be non-confidential.

1. **NON**-**CIRCUMVENTION**
   1. At any time prior to the expiration of the Exclusivity Period and two years thereafter, it is expressly agreed that the identities of any individual or entity and any other third parties (including, without limitation, suppliers, customers, financial sources, manufacturers and consultants) discussed and made available by the any Party in respect of the Mini-Grid Project and any related business opportunity shall constitute Confidential Information and the recipient or any group company or associated entity or individual shall not (without the prior written consent of the disclosing Party):

11.1.1 directly or indirectly initiate, solicit, negotiate, contract, or enter into any business transactions, agreements or undertakings with any such third party identified or introduced by the disclosing Party; or

11.1.2 seek to by-pass, compete, avoid or circumvent the disclosing Party from any business opportunity that relates to the mini-grid project by utilising any Confidential Information or by otherwise exploiting or deriving any benefit from the Confidential Information.

* 1. Except in so far as the Party was engaged in a prior business relationship with the individual or entity or third party.

1. **ENTIRE** **AGREEMENT**

The Parties agree that this Agreement including the Schedules and the Forms therein executed for extensions of the Exclusivity Period constitutes the entire Agreement between the parties irrespective of all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.

1. **GOVERNING LAW**

This Agreement and any disputes or claims arising out of or in connection with its subject matter or formation (including non-contractual disputes or claims) are governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

***IN WITNESS*** *whereof this Agreement was executed the day and year first above written.*

For **[MINI-GRID DEVELOPER]**

Signed at ...................... on this .............. day of ............... 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For **[ELECTRICITY DISTRIBUTION COMPANY]**

Signed at ...................... on this .............. day of ............... 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For **[COMMUNITY/COMMUNITY REPRESENTATIVE]**

Signed at ................... on this ........... day of ................. 20.....

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**FORM A – INITIAL EXCLUSIVITY PERIOD REQUEST FORM**

***[NOTE: The Parties shall only use Form A for an Initial Exclusivity Period which exceeds 12 months. Where the Initial Exclusivity Period does not exceed 12 months, the Agreement shall be sufficient].***

Company Representative name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company registration number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Duly authorised representative of the above-mentioned company and Community

Representative name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Position: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Duly authorised representative of the Community of *[Name of Community]*

Pursuant to Clause 4.1, 4.4 and 4.6 of the Exclusivity Agreement dated [\*], I [NAME], the Mini-Grid Developer of the Mini-Grid Project, hereby request for an initial exclusivity period for [\*] months (“Initial Exclusivity Period”). The reasons for exclusivity are as follows:

(Reasons of your request and/or forecasted tasks to be performed):

**(Attach the necessary documentation to support the above request)**

I, [NAME OF COMMUNITY REPRESENTATIVE] hereby grant the exclusivity requested under the same terms and conditions of the Agreement. Thus, the exclusivity period expires on ---------------------- of the month of ------------------------of the year ---------

This exclusivity should be registered with the Nigerian Electricity Regulatory Commission.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date: |  | Date: |  | Date: |
|  |  |  |  |  |
| Signature:[NERC  Representative] |  | Signature:[Mini-Grid  Developer Representative] |  | Signature:[Community Representative] |

**FORM B – SUPPLEMENTARY EXCLUSIVITY PERIOD REQUEST FORM**

Company Representative name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Company registration number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Duly authorised representative of the above-mentioned company and Community

Representative name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Position: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Duly authorised representative of the Community of *[Name of Community]*

Pursuant to Clause 4.2, 4.3 and 4.7 of the Exclusivity Agreement dated [\*], I [NAME], the Mini-Grid Developer of the Mini-Grid Project, hereby request for an extension of an additional [XX] months (“Supplementary Exclusivity Period”) under the same terms and conditions of said Agreement.

(Reasons of your request and/or outstanding tasks to be performed):

**(Attach the necessary documentation to support the above request)**

I, [NAME OF COMMUNITY REPRESENTATIVE] hereby grant the extension requested under the same terms and conditions of the Agreement. Thus, the extended exclusivity period expires on --------------of the month of -------------------of the year -----------------------

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Date: |  | Date: |  | Date: |
|  |  |  |  |  |
| Signature:[NERC  Representative] |  | Signature:[Mini-Grid  Developer Representative] |  | Signature:[Community Representative] |

**SCHEDULE 2**

**REGISTRATION FORM FOR MINI-GRIDS BELOW 100 KW**

**(Pursuant to section 8 (1) (b) of the NERC Regulation for Mini-Grids, 2023)**

**IMPORTANT NOTES: Your Registration is incomplete unless all required documents are submitted.**

**NERC reserves the right to verify the accuracy of this information.**

**In compliance with the NERC Mini-Grid Regulation, 2023 I am herewith certifying that I [NAME], , hereby apply to Register [mini-grid system/ Portfolio of mini-grids] below/up to 100KW pursuant S.7 or S. 8 (1) (a) of the Mini-Grid Regulation.**

1.0 PARTICULARS OF APPLICANT AND CONTACT PERSON

Name of Applicant: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Physical address:

Postal address:

Tel:

Fax:

Mobile Phone:

E-mail:

Website Address:

Name of Contact Person:

Mobile Phone of Contact Person:

E-mail of Contact Person:

**2.0 LEGAL STATUS OF APPLICANT**

2.1 Indicate legal status of Applicant (Tick relevant option)

1. Sole Proprietorship
2. Partnership
3. Public Limited Liability Company
4. Private Limited Liability Company
5. Cooperative Society
6. Incorporated Trustee
7. Other (please specify)

**(Attach Certificate of Registration, Certificate of Incorporation, Memorandum and Articles of Association, Deed of Partnership, Deed of Trust, as applicable)**

**3.0 NATURE OF APPLICATION**

3.1 State whether Application is a fresh Application or Renewal

3.2 Existing Permit/Licence/Tripartite Contract

Does the Applicant have an existing Permit/Licence/Tripartite Contract issued by the Commission for other systems?

If yes, state the nature of the Permit/Licence/Tripartite Contract, date issued and the Permit/Licence/Tripartite Contract number.

3.3 Refusal, Suspension or Cancellation of Permit/Licence/Tripartite Contract

Has the Applicant ever been refused a Permit/Licence/Tripartite Contract or had its Permit/Licence/Tripartite Contract suspended and/or cancelled by the Commission?

If yes, give details of the refusal, suspension, and/or cancellation.

**4.0 MAIN BUSINESS ACTIVITIES OF APPLICANT**

Please indicate the main business activities the Applicant is currently engaged in.

**5.0 DESCRIPTION OF PROJECT**

5.1 Site of the Mini-Grid (State, Local Government Area, Ward, Village)

| **Project** | **State** | **Local Government Area** | **Village** | **Ward** |
| --- | --- | --- | --- | --- |
| 1 |  |  |  |  |
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**(Attach title document to the land, relevant maps, and drawings)**

5.2 Generation

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Generation Technology (Size in kW)** | | | | | | **Storage (in kW)** | **Inverter**  **(in kW)** |
| **Project** | **Solar** | **Wind** | **Hydro** | **Biomass** | **Diesel** | **Total** |
| 1 |  |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |  |
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| 19 |  |  |  |  |  |  |  |  |
| 20 |  |  |  |  |  |  |  |  |

Location of the Power Plant (geographical coordinates):

| **Project** | **Latitude** | **Longitude** | **Is the Power Plant new? If no, please state number of years the plant has been in operation** |
| --- | --- | --- | --- |
| 1 |  |  |  |
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5.3 Distribution

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Length of distribution network (in metres)** | | | | | **Type of lines** |
| **Project** | **Single Phase MV** | **Three Phase MV** | **Single Phase LV** | **Three Phase LV** | **Total** |
| 1 |  |  |  |  |  | * Overhead * Underground |
| 2 |  |  |  |  |  | * Overhead * Underground |
| 3 |  |  |  |  |  | * Overhead * Underground |
| 4 |  |  |  |  |  | * Overhead * Underground |
| 5 |  |  |  |  |  | * Overhead * Underground |
| 6 |  |  |  |  |  | * Overhead * Underground |
| 7 |  |  |  |  |  | * Overhead * Underground |
| 8 |  |  |  |  |  | * Overhead * Underground |
| 9 |  |  |  |  |  | * Overhead * Underground |
| 10 |  |  |  |  |  | * Overhead * Underground |
| 11 |  |  |  |  |  | * Overhead * Underground |
| 12 |  |  |  |  |  | * Overhead * Underground |
| 13 |  |  |  |  |  | * Overhead * Underground |
| 14 |  |  |  |  |  | * Overhead * Underground |
| 15 |  |  |  |  |  | * Overhead * Underground |
| 16 |  |  |  |  |  | * Overhead * Underground |
| 17 |  |  |  |  |  | * Overhead * Underground |
| 18 |  |  |  |  |  | * Overhead * Underground |
| 19 |  |  |  |  |  | * Overhead * Underground |
| 20 |  |  |  |  |  | * Overhead * Underground |

|  | **Number of Poles** | | | | **Transformers** | |
| --- | --- | --- | --- | --- | --- | --- |
| **Project** | **Cement** | **Wood** | **Other** | **Total** | **Rating (in kW)** | **Number** |
| 1 |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |
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5.4 Customers

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Number of customers** | | | | | **Electricity sales (kWh/ year)** | **Comment** |
| **Project** | **Residential** | **Commercial** | **Industrial** | **Special** | **TOTAL** |
| 1 |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |
| 5 |  |  |  |  |  |  |  |
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| 19 |  |  |  |  |  |  |  |
| 20 |  |  |  |  |  |  |  |

5.5 Revenue and Sources of Funding

Electricity tariff [NGN/kWh or flat rate per W]:

Share Capital contribution (specify foreign or local):

Loan capital (specify source and provide evidence):

Others (specify):

**DECLARATION BY THE APPLICANT**

The project is not unlawful or contrary to the interest of the Federal Republic of Nigeria, provisions of the Electricity Act and relevant NERC Regulations. I/we hereby declare that the details stated above are, to the best of my/our knowledge, true and correct.

Dated this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_

THE COMMON SEAL OF THE WITHIN NAMED APPLICANT

(Name of Applicant)

Has hereunto been affixed in the presence of:

|  |  |
| --- | --- |
| Sign: | Sign: |
| Name: | Name: |
| Designation: | Designation: |

Sworn to this \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

BEFORE ME

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**NOTARY PUBLIC/COMMISSIONER OF OATHS**

**SCHEDULE 3**

**APPLICATION FORM FOR MINI-GRID PERMIT**

**(Pursuant to S.7 and S.8 (1) (a) of the NERC Regulation for Mini-Grids, 2023)**

**IMPORTANT NOTE:**

***Your application is incomplete unless all required documents are submitted and the and the application is accompanied by the appropriate processing fee.***

In compliance with the NERC Mini-Grid Regulation, 2023 I am herewith certifying that I [NAME],

, hereby apply for [Permits for a Portfolio of Mini-Grid Projects] pursuant S.7 or S. 8 (1) (a) of the Mini-Grid Regulation.

**1.0 PARTICULARS OF APPLICANT AND CONTACT PERSON**

Name of Applicant:

Physical address:

Postal address:

Tel:

Fax:

Mobile Phone:

E-mail:

Website Address:

Name of Contact Person:

Mobile Phone of Contact Person:

E-mail of Contact Person:

**2.0 LEGAL STATUS OF APPLICANT**

2.1 Indicate legal status of Applicant (Tick relevant option)

1. Sole Proprietorship
2. Partnership
3. Public Limited Liability Company
4. Private Limited Liability Company
5. Cooperative Society
6. Incorporated Trustee
7. Other (please specify)

**(Attach Certificate of Incorporation, Memorandum and Articles of Association, Deed of Partnership, Deed of Trust, as applicable)**

**3.0 NATURE OF APPLICATION**

3.1 State whether Application is a fresh Application or Renewal

3.2 Existing Permit/Licence/Tripartite Contract

Does the Applicant have an existing Permit/Licence/Tripartite Contract issued by the Commission for other systems?

If yes, state the nature of the Permit/Licence/Tripartite Contract, date issued and the Permit/Licence/Tripartite Contract number.

3.3 Refusal, Suspension or Cancellation of Permit/Licence/Tripartite Contract

Has the Applicant ever been refused a Permit/Licence/Tripartite Contract or had its Permit/Licence/Tripartite Contract suspended and/or cancelled by the Commission?

If yes, give details of the refusal, suspension, and/or cancellation.

**4.0 MAIN BUSINESS ACTIVITIES OF APPLICANT**

Please indicate the main business activities the Applicant is currently engaged in.

**5.0 DESCRIPTION OF PROJECT**

Detailed description of the project:

5.1 Site of the mini-grid (State, Local Government Area, Ward, Village) *(list all sites in a portfolio)*

| **Project** | **State** | **Local Government Area** | **Ward** | **Village** |
| --- | --- | --- | --- | --- |
| 1 |  |  |  |  |
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| 19 |  |  |  |  |
| 20 |  |  |  |  |

**(Attach title document to the land, relevant maps, and drawings *for each site)***

5.2 Generation (*provide the relevant details for each site in the portfolio using the template below*)

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Generation Technology (Size in kW)** | | | | | | **Storage (in kW)** | **Inverter (in kW)** |
| **Project** | **Solar** | **Wind** | **Hydro** | **Biomass** | **Diesel** | **Total** |
| 1 |  |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |  |
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| 18 |  |  |  |  |  |  |  |  |
| 19 |  |  |  |  |  |  |  |  |
| 20 |  |  |  |  |  |  |  |  |

Location of the Power Plant (geographical coordinates for each site):

| **Project** | **Latitude** | **Longitude** | **Is the Power Plant new? If no, please state number of years the plant has been in operation** |
| --- | --- | --- | --- |
| 1 |  |  |  |
| 2 |  |  |  |
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| 18 |  |  |  |
| 19 |  |  |  |
| 20 |  |  |  |

5.3 Distribution *(**provide the below mentioned details for each site in the portfolio)*

|  | **Length of distribution network (in metres)** | | | | | **Type of lines** |
| --- | --- | --- | --- | --- | --- | --- |
| **Project** | **Single Phase MV** | **Three Phase MV** | **Single Phase LV** | **Three Phase LV** | **Total** |
| 1 |  |  |  |  |  | * Overhead * Underground |
| 2 |  |  |  |  |  | * Overhead * Underground |
| 3 |  |  |  |  |  | * Overhead * Underground |
| 4 |  |  |  |  |  | * Overhead * Underground |
| 5 |  |  |  |  |  | * Overhead * Underground |
| 6 |  |  |  |  |  | * Overhead * Underground |
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| 10 |  |  |  |  |  | * Overhead * Underground |
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| 14 |  |  |  |  |  | * Overhead * Underground |
| 15 |  |  |  |  |  | * Overhead * Underground |
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| 17 |  |  |  |  |  | * Overhead * Underground |
| 18 |  |  |  |  |  | * Overhead * Underground |
| 19 |  |  |  |  |  | * Overhead * Underground |
| 20 |  |  |  |  |  | * Overhead * Underground |

|  | **Number of Poles** | | | | **Transformers** | |
| --- | --- | --- | --- | --- | --- | --- |
| **Project** | **Cement** | **Wood** | **Other** | **Total** | **Rating (in kW)** | **Number** |
| 1 |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |
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| 20 |  |  |  |  |  |  |

5.4 Customers (provide the details for each site in the portfolio)

Number of customers:

|  | **Number of customers** | | | | | **Electricity sales (kWh/ year)** | **Comment** |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **Project** | **Residential** | **Commercial** | **Industrial** | **Special** | **Total** |
| 1 |  |  |  |  |  |  |  |
| 2 |  |  |  |  |  |  |  |
| 3 |  |  |  |  |  |  |  |
| 4 |  |  |  |  |  |  |  |
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| 19 |  |  |  |  |  |  |  |
| 20 |  |  |  |  |  |  |  |

5.5 Revenue and Sources of Funding

Electricity tariff [NGN/kWh or flat rate per W]:

Share Capital contribution (specify foreign or local):

Loan capital (specify source and provide evidence):

Others (specify):

DECLARATION BY THE APPLICANT

The project is not unlawful or contrary to the interest of the Federal Republic of Nigeria, provisions of the Electricity Act, 2023 and relevant NERC Regulations. I/we hereby declare that the details stated above are, to the best of my/our knowledge, true and correct.

Dated this \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_ 20\_\_

THE COMMON SEAL OF THE WITHIN NAMED APPLICANT

(Name of Applicant)

Has hereunto been affixed in the presence of:

|  |  |
| --- | --- |
| Sign: | Sign: |
| Name: | Name: |
| Designation: | Designation: |

Sworn to this \_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ 20\_\_\_\_\_\_\_\_ at \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

BEFORE ME

**NOTARY PUBLIC/COMMISSIONER OF OATHS**

**ACCOMPANYING DOCUMENTATION**

**Please submit 2 hard copies and a soft copy of all supporting documents, including;**

1. Contract between the Community Representative and Mini-Grid Operator, where applicable.
2. Power station layout drawings.
3. Map with position of power station and distribution network marked using indicators to distinguish single phase and three phase as well as medium voltage networks.
4. Certified copy of Certificate of Incorporation, Memorandum and Articles of Association, Deed of Partnership or Deed of Trust, as applicable.
5. Certified copy of Certificate of Occupancy or Lease Agreement for Project Site.
6. Certified copy of Building Permit.
7. Filled Standardized Spreadsheets for Tariff Calculation.

**SCHEDULE 4**

**MONITORING AND EVALUATION**

1. PARTICULARS OF COMPANY; CONTACT DETAILS

AND MINI-GRID COVERAGE

|  |  |
| --- | --- |
| Company Name: |  |
| Physical Address: |  |
| Postal Address: |  |
| Tel: |  |
| Fax: |  |
| Mobile Phone: |  |
| E-mail: |  |
| Website: |  |
| Name of Mini-Grid site: |  |
| Geographical coordinates of the Mini-Grid: |  |
| Name of Contact Person: |  |
| Mobile Phone of Contact Person: |  |
| E-mail of Contact Person: |  |

**2.0 OPERATIONS REPORT**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Year** | **20XX** | **20XX** | **20XX** | **20XX** |
| 1. **Size of Generation Unit by Sources (kW)** |  |  |  |  |
| Solar |  |  |  |  |
| AGO |  |  |  |  |
| Gas |  |  |  |  |
| Others |  |  |  |  |
| Total (kW) |  |  |  |  |
| 1. **Total Generation by Source (kWh)** |  |  |  |  |
| Solar |  |  |  |  |
| AGO |  |  |  |  |
| Gas |  |  |  |  |
| Others |  |  |  |  |
| Total (kWh) |  |  |  |  |
| 1. **Consumption by Customer Group (kWh)** |  |  |  |  |
| Residential |  |  |  |  |
| Commercial |  |  |  |  |
| Industrial |  |  |  |  |
| Others |  |  |  |  |
| Total (kWh) |  |  |  |  |
| 1. **Customer Count by Type** |  |  |  |  |
| Residential |  |  |  |  |
| Commercial |  |  |  |  |
| Industrial |  |  |  |  |
| Others |  |  |  |  |
| Total Customer Population |  |  |  |  |
| 1. **Average Consumption per customer type (kWh/customer)** |  |  |  |  |
| Residential |  |  |  |  |
| Commercial |  |  |  |  |
| Industrial |  |  |  |  |
| Others |  |  |  |  |
| Average (kWh/customer) |  |  |  |  |

**3.0 FINANCIAL**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Year** | **20XX** | **20XX** | **20XX** | **20XX** |
| 1. **Energy Consumption by Different Group (kWh)** |  |  |  |  |
| Residential |  |  |  |  |
| Commercial |  |  |  |  |
| Industrial |  |  |  |  |
| Others |  |  |  |  |
| Total(kWh) |  |  |  |  |
| 1. **Average Tariff by Customer Type** (N/kWh) |  |  |  |  |
| Residential |  |  |  |  |
| Commercial |  |  |  |  |
| Industrial |  |  |  |  |
| Others |  |  |  |  |
| Average tariff (N/kWh) |  |  |  |  |
| 1. **Revenue by Customer Group (N 000’)** |  |  |  |  |
| Residential |  |  |  |  |
| Commercial |  |  |  |  |
| Industrial |  |  |  |  |
| Others |  |  |  |  |
| Total **(N 000’)** |  |  |  |  |
| 1. **Pretax Profit (N 000’)** |  |  |  |  |
| 1. Billing efficiency |  |  |  |  |
| 1. Collection efficiency |  |  |  |  |
| 1. ATCC |  |  |  |  |

**4.0 HEALTH, SAFETY AND ENVIRONMENT (HSE)**

|  |  |  |
| --- | --- | --- |
| **Incident** | **Date and Time** | **Description** |
| Incident 1 |  |  |
| Incident 2 |  |  |
| Incident 3 |  |  |
| Incident 4 |  |  |

**5.0 ASSET REGISTER (As contained in the approved tariff definition +subsequent investment approved by the Commission)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Asset (description with size where applicable)** | **Cost**  **(NGN)** | **Age**  **(yrs)** | **Book Value**  **(NGN)** |
| Solar Panels |  |  |  |
| Solar Inverters |  |  |  |
| Battery |  |  |  |
| Generation House |  |  |  |
| Cables |  |  |  |
|  |  |  |  |
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**6.0 ADDITIONAL INVESTMENT MADE 20XX PROPOSED FOR INCLUSION IN THE RATE BASE[[1]](#footnote-1)**

|  |  |  |  |
| --- | --- | --- | --- |
| **Asset** | **Description (include Size where applicable)** | **Cost** | **Justification** |
| Land & Buildings |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| Plant & Machinery |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| Furniture and Fittings |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| Motor Vehicles |  |  |  |
|  |  |  |  |
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|  |  |  |  |
| Non-depreciable Items |  |  |  |
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**7.0 MISCELLANEOUS**

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| --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  | Remarks |
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**8.0 SIGNATURE**

I hereby confirm that the submission contained herein is correct to the best of my knowledge and information available within the organisation reporting to the Nigerian Electricity Regulatory Commission.

Name:

Date:

Signature: ­­­­­­­­\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE 5**

**APPLICATION PROCEEDINGS FOR REGISTRATION OR MINI-GRID PERMIT**

These proceedings for a permit or a tripartite contract shall guide the mini-grid developers to make use of the NERC Mini-Grid Regulation, (the “Regulations”) 2023.The proceedings shall not replace the Regulations. Where there is any conflict between the Regulations and this document, the Regulations shall prevail.

1. **KEY CONSIDERATIONS**

In order to apply for a permit or the registration of a tripartite contract, the process differs if the main grid is already present in the area where the project will be developed or the site is off-grid.

Where an area has no existing distribution grid, the area is considered as unserved and may receive an Isolated mini-grid.

Where the grid is present but the area is poorly electrified or has a non-functional distribution-grid, it is considered as underserved and is eligible for an interconnected mini-grid.

1. **UNSERVED AREAS – ISOLATED MINI-GRIDS**

The entire application process for unserved areas is summarised in the figure 1 (left part) and 2 located at the end of this document. In these figures, the steps are described from the point of view of the mini-grid developer.

**STEP 1: IDENTIFICATION OF THE ELIGIBILITY OF UNSERVED AREA**

In order to be eligible, the area selected must meet the following conditions:

* The area is unserved.
* The area must not have been assigned to an IEDNO or any other mini-grid developer.
* The area is not part of an already existing expansion plan (5-year plan) of a DisCo.

Where it is identified that the area is part of an expansion plan of a DisCo, the mini-grid developer needs the consent of the DisCo before the area identified becomes eligible.

If the area identified fulfils all the requirements listed above, the process can continue and the contact with the Community can be established.

As a repository of the expansion plans of the DisCos and applications from IEDNOs and other mini-grid developers, NERC may also assist mini-grid developers in identifying a suitable area that fulfils the above-mentioned criteria. Federal and State authorities responsible for electrification should also be consulted.

**STEP 2: CONTACT WITH THE COMMUNITY AND SETTLEMENT OF AN EXCLUSIVITY PERIOD**

Now, that the area located can potentially receive an isolated mini-grid, the community concerned should be contacted in order to know whether the local population is interested in benefitting from the services provided by the mini-grid operator. The community or the mini-grid developer can approach the other party to start negotiations. At that stage, the community and the mini-grid developer can decide to set an exclusivity period.

This exclusivity period is used to investigate the feasibility of implementing a mini-grid at the location and ensures that no other operator is conducting any other feasibility during the investigation period.

The exclusivity period is an agreement only between the community and the mini-grid operator and is only valid up to 12 months. This period could then be extended once and only for a further 12 months subject to the approval of the Commission. In all cases, the executed Exclusivity Agreements must be submitted to the Commission.

If at the inception, the mini-grid operator needs an exclusivity period of more than 12 months, it can also enter into an exclusivity agreement. However, this would need to be justified, submitted to the Commission and the agreement approved by the Commission.

The Schedule 1A of the Regulations (called “Agreement for exclusivity period”) provides a form that shall be used to draft the exclusivity agreement.

**STEP 3: SIZE OF THE SYSTEM AND REGISTRATION**

If the power distributed by the Isolated mini-grid is larger than 100 kW, the mini-grid developer will need to apply for a mandatory mini-grid Permit. If the generation capacity of the power station installed is larger than 1 MW, the plant is not a Mini-grid under these Regulations and other appropriate regulations of the Commission shall apply. It is possible to apply simultaneously for permits to be issued for a Portfolio of Isolated mini-grids with individual generation capacity not exceeding 1MW each. Generation capacity is defined as the guaranteed active power that a generation plant can supply to a load or network at any point in time under the given environmental constraints (temperature, humidity, etc.) and a power factor of 0.8 (inductive) for at least one hour under the assumption that the plant is well maintained and fully functional.

If the power distributed by the isolated mini-grid is below 100kW, the mini-grid developer can voluntarily apply for a permit following the same procedure as for the mandatory permit.

A distribution network distributes a power up to 100kW if the average active power fed into the distribution network in each 15 min interval of its operation period is below or equal to 100kW.

In case it is granted with the permit by the Commission, the mini-grid permit holder will be entitled to receive a compensation before the mini-grid can be connected to the main distribution grid and will enjoy any other protection given to the mini-grid under the Regulations.

The mini-grid operator that has been granted a mini-grid permit will need to establish an agreement with the beneficiary community. The Mini-Grid Operators may decide to use the template included in Schedule 10.

In case the mini-grid developer decides not to apply for a mini-grid permit, it shall register by submitting the registration form called “Registration form for mini-grids smaller 100 kW” (Schedule 2 of these Regulations).

1. **UNDERSERVED AREAS – INTERCONNECTED MINI-GRIDS**

The entire application process for underserved areas is summarised in the figure 1 (right part) and 3 located at the end of this document. In these figures, the steps are described from the point of view of the mini-grid developer/operator.

**STEP 1: IDENTIFICATION OF THE ELIGIBILITY OF AN UNDERSERVED AREA**

In order to be eligible, the community concerned should be first contacted in order to know whether the local population is interested in benefitting from the services provided by the mini-grid operator. The community selected should meet the following criteria -

* The community is being underserved. The main grid is present in that area, but does not provide a sufficient level of service to meet the community’s electricity demand.
* The community is ready to pay higher tariffs than the main grid tariff in order to improve the reliability of electricity supply.

**STEP 2: CONTRACT WITH THE DISTRIBUTION LICENSEE AND SETTLEMENT OF AN EXCLUSIVITY PERIOD**

Once it has been established that the area located can potentially receive an interconnected mini-grid, the DisCo should be contacted to know if it would be willing to enter in a Tripartite Contract (refer to Schedule 10 for a proposed template).

At that stage, the community, the mini-grid developer and the DisCo can decide to set an exclusivity period.

This exclusivity period is used to investigate the feasibility of implementing a mini-grid at the location and ensures that no other operator is conducting any other feasibility study during the investigation period.

The exclusivity period is an agreement between the community, the mini-grid developer and the DisCo valid for up to 12 months. However, this period can be extended once and only for a further 12 months subject to the approval of the Commission (refer to Schedule 1B). In all cases, the executed Exclusivity Agreements must be submitted to the Commission.

If at the inception, the mini-grid developer needs an exclusivity period of more than 12 months, it can also enter into an exclusivity agreement. However, this would need to be justified to the Commission and the agreement approved by the Commission.

The Schedule 1B of the Regulations (called “Agreement for exclusivity period for Interconnected mini-grid”) is the document to use in order to set an exclusivity period.

**STEP 3: TRIPARTITE CONTRACT AND REGISTRATION**

An agreement between the connected community, the mini-grid operator and the DisCo must be reached and a Tripartite Contract (Schedule 10 of these Regulations) must be established.

The contract is then submitted to NERC for registration and the issuance of a mini-grid permit. Multiple tripartite contracts for a Portfolio of interconnected mini-grids with individual generation capacity not exceeding 1 MW each and with tripartite contracts having been executed with the same DisCo, can be submitted simultaneously.

**APPLICATION PROCESS FOR A MINI-GRID PERMIT PURSUANT TO REGULATIONS 7, 8 & 9**

1. ***Form of Application***
2. In case of a mini-grid permit, the application shall be in the form specified in Schedule 3 and shall contain the information specified therein. In case of an interconnected mini-grid, the mini-grid developer shall submit the tripartite contract, as agreed with the DisCo and the beneficiary community, for approval.
3. The application shall submit via the Commission’s Online Application Portal.
4. The application shall be signed and dated by the applicant or authorised representative of the applicant.
5. The applications for the mini-grid permit or approval of the tripartite contract and granting of a mini-grid permit must contain all the information specified in the Application form or the contract respectively.

***2. Acknowledgement of the Application***

On receipt of the Application, the Commission shall note thereon the date of its receipt and shall send to the Applicant an acknowledgement stating the date of receipt.

***3. Approval or Refusal of mini-grid Permit***

After due consideration of the Application, the Commission shall issue or refuse the issuance of the mini-grid Permit.

1. The period between the acknowledgement of receipt of the application as specified in Paragraph 2, and the date on which the Commission notifies the Applicant of its decision or proposed decision to approve or refuse the permit, shall not exceed (30) thirty days.
2. Where the Commission has approved a permit, the Commission shall inform the Applicant of such approval and the conditions to be satisfied before the grant of the permit.
3. If the Commission intends to refuse the issuance of a permit, it shall notify the Applicant in writing of its intention stating the reasons for the decision.
4. The Applicant shall have the opportunity to make adequate representations to the Commission within (30) thirty days of the Applicant’s receipt of the notification from the Commission of the refusal of a permit.
5. The Commission shall consider the representation made by the Applicant and shall, if the representation is unsuccessful, or no representation was made, duly notify the Applicant in writing that the Application for a permit has been refused.

1. The reasons for refusing the permit shall be clearly stated in writing by the Commission to the Applicant

**Fig. 1: Isolated or Interconnected mini-grid**

**I have located an Area**

**Is Main Grid Present**

**?**

Yes

**No**

,

It is unserved area

Yes

Has it been assigned to an IEDNO or any other mini

-

grid Developer

?

No

I can not consider

further this area

Is it part of an already existing expansion

plan

(

5

-

year plan

)

from Disco

?

Yes

No

I contact the Disco to see if an

agreement to use this area is possible

I could build and operate

isolated Mini

-

grid

Can I reach an agreement with the Disco

?

No

Yes

I cannot consider

further this area

**Is it an underserved Area**

**?**

The grid does not provide a sufficient level of service according to

the Community’s perception and community is prepared to

pay

higher tariffs in order to get access to reliable electricity supply

No

Yes

I could operate an

interconnected Mini

-

grid

I cannot consider

further this area

See the chart on isolated Mini

-

grid

See the chart on interconnected Mini

-

grid

**Fig 2: Interconnected mini-grid**

**I could operate an interconnected Mini-grid**

I directly sign an agreement for an exclusivity period of not more than 12 months with the DisCo & the community (Schedule 1B -Agreement for exclusivity period for interconnected mini-grid

I do not want to have an

exclusivity period for the area

I receive the approval for tripartite

contract and a permit from NERC

I can install and commission the system

**I first want an exclusivity period less than 12 month (I can extend this period later)**

I establish Contact with the Distribution Licensee and the

Community

I want to have an exclusivity period in the area

I have reached an agreement for a tripartite contract with the disco and the community schedule 11 Tripartite contract for interconnected mini-grid

I need an extension beyond 12 months. I sign an extension agreement with the DisCo and the community (Schedule 1B – Agreement for exclusivity period for interconnected mini-grid.

I submit the executed tripartite contract to NERC for approval (schedule 11 Tripartite contract for interconnected mini-grid

I prefer applying for a permit.

I start installing and commissioning the system

I register my mini-grid and submit the filled registration form to NERC (schedule 02\_ Registration form for mini-grid under 100kW)

My system has <=100kW of distributed power

I submit my application form for a permit to NERC (Schedule 03\_ Application for permit)

I prepare all documents required for the permit (design, assets, authorizations, acquired, tariffs etc) according to schedule 03- Application for permit

I do not need an extension beyond 12 months

I receive the approval for the exclusivity period from NERC

I first want an exclusivity period less than 12 month (I can extend this period later) and sign exclusivity agreement with the community

**Fig 3: Isolated Mini-grid**

**I could build and operate an isolated Mini-grid**

I submit an application for an exclusivity period of more than 12 months to NERC (Schedule 1A- Agreement for exclusivity period)

I do not want to have an

exclusivity period for the area

My system has >100kw of distributed power and <=1MW installed generation capacity

I receive approval for the permit from NERC. I can install, commission and operate the isolated mini-grid

I need an extension beyond 12 months. I submit application for extension to NERC (Schedule 1A-Agreement for exclusivity period)

I establish Contact with the Community

I want to have an exclusivity period in the area

Is the distributed power of my mini-grid <+100kw?

**SCHEDULE 6**

**HEALTH AND SAFETY GUIDELINES (INCLUDING RECOMMENDATIONS ON ENVIRONMENTAL PROTECTION)**

**1. GENERAL GUIDELINES AND REQUIREMENTS**

**1.1 ENVIRONMENTAL PROTECTION RECOMMENDATIONS**

In compliance with applicable environmental and social guidelines for mini-grids in Nigeria, the mini-grid operator shall adhere to the following general requirements to mitigate any adverse effect and impact of its operations and activities on the environment.

For every mini-grid project, prior consideration and all efforts shall be made, at an early stage, to identify the environmental effect and impact of the proposed project.

Where the proposed project is likely to affect the environment because of its extent, nature or the location, an Environmental Impact Assessment (EIA) shall be undertaken as applicable.

* 1. **HEALTH AND SAFETY GUIDELINES**

Below are the general requirements to be adhered to by the mini-grid operator to mitigate any adverse effect and impact of its operations and activities on the health and safety of staff members, customers and other individuals.

The mini-grid operator may decide, during the validity of the permit, to maintain the usual insurance policies recommended for mini-Grid operations; not having the right insurance policies in place involves considerable risks for the operations of mini-grids.

**2. SPECIFIC GUIDELINES AND REQUIREMENTS FOR TYPES OF EQUIPMENT**

The table below provides specific requirements regarding the diverse types of equipment that are components in mini-grids –

| TYPE OF EQUIPMENT | PHASE IN THE PROJECT | RECOMMENDED LINK TO ENVIRONMENTAL PROTECTION | HEALTH AND SAFETY |
| --- | --- | --- | --- |
| Battery Valve Regulated Lead Acid (VRLA) | Transport &  Storage | * Avoid metals having simultaneous contact with positive and negative terminals of the battery. | * Wear protection gear: shoes, helmet, goggles, and gloves. |
| Installation | * Install within bonded walls/containment. * Ensure adequate spacing between batteries to allow for proper cooling. | * Must only be installed by a competent electrician. * Remove all personal metal objects (wrist watches, rings etc.). * Wear appropriate PPE (eye protection, rubber gloves etc.) * Ensure no smoking near the battery installation. |
| Operation | * Keep battery cells neat and clean with soft dry cloth to wipe dirt, oil, moisture, or foreign material. * Do not overcharge the batteries to avoid explosive hydrogen production. * Must be a safe working environment. * A comprehensive occupational safety program, including training and site orientation. * Competent persons to effectively respond to emergency events. * Keep a record of all occupational injuries and illnesses and divulge these records to NERC or body on demand for examination and analysis. * Functional risk management process. * All batteries must have readily available safety data sheets. * Should have a comprehensive insurance policy to adequately cover facilities, employees and third parties. | |
| Decommissioning & Disposal |  | * See installation and commissioning. * Batteries must be collected at the State Government Collection point after the end of their lifetime. |
| Battery Lead-Acid Vented | Transport &  Storage |  | - Transport battery in upright position and/or transport acid in separate containers.  - Acid is a hazardous product: follow the transportation rules for hazardous products. |
| Installation |  | * Wear protection gear: shoes, helmet, goggles, and Rubber gloves. * Must only be installed by competent electricians. * Wear an acid-proof protection apron. * During the filling, follow the manufacturers’ recommendations. * Install only in rooms with adequate ventilation. * Avoid any electronics or electric equipment that can generate sparks in the same room. |
| Operation | * Keep battery cells clean. | * A comprehensive occupational safety program, including training and site orientation to emergency events. * Competent persons to effectively respond. * Keep a record of all occupational injuries and illnesses and divulge these records to NERC or the body on demand for examination and analysis. * Functional risk management process. * Do not overcharge the batteries to avoid explosive hydrogen production. * Ensure availability of emergency eye wash station near a battery installation. |
| Decommissioning & Disposal |  | * Batteries must be collected at the State Government Collection point after the end of their lifetime. * Collect acid separately in appropriate canisters prepared for storage and transport |
| Lithium Battery | Installation & Operations |  | * Do not discharge completely and do not overcharge (risk of explosion). * Keep away from solar radiation. |
| Diesel Generator | Transport &  Storage | * Generators and oil tanks must be installed within bonded walls/containment. | * Use lifting equipment. * Fuel transport is dangerous and should follow the applicable transport Regulation. * Keep away from flammable materials and sparks. |
| Installation |  | - Must only be installed by professional electricians. |
| Operation | * Used oil and oil filters shall be collected and disposed of in an environmentally friendly (safe) way. * Select site to meet the following requirements:   + Noise Emission should be limited to an extent acceptable by the neighbors. | * Must only be operated on by trained technicians. * Must be in a safe working environment. * A comprehensive occupational safety program, including training and site orientation. * Testing and monitoring of air quality is strictly conducted where employees may be exposed to harmful substances, including worker respiratory protection and an emergency response plan. * Competent persons to effectively respond to emergency events. * Use safety barricade for work area to prevent unauthorize access. * Workers must wear Appropriate PPE. * Keep a record of all occupational injuries and illnesses and divulge these records to NERC or the body on demand for examination and analysis. * Functional risk management process. * Should have a comprehensive insurance policy to adequately cover facilities, employees and third parties. * Safety system of work-permit to work system must be observed for all maintenance and OEM recommendations for preventive maintenance and spares parts must be followed. |
|  | Decommissioning & Disposal | * Used oil and oil filters shall be collected and disposed of in an environmentally friendly way. * Compliance with Nigerian Electricity Health and Safety Standards Manual Provision in sections. | * Must be conducted by competent persons. * Use certified lifting equipment for all lifting operations. |
| Solar PV | Operation |  | * Wear safety gear. * Must be a safe working environment. * A comprehensive occupational safety program, including training and site orientation. * Competent persons to effectively respond to emergency events. * Keep a record of all occupational injuries and illnesses and divulge these records to NERC or the body on demand for examination and analysis. * Functional risk management process. * Should have comprehensive insurance policy to adequately cover facilities, employees and third parties. |
| Decommissioning & Disposal | * For CdTe modules: Hazardous Waste must be collected and brought to a recycling centre. * Consult manufacturer’s guidelines or where necessary the manufacturer |  |
| Wind Turbine < 50 kW | Transport & Storage |  | * Due to the weight of equipment, use appropriate lifting and installation equipment (e.g., crane). |
| Installation | * Select site to meet the following requirements:   + Noise Emission should be limited to an extent acceptable to the neighbours. Shading shall not be more than acceptable to the neighbours. * Must comply with Government laws and Regulations on applicable noise pollution. (Noise standards & control) | * Due to the weight of equipment, use appropriate lifting and installation equipment (e.g., crane). * By selecting the site, take into consideration the ground characteristics for integrity of the turbine |
| Operation | * Switch off wind turbine during main flying hours of bats. * Used oil and oil filters shall be collected and disposed of in an environmentally friendly way. | * Maintain moving parts regularly according to the requirements of the manufacturers. * Must be a safe working environment. * A comprehensive occupational safety program, including training and site orientation. * Competent persons to effectively respond to emergency events. * Permit to work (PTW) system including Log Out Tag Out (LOTO) must be followed in all maintenance activities. * Ensure use of appropriate PPE * Keep a record of all occupational injuries and illnesses and divulge these records to NERC or the body on demand for examination and analysis. * Functional risk management process. * Should have comprehensive insurance policy to adequately cover facilities, employees and third parties. |
| Decommissioning & Disposal |  | * Due to the weight of equipment, use appropriate lifting and installation equipment (e.g., crane). |
| Hydro < 50 kW | Transport & Storage |  | * Due to the weight of equipment, use appropriate lifting and installation equipment (e.g., crane). |
| Installation | * Comply with the water rights and related legislation. | * Moving parts of machinery must be designed and constructed in such a way as to prevent risks of contact which could lead to accidents or must, where risks persist, be fitted with guards or protective devices |
| Decommissioning & Disposal | * Comply with the water rights and related legislation. * Used oil and oil filters shall be collected and disposed of in an environmentally friendly way. | * See Transport & Storage |
| Biomass | Transport &  Storage | * Sewage from biomass shall be kept from entering the ground water. * Biogas shall be stored in a way to minimize losses to the atmosphere (reduce greenhouse gas emission) | * Depending on the type of biomass, the biomass may carry the risk of fire. Therefore, it shall be stored in a safe fire-protected place. |
| Installation |  | * Due to the weight of equipment, use appropriate lifting and installation equipment (e.g., crane). |
| Operation | * Use appropriate Fire protection. * Must be a safe working environment. * A comprehensive occupational safety program, including training and site orientation. * Competent persons to effectively respond to emergency events. * Keep a record of all occupational injuries and illnesses and divulge these records to NERC or the body on demand for examination and analysis. * Functional risk management process. * Should have a comprehensive insurance policy to adequately cover facilities, employees and third parties. * A safe system of work must be followed for all Operation and Maintenance activities. | |
| Decommissioning & Disposal | * Any lubrication oil needs to be disposed off in an environmentally friendly manner. * The flow of river as it has been before installation of the equipment has to be reestablished | * Due to the weight of the equipment, use appropriate lifting and installation equipment (e.g., crane). * Follow OEM’s recommendations for equipment de-commissioning. |
| Inverters, charge controller and other electronic equipment | Installation |  | * Must only be installed by competent persons. |
| Operation |  | * Must be a safe working environment. * A comprehensive occupational safety program, including training and site orientation. * Competent persons to effectively respond to emergency events. * Keep a record of all occupational injuries and illnesses and divulge these records to NERC or the body on demand for examination and analysis. * Functional risk management process. * Should have comprehensive insurance policy to adequately cover facilities, employees and third parties. |
| Decommissioning & Disposal | * Must be disposed of in an environmentally friendly way. Waste must be collected and brought to a recycling centre. |  |
| Switch Gear and  Distribution Box  Conductors  Transformers | Transport &  Storage |  | * Due to the weight of equipment, use appropriate lifting and installation equipment (e.g., crane). |
| Installation | * Select a site where the risk of flooding is low. * Use fire proved material. * Make provision for oil containment where applicable. | * Installation only by an electrician * Wear all applicable safety gear like safety shoes and safety gloves. * Comply with the NERC Distribution Code. |
| Operation | * Care must be taken to prevent oil leakage from transformers and other switchgears. | * Must be a safe working environment. * Wear appropriate safety gear. * Must only be operated by trained electricians. * Comply with the NERC Distribution Code. * A comprehensive occupational safety program, including training and site orientation. * Competent persons to effectively respond to emergency events. * Keep a record of all occupational injuries and illnesses and divulge these records to NERC or the body on demand for examination and analysis. * Functional risk management process. * Should have comprehensive insurance policy to adequately cover facilities, employees and third parties. |
|  | Decommissioning & Disposal | * The foundations must be removed, and the place recover its original status. * Transformer may contain hazardous and polluting material which must be brought to a collection point where it can be treated. | * Due to the weight of equipment, use appropriate lifting and installation equipment (e.g., crane). * Appropriate protective equipment should be used by persons involved in the de-commissioning exercise. * Access to project/de-commissioning site must be restricted to only persons involved in the decommissioning exercise. |

I, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (name), representative of Mini-Grid Developer/Operator name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Mini-Grid Developer/Operator address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Company registration number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ am applying for a Permit and therefore warrant that I will comply with the above-mentioned environmental, health and safety guidelines.

In the event of any failure to comply with these guidelines, I am conscious that the competent authorities can impose fines according to the gravity of the infraction.

**Date:**

**Company Representative**

**SCHEDULE 7**

**MINIMUM TECHNICAL REQUIREMENTS FOR REGISTERED MINI-GRIDS**

While mini-grids of up to 100 kW of distributed power are only required to register with NERC, it has been observed that for such types of systems, mistakes in sizing and design of technical components have caused accidents and poor performance of systems.

The full responsibility for the safe supply of electricity to end-users from mini-grids of up to 100 kW of distributed power lies with the operators, with whom the end-users have contracted for the supply of electricity.

The following sections are intended as recommendations for the implementation of the operators' obligations to protect the public from hazards and risks of injury and all other damage to life and limb, as well as damage to or loss of property. These recommendations are not intended to be exhaustive. The full responsibility for the implementation of local, regional, and national regulations based on international standards and best practices lies with the operator of the registered mini-grid under 100 kW.

1. **Supply voltage for the end customer**

End customers must be supplied with a 50Hz alternating voltage whose effective value between a phase conductor and the neutral conductor is nominally 230V, or 400V between two phase conductors. According to IEC 60038 "IEC standard voltages", the tolerance of the voltage at the transfer point to the end customer must not exceed +-10% of the nominal value during normal operation or be lower than -14% of the nominal value at the most distant socket.

The background to this is the safe operation of the locally available electrical appliances within the limits of the international voltage limits. The customer may use all commercially available equipment. Supplying deviating voltages or DC voltages to customers of registered mini-grids under 100kW is not permitted.

1. **Power distribution**

Outside of regulation, only the low voltage common to all households may be used for the operation of the distribution network from generation to the end consumers. A voltage higher than the low voltage is not permissible due to the associated risks. Power poles must be appropriate to the actual load and must never tilt or break more than 5° from the upright position during operation.

The usual conductor material in the distribution network is aluminum, the conductor cross-section of which must not be less than 16 mm² up to the transfer point to the end customer. Larger conductor cross-sections are required for longer cable lengths and higher currents. The network must be dimensioned in such a way that the voltage limits at each transfer point are not exceeded at constant load up to the maximum possible continuous load and that even at maximum load, each overcurrent circuit breaker installed at the end customer can always trip within fractions of a second in the event of a fault.

The distribution of the energy, which is usually generated centrally in a mini-grid, usually takes place via a radiating network to the individual end consumers, which are supplied directly by the distribution network.

For reasons of safety, this distribution network is usually implemented by means of electrical conductors attached to masts at a height that is not easily accessible. The conductors may only be insulated from each other by the air and at a sufficient distance from each other if the conductors are insulated from the power poles and the houses by appropriate fixings. If a safety distance of 1m from persons, buildings and any vehicles cannot be always guaranteed, the active conductors must be insulated with a plastic sheath for a nominal voltage of 600 V. Insulated conductors in buildings must always be insulated, including conductors installed at a minimum nominal height of only 3 m above the ground.

The clearance height of electrical conductors over thoroughfares and trunk roads must not be less than 6.5 m. The clearance height may be reduced to 4 m over side roads if it can be assumed that only cars and minibuses will travel there. Between closely adjacent buildings and above footpaths and cycle paths, 3 m is the absolute minimum height for power lines, which must always be insulated below 4 m clearance. The power lines of the distribution network must always be attached to power poles; buildings of end users may also only be connected directly to power poles.

The only permissible exception is if the building of another end user is located behind or next to the first connected building, starting from the nearest electricity pole, and the distance from the nearest electricity pole to the next building is greater. In that case the neighboring building may be connected from the neighboring building via a maximum 15 m long and insulated electricity line between two attachment points. The total length of the cable to the power pole must not exceed 100 m and a minimum height of 3 m to the ground must always be maintained.

The neutral conductor at the source of the power generation must always be earthed with low resistance. In TT networks, an earth leakage circuit breaker must always be installed for each end consumer. If the multiple earthing in TN-C-S networks is sufficiently low-impedance, residual current protection may not be necessary.

1. **Indoor installation**

The mini-grid operator must enable the safe usage of standard domestic appliances available on the market and provide the standard sockets to allow every customer to safely connect and to operate the appliances.

Due to a limited mini-grid capacity, the operator can exclude high power appliances. An attempt to use high-power appliances by the customer must result in over-current protection in the customers premises to trip safely to protect the system against overload and overtemperature. The client must be allowed to restore the miniature circuit breaker alone.

An energy meter or power limiter must be installed at the delivery point or upstream of it, which enables the amount of energy consumed by the end customer to be accounted for in an appropriate manner.

Behind the delivery point, a main switch that can be operated safely by the end customer must be installed in the building, which must also be designed as a circuit breaker for current limitation.

If low earth-resistance of the neutral earth in the network cannot be guaranteed at all times of the year, an additional residual current circuit breaker must be installed in each connected building. The residual current circuit breaker can also be combined with the overcurrent circuit breaker. The rated residual current must not exceed 30mA and must consider not only sinusoidal residual currents but also at least pulsating direct residual currents of type "A".

It is recommended to install a combined circuit breaker with residual current protection as "RCBO" for each end customer. The rated current of 6 A corresponding to an effective power of approx. 1000 W may only be surpassed in exceptional cases.

Standard minimal copper conductor cross section is 1.5 mm² for the two active conductors and the protective earth conductor it the nominal current is limited to 16 A and the total length from the transfer point does not exceed 25 m.

For higher nominal current and longer cables, the maximum voltage drop from the transfer point must not exceed 3 % and validated by design calculations considering the length of both the active and return conductor.

As an exception, it may be considered permissible to reduce the cross-section of a fixed and immovable cable with 3 insulated copper conductors to not less than 0.75 mm² if the rated current is limited to not more than 6 A by an overcurrent circuit breaker and the cable length from the transfer point is not more than 15 m.

Each end customer must be able to have permanently installed switchable lighting for the essential interior spaces.

Active conductors must not be able to be touched by end customers under any circumstances. If dripping water, rainwater or spray or jet water is to be expected, then each piece of equipment must also be protected against water. In unprotected outdoor areas, rain or spray water must always be expected. It may also be necessary to install protection indoors against dripping water from an inadequate roof or rainwater penetrating through building openings.

Sockets must be installed in such a way that they can withstand a pulling force of 5 kg on the plug. Cables must be installed in ducts, pipes or flush-mounted if no other fastening can be guaranteed with a maximum terminal spacing of 30 cm. Sockets must not be easily reached by small children and lights must be installed at a sufficient height.

The overcurrent protection must be assessed in each building by switching on a short-circuit in the most distant socket by means of an appropriate short-circuit switch. The overcurrent circuit breaker must then trip in a fraction of a second without any significant interruption of service to the rest of the mini-grid.

1. **Power generation**

The dimensioning of the energy generation must correspond to the requirements on site and enable a 24-hour energy supply on all sunny days. During longer periods of rain, the supply duration may be limited; in the evening hours, the supply must be guaranteed until 11 p.m. every evening.

The operator is free to choose and combine the energy sources and storage facilities. The operator is responsible for the safety of generation facilities, and protection against unauthorized access must be guaranteed in all cases. A manufacturer’s specifications and customary standards must be complied with in all cases.

**SCHEDULE 8**

**RECOMMENDATIONS FOR CALCULATION OF USAGE CHARGE OF INTERCONNECTED MINI-GRIDS**

The DisCo and the mini-grid developer or operator are free to define any usage charge for distribution grids of the Licensee as they deem adequate. This document provides some guidance on finding an agreement which is fair and acceptable for both parties.

Interconnected mini-grids are meant to be installed where the DisCo cannot supply reliable electricity to customers for economic or technical reasons.

From a licensee’s perspective, often, the operation of some parts of the DisCo’s network is unprofitable or has got a very low profitability to the DisCo under the given regulatory constraints. This is because some distribution network areas, particularly those located in sparsely populated rural remote areas, require high efforts related to the collection of money from customers and reduction of non-technical losses. Good personal relationships with the community and each electricity customer may solve this problem. However, the cost of such an engagement outweighs the revenue collected from the same area.

In contrast to distribution licensees, mini-grid operators supplying electricity to a smaller number of customers (due to the limitation in size of mini-grids) typically have closer relationships with their customers. Therefore, the mini-grid operators have the opportunity to run more community-oriented customer management and demand development approaches than DisCo. This enables the mini-grid operator to run the mini-grid profitably if the tariffs are high enough to cover its additional cost. This right for higher tariffs is provided in the Mini-Grid Regulation, 2023 under the condition that the community and the Commission approve the tariff requested by the mini-grid operator.

For the distribution licensee, cooperation with an interconnected mini-grid operator provides the opportunity to fulfil its mandate and provide access to reliable electricity within its license area without suffering financial losses. The interconnected mini-grid provides the opportunity for DisCo to bridge a certain duration of time until electricity from the main grid can be supplied to the area reliably and without financial losses to the DisCo. Within this period, the distribution network infrastructure is maintained by the interconnected mini-grid operator.

Alternatively, it can be maintained by the DisCo while the costs for the maintenance of the distribution network infrastructure are covered by the usage charge to be paid by the mini-grid operator. Ideally, the DisCo takes over the electricity supply after the period handled by the mini-grid operator has expired with the distribution network in good technical condition and with customers who are used to paying for electricity.

From a mini-grid operator’s perspective, underserved areas already covered by distribution networks often enable mini-grid operators to increase electricity sales faster than in areas which are completely off-grid. Therefore, interconnected mini-grids may become profitable more quickly than isolated mini-grids. By having the opportunity to establish Interconnected mini-grids, the interconnected mini-grid operator may select areas with good demand potential and well-organized communities.

From a community’s perspective, unreliable electricity supply hinders the economic uptake of an area and therefore is not acceptable to the community in the long run. In most cases, even a considerably higher electricity tariff combined with reliable electricity supply is better for the local economy than a low tariff with unreliable electricity. However, from a community’s perspective, the usage charge for the distribution network to be paid by the mini-grid operator to the DisCo shall be low enough to provide sufficient incentive to enable the DisCo to re-connect the mini-grid to the distribution network after the contract with the mini-grid operator has expired.

Therefore, the usage charge for the distribution network shall cater for both, the reduction of financial losses on the Distribution Licensee’s side on the one hand and the requirement for low-cost distribution grids in high electricity demand areas of mini-grid operators on the other hand. Accordingly, the basis for the calculation may be the lost profit of the DisCo from electricity sales within the part of the distribution network hired out to the mini-grid operator. The usage charge may be calculated based on the average profit generated by the Distribution Licensee within the last 12 months plus any operation and maintenance costs that are not transferred from the DisCo to the mini-grid operator. Alternatively, the usage charge can be equal to the depreciation of assets owned by the distribution licensee that the mini-grid operator is utilizing plus any operation and maintenance costs that are not transferred from the DisCo to the mini-grid operator. As mentioned before, in the tripartite agreement, the DisCo, the mini-grid operator and the community are free to define any usage charge they can agree on considering or not considering the above-mentioned calculations. In case the distribution Licensee’s assets to be hired out to the mini-grid operator are loss-making, the parties may consider a hiring arrangement without any compensation at least for a certain period of time (e.g.5 years).

**SCHEDULE 9**

**COMPLAINTS RESOLUTION MECHANISM PURSUANT TO SECTION 26 OF THE MINI-GRID REGULATIONS**

**1. Definitions**

**“Community”** means a group of people within the same geographic location organized under a local leadership structure or a legally recognized corporate entity and in both cases capable of entering into contracts and can sue and be sued.

**“Community Power Committee”** means a committee established by a community to coordinate all electricity customers, to address enquiries and complaints.

**“Complainant”** means a customer of a mini-grid operator, or any other person authorised by the customer in writing or other acceptable means approved by the Commission to file a complaint against a mini-grid Operator.

**“Complaint”** means a customer’s statement of dissatisfaction with the services/actions of a mini-grid operator. The Complaint may be lodged in writing by the customer to the designated complaint reception channels of the mini-grid Operator, in-person by the customer or his authorised representative at the designated offices of the mini-grid operator; or orally over the telephone to designated telephone numbers of the mini-grid operator or authorised call centers.

**“Customer Complaints Unit"** means the department of the mini-grid operator that is dedicated to the receipt and resolution of Complaints from customers.

**”Distribution Company”** means a company licensed by the Commission to operate and maintain a distribution system for the supply of electricity to end-use customers.

**“Forum”** means the dispute resolution panel established pursuant to the NERC Customer Protection Regulations 2023.

**“Government”** means the federal, state, or local government of Nigeria or any agency of the federal, state or local government.

**“Mini-Grid Operator”** means any entity who operates an Isolated or interconnected mini-grid.

**2. Customer Complaints Units**

2.1 A mini-grid operator shall establish a Customer Complaints Unit (“CCU”) within its business premises. The CCU shall be primarily responsible for receiving and resolving complaints by customers of mini-grid operators (“Complainant”).

2.2 Whilst every mini-grid operator is required to establish at least one CCU, it may choose to establish more than one CCU in different locations within its operational area.

2.3. All CCUs shall be headed by a senior officer of the mini-grid operator designated as the Complaints Officer and staffed by employees of the mini-grid operator. The overall responsibility for ensuring that Complaints are satisfactorily resolved, and that a mini-grid operator’s operational procedures are improved upon for better customer service, rests with the mini-grid operator’s Chief Executive Officer.

**3. Procedure for Filling a Complaint at the Customer Complaints Unit**

3.1 All Complaints shall first be made by the customer or his representative to the CCU of the mini-grid Operator. All Complaints shall be acknowledged by the mini-grid operator in a manner that allows for traceability.

3.2 Customers may also lodge Complaints through phone calls, SMS, emails or any other medium established by the mini-grid operator for the receipt of Complaints including call centers and social media platforms. Within its operating area, the mini-grid operator shall widely publish its phone number(s), email address(es), social media handle(s) and other contact channels for the receipt and resolution of Complaints.

3.3 Where a complainant is for any reason unable to write, the complaint shall be made to the customer complaints officer who shall record it and insert a statement indicating that the complaint was recorded by him and read to the complainant, who agreed to the content thereof.

3.4 Complaints may also be lodged via a community power committee which shall be directed to the customer complaints unit of the mini-grid operator.

**4. Resolution of a Complaint**

4.1 All Complaints shall be resolved in accordance with the Customer Protection Regulations (the “CPR”), 2023. The Complaint shall be resolved no later than 15 business days of being received by the CCU except where the Complaints relates to meter accuracy in which case the Complaint shall be resolved within a billing cycle of one calendar month.

4.2 Where the Complaint is not resolved within the first 15 business days, the mini-grid operator shall notify the customer in writing with reason(s) and request for no more than 15 additional business days during which period the Complaint shall be resolved unless the resolution requires, by its nature, such as construction works, a longer period.

4.3 A customer dissatisfied with the outcome of the handling of his Complaint(s) by the CCU of the mini-grid operator may refer his Complaint(s) to the Commission’s Forum Office at the expiration of the maximum allowable period of 30 business days or one calendar month.

4.4 Where the mini-grid operator and the customer are unable to agree on a resolution to a Complaint, either party may refer the Complaint to the Commission’s Forum Office.

**5. Procedure for Filing Complaints to the Forum**

All Complaints to the Forum Office must be filed by the Complainant in accordance with the procedure stipulated under Section 3 of this Schedule, and addressed to the secretary of the Forum. A Complaint may also be lodged by email to the respective Forum’s email address or may also be forwarded in writing to the respective Forum’s physical address.

**6. Jurisdiction of the Forum**

The Forum shall have jurisdiction to entertain customer Complaints within the entire operational area of the mini-grid operator and to hold meetings/hearings and conduct inspections at any location within that area.

**7. Duty of the Mini-Grid Operator to Notify**

Each mini-grid operator shall notify and bring to the notice of its customers by public notice, the existence and details of the CCU and the Forum for hearing customers’ Complaints.

**8. Procedure for Handling Complaints by the Forum**

8.1 Upon receipt of a Complaint, the Forum Secretary shall register the Complaint and record the date and time of receipt.

8.2 The Forum secretary shall send a written acknowledgement to the Complainant within 3 working days of the receipt of a Complaint, with the mini-grid operator in copy.

8.3 Where a Community Power Committee, registered consumer organisation or non-governmental organisation files a Complaint on behalf of a customer, the Complaint must be filed along with the customer’s written mandate for the representation.

8.4 The Forum shall make an initial determination on whether to hear or reject the Complaint within 10 business days from the date of filing the Complaint at the Forum Office.

8.5 Where the Forum decides to hear the Complaint, it may proceed with the determination of the Complaint in the manner provided in this Regulation.

8.6 Where a Complaint is rejected, the Complainant shall be informed in writing within 5 working days of the decision to reject the Complaint giving reasons why the Complaint was rejected and providing to the Complainant a further opportunity to explain his case. The Complainant shall also be advised of his right to appeal the decision of the Forum to the Commission.

8.7 Where the Forum decides to hear the Complaint, the Forum shall –

a. refer a copy of the Complaint to the Complaints Officer of the CCU of the mini-grid operator directing him to present his case within a period of 10 working days or such extended period not exceeding 5 working days as may be granted by the Forum.

b. Where the Complaints Officer on receipt of a copy of the Complaint referred to him under paragraph (a) above disputes the allegation contained in the Complaint, or omits or fails to take any action to present his case within the time given by the Forum, the Forum shall proceed to give its decision on the Complaint of the customer –

i. Based on evidence brought to its notice by the Complainant and the Complaints Officer of the mini-grid Operator, where the mini-grid Operator disputes the allegations contained in the Complaint; or

ii. ex-parte based on evidence brought to its notice by the Complainant where the Complaints Officer fails to take any action to present the case within the time given by the Forum.

c. fix a date for the hearing and notify both the Complainant and the Complaints Officer.

d. where the Complainant fails to appear before the Forum on the date of hearing, the Forum may either strike out the Complaint for default of appearance; consider it on the merit or, where the circumstances for the absence are reasonable, the hearing of that Complaint may be adjourned. The Forum may also conduct virtual meetings and hearings where necessary.

8.8 Every Complaint shall be heard expeditiously, and a decision reached within a maximum period of 2 months from the date of receipt of a Complaint by the Forum.

8.9 Adjournment may be granted by the Forum where sufficient cause is shown and the reasons for granting the adjournment have been recorded by the Forum.

8.10 Where a decision is not reached within the maximum period of 2 months, the Complainant shall be informed in writing of the reasons for the delay.

8.11 All proceedings of the Forum shall be presided over by the Presiding Member and the members of the Forum with records of the proceedings taken by the Secretary. Where a member, for any reason, is unable to be present for the entire proceeding, the Presiding Member and the other members shall conclude such proceeding without such member.

8.12 Upon conclusion of proceedings, if the Forum is satisfied that any of the allegations contained in the Complaint are proven, it shall communicate its decision in writing to both the mini-grid operator and the Complainant. The Forum in reaching decisions may rule on –

a. refunding the Complainant any undue charges paid.

b. removing the defects/deficiencies in the subject of the Complaint.

c. Addressing the root cause of hardship.

d. withdrawing any hazardous electrical services being offered.

8.13 Where the Forum rules that the Complaint lacks merit, then it shall dismiss the Complaint and notify both the Complainant and mini-grid operator in writing.

8.14 In communicating its decision on the Complaint to the relevant parties, both the Complainant and the mini-grid operator shall be advised of their rights to appeal the decision of the Forum to the Commission.

**9. Decisions of the Forum**

9.1 All decisions of the Forum shall be on the basis of a majority vote of the members present. In the event of an equality of votes and a tie, the Presiding Member shall have the casting vote.

9.2 All decisions of the Forum shall be in writing and signed by all members that conducted the proceedings.

9.3 The proceedings and decisions of the Forum along with the time allowed for compliance shall be recorded and communicated to the Complainant, the mini-grid operator and the Commission.

9.4 The mini-grid operator shall implement the decisions of the Forum within the time specified in the ruling. The mini-grid operator shall also report, to the Forum and the Commission, its compliance with the directives of the Forum, or the reasons for any delay in complying with such directives, within 5 working days.

**10. Appeal**

10.1 Any person that is not satisfied with a decision of the Forum may file an appeal to the Commission within 10 business days from the date of the decision, in such form and manner as may be directed by the Commission.

10.2 The Commission shall not entertain an appeal from a Complainant who is, by the decision of the Forum, required to pay an amount to a Distribution Company, unless the amount prescribed has been paid by the Complainant.

10.3 Where the Forum ruling has not been appealed, any default by the mini-grid operator in implementing the decision within the stipulated timeline shall attract the following administrative charges for obligations arising from the terms and conditions issued to the mini-grid operator, until the decision is implemented –

1. Connection, reconnection, disconnection, and access: N10,000 per day.
2. Metering (New, replacement/check meters/repair/bypass): N10,000 per day.
3. Transformers (repair/upgrade/voltage/ replace): N10,000 per day.
4. Billing (payment, reconciliation, etc): N10,000 per day.
5. Customer classification fine/compensation in line with the provisions of the applicable tariff order: N10,000 per day.
6. Safety issues: N10,000 per day.

10.4 The Forum shall submit a report to the Commission on the number of complaints received, decided, and pending for every quarter of a calendar year.

**SCHEDULE 10**

**TRIPARTITE CONTRACT BETWEEN INTERCONNECTED MINI-GRID OPERATOR, DISTRIBUTION LICENSEE AND CONNECTED COMMUNITY**

***Note: This Agreement has been included pursuant to Section 9 of the Mini-Grid Regulation 2023. This Agreement is in template format for the Parties to liberally adopt. However, the mandatory provisions must be incorporated by the Parties.***

**THIS AGREEMENT** is made this [**DATE**] \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**BETWEEN:**

[NAME OF DISCO], a company duly incorporated under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**] (hereinafter called the “**DisCo**” which expression shall where the context so admits include its successors-in-title and assigns) of the first part.

**AND**

[NAME OF MINI-GRID OPERATOR], a company duly incorporated under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**] (hereinafter called the “**Mini-Grid Operator**” which expression shall where the context so admits include its successors-in-title and assigns) of the second part.

**AND**

[NAME] a legally authorised representative of the Connected Community (hereinafter called the **“Connected Community Representative**”) of the third and final part.

***OR***

[NAME] a company/association duly incorporated/registered under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**], acting as the legally authorized representative of the Connected Community (hereinafter called the **“Connected Community Representative**” which expression shall where the context so admits include its successors-in-title and assigns) of the third and final part.

[*Either of the above-copied options may be used depending on whether the Interconnected Community is represented by a natural person or registered Entity*.].

In this Agreement, the DisCo, Mini-Grid Operator, and the Connected Community Representative are referred to collectively as **“Parties”** and individually as a **“Party”**.

**RECITAL/ BACKGROUND**

1. The Mini-Grid Operator engages in the activities of constructing, operating, and maintaining mini-grid projects using with the purpose of delivering long term electricity access to the Connected Community.
2. Pursuant to Section 68 of the Electricity Act 2023, the DisCo is an electricity distributor licensed by the Commission to distribute and trade (retail supply) electricity within [**AREA OR ZONE WHERE THE DISCO CAN OPERATE**] which includes the Distribution Network.
3. The connected community is an underserved area within the DisCo’s Distribution Network seeking to purchase electricity from the Mini-Grid Operator.
4. The mini-grid operator desires to supply electricity to the connected community by constructing and operating an interconnected mini-grid which will be connected to the DisCo’s Distribution Network described in Schedule 1 below, supplying electricity to the Connected Community under the terms set out in this Agreement (the “Project”).
5. The DisCo has agreed to delineate part of its Distribution Network to be operated as part of an Interconnected mini-grid.
6. The Connected Community has fully authorised the Connected Community Representative to enter into this Agreement on its behalf.
7. This Agreement sets out the terms and conditions for the connection and operation in Recital A, C and D above, which include, but are not limited to the following:
8. the usage right for the DisCo’s network infrastructure, if any;
9. the construction and ownership right for additional infrastructure;
10. the tariff for electricity generated and supplied by the mini-grid operator;
11. the availability of stable nominal voltage at the Connection Point of the generator with the DisCo’s Network; and
12. the agreement of the connected community to purchase electricity from the mini-grid operator.

**NOW THEREFORE,** in view of the foregoing and in consideration of the mutual benefits to be derived and other good and valuable consideration contained herein, the sufficiency of which is hereby acknowledged, and intending to be legally bound, the Parties hereby agree as follows:

1. **DEFINITIONS AND INTERPRETATIONS** 
   1. In this Agreement each of the following words and expressions shall have the following meanings:

|  |  |
| --- | --- |
| “**Applicable Laws**” | means the Constitution of the Federal Republic of Nigeria, any national, state, or local law, statute, bye-law, ordinance, decree, directive, regulation, standard, circular, guideline, rule, code, delegated or subordinated legislation, judicial act or decision, judgment, order, proclamation, directive, executive order, other legislative measure, binding actions or enactments of the Federal Republic of Nigeria or any other relevant authority in Nigeria. |
| “**Assets and**  **Infrastructure**“ | means those assets and infrastructure within the Distribution Network that forms part of the Interconnected Network. |
| “**Effective Date**” | means the date on which the Conditions in Clause 2 of this Agreement are satisfied or as otherwise agreed by the Parties. |

|  |  |
| --- | --- |
| “**Commission**” | means the Nigerian Electricity Regulatory Commission. |
| “**Connected Community**” | [Name and location of Community including the Local Government Area], which is the area within the Distribution Network desiring to purchase electricity from the Mini-Grid Operator. |
| **“Connection Point”** | means an entry or exit point on a Distribution Network. |
| “**Default Interest Rate**” | means the rate of (X%) per annum above Central Bank of Nigeria Monetary Policy Rate or such equivalent rate as may be agreed between the Mini-Grid Operator and the DisCo. |
| **“Distribution License”** | means a license granted pursuant to section 68 of the Electricity Act. |
| “**Distribution Network”** | means any connection of cables, service lines and overhead lines, electrical apparatus/equipment and having design voltage of 33kV and below used to transport electric power on a distribution system. |
| **“Generation Assets”** | means the generation assets of up to and including 1 MW of capacity owned by the Mini-Grid Operator (and connected to the medium voltage DisCo grid) forming part of the Interconnected mini-grid. |
| **“Good**  **Industry Practice”** | means generally accepted and recognized standards, methods, processes, and behaviors prevailing within the energy industry, adhered to by skilled and experienced professionals in similar undertakings and circumstances. It encompasses the best practices, expertise, and approaches that are considered effective, efficient, and reliable within the energy industry. Parties shall reasonably adhere to Good Industry Practice in performing their obligations under this agreement, taking into account the specific circumstances and requirements of the project or task at hand. |
| **“Initial Term”** | shall have the meaning ascribed in Clause a |
| **“Interconnected**  **Mini-Grid”** | means a mini-grid which is connected to a Distribution Licensee’s Distribution Network |
| **“Interconnected**  **Network”** | means the entire part of the DisCo’s Distribution Network delineated to be operated in an island mode or as part of the Interconnected mini-grid, which network is specified in the map in Annex 1 of this Agreement for the connection of the Distribution Network at [(coordinates) (Distribution Grid)] to the Mini-Grid Operator. |
| “**Renewal Term**” | shall have the meaning ascribed in Clause b. |
| **"Material**  **Adverse**  **Governmental Action”** | means any act, decision, order, regulation, ruling, or other action taken by a governmental authority or agency that has a significant adverse impact on the rights, obligations, operations, or financial condition of a party under an agreement. This action may include, but is not limited to, the enactment or modification of laws, regulations, policies, or restrictions that materially affect the party's ability to perform its obligations, obtain necessary permits or approvals, or operate its business in a manner consistent with the original intent of the agreement. |
| “**Maximum Capacity**” | means the maximum amount of electricity expressed in kW or kVA which can be transmitted from the mini-grid Operator’s Generator to the Interconnected Network. |
| **“mini-grid”** | means any electricity supply system with its own power Generation Capacity, supplying electricity to more than one customer and which can operate in isolation from or be connected to a Distribution Licensee’s network. Within this Regulation, the term mini-grid is used for any Isolated or Interconnected mini-grid generating between 0kW and up to and including 1MW of Generation Capacity per site. |
| “**mini-grid**  **Regulations**” | means the NERC Regulations for mini-grids up to and including 1MW per site, in force from time to time. |
| **“MYTO**  **mini-grid Model”** | means the MYTO mini-grid model provided by NERC on NERC’s website for calculation of applicable tariffs for mini-grids. |
| **“Natural Force**  **Majeure Event”** | means any one or more of the following events and any event in the nature of, or similar to any of the following events:  a. acts of God or events beyond the reasonable control of the Affected Party which could not reasonably have been expected to occur, including exceptionally adverse weather conditions, lightning, fire, earthquake, flood, cyclone, tornado or other unforeseen extreme weather;  b. epidemic, pandemic or plague;  c. accidents, and  d. industrial actions including strikes (official and unofficial but not of a political nature), works to rule or go-slows or other industrial dispute (other than solely by employees of the mini-grid Operator or its contractors). |
| **“Political Force**  **Majeure Event”** | means any one or more of the following events and any event in the nature of, or similar to any of the following events:  a. acts of war (whether declared or undeclared), invasion, armed conflict, act of foreign enemy or blockade in each case occurring within [Name of State] State, or involving [Name of State] State, Nigeria or part of Nigeria;  b. acts of rebellion, riot, civil commotion, strikes of a political nature (other than solely by employees of the mini-grid Operator or its contractors), act or campaign of terrorism, sabotage, community disturbance or protestor action, in each case occurring within [Name of State] State or any part of Nigeria;  c. expropriation, nationalization, requisition, confiscation, seizure, appropriation or repossession by any persons of all or any part of the assets of the Project; and  d. any boycott, sanction, embargo, penalty or other restriction imposed on the Parties. |
| **“Senior Management”** | means the highest level of executives or officers within an organization who are responsible for making significant decisions, setting strategic direction, and overseeing the overall operations of the company. |
| “**Standardized**  **Spreadsheets**  **for Tariff”** | shall be the standardized spreadsheet referred to in Schedule 14 of the mini-grid Regulations, which shall be the same as the MYTO mini-grid Model. |
| “**Subsequent Term**” | shall have the same meaning ascribed in Clause a. |
| **“Technical Codes”** | shall mean the Grid Code. Distribution Code, Metering Code, Health and Safety Code, NESIS Regulation and other codes approved by the Commission for the technical regulation of the Nigerian Electricity Supply Industry in Nigeria. |
| **“Term”** | shall have the meaning given to it in Clause d of this Agreement. |

* 1. In this Agreement, except where the context otherwise requires:
     1. any reference to “this Agreement” includes the Schedules and Annexures to it, each of which forms part of this Agreement for all purposes, and where any such Schedule or Annexures conflicts with the provision of this Agreement the relevant provisions of this Agreement (excluding the Schedules and Annexures) shall apply;
     2. a reference to an enactment or statutory provision shall include such enactment or statutory provision as may from time to time be amended, consolidated, modified, re-enacted or replaced; and any subordinate legislation made under the enactment;
     3. words in the singular shall include the plural and vice versa;
     4. a reference to a Clause, paragraph, Annexures or Schedule shall be a reference to a Clause, paragraph, Annexure or Schedule (as the case may be) of or to this Agreement;
     5. a reference to this Agreement and any other document referred to in this Agreement is a reference to such document as amended, varied, or supplemented at any time;

* + 1. if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;

* + 1. if a period of time is specified as **to** a given day, or to the day of an act or event, it shall be calculated inclusive of that day;
    2. a reference to "writing" or "written" shall include any legible reproduction of words delivered in permanent and tangible form (including email);
    3. a reference to "includes" or "including" shall mean "includes without limitation" or "including without limitation";

1.2.10 the headings in this Agreement are for convenience only and shall not affects its interpretation.

1. **CONDITIONS**

This Agreement shall become effective upon approval by the Commission.

**[NOTE THAT THIS IS NOT AN EXHAUSTIVE LIST OF CONDITIONS. HOWEVER, THE CONDITIONS LISTED ARE MANDATORY AND MUST BE MET BEFORE A TRIPARTITE CONTRACT BECOMES EFFECTIVE].**

1. **COMMENCEMENT AND TERM**

1. Subject to the earlier termination in accordance with this Agreement, the initial duration of this Agreement shall be [NUMBER OF YEARS] from the Effective Date for the purpose of Project planning, securing necessary permissions where applicable, construction and commissioning of the Project (“**Initial Term**”).
2. Upon expiration of the Initial Term, this Agreement may be automatically renewed for a period of [NUMBER OF YEARS] (“**Subsequent Term**”).
3. Except where the Parties agree otherwise, upon the expiration of the Subsequent Term, this Agreement will automatically be renewed for successive 1(one) year period (each “**Renewal Term**”) unless a Party provides the other Party with notice of its intent not to renew this Agreement at least 1 year prior to the expiration of the Subsequent Term or 6 months prior to the expiration of a renewal term.
4. From the date of this Agreement, any Exclusivity Agreement between the parties in respect of this Project set out in accordance with NERC Mini-Grid Regulations, 2023, if not terminated, will be deemed to have been terminated.
5. The Initial Term, Subsequent Term and each Renewal Term shall collectively make up the full term of this Agreement (“**Term**”).
6. **RIGHT OF USAGE AND OPERATION OF THE INTERCONNECTED NETWORK**
   1. The DisCo hereby grants the mini-grid operator an exclusive right of usage, operation, maintenance, management and control of the Interconnected Network for the duration of the Term.
   2. The mini-grid operator confirms that it has undertaken an analysis of the physical condition of the distribution network and confirms that, save for those listed as deficient in Annex 2 below, the Assets and Infrastructure of the DisCo that form part of the interconnected network are in good condition and conform with the requirements in the Technical Codes.
   3. Pursuant to Clause 4.1, the mini-grid operator shall have the following rights:
      1. to use and operate the interconnected network in such a manner and to such extent as is necessary to meet its obligations under this Agreement and (in particular) to the connected community;
      2. to carry out such repairs of the interconnected network that are required to perform its obligations under this Agreement;
      3. to make new connections to improve, expand and/or extend the interconnected network using distribution assets sourced by it, provided that, the Commission’s approval has been obtained and these connections and extensions are in accordance with the requirements of the Technical Codes;
      4. to connect such amount of generation assets up to and including a total capacity of 1 MW to the interconnected network sufficient to cover the demand by the connected community within the maximum capacity and the technical limits of the interconnected network and the NERC Mini-Grid Regulations, 2023;
      5. to interconnect an indefinite number of customers within the Interconnected Network, and to expand such interconnections in accordance with the escalating requirements of the Connected Community; and
      6. to exercise complete authority over the interconnected network during the entire duration of this Agreement in order to fulfill its obligations, without any intervention or disruption by the DisCo.
   4. The cost of the repairs in Clause 4.3.2 and the expansions or improvements in Clause 4.3.3 above shall be borne by the mini-grid operator and shall be taken into account in the computation of the compensation payable to the mini-grid operator upon termination or expiry of this Agreement, provided that the mini-grid operator shall notify the DisCo in writing prior to undertaking such repairs and improvement, and shall only commence such repairs upon receipt of the DisCo’s approval, which shall not be unreasonably withheld.
   5. The Parties hereby agree that upon the DisCo’s receipt of a notice to repair and improve the interconnected network from the mini-grid operator, the DisCo shall respond within a period of 30 (thirty) days, provided that where the DisCo fails to respond to the mini-grid operator within the 30 (thirty) day period, the DisCo shall be deemed to have granted its approval and the mini-grid operator shall proceed with carrying out the repairs and improvement of the interconnected network. The mini-grid operator shall be entitled to recover the cost of such repairs and improvements of the interconnected network as envisaged under this Agreement.
7. **DUTIES AND OBLIGATIONS OF THE PARTIES** 
   1. Subject to the terms of this Agreement, the DisCo shall:

5.1.1 pay the compensation prescribed in Clause 14.1 below in the event of termination, provided that payment of such compensation shall not take into account the cost of any grant funded assets.

5.1.2 make available to the mini-grid operator such information and documents in its possession and control and such reasonable assistance required for the performance of its obligations under this Agreement;

5.1.3 prior to the Effective Date, provide the mini-grid operator with a copy of its distribution network expansion plan as it relates to the interconnected network, a copy of all existing operational procedures, plans and regulations applicable to the DisCo’s distribution network which are available to the DisCo; and

5.1.4 promptly provide to the mini-grid operator, in relation to the Interconnected Network, all technical and operational information in DisCo’s possession. If the mini-grid operator identifies technical and operational information that should be available in relation to the interconnected network but is not in the DisCo’s possession and is required by the mini-grid operator to perform in accordance with this Agreement, the DisCo and the mini-grid operator shall, collaboratively, use best endeavours to obtain such information.

5.1.5 obtain the necessary approvals from the Commission or any other Authority required to enable the DisCo to perform its obligations under this Agreement.

* 1. Subject to the terms of this Agreement, the mini-grid operator shall:

5.2.1 have a generation asset within the interconnected network to supply electricity to the connected community;

5.2.2 make the necessary follow-on repairs (after commissioning) to the deficient assets and infrastructure listed in Annex 2 and shall ensure that such repairs conform to the requirements of the relevant technical codes;

5.2.3 operate the interconnected network with, at least, 95% of reliability;

5.2.4 operate and maintain the asset and infrastructure in the course of its operations in accordance with the technical codes;

5.2.5 ensure that new connections, installations and extensions made pursuant to Clause 4.3.3 conform with the requirement in the Technical Codes and this Agreement;

5.2.6 at the expiration of the term, hand back all the DisCo’s assets and infrastructure including any improvements made within the interconnected network to the DisCo free of any encumbrance in lieu of compensation payable as per the terms of this Agreement;

5.2.7 acquire all the regulatory approvals necessary for the deployment of the Project in line with the applicable laws and which do not fall under Clause 5.1.5 and;

5.2.8 carry out its obligations under this Agreement in accordance with the Mini-Grid Regulations, Good Industry Practice, Technical Codes and the standards and requirements of the Commission.

* 1. The cost of any follow-on repairs undertaken by the mini-grid operator as per Clause 5.2.2 (after commissioning) shall be taken into account in the computation of the compensation payable to it upon termination or expiry of this Agreement.
  2. Subject to the terms of this Agreement, the connected community shall:

5.4.1 ensure that it provides sufficient land required by the mini-grid operator for the installation and operation of the generation assets as depicted in the map in Annex 4 below at a price to be agreed with the mini-grid operator on the basis of good faith negotiations provided that all costs (including cost of land acquisition or lease) will be recoverable from the electricity tariff and provided that the connected community may choose to provide land to the mini-grid operator at a lower or no cost in exchange for lower tariffs;

5.4.2 ensure that other than the price agreed with the mini-grid operator pursuant to Clause 5.4.1 above, the mini-grid operator shall not be required to make any further payments in respect of the usage of the land for the term of this Agreement;

5.4.3 ensure the payment of the tariff as stipulated in the Agreement;

5.4.4 take all actions necessary (on reasonable endeavours basis) to ensure that there is no vandalism and/or electricity theft within the interconnected network; and

5.4.5 channel all its complaints relating to the Project in writing to either of the Parties to this Agreement to whom such complaint relate, and where it pertains to the mini-grid operator in accordance with the Complaints Procedure Guidelines given under Schedule 9 of the NERC mini-grid Regulations 2023.

1. **OWNERSHIP OF THE NEW INSTALLATIONS** 
   1. The DisCo and the mini-grid operator agree that all new installations, improvements, extensions, and expansions to the interconnected network made by the mini-grid operator at its own cost shall vest in and continue to vest in the mini-grid operator and, upon expiration of the term and re-integration by the DisCo, the compensation procedure set out in the Agreement and NERC Mini-Grid Regulation 2023 will apply.
2. **CONNECTION OF THE GENERATION ASSETS TO THE DISTRIBUTION NETWORK AND EXPANSION OF THE DISTRIBUTION NETWORK**

**GENERATION ASSETS CONNECTIONS**

* 1. The cost for the connection of the generation assets to the interconnected network shall be borne by the mini-grid operator.
  2. Except where Parties agree to do otherwise, the mini-grid operator shall install the generation assets, connect them to the interconnected network and construct all the foundations, buildings, fencing as well as roads and other infrastructure required for installing, securing and accessing the generation assets.
  3. Except where Parties agree to do otherwise, the cost of the constructions undertaken by the mini-grid operator pursuant to Clause 7.2 above shall be borne by the mini-grid operator.
  4. The generation assets shall be as depicted in Annex 5.
  5. Except where Parties agree to do otherwise, the mini-grid operator shall at its own cost maintain the generation assets for its generation activities and operations.

**EXPANSION OF THE DISTRIBUTION NETWORK**

* 1. Subject to the approval of the Commission and except where the DisCo and mini-grid operator agree otherwise, the mini-grid operator shall bear the costs for any extensions of the distribution network it undertakes in line with the provision of Clause 4.4 of this Agreement.
  2. Where the Parties agree that the DisCo shall perform the extensions at its own cost, ownership of such extensions shall vest in the DisCo, and the modalities for such extensions shall be as follows:

7.7.1 [DETAILS OF SUCH MODALITIES TO BE INCLUDED HERE]

1. **AVAILABILITY OF THE INTERCONNECTED NETWORK AND DISTRIBUTION NETWORK**

8.1. The DisCo undertakes to the mini-grid operator that the interconnected network shall be available to the mini-grid operator for the entire term, without any interference. The DisCo undertakes to the mini-grid operator that the main grid shall be available at the minimum [XX] times per week between the hours of [XX] am and [XX] pm for at least [XX] hours.

8.2 The mini-grid operator warrants to the connected community an availability of [95]% of the interconnected network. For the purpose of clarity, the interconnected network is considered as available if the grid voltage and frequency at the customer’s connection does not deviate more than plus/minus 20% from the nominal values as specified in Annex 6.

* 1. Where the average monthly availability of the interconnected network is lower than the value in Clause 8.2 above more than three months in a row, the connected community shall be entitled to communicate with NERC following the procedures as outlined in the Mini-Grid Regulation, 2023.

1. **EXTRACTION LIMITS** 
   1. The mini-grid operator undertakes not to feed to the DisCo or extract from the DisCo more than the Maximum Capacity in any 15-minute interval in both directions.
   2. Where the mini-grid operator extracts more than the maximum capacity, a penalty of [XX] NGN for each 15-minute interval exceeding the maximum capacity shall be paid by the mini-grid operator to the DisCo.

1. **SALE OF ELECTRICITY BETWEEN THE MAIN GRID AND THE INTERCONNECTED NETWORK**
   1. The mini-grid operator may, subject to the Commission’s consent, purchase electricity from the main grid for a tariff of [XX] NGN/kWh, where the mini-grid is unable to produce sufficient capacity to serve the connected community.
   2. The mini-grid operator may, subject to the Commission’s consent, sell excess electricity not taken by the connected community to the DisCo for a tariff of [XX] NGN /kWh.
   3. The power to be supplied by the DisCo to the mini-grid operator shall be for a period of [..] hours daily or for any other period as agreed by the DisCo and the mini-grid operator. The DisCo shall do all that is necessary to ensure that electricity is supplied to the mini-grid operator for the number of hours agreed under this Clause, and where the DisCo fails in its obligation to supply power for the agreed number of hours, the mini-grid Operator shall be entitled to liquidated damages at the rate of [xx], and in the form of reduced tariff or through other means as may be agreed by the DisCo and the mini-grid operator.
   4. With regards to the sale of excess power to the Disco, the power to be supplied by the mini-grid operator to the DisCo shall be for a period of [..] hours daily or for such other period as may be agreed by the DisCo and the mini-grid operator. The mini-grid operator shall do all that is necessary to ensure that electricity is supplied to the DisCo for the number of hours agreed under this Clause, and where the mini-grid operator fails in its obligation to supply power for the agreed number of hours, the DisCo shall be entitled to liquidated damages at the rate of [xx], and in the form of reduced tariff or through other means as may be agreed by the DisCo and the mini-grid operator.
   5. Notwithstanding the provisions of Clauses 10.4 and 10.5, the Parties may enter into and execute an agreement for the sale and purchase of power from the DisCo, and the resale of the excess power to the DisCo, subject to the consent of the Commission.
   6. The DisCo and the mini-grid operator shall within the period agreed by both Parties, ensure the prompt payment of the tariff as agreed under this Clause 10, and in no case later than [x] days from when payment becomes due, for the power supplied by either Party pursuant to this Clause 10.
   7. Either Party shall be required to give sufficient notice to the other Party where it intends to apply for an adjustment of tariff.
2. **USAGE FEE AND PAYMENT TERMS** 
   1. Pursuant to the rights granted in Clauses 4.1 and 4.3 above, the mini-grid operator shall be required to pay a fee to the DisCo of [XX] NGN monthly (“**Usage Fee**”).
   2. Except where the Parties have agreed otherwise with NERC’s approval, the Usage fee shall be calculated using the procedure in Schedule 8 of the Mini-Grid Regulation 2023.
   3. The DisCo shall issue invoice for the Usage Fee on or after the last day of each month and the Usage Fee shall be payable, into a bank account designated by the DisCo, within 10 business days following the day on which the invoice is delivered to the mini-grid operator.
   4. Where the mini-grid operator fails to pay the Usage Fee on the day it is due and payable, interest shall accrue at the Default Interest Rate on the unpaid balance from the date on which payment is due until the date on which payment is received by the DisCo.
3. **TARIFF** 
   1. The mini-grid operator shall provide electricity to the connected community at the tariffs as approved by NERC and calculated with the MYTO mini-grid Model.
   2. The mini-grid operator shall be required to give sufficient notice to the other Parties where it intends to apply for an adjustment of tariff.
   3. This tariff can be adjusted according to the procedures mentioned in the Mini-Grid Regulation.
   4. The Parties agree that an inspection of accounts for the purpose of an adjustment of tariffs may be carried out by the Commission. This inspection may be initiated by the Community, the Mini-Grid Operator, or the Commission.
4. **REPRESENTATION AND WARRANTIES** 
   1. Each Party represents and warrants to the other, on the date of this Agreement, and continuing throughout the Term that:

13.1.1 it is duly organised under the Applicable Laws and that is has the requisite legal power and authority to enter into, and carry out its obligations under, this Agreement;

13.1.2 it shall continue to have all necessary corporate power and authority (corporate and regulatory) to carry on its business as presently conducted and to perform its obligations under this Agreement;

13.1.3 the execution and delivery of this Agreement and the consummation of the transactions contemplated therein have been duly authorized by all necessary corporate actions on its part;

13.1.4 this Agreement constitutes legal, valid and binding obligations enforceable against it in accordance with the terms hereof;

13.1.5. the execution of this Agreement is not prohibited by its constituents documents nor does its execution contravene provisions of any applicable law.

13.1.6 the execution, delivery, and performance of this Agreement have been duly authorized by all requisite actions and will not constitute a violation of:

13.1.6.1 any statute, judgment order, decree or regulation of any court, commission, government authority or arbitral tribunal applicable or relating to itself, its assets or its functions, or

13.1.6.2 any other documents, indenture, contract or agreement to which it is a party or by which it may be bound;

13.1.7 there are no actions, suits or proceedings pending or, to the best of its knowledge threatened against it before any court, government authority or arbitral tribunal that could reasonably be expected to restrain it from performing or result in a material adverse effect on its ability to perform its duties and obligations under this Agreement; and

13.1.8 no representation or warranty made by it herein contains any untrue or misleading statement.

1. **TERMINATION** 
   1. Termination by the distribution licensee.

14.1.1 The occurrence of any of the following, in the case of the mini-grid operator, shall be an event of default, that is:

1. the mini-grid operator fails to pay any amount due to the DisCo, provided that the DisCo has given the mini-grid operator not less than [30] days’ notice of such failure and the non-payment has not been cured within such [30] days period;
2. the mini-grid Operator commits a breach of this Agreement, other than that provided in i above, which in the case of a breach capable of remedy, has not been remedied within [30] days (or such other period as may be agreed by the mini-grid operator and the DisCo) of the DisCo notifying the mini-grid operator of the breach.
3. the mini-grid operator becomes insolvent and unable to pay its debts (as defined by section 572 of the Companies and Allied Matters Act, 2020) or makes any arrangement or composition with its creditors generally or has a receiver, manager, liquidator, or administrator-appointed or that suffers any event analogous to the foregoing in any jurisdiction;
4. any of the representations made by the mini-grid operator under this Agreement is not true and correct in all material respects and this has a material adverse effect on the DisCo or the performance of the mini-grid’s operation under this Agreement.

14.1.2 If any of the events set out in Clause 14.1.1 occurs, the DisCo may, by written notice to the mini-grid operator, terminate this Agreement.

* 1. Termination by Mini-Grid Operator.

14.2.1 The Mini-Grid operator may on written notice to the DisCo terminate the Agreement if:

* + 1. The DisCo’s licence expires and is not renewed within [30] days of its expiration or the DisCo’s licence is cancelled by the Commission;
    2. The DisCo becomes insolvent and unable to pay its debts (as defined in section 572 of the Companies and Allied Matters Act, 2020) or makes any arrangement or composition with its creditors generally or has a receiver, manager, liquidator, administrator appointed or suffers any event analogous to the foregoing in any jurisdiction;
    3. The DisCo commits a breach of this Agreement which, in the case of a breach capable of remedy, has not been remedied within [30] days (or such other period as may be agreed by the mini-grid Operator and the DisCo) of the mini-grid Operator notifying the DisCo of the breach;
    4. Any of the representations made by the DisCo under this Agreement is not true and correct in all material respects and this has a material adverse effect on the mini-grid operator or the performance of the DisCo’s obligations under this Agreement.
  1. Termination by Connected Community

14.3.1 Without prejudice to the right of an individual member of the Connected Community to terminate his customer contract with the mini-grid operator, the connected community may, upon the approval of 60% of electricity customers within the connected community, terminate this Agreement where the mini-grid operator is unable to meet its obligations under this Agreement except where such non-performance of its obligations is due to a Force Majeure Event or a default by the Connected Community or Distribution Licensee, provided that the Connected Community’s right to terminate this Agreement due to a Prolonged Force Majeure Event shall not abate.

14.3.2 If the events set out in Clause 14.3.1 occurs, the Connected Community shall notify the Parties of its intention to terminate the Agreement.

* 1. Mutual Termination by Convenience

14.4.1 Each Party may terminate this Agreement by written notice to the other Party if there is a Material Adverse Governmental Action or Force Majeure Event which renders the exercise by the mini-grid Operator of any of its material rights or obligations under this Agreement, illegal, void, unenforceable, or unprofitable; or the Project Assets or Infrastructure or rights or a major portion thereof of the mini-grid operator are nationalised or expropriated.

14.4.2 The Agreement may terminate upon mutual agreement by all Parties.

* 1. Consequences of Termination

14.5.1 Where termination occurs pursuant to any of the aforementioned clauses or Clause 15.2 the mini-grid operator shall at its option, transfer all the distribution assets of the mini-grid operator, which it does not want to remove from the interconnected network to the DisCo in return for compensation in accordance with the following compensation mechanics:

a. where the termination occurs within the first 5 years of the commissioning of the interconnected mini-grid (“Initial Period”), the Interconnected mini-grid operator shall receive a compensation, from the DisCo before handover of assets, equal to the remaining depreciated value of assets (including construction and development costs) as defined during the tariff definition by the Commission, plus the revenue the mini-grid operator generated from the mini-grid, commencing 12 months prior to the date of termination.

b. where the termination occurs after the Initial Period, the interconnected mini-grid operator shall receive a compensation, from the DisCo before handover of assets, equal to the remaining depreciated value of assets as defined during the tariff definition by the Commission, plus the revenue the mini-grid operator generated from the mini-grid, commencing 12 months prior to the date of termination.

c. where the system setup has been changed since the latest tariff definition by the Commission, the mini-grid Operator shall initiate an inspection of accounts according to Regulation 12(3) of the Mini-Grid Regulations to determine the depreciated value of the assets. Pending the outcome of the inspection, the mini-grid operator shall receive immediate compensation based on the latest tariff definition by the Commission. Upon receipt of the outcome of the account inspection, the mini-grid operator shall be paid the difference between the compensation paid and the compensation amount determined following the inspection.

14.5.2 Provided that where the termination is pursuant to an event of default perpetuated by the mini-grid operator as given under Clause 14.1.1., the mini-grid operator shall only be entitled to receive the above mentioned compensation minus the revenue the mini-grid operator generated from the mini-grid, commencing 12 months prior to the date of termination.

14.5.3. The DisCo can use any money owed by the mini-grid operator for Usage Fees or other expenses to offset any money the DisCo owes to the mini-grid operator as compensation.

14.5.4. Where termination occurs, the DisCo will immediately re-integrate the connected community in order to provide electricity supply for as long as necessary until another mini-grid operator is ready to take over operations.

* 1. Upon termination, the Mini-Grid Operator shall at its own cost:

14.6.1. remove the Project’s Generation Assets which does not form part of the re-integrated network;

14.6.2. disconnect any connection of its generation assets to the interconnected network and restore the connections which existed prior to the connection of its generation assets.

* 1. On the termination date, the mini-grid operator shall deliver up to the DisCo all materials, documents, records, data and other information of whatever nature in the mini-grid operator‘s possession, custody or power relating to the interconnected network and the performance of the obligations under this Agreement and required for the continued operation and maintenance of the interconnected network.

1. **FORCE MAJEURE** 
   1. Force Majeure Event

15.1.1."Force Majeure Event" as used in this Agreement shall mean a Natural Force Majeure Event or a Political Force Majeure Event, which prevents or delays the affected party from performing or carrying out any of the provisions of this Agreement, arising out of or from any act, omission, or circumstance by or in consequence of any act of God, labor disturbance, sabotage, act of the public enemy, war, invasion, insurrection, riot, fire, storm, flood, ice, earthquake, explosion, epidemic, breakage or accident to machinery or equipment or any other cause or causes beyond such Party’s reasonable control, and:

1. such circumstance, event or condition is beyond the control of and not arising out of the fault or negligence of the affected party or its agents;
2. such circumstance, event or condition, despite the exercise of diligence, skill and care in accordance with Good Industry Practice, cannot be prevented, avoided or overcome by the affected party;
3. such circumstance, event or condition prevents the performance by the affected party of its obligations under or pursuant to this Agreement; and
4. the affected party has taken all reasonable precautions, due care and measures to prevent, avoid or overcome the effect of such circumstance, event or condition on its ability to perform its obligations under this Agreement and to mitigate its consequences.

15.2 Force Majeure Obligations

15.2.1 If the affected party desires to invoke a Force Majeure Event as a cause for relief or failure in performance of any of its obligations under this Agreement, it shall:

1. as soon as reasonably practicable and, in any event, no later than 5 Business days following the occurrence of a Force Majeure Event, give notice to the other Parties of the circumstance, event or condition, which it alleges constitutes the Force Majeure Event and an estimate of its likely duration.
2. within 5 Business Days of the date of a Force Majeure Notice issued, provide a report concerning the Force Majeure Event and its effects, including particulars of the circumstance, event or condition, a general description of the obligations likely to be affected, an estimate of its likely duration and a statement of the actions to be taken in order to comply with its obligations under this Clause.
3. from time to time at reasonable intervals and upon any reasonable request from the other Parties, provide updates as to the status of the issue that caused the Force Majeure Notice.
4. the Affected Party shall make all reasonable efforts (without incurring any unreasonable material cost) to prevent and reduce to a minimum and mitigate the effect of any delay occasioned by any Force Majeure Event, including recourse to alternate sources of services, equipment and materials; and as soon as reasonably possible, and in accordance with Good Industry Practice, ensure the resumption of normal performance of this Agreement after the cessation of any Force Majeure Event or its effects and shall otherwise perform its obligations under this Agreement to the extent not excused under this Clause.

15.2.2 If the Affected Party does not deliver such notice in accordance with the terms hereof, such Affected Party shall not be entitled to invoke the benefits of this Clause.

15.3. Effects of a Force Majeure Event

* + 1. An Affected Party shall not be liable for any delay or failure in performing its obligations due to a Force Majeure Event or the effect on the Affected Party of the Force Majeure Event, provided that no relief shall be granted to the Affected Party to the extent that such failure or delay:

a. would have nevertheless been experienced by the Affected Party had the Force Majeure Event not occurred; or

b. was caused by the failure of the Affected Party to comply with its obligations under Clause 5 or any other terms and conditions under this Agreement.

* + 1. Allocation of Costs during Force Majeure Events

Upon occurrence of a Force Majeure Event, the respective costs attributable to such Force Majeure Event (The “Force Majeure Costs”), shall be borne by the respective Party and neither Party shall be required to pay to the other Party any Force Majeure Costs.

* + 1. Prolonged Force Majeure Events

1. The occurrence of Force Majeure Event (including a Political Force Majeure Event) and the continuation of such Force Majeure Event for a period of 90 days or more from the date of the occurrence of such Force Majeure Event; or a series of related Force Majeure Events (including Political Force Majeure Events) and the continuation in the aggregate of such Force Majeure Events for a period of 90 days or more shall be a Prolonged Force Majeure Event.
2. In the event of the occurrence of a Prolonged Force Majeure Event, then either Party shall have the right, but not the obligation, to terminate this Agreement by delivering a notice of termination to the other Parties; provided that, such right of termination shall not apply during the implementation of a restoration of a Force Majeure Event or after the relevant performance of the obligation has been completely restored (insofar as may reasonably be determined by the Party giving the notice of termination).
3. Notwithstanding the foregoing, where substantial performance is resumed by the Affected Party or the Parties have begun negotiations on how to remedy the Prolonged Force Majeure Event, the Parties shall be at liberty to further extend the period for the Prolonged Force Majeure Event, by an agreement in writing, where it is practicable in the circumstance to do so.
4. **CONFIDENTIAL INFORMATION** 
   1. For the purpose of this clause, Confidential Information shall mean all information (whether oral or recorded in any medium) disclosed by a Party (“Disclosing Party”) to another Party (“Receiving Party”), relating to the Disclosing Party’s information, records, financials, studies, drawings, data and discussions (including future plans of the Disclosing Party) or any other information which is treated by the Disclosing Party as confidential (or is marked, or is by its nature confidential).
   2. A Receiving Party shall not intentionally disclose or allow to be disclosed to any third party any Confidential Information concerning the Disclosing Parties or any information obtained under this Agreement and in furtherance to the execution of the Interconnected mini-grid except with the written consent of the Disclosing Party.
   3. Each Party, after consultation with the others, shall adopt reasonable procedures to preserve the Confidential Information of the other Parties.
   4. No information shall constitute Confidential Information if:

16.4.1 the information has, at the relevant time, become public knowledge or has been in the public domain, other than as a result of disclosure by the Parties or their representative;

16.4.2 the information was available to the Receiving Party on a non-confidential basis before disclosure by the Disclosing Party;

16.4.3 the information is required to be disclosed by law or order of any court, tribunal or agency of competent jurisdiction or by any governmental body, department or agency having jurisdiction;

16.4.4 the information is expressly stated in writing to be non-confidential.

1. **CONFLICT OF INTEREST**

The Parties to this Agreement declare that there is no existing conflict of interest which would affect their entry into this Agreement.

1. **AMENDMENTS**

No amendments to this Agreement shall be effective unless it is in writing and signed by the Parties or their authorized representatives.

1. **WAIVERS**

Save where expressly set out herein to the contrary, a waiver of any term or provision of this Agreement shall only be effective if given by a written instrument executed by the Party waiving the provision of this Agreement and no forbearance, indulgence or inaction by any Party at any time to require performance of any of the provisions of this Agreement nor any single or partial exercise of any such right shall, in any way, affect, depreciate or prejudice the right of such Party to require performance of that provision in the future.

1. **NOTICES** 
   1. All notices or other documents to be furnished by the Parties under or in connection with this Agreement shall be in English language and shall be sent to the addresses stated below and marked for the attention of the persons designated in this Clause 20. Notices and other documents may be sent by hand delivery, courier or email.
   2. The addresses and contacts for the service of notices and other documents are as follows (or such other address or contacts as may be subsequently notified by the relevant Party in accordance with this Clause 20):

If to DisCo:

[ADDRESS]

Attention:

Tel:

E-mail address:

If to mini-grid Operator:

[ADDRESS]

Attention:

Tel:

E-mail address:

If to Connected Community or Representative of Connected Community:

[ADDRESS]

Attention:

Tel:

E-mail address:

* 1. If hand delivered, a notice will be deemed sufficiently served upon delivery and acknowledgment thereof given by the receiving Party. If sent by courier, it will be deemed to have been given five 5 (five) days after same is properly addressed, pre-paid and deposited at the office of a courier company. If the notice is sent by electronic mail, transmission, it would be deemed to have been properly served on the next business day following the transmission.
  2. Each Party shall notify the other in writing promptly of any change in the above address or contact person.

1. **CHANGE IN LAW**
   1. In the event that a change in law occurs which directly or indirectly severely affects a Party’s rights and obligations under this Agreement, either of the Parties may by written notification require negotiations of an amendment to this Agreement on a best-efforts basis so as to restore the original economic balance between the Parties under this Agreement.
   2. The following events shall always give right to such negotiations as stipulated in Clause 21.1 above:

21.2.1. regulatory change which renders the activities encompasses by this Agreement illegal or impossible;

21.2.2. enforced/mandatory decrease in tariff;

21.2.3 an enforced/mandatory change in the legal and regulatory environment of the country of operation that prohibits the performance of the terms of this Agreement.

* 1. If no agreement has been reached by 60 Business Days after the written notification was issued as stipulated in Clause 21.1, both Parties shall have the right to terminate this Agreement.
  2. In the event that one Party learns that a Regulatory Change will occur or is likely to occur, that Party must notify the other Party promptly.

1. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.

1. **SEVERABILITY** 
   1. If any provision or part-provision of this Agreement is or becomes invalid, illegal, or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.
   2. If one Party gives notice to the other of the possibility that any provision or part-provision of this Agreement is invalid, illegal or unenforceable, the parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.
2. **ENTIRE AGREEMENT**

* 1. This Agreement constitutes the entire Agreement between the Parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations, and understandings between them, whether written or oral, relating to its subject matter.
  2. Each Party agrees that it shall have no remedies in respect of any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this Agreement.

1. **SUCCESSORS AND ASSIGNS** 
   1. Either Party may upon the written consent of the other Party, assign its rights and obligations under this Agreement to a third party. This Agreement is binding upon, and inures to the benefit of, the Parties and their respective successors and assigns.
   2. Where there is a change in ownership of the DisCo, all rights, obligations and duties of the DisCo with regards to the mini-grid operator under this Agreement and the mini-grid Regulations, shall remain binding on the new owners of the DisCo.
2. **COST**

Except as otherwise agreed, each Party shall bear its own costs incurred in connection with the negotiations, preparation and execution of this Agreement.

1. **GOVERNING LAW AND DISPUTE RESOLUTION**

**Governing Law**

* 1. This Agreement and any disputes or claims arising out of or in connection with its subject matter or formation including non-contractual disputes or claims are governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

**Dispute Resolution**

* 1. In the event of any dispute arising out of the interpretation or application of the provisions of this Agreement, the Parties shall immediately consult one another with a view to resolving such dispute expeditiously and amicably through direct negotiation by authorised representatives.
  2. If the Parties’ authorised representatives are unable to settle the dispute through direct negotiation within 28 (twenty-eight) business days, the dispute shall be referred to the Parties’ Senior Management for resolution.
  3. If the Senior Management is not able to resolve the dispute within an additional 14 (fourteen) business days, the Parties agree that either Party may then refer the dispute to the Commission for resolution in accordance with the procedure set out in the Dispute Resolution Mechanism set out by NERC.
  4. The Parties acknowledge and agree that, except as expressly provided in this Agreement, the provisions of the Dispute Resolution Mechanism set out by NERC constitute the sole remedy of the Parties.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

For **[ELECTRICITY DISTRIBUTION COMPANY]**

Signed at ...................... on this .............. day of ............... 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For [MINI-GRID OPERATOR]

Signed at ...................... on this .............. day of ............... 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For **[CONNECTED COMMUNITY /REPRESENTATIVE OF CONNECTED COMMUNITY]**

Signed at ...................... on this .............. day of ............... 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**ACCOMPANYING DOCUMENTATION (IN ADDITION TO ANNEXURES BELOW)**

1. Certified copy of Certificate of Incorporation, Memorandum and Articles of Association, Deed of Partnership or Deed of Trust, as applicable.
2. Certified copy of Certificate of Occupancy or Lease Agreement for Project Site.
3. Certified copy of the building permit.
4. Filled Standardized Spreadsheets for Tariff Calculation.

**ANNEX 1**

**MAP OF THE INTERCONNECTED NETWORK**

DisCo to provide survey plan and geographic coordinates where available

Signature DisCo:

Signature mini-grid Operator:

Signature Connected Community:

**ANNEX 2**

**LIST OF DEFICIENCIES IN THE DISTRIBUTION GRID**

Deficiencies:











Signature DisCo:

Signature Mini-Grid Operator:

**ANNEX 3**

**DISTRIBUTION NETWORK INFRASTRUCTURE INSTALLED BY THE MINI-GRID OPERATOR**

Map of new connections and lines

(the Mini-Grid Operator) hereby certifies that the new Distribution Grid infrastructure will conform with the requirements in the Technical Codes.

The contribution of the DisCo to the construction of new assets is [ XXX NGN] to be paid on the date of commissioning of the new infrastructure[[2]](#footnote-2)

The contribution of the Interconnected Community to the construction of new assets is [XXX NGN] to be paid on the date of commissioning of the new infrastructure[[3]](#footnote-3).

Signature DisCo:

Signature Mini-Grid Operator:

Signature Connected Community:

**ANNEX 4**

**MAP OF PLOT FOR POWER GENERATION ASSETS**

Signature DisCo:

Signature Mini-Grid Operator:

Signature Connected Community:

**ANNEX 5**

**DIAGRAM OF FIXED INFRASTRUCTURE FOR GENERATION ASSETS**

Dismantling of infrastructure after contract termination:

Signature DisCo:

Signature Mini-Grid Operator:

Signature Connected Community:

**ANNEX 6**

**BOUNDARY VALUES OF THE DISTRIBUTION GRID**

The Interconnected Network is considered as available if the grid voltage and frequency at the customer’s connection does not deviate more than +- 20% from the following values:

Grid Voltage Nominal Value: XX V

Grid Frequency Nominal Value: XX Hz

Therefore, the average monthly availability of the Interconnected Network (for more than 3 months in a row):

* cannot be lower than XX \* 80% V or XX \* 80% Hz or
* greater than XX \* 120% V or XX \* 120% Hz

In case of complaints, these values should be checked at least 2 times in a period of one month and with a time interval between the 2 measures of at least 5 days.

Signature DisCo:

Signature Mini-Grid Operator:

Signature Connected Community:

**SCHEDULE 11**

**CONTRACT TEMPLATE BETWEEN ISOLATED MINI-GRID OPERATOR AND THE COMMUNITY**

**THIS AGREEMENT** is made this [**DATE**]

**BETWEEN**

[NAME], a company duly incorporated under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**] (hereinafter called the “**Mini-Grid Operator**” which expression shall where the context so admits include its successors-in-title and assigns) of the first part.

**AND**

[NAME] a legally authorised representative of [**NAME OF COMMUNITY**] in his capacity as [village Head] of a community in an Unserved Area, (hereinafter called the “**Community Representative**”) of the second part.

**OR**

[NAME] a company/association duly incorporated/registered under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**], acting as the legally authorised representative of [**NAME OF COMMUNITY/CHAIRMAN OF THE LOCAL GOVERNMENT AREA**] a community in an Unserved Area, hereinafter called the “**Community**”, of the second part.

[Either of the above copied options may be used depending on whether the Community is represented by a natural person or Entity.]

In this Agreement, the Mini-Grid Operator and Community/Community Representative are referred to collectively as “**Parties**” and individually as “**Party**”.

**RECITAL/ BACKGROUND**

1. The Mini-Grid Operator is in the business of constructing, operating, and maintaining mini-grids.
2. The Mini-Grid Operator seeks to develop a mini-grid and supply electricity to the Community from electricity generated by the mini-grid (the “**Project**”).
3. In view of the above, this Agreement sets out the terms and conditions under which the Mini-Grid Operator shall supply electricity to the Community.
4. **DEFINITIONS AND INTERPRETATIONS** 
   1. In this Agreement each of the following words and expressions shall have the following meanings:

|  |  |
| --- | --- |
| **“Applicable Laws”** | means the Constitution of the Federal Republic of Nigeria, any national, state or local law, statute, bye-law, ordinance, decree, directive, regulation, standard, circular, guideline, rule, code, delegated or subordinated legislation, judicial act or decision, judgment, order, proclamation, directive, executive order, other legislative measure, binding actions or enactments of the Federal Republic of Nigeria or any other relevant authority in Nigeria. |
| “**Effective Date**” | means date of execution of this Agreement or as agreed otherwise by the Parties. |
| “**Community**” | [Name and location of Community including the Local  Government Area] |
| “**Community Power**  **Committee**”  **or** “**CPC”** | means a committee established by the Community to coordinate all electricity customers in the Community, to address enquiries and complaints. |
| “**Distribution**  **Company**” | means an electricity distribution company Licensed by NERC. |
| “**Qualified Customers”** | means those customers that are deemed qualified pursuant to Clause 3.1. |
| **“NERC”** | means the Nigerian Electricity Regulatory Commission. |
| "**Material Adverse Action**” | means any act, decision, order, regulation, ruling, or other action taken by authority or agency that has a significant adverse impact on the rights, obligations, operations, or financial condition of a party under an agreement. This action may include, but is not limited to, the enactment or modification of laws, regulations, policies, or restrictions that materially affect the party's ability to perform its obligations, obtain necessary permits or approvals, or operate its business in a manner consistent with the original intent of the agreement. |
| **“Standardized**  **Spreadsheets**  **for Tariff**  **Calculation”** | means the standardized spreadsheets in Schedule 14 of the mini-grid Regulation. |
| “**Technical Codes**” | shall have the same meaning in the mini-grid Regulation. |

* 1. In this Agreement, except where the context otherwise requires:

1. any reference to “this Agreement” includes the Schedules and

Annexures to it, each of which forms part of this Agreement for all purposes;

if a period of time is specified as from a given day, or from the day of an act or event, it shall be calculated exclusive of that day;

if a period of time is specified as to a given day, or to the day of an act or event, it shall be calculated inclusive of that day;

1. **COMMENCEMENT AND TERM** 
   1. This Agreement shall commence on the Effective Date.
   2. Subject to the earlier termination in accordance with this Agreement:
2. the initial duration of this Agreement shall be [12] months from the Effective Date to undertake the activities in Clause 5.1 (“**Initial Term**”);
3. upon expiration of the Initial Term, this Agreement will be automatically renewed for a period of 20 years (“**Subsequent Term**”).
4. From the Effective Date, any exclusivity agreement entered into between the parties in respect of this Project, if not terminated will be deemed to have been terminated.
5. **MINI-GRID PROJECT** 
   1. The [TECHNOLOGY FOR THE MINI-GRID] system, which supplies electricity at a low voltage to a distribution network, shall be used.
   2. The Parties acknowledge that the decision as to who qualifies as a Qualified Customer to be supplied electricity is dependent on the technical design of the mini-grid system and the economic evaluation of the feasibility study already carried out by the Mini-Grid Operator, with the full consent of the Community and the Community Power Committee (“**CPC**”).
   3. Where new components are to be integrated, this shall be mutually agreed and understood between the Parties.
   4. The Parties acknowledge that -
6. The Mini-Grid Operator is a [private and profit-oriented company], with the aim of supplying electricity to rural communities and investing its own funds into projects to generate profits from the sale of electricity to customers; and
7. The Mini-Grid Operator is committed to the provision and supply of a long-term and high-quality electricity service, which is contingent upon regular payments from customers.
8. **LAND** 
   1. The Parties shall jointly identify suitable land within the Community for the mini-grid project according to the criteria of the Mini-Grid Operator;
   2. The Community may at its own expense procure the land identified pursuant to Clause 4.1 above which may be leased to the Mini-Grid Operator at no cost to the Mini-Grid Operator or a nominal fee as may be agreed by both parties; and
   3. The Community and the Mini-Grid Operator shall execute a separate agreement for the lease arrangement in Clause 4.1 above.
9. **DUTIES AND OBLIGATIONS OF THE PARTIES** 
   1. Subject to the terms of this Agreement, the Mini-Grid Operator shall:
10. During the Initial Term, carry out the project planning, acquire the necessary permissions to install, operate and maintain the energy system;
11. plan, design, procure, install, commission, operate and maintain the power station and the distribution network;
12. sell electricity generated to the customers who are deemed qualified pursuant to Clause 3.2 above (“**Qualified Customers”**);
13. provide reliable and satisfactory energy services to the Qualified Customers within the Community; and
14. carry out its operations in accordance with Good Industry Practice, Technical Codes and the standards and requirements set out in this Agreement.
15. Subject to the terms of this Agreement, the Community/Community Representative shall:

6.1.1 procure the payment of the tariff as stipulated in this Agreement and

6.2.2 ensure that the Community establishes a Community Power Committee (“**CPC**”) to coordinate all electricity customers, to address enquiries and complaints.

1. **TARIFF**

**Tariff Model and Tariff**

1. The Parties acknowledge that:
2. the tariff will be calculated either by:

1. using the standardised spreadsheets and approved by NERC; or
2. in case of Registered mini-grids, by an agreement between the Registered Mini-grid Operator and the Community/Community Representative preferably based on the Standardized Spreadsheet with a minimum of 60% of the Qualified Customers in the Community consenting to the tariff in the agreement.
3. The tariff applied may be higher than the tariff charged by the DisCo and this is due to the fact that smaller power supply systems have higher costs of energy generation.
4. The Mini-Grid Operator’s goal is to offer the lowest possible tariffs to its customers based on efficient technology and operational practices.
5. The tariff is lower than the cost of alternative sources of energy currently being used by the Community
6. Based on Clauses 7 (a-d) to 6.1.4 above, the Parties agree that the tariff shall be [XXXX] based on:
7. Tariffs set by NERC based on the standardised Spreadsheets; or
8. In case of Registered mini-grids, tariffs agreed between the Registered mini-grid Operator and the Community Representative to which the consent of a minimum of the 60% of the Qualified Customers within the Community has been obtained (preferably calculated using the calculation tool in Schedule 14).

**Change in Tariffs**

1. The Parties agree that an inspection of accounts for the purpose of an adjustment of tariffs may be carried out by NERC. This inspection may be initiated by the Community, the Mini-Grid Operator, or by NERC.
2. The Parties agree to give sufficient notice to each other where it intends to change its tariffs and apply to NERC for an adjustment of tariff.
3. **METERS AND INDOOR INSTALLATIONS**
4. Pre-paid energy meters with [Specification of Meters] shall be installed at each Qualified Customer’s premises.
5. The financing method for the indoor installation packages shall be agreed between the Parties on a case-by-case basis with the consent of the Commission.
6. The payment of electricity shall be subject to the subscribed power of each customer.
7. **COMMUNITY POWER COMMITTEE**

The Community/Community Representative shall facilitate the establishment of a CPC which shall:

1. support the Mini-Grid Operator in all mini-grid project related activities that are not detrimental to the community;
2. assist in providing labour for the construction of the mini-grid project.
3. assist financially to cover the capital cost of some assets required for the mini-grid project.
4. assist in acquiring the necessary permits to install, operate and maintain the energy system.
5. convey and communicate the community’s issues to the mini-grid operator and vice versa.
6. collection on behalf of the mini-grid operator fees for the electricity used for public lighting and transfer such fees collected to mini-grid operator, where applicable;
7. take the necessary measures against theft or vandalization of equipment; and
8. assist the mini-grid operator in identifying suitable personnel for power station guards, electricians and locally based sales agents.
9. **CHANGE IN LAW**
   1. In the event that a change in law occurs which directly or indirectly severely affects a Party’s rights and obligations under this Agreement, either of the Parties may by written notification require negotiations of an amendment to this Agreement on a best-efforts basis so as to restore the original economic balance between the Parties under this Agreement.
   2. The following events shall always give right to such negotiations as stipulated in Clause10.1 above:
   3. regulatory change which renders the activities encompasses by this Agreement illegal or impossible.
   4. enforced/mandatory decrease in tariff.
   5. an enforced/mandatory change in the legal and regulatory environment of the country of operation that prohibits the performance of the terms of this Agreement.
   6. If no agreement has been reached by 60 Business Days after the written notification was issued, both Parties shall have the right to terminate this Agreement.
   7. In the event that one Party learns that a Regulatory Change will occur or is likely to occur, that Party must notify the other Party promptly.
10. **TERMINATION** 
    1. The Agreement may terminate upon mutual agreement by the Parties.
    2. With the consent of the Community, the Community Representative may terminate this Agreement by giving 30 (thirty) days written notice to the Mini-Grid Operator where:
11. the Distribution Company decides to re-integrate the mini-grid into the main-grid before the expiration of the Term;
12. the Mini-Grid Operator’s Permit expires and is not renewed within [30] days of the expiration or the Mini-Grid Permit is cancelled by NERC;
13. the Mini-Grid Operator abandons the Project for a period of more than [3] consecutive months;
14. the installation of the power system has not commenced within 12 months after the execution of this Agreement;
15. the Mini-Grid Operator becomes unable to pay its debts (as defined by section 4 of the Bankruptcy Act 1979 and section 572 of the Companies and Allied Matters Act 2020) or makes any arrangement or composition with its creditors generally or has a receiver, manager, liquidator, administrator or trustee in bankruptcy appointed or suffers any event analogous to the foregoing in any jurisdiction;
16. the Mini-grid Operator commits a breach of Clause 5.1 (c) and/or Clause 5.1.(d) and fails to remedy the breach within 14 days (or as agreed between the Parties) following receipt of the notice of breach executed by at least 50% of all the Qualified Customers within the Community.
    1. The Mini-grid Operator may terminate this Agreement by giving 30 (thirty) days written notice to the Community Representative if:
17. it decides not to pursue the Project;
18. the Community Representative commits a breach of Clause 5.2 which has an adverse effect on the Project and fails to remedy this breach within 30 thirty working days (or as agreed between the Parties) of receiving the notice of breach; and
19. there are repeated incidents of vandalism, thefts of electricity which endanger the financial viability of the Mini-Grid Operator’s energy supply and has an adverse effect on the Project.
    1. Where termination occurs pursuant to Clause 11.3.1, the Mini-Grid Operator shall undertake such restorations to the land and environment required to restore it back to good condition.
    2. Upon termination, the Mini-Grid Operator shall at its own cost remove the Mini-Grid assets and infrastructure.
20. **NOTICES** 
    1. All notices or other documents to be furnished by the Parties under or in connection with this Agreement shall be in the English language and shall be sent to the addresses stated above and marked for the attention of the persons designated in this clause 12. Notices and other documents may be sent by hand delivery, registered post, courier, or email, provided that proceedings arising out of or in connection with this Agreement may not be served by email.
    2. The addresses and contacts for the service of notices and other documents are as follows (or such other address or contacts as may be subsequently notified by the relevant Party in accordance with this clause):

If to Mini-Grid Operator:

Attention:

Tel:

E-mail address:

If to Representative of Community Representative:

Attention:

Tel:

E-mail address:

Each Party shall notify the other in writing promptly of any change in the above address or contact person.

1. **AMENDMENT**

No amendments to this Agreement shall be effective unless it is in writing and signed by the Parties or their authorized representatives.

1. **WAIVER**

Save where expressly set out herein to the contrary, a waiver of any term or provision of this Agreement shall only be effective if given by a written instrument executed by the Party waiving the provision of this Agreement and no forbearance, indulgence or inaction by any Party at any time to require performance of any of the provisions of this Agreement nor any single or partial exercise of any such right shall, in any way, affect, depreciate or prejudice the right of such Party to require performance of that provision in the future.

1. **COSTS**

Each Party shall bear its own cost of or in connection with the preparation, negotiation, and execution of this Agreement.

1. **COUNTERPARTS**

This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original, but all the counterparts shall together constitute one and the same instrument.

1. **SEVERABILITY**
2. If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be deemed modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision or part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.
3. If one Party gives notice to the other of the possibility that any provision or part-provision of this Agreement is invalid, illegal or unenforceable, the Parties shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended commercial result of the original provision.
4. **CONFIDENTIAL INFORMATION**

18.1 A Party shall not intentionally disclose or allow to be disclosed to any third party any Confidential Information concerning the other Parties or any information obtained under this Agreement and in furtherance to the execution of the mini-grid project unless:

1. the disclosure is expressly assented to in writing by the Party to which the Confidential Information belongs;
2. the disclosure is subject to a legal obligation of disclosure,

* 1. Each Party, after consultation with the others, shall adopt reasonable procedures to preserve the Confidential Information of the other Parties.
  2. No information shall constitute Confidential Information if:

1. the information is generic in nature, or have at the relevant time become public knowledge or has been in the public domain, other than as a result of disclosure by the Parties or their representative;
2. the information has at the relevant time become, already in the possession of the Parties free from any obligation of confidentiality to either of the Parties or any other person and has not been acquired by any person in breach of any obligations of confidentiality;
3. the information is required to be disclosed by law or order of any court, tribunal or agency of competent jurisdiction or by any governmental body, department or agency having jurisdiction or it or by any equivalent laws or regulations of institutions or other equivalent authorities in jurisdictions outsider Nigeria; or
4. the information is expressly stated in writing to be non-confidential.
5. **CONFLICT OF INTEREST**

The Parties to this Agreement declare that there is no existing conflict of interest which would affect their entry into this Agreement.

1. **ENTIRE AGREEMENT**
2. Each Party acknowledges that, in entering into this Agreement, it does not rely on, and shall have no remedy in respect of, any statement, representation, assurance or warranty of any person other than as expressly set out in this Agreement.
3. Nothing in this Clause 18 operates to limit or exclude any liability or fraud.

1. **SUCCESSORS AND ASSIGNS**

This Agreement is binding upon, and inures to the benefit of, the parties and their respective successors and assigns.

1. **GOVERNING LAW AND DISPUTE RESOLUTION**

This Agreement and any disputes or claims arising out of or in connection with its subject matter or formation including non-contractual disputes or claims) are governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

1. **Dispute Resolution**

Except as otherwise provided in this Agreement, any dispute of whatever nature which may arise between all or any of the Parties out of or in connection with this Agreement shall be dealt with in accordance with the procedure set out in the Dispute Resolution Mechanism set out by NERC.

***IN WITNESS*** *whereof this Agreement was executed the day and year first above written.*

For **[MINI-GRID OPERATOR]**

Signed at ...................... on this .............. day of ............... 20.....

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For **[CONNECTED COMMUNITY /REPRESENTATIVE OF CONNECTED COMMUNITY]**

Signed at ...................... on this .............. day of ............... 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE 12**

**MINI-GRID CUSTOMER CONTRACT TEMPLATE**

|  |
| --- |
| **Contract No. XXX Type of contract**:  (residential/commercial/industrial/special/others) |

**THIS AGREEMENT** is made on this [**DATE**]

**BETWEEN:**

**[NAME]**, a company duly incorporated under the laws of the Federal Republic of Nigeria and having its registered office at [**OFFICE ADDRESS**] hereinafter called the “**Mini-Grid Operator**” which expression shall where the context so admits include its successors-in-title and assigns, of the first part.

**AND**

Surname: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

First name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Phone 1: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Phone 2: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Email: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Address: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

ID No.: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Village: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ LGA: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

State: \_\_\_\_\_\_\_\_\_\_\_\_\_

(hereinafter called **the “Customer**”, which expression shall include is heirs, successors and assigns) of the second part.

In this Agreement, the **Mini-Grid Operator** and the **Customer** are referred to collectively as “Parties” and individually as a “Party”.

The **Customer** agrees to the terms and conditions of this contract and subscribes to the electricity supply service provided by the **Mini-Grid Operator** as described below.

**ARTICLE 1**

**CONTRACT DURATION**

* 1. This contract shall commence on the date of this contract and shall continue until terminated by either Party upon the occurrence of a Party committing a breach of this contract, which in the case of a breach that is capable of remedy, has not been remedied within [30] days (or such other period as may be agreed between the Customer and the Mini-grid Operator).

**ARTICLE 2**

**ELECTRICITY SERVICE SUBSCRIPTION**

* 1. The **Customer** agrees to have subscribed to the electricity supply service [<name service>] with the following limits:

1. Electrical power: max. ............ Watt (W)
2. Electrical energy: max. ............. kilowatt hours (kWh) per day/week/month

(Alternatively: Usage time: max. ........... hours (h) per day/week/month at max. electrical power)

**ARTICLE 3**

**QUALITY OF ELECTRICITY SUPPLY**

* 1. The electricity supplied by the **Mini-Grid Operator** has a nominal electrical voltage of ................ Volts (V) single-phase and ............... V three-phase at a nominal electrical frequency of ......... Hertz (Hz). The maximum voltage fluctuations will be ± ……... % of the nominal value and the maximum frequency fluctuations will be ± ………. % of the nominal value.

The electricity is supplied by the means of:

1. Type of (prepaid) electricity meter: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. Number of phases: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
   1. The meter will be installed at (inside/outside of the **Customer’s** house, distribution grid pole, others).
   2. The **Customer** undertakes to ensure the safety of the device and to be held liable for any damage except for damages which are not due to the fault of the **Customer** or are beyond the **Customer**’s control.
   3. The **Customer** agrees to grant the **mini-grid’s** staff or representatives reasonable access to his/her premises to inspect, maintain, repair or replace the metering device provided that the Mini-Grid Operator gives the **Customer** at least 3 days’ notice of its intention to undertake such activities on the metering device.

**ARTICLE 4**

**INDOOR INSTALLATIONS**

* 1. The **Mini-Grid Operator** agrees to finance the cost for the procurement and installation of the following electrical equipment within the **customer’s** premises within days after signing of this contract:

*List of material*

*e.g.: XX m of cable type XXX*

*XX energy saving light bulbs XX W*

*XX bulb sockets*

*XX switches*

*XX plug sockets XX joint boxes*

*Accessories [...]*

Total cost of indoor installation package (procurement and installation): \_\_\_\_\_\_\_\_\_\_\_\_\_\_ NGN

* 1. The **Customer** agrees to grant the mini-grid Operator and its electrician’s reasonable access to his/her premises to undertake the installations, provided that the mini-grid operator gives the **Customer** at least 3 days’ notice of its intention to undertake such installations.
  2. The indoor installation material(s) will remain the sole property of the **mini-grid operator** until the **Customer** has paid in full the mini-grid operator for such material(s).

* 1. The **Customer** agrees to grant the **mini-grid’s** operator’s staff and representatives reasonable access to his/her premises to inspect, maintain, repair or replace the indoor installation equipment at any time, provided that the mini-grid operator gives the **Customer** at least 3 days’ notice of its intention to undertake such activities.

**ARTICLE 5**

**UPFRONT PAYMENT**

* 1. Upon execution of this contract, the **Customer** agrees to make an upfront payment to the **mini-grid operator** consisting of:

1. Security deposit: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ NGN
2. Contribution to indoor installations investment: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ NGN

Total: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ NGN

* 1. The Parties agree that the security deposit shall be used to offset any payments due from the **Customer** to the **mini-grid operator**.

**ARTICLE 6**

**ENERGY PAYMENTS**

* 1. Upon commencement of the electricity supply service, the **Customer** agrees to make the following payments to the **mini-grid operator**:

1. Reimbursement to indoor installations investment: \_\_\_\_\_\_\_\_\_\_\_\_\_NGN per week/month
2. Prepayment of electricity consumption: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ NGN per week/month

Total: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ NGN per week/month

* 1. The payment terms are as follows:

*[For the reimbursement for indoor installations investments, the Parties agree that the* **Customer** *shall make the payments set out above on the 5th day of each month (“****Payment Date****”). Where the 5th day is not a working day, the* **Customer** *shall make the payment, on the next working day.]*

**ARTICLE 7**

**MODE OF OPERATION**

* 1. Short description of mode of operation of power station

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

* 1. Description of mode of operation of the electricity meter (Exceeding power and energy limits, payment procedure, balance uploading, etc.)**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

* 1. *The* electricity supply can be subject to temporary disturbances due to various events which include but are not limited to severe climatic condition, incident, vandalism and maintenance of the system.
     1. *The* **Customer** acknowledges that the occurrence of any of these events will affect his/her access to electricity and quality of electricity received from the mini-grid operator.
     2. Upon the occurrence of any of the events in Article 7.3 above the Parties agree *that* the **mini-grid operator** shall not be responsible for providing back-up electricity supply solution to the **Customer** or any additional protection electrical appliances used by the **Customer**.
  2. Where the **Customer** fails to make the required payment in Article 6.1 (b) by the *Payment* Date, the **Customer** and the mini-grid operator shall negotiate credit extension terms.
  3. Where on three consecutive Payment Dates, the **Customer** fails to make the indoor *installation* investment payments in Article 6.1(b), the mini-grid operator may proceed to remove the indoor installations provided that the mini-grid operator has given the Customer at least one month’s notice of its intention to the Customer’s address.

**ARTICLE 8**

**ELECTRICITY THEFT**

* 1. Any attempt of electricity theft by the **Customer** will be persecuted and leads to immediate termination of this contract.

**ARTICLE 9**

**LIABILITY OF THE MINI-GRID OPERATOR**

* 1. Subject to the limitations described in this clause, the **mini-grid operator** is liable for any loss, liability, or expense, which the **Customer** may suffer or incur as a direct result of any negligence or breach of this contract by the **mini-grid operator**.
  2. The **mini-grid operator** is not liable to the extent that the **Customer’s** equipment caused or contributed to the problem.
  3. The **mini-grid operator** is not liable for any interruption of the electricity supply if the interruption was caused by events or circumstances beyond the control of the mini-grid operator**.**
  4. **The mini-grid operator** is not liable for any damage caused to the **Customer** due to improper use of electricity or electrical equipment.

**ARTICLE 10**

**GOVERNING LAW**

* 1. This Agreement and any disputes or claims arising out of or in connection with its subject matter or formation **including** non-contractual disputes or claims) are governed by and construed in accordance with the laws of the Federal Republic of Nigeria.

**ARTICLE 11**

**DISPUTE RESOLUTION**

* 1. Except as otherwise provided in this Agreement, any dispute of whatever nature which may arise between all or any of the Parties out of or in connection with this Agreement shall be dealt with in accordance with the procedure set out in the Dispute Resolution Mechanism set out by NERC.

***IN WITNESS*** *whereof this Agreement was executed the day and year first above written.*

For **[MINI-GRID OPERATOR]**

Signed at ........................ on this .............. day of ................. 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

For **[CLIENT]**

Signed at ........................ on this .............. day of ................. 20...

By:

Name:

WITNESSES

1. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
2. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**SCHEDULE 13**

**ASSET HANDOVER DOCUMENT AND COMPENSATION CONFIRMATION SHEET**

1. **Integration of Mini-Grid Assets into Distribution Network** 
   1. I, [NAME], the Mini-Grid Operator with Permit number [……………], operating the Mini-grid in (state/town/local government/village) hereby declare that following the notification of the DisCo’s decision to re-integrate the Mini-Grid into the Distribution Network pursuant to Section 20 of the NERC Mini-Grid Regulation, 2023, that the assets in Table A below have been handed over to \_\_\_\_\_\_\_\_\_\_\_ (name of DisCo).
   2. We, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (name of DisCo), duly represented by \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (name of individual or company) confirm receipt of the assets in Table A and accept ownership of same. We confirm that we will transfer the Compensation stated below to a bank account designated by the Mini-Grid Operator within 10 (ten) days.

**Table A**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Name of Asset | Number of Units | Depreciated Value of Unit | Total Depreciated Value of Asset | Total Value of Undepreciated Assets |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
| TOTAL AMOUNT (in NGN) | |  |  |  |

*Please fill where applicable*

* 1. I, the representative of the Mini-Grid Operator, \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (name of individual or company) hereby confirm that a grant of \_\_\_\_\_\_\_\_\_\_\_\_\_ (currency and amount) was received on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (date) from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (name of individual, company or government body). The following asset costs in Table B below have been provided for by the grant:

**Table B**

|  |  |  |
| --- | --- | --- |
| Name of Asset | Asset Cost | Amount of Grant |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |

1. **Compensation** 
   1. I, the Mini-Grid Operator, hereby confirm receipt of compensation from \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (name of DisCo) equal to the remaining depreciated value of my assets (including the construction and development cost) plus 50% of my revenue generated from my mini-grid commencing 12 (twelve) months prior to the date of connection of the mini-grid to the Distribution Network.
   2. Revenue generated within the last 12 (twelve) months prior to the date of integration of the mini-grid to the Distribution Network: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_NGN.
   3. Amount of compensation for the revenue generated within the last 12 (twelve) months prior to the date of connection of the mini-grid to the distribution network: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_NGN.
   4. TOTAL COMPENSATION = Total depreciated value of asset + Total undepreciated value of asset + Compensation for the revenue generated = \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_NGN.
   5. I hereby confirm that assets financed via a grant, shall remain property of the Community, which is represented by \_\_\_\_\_\_\_\_\_\_ (name of individual or company), as the Community’s legally authorised representative, and no compensation shall be due on such assets.
2. **Notification to NERC** 
   1. Upon execution, the Mini-Grid Operator and the DisCo shall each forward a copy of this document to NERC for information purposes.
   2. The DisCo shall forward a copy of this document to NERC for notification purposes.

Account Name (Mini-grid Operator account): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

IBAN (if applicable): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

BIC (if applicable): \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Bank Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Account Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Sort Code: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

|  |  |  |
| --- | --- | --- |
| Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  | Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |  | \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| Signature: mini-grid Operator |  | Signature: DisCo |

**SCHEDULE 14**

**TARIFF CALCULATION TOOL BASED ON THE MYTO METHODOLOGY**

The tariff tool to be used is the most up-to-date tool as communicated by the Commission from time to time.

1. Investments to be listed here may include those made to increase system capacity, system reliability or expansion of access. [↑](#footnote-ref-1)
2. To be decided by the parties [↑](#footnote-ref-2)
3. To be decided by the parties [↑](#footnote-ref-3)