



ORDER/NERC/2025/014

**BEFORE THE NIGERIAN ELECTRICITY REGULATORY COMMISSION IN THE
MATTER OF THE FEBRUARY 2025 SUPPLEMENTARY ORDER TO THE MULTI-
YEAR TARIFF ORDER 2025 FOR ABA POWER LIMITED ELECTRIC COMPANY**

TITLE

1. This regulatory instrument may be cited as February 2025 Supplementary Order to the Multi-Year Tariff Order - 2025 ("February 2025 Supplementary Order") for Aba Power Limited Electric Company ("APLE").

COMMENCEMENT AND TERMINATION

2. This Order shall take effect on 1st February 2025 and cease to be effective on the issuance of a new tariff review order for APLE by the Nigerian Electricity Regulatory Commission ("NERC" or the "Commission").

CONTEXT

3. Pursuant to the Tariff Review Application by APLE, the Commission approved MYTO-2025 effective 1st January 2025. The Order among others;
 - a. Approved a 5-year CAPEX provision to finance planned CAPEX projects (including metering) by APLE and A 5-year OPEX provision to enhance and improve responsiveness to fault clearing and customer complaints;
 - b. Maintained the approved ATC&C loss level trajectory of MYTO 2023 considered to be fair and reasonable given the operating conditions and comparable benchmarks within and outside the Nigerian Electricity Supply Industry ("NESI");
 - c. Revised relevant assumptions for the forecast of revenue requirements and approved applicable tariffs for the period 2025 - 2027;

OBJECTIVE

4. Pursuant to Section 16 of the MYTO - 2025, this Supplementary Order seeks to reflect the changes in the pass-through indices outside the control of licensees including inflation rates, ₦/US\$ exchange rate, available generation capacity and gas price for the determination of Cost-Reflective Tariffs ("CRT").

EA

BASIS FOR THE REVIEW

5. Minor Review Indices

The underlisted indices with potential impact on electricity rates were considered to determine APLE's revised revenue requirements and associated tariffs:

- a. **Exchange Rate:** The Naira to US Dollar exchange rate of ₦1,557.71/US\$1 has been adopted for the February 2025. This rate has been determined by adding a 1% transaction cost to the average foreign exchange rate of ₦1,542.28 during the period of 1st – 28th January 2025, as obtained from the website of the Central Bank of Nigeria ("CBN") in line with the MYTO methodology.
- b. **Nigerian Inflation Rate:** The Nigerian inflation rate of 34.80% for December 2024, published by the National Bureau of Statistics ("NBS"), is applied to revise the Nigerian inflation rate projection for 2025.
- c. **US Inflation Rate:** Based on the data published by the United States Bureau of Labor Statistics (<http://www.bls.gov>), the US inflation rate of 2.90% for December 2024 is applied to revise the US Inflation rate projection for 2025.
- d. **Available Generation Capacity:** Considering the power purchase agreement ("PPA") between Niger Delta Power Holder Company ("NDPHC") and APLE; Geometric Power Aba Limited ("GPAL") and APLE; and the periodic reports from the System Operator, the review projects an average offtake of 135MWh/h by APLE effective February 2025.
- e. **Wholesale Gas to Power Prices (GPAL):**
 - i. The review recognised the contracted gas supply and transportation prices of US\$4.62/MMBTU based on the Gas Sale Agreements ("GSAs") between GPAL and NNPC Gas Marketing Limited; and Gas Transportation Agreement between GPAL and NNPC Gas Infrastructure Company Limited.
- f. **Wholesale Gas to Power Prices (NDPHC):**

The review adopts the underlisted benchmarks established by the Nigerian Midstream and Downstream Petroleum Regulatory Authority ("NMDPRA") in line with the Petroleum Industry Act ("PIA") 2021:

- i. The gas-to-power price of US\$2.42/MMBTU based on the revised benchmark by NMDPRA in 2024 in compliance with Section 167 of the PIA.
- ii. An interim Shrinkage Factor ("SF") of 3% as established by NMDPRA pending the deployment of a model that will automatically set the SF on the gas network.
- iii. A wholesale levy of 0.5% on the cost of gas earmarked for the Midstream and Downstream Gas Infrastructure Fund ("MDGIF") as established by NMDPRA in compliance with Section 52(7) of the PIA.

- iv. The contracted gas supply and transportation prices outside Domestic Gas Delivery Obligation quantities are based on effective Gas Sale Agreements ("GSAs") approved by the Commission.
- v. Benchmark Gas Transportation tariff of US\$0.80/MMBTU.

RESULTS OF THE REVIEW

6. Summary of Tariff Variables/Assumptions

Table 1 below summarises the tariff review indices adopted in this Order.

Table 1: Key Tariff Review Variables/Assumptions for APLE

Parameter	Unit	Jan 2025	Feb 2025
Loss Target	%	21.26%	21.26%
Nigerian Inflation	%	34.60%	34.80%
US Inflation	%	2.70%	2.90%
Exchange Rate ₦/\$	₦	1,572.24	1,557.71
Transmission Loss Factor	%	6.75%	7.00%
Energy Delivered to DisCo	GWh	1,183	1,179
Energy Delivered to DisCo	MWh/h	135	135
Gas Supply & Transportation Cost	\$/MMBTU	4.62	4.62
Generation Cost	₦/kWh	135	134.45
Transmission & Admin Cost	₦/kWh	11.05	10.79
End-User Cost Reflective Tariff	₦/kWh	201.11	200.88
End-User Allowed Tariffs	₦/kWh	201.11	200.88
Tariff Shortfall	₦ Mn	0.00	0.00
Minimum Remittance	%	100.00%	100.00%

7. TCN Administrative and Regulatory Charges for APLE for 2025

The Market Operator ("MO") is mandated to issue monthly invoices to APLE for the transmission and administrative services for power off-take from the grid at the rates approved by the Commission. APLE shall pay directly to the Commission the regulatory charges on the energy and distribution revenue arising from the power off-take from GPAL. The transmission and administrative charges as indicated in Table 2 below shall apply. The approved charges are effective from the February 2025 settlement cycle.

Table - 2: Administrative and Regulatory Charges for APLE for February 2025

	TSP	SO	MO	Ancillary	Regulatory	Total	GenCo Cost*
Supplier	₦/kWh	₦/kWh	₦/kWh	₦/kWh	₦/kWh	₦/kWh	₦/kWh
NDPHC	5.92	1.28	0.14	1.05	2.41	10.79	132.04
GPAL	-	-	-	-	2.31	2.31	133.00

*Note: GenCos cost is the approved energy cost for computing the excess or deviation from allowed transmission losses.

8. Approved End-User Tariffs Effective from 1st February 2025

Pursuant to Section 116 of the EA and extant regulations, the Commission has considered and approved for APLE, the tariffs in Table 3 below effective 1st February 2025. The approved tariffs shall remain in force subject to monthly adjustments of pass-through indices including inflation rates, NGN/US\$ exchange rates and gas-to-power prices.

Table - 3: Approved End-user Tariffs (₦/kWh) for APLE

Tariff Class	Jan 2025	Feb 2025
Life-line	4.00	4.00
A - Non-MD	219.70	219.44
A - MD1	236.41	236.13
A - MD2	241.44	241.16
B - Non-MD	210.46	210.22
B - MD1	229.56	229.29
B - MD2	234.07	233.80
C - Non-MD	180.77	180.56
C - MD1	203.89	203.65
C - MD2	205.69	205.45
D - Non-MD	145.87	145.70
D - MD1	160.96	160.77
D - MD2	160.96	160.77
E - Non-MD	145.87	145.70
E - MD1	160.96	160.77
E - MD2	160.96	160.77

9. **Service Delivery Commitments**

APLE shall be held accountable for service deliveries per commitments under its Service-Based Tariff, which seeks to align end-user tariffs in proportion to the service level enjoyed by customer clusters as measured in **average hours of supply per day over one month**. Details of the service level commitments made by APLE to customers in various tariff Bands for February 2025 are shown in Appendixes 2.

10. **Monitoring and Evaluation of Compliance to Service Commitment**

- a. The Commission shall leverage technology to directly obtain data on the hours of supply on each Band A feeder from the head-end system of APLE for near real-time monitoring of service.
- b. APLE shall maintain a rapid response team to ensure effective service delivery on the committed minimum hours of supply to each service Band commencing with Band A feeders. The team shall continue to ensure timely response to customers' complaints, fault clearing and alignment with TCN regional teams for effective load management and optimised dispatch to respective feeders.
- c. APLE shall publish dedicated email and contact numbers of the service rapid response team for each customer cluster/business unit on its website and circulate the same to the customers vide bulk SMS and social media handles.
- d. APLE is obligated to publish daily on its website as well as submit to the Commission a rolling 7-day average daily hours of supply on each Band A feeder no later than 09:00 am of the next day.
- e. Where APLE fails to deliver on the committed level of service on a Band A feeder for consecutive two days, APLE shall on the next day by 10.00 am publish on its website an explanation of the reasons for the failure and update the affected customers on the timeline for restoration of service to the committed service level.
- f. Where APLE fails to meet the committed service level to a Band A feeder for **seven (7) consecutive days**, the feeder shall be automatically downgraded to the recorded level of supply according to provisions of Section 6 of Order No. **NERC/334/2022** - "*Order on Migration of Customers and Compensation for Service Failure under Service-Based Tariff Framework*".
- g. The Commission, shall with effect from February 2025, shall direct APLE to make compensation and/or downgrade any of the Band A feeders listed in Appendix 2 where the service level performance for any given period of 1st - 25th of the Month is less than the required threshold. APLE shall compensate the customers where the supply is less than an average of 20 hours but greater than 18 hours while the feeder shall be downgraded and the customers would be compensated when supply is less than an average of 18 hours.



11. Procurement of Renewable Embedded Generation

APLE is obligated by this Order to procure a minimum of 6.75MW of renewable energy embedded generation capacity. The required capacity being 5% of APLE's minimum energy offtake for 2025 may be procured in bulk/distributed capacities across APLE's franchise area. The capacity to be procured should be ready for dispatch to APLE's network by the 1st of April 2026.

12. Market Payment Discipline

- a. APLE shall fully settle the market operator's invoices for the administrative and regulatory charges on the power received from the grid - NDPHC.
- b. APLE shall fully pay directly to the Commission the regulatory charge on the energy and distribution revenue arising from the power off-take from GPAL.
- c. APLE shall be liable to relevant penalties/sanctions for failure to meet the payment obligation in accordance with the terms of its respective contracts with the counterparties.
- d. APLE shall provide payment securitisation in line with the Market Rules and relevant contractual provisions including the posting of BGs.
- e. Failure to meet 100% settlement of market obligations shall constitute a breach of APLE's license and shall attract full enforcement measures in line with Section 75 of the EA.

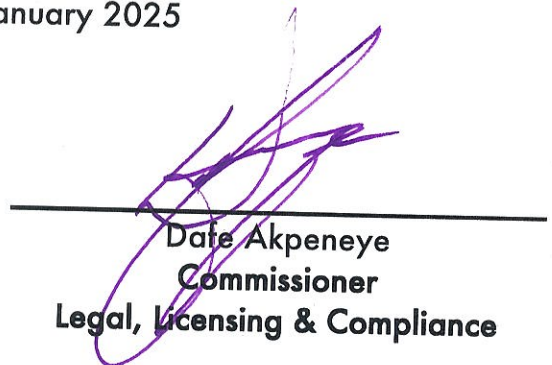
EFFECTIVE DATE

13. This Order shall be effective from 1st February 2025.

Dated this 30th day of January 2025



Sanusi Garba
Chairman



Date Akpeneye
Commissioner
Legal, Licensing & Compliance

Appendix – 2: APLE’s Service Level Commitments

SERVICE LEVEL PROPOSAL FOR PERIOD: JANUARY 2025 – DECEMBER 2025					
S/N	BAND	FEEDER NAME	DESCRIPTION OF FEEDER LOCATION	1ST - 25TH JANUARY AVE PERFORMANCE	MIN. SUPPLY DURATION (HRS)
1	A	GPAL 33KV	ABA TX	GEOMETRIC POWER COMPLEX (INCLUDING G-VILLAGE) OSISIOMA, GPAL/GIS	20
2	A	ABA OVERHEAD 33KV	ABA TX	RAILWAY, EZIUKWU ROAD ETC	20
3	A	ABA UMUAHIA 33KV	ABA TX	NEW UMUAHIA ROAD, EMELOGU, OMOBA ROAD, ZEROCK, UMUAFOR ETC	20
4	A	ABA EAST 11KV	POWERSTATION ISS	EAST ROAD, CITY CENTRE	20
5	A	IGI 33KV	ABA TX	OPOBO ROAD, NTIGHAUZOR, UMUEZIGBE ETC	20
6	A	ABA-OWERRI 33KV	UMUODE ISS	ABA-OWERRI ROAD, UMUADURU ETC	20
7	A	OWERRINTA 33KV	UMUODE ISS	ISIALA NGWA SOUTH, NAVAL BASE OWERRINTA, PART OF ISIALA NGWA NORTH ETC	20
8	A	ABA TOWNSHIP 11KV	POWERSTATION ISS	AZIKIWE ROAD, POUND ROAD HOWELS CRESCENT, ST. MICHAELS ROAD ETC	20
9	A	WORLD BANK 1 11KV	UMUODE ISS	WORLD BANK ESTATE	20
10	A	WORLD BANK 2 11KV	OSISIOMA ISS	WORLD BANK ESTATE	20
11	A	POLEMA 1 11KV	UMUODE ISS	UMUADURU INDUSTRIAL AREA ETC	20
12	A	POLEMA 2 11KV	OSISIOMA ISS	UMUADURU AND OSISIOMA INDUSTRIAL LAYOUTS ETC	20
13	B	EHI ROAD 6.6KV	ABA TX	EHI RD., PH ROAD	16
14	B	GUINNESS 33KV	UMUODE ISS	OSISIOMA, EKEAKPARA, OBUZOR, EBERI OMUMA, UMUOYORO, ETC	16
15	C	UMUCHICHI 33KV	OGBORHILL ISS	UMUCHICHI AREA, OKPU UMUOBO	12
16	C	ABA BARRACKS 11KV	POWERSTATION ISS	FACTORY ROAD, EZIUKWU ROAD, OKIGWE ROAD, GENERAL HOSPITAL AREA ETC	12
17	C	ABA GRA 11KV	POWERSTATION ISS	ABA-OWERRI ROAD, IMMACULATE, GRA ETC	12
18	C	NGWA ROAD 1 11KV	ECN 1 ISS	NGWA ROAD AND ENVIRONS	12
19	C	NGWA ROAD 2 11KV	PH-ROAD ISS	NGWA ROAD AND ENVIRONS	12
20	C	ABAYI 1 11KV	UMUODE ISS	UMUEZE, ABA-OWERRI ROAD, OKPULO UMUOBO ETC	12
21	C	ABAYI 2 11KV	OSISIOMA ISS	ABAYI, UMUEZE, ABA-OWERRI ROAD ETC	12
22	C	OBOHIA 1 11KV	PH-ROAD ISS	OBOHIA ROAD AND ENVIRONS	12
23	C	OBOHIA 2 11KV	PH-ROAD ISS	OBOHIA ROAD AND ENVIRONS	12
24	C	PORT HARCOURT ROAD 1 11KV	PH-ROAD ISS	PH-ROAD AND ENVIRONS	12
25	C	PORT HARCOURT ROAD 2 11KV	PH-ROAD ISS	PH-ROAD AND ENVIRONS	12
26	C	OMUMA 11KV	ECN 2 ISS	PH-ROAD AND ENVIRONS	12
27	C	7-UP 11KV	OGBORHILL ISS	OMUMA ROAD ETC	12
28	C	ABA WATER SIDE 11KV	OGBORHILL ISS	7UP AREA, NKWOR-NWELECHI, UMUKALIKA, OBIKABIA ETC	12
29	C	OPOBO ROAD 11KV	OPOBO ROAD ISS	OBIKABIA, UMUOLA ROAD OGBORHILL ETC	12
30	C	ABA INDUSTRIAL 11KV	POWERSTATION ISS	OPOBO ROAD, OVOM, UMUOGELE ETC	12
31	C	ARIARIA 11KV	UMUODE ISS	INDUSTRIAL ROAD , DOWN BELOW, ETC	12
				ARIARIA, URATTA, UMUOZUO ETC.	12



SERVICE LEVEL PROPOSAL FOR PERIOD: JANUARY 2025 – DECEMBER 2025

S/N	BAND	FEEDER NAME	DESCRIPTION OF FEEDER LOCATION	1ST - 25TH JANUARY AVE PERFORMANCE	MIN. SUPPLY DURATION (HRS)
32	C	ASA OKPUAJA 11KV	ECN 2 ISS	ASAOKPUAJA, FAULKS ROAD ETC	12
33	C	OSISIOMA 1 11KV	UMUODE ISS	ABAYI, OSISIOMA, EKEAKPARA ETC	12
34	C	OSISIOMA 2 11KV	OSISIOMA ISS	OSISIOMA, EKEAKPARA ETC	12
35	C	UKWA 33KV 05	ECN 2 ISS	UKWA EAST & WEST, UGWUNAGBO	12
36	C	URATTA 11KV	ECN 2 ISS	URATTA, ETC	12
37	C	UMUAFOR 33KV T-OFF (SAME AS ABA - UMUAHIA 33KV)	ABATX	OBINGWA LGA (ITUNGWA, ITUKPA, UMUOBIAKWA ET AL), ISIALA NGWA SOUTH LGA (NDIOLUMBE, NVOSI ET AL), ISIALA NGWA NORTH (UMUAKWU NSULU ET AL)	12
38	D	OMOBA 11KV	OMOBA ISS	OMOBA TOWN ISIALA NGWA SOUTH AND ENVIRONS	4

