



ORDER NO: NERC/2025/107

**BEFORE THE NIGERIAN ELECTRICITY REGULATORY COMMISSION ORDER
ON THE OPERATIONALISATION OF "TRANCHE B" OF THE PRESIDENTIAL
METERING INITIATIVE UNDER THE FRAMEWORK OF METER ACQUISITION
FUND**

Title

1. This regulatory instrument may be cited as the ***Order on the Operationalisation of "Tranche B" of the Meter Acquisition Fund.***

Commencement

2. This Order shall become effective on 6 October 2025 and may be amended or revoked by subsequent Orders issued by the Nigerian Electricity Regulatory Commission ("NERC" or the "Commission").

Background

3. The Commission introduced the Meter Asset Provider ("MAP") Regulations 2018 and subsequently, the Meter Asset Provider and National Mass Metering Regulations ("MAP&NMMR") in 2021 to address metering challenges in the Nigerian Electricity Supply Industry ("NESI").
4. These Regulations introduced multiple options for metering end-use customers. However, despite these significant interventions, the national metering gap persists and currently exceeds seven million.
5. A key constraint identified is the inability of Distribution Companies ("DisCos") to secure financing, whether through debt or additional equity, for the acquisition and deployment of end-use meters and other critical capital investments.
6. To mitigate this challenge, the Commission developed and approved the Meter Acquisition Fund ("MAF" or the "Fund"). The MAF was designed to offset the

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impact of DisCos' limited creditworthiness on metering deployment across NESI. The Fund establishes a credible revenue stream from market collections, which can serve as leverage for utilities to secure long-term financing.

7. The Fund is managed by a Fund Manager ("FM") under terms and conditions negotiated by the DisCos and approved by the Commission. Deployment of funds under the MAF scheme is intended to accelerate meter roll-out and close the existing metering gap, reduce commercial and collection losses for DisCos, enhance service quality, and improve customer satisfaction.
8. In parallel, the Federal Government of Nigeria approved the Presidential Metering Initiative ("PMI") with the overarching objective of closing the metering gap in NESI, leveraging smart metering technologies for data analytics. Under this framework, the MAF shall serve as one of the revenue streams for the repayment of the long-term financing required for metering.
9. While the NESI is expected to mobilise significant capital investment for metering through the revenue streams created under the MAF framework, there is an urgent and compelling need to accelerate the closure of the metering gap for all customers currently classified under Tariff Band A to safeguard revenue protection and enable effective demand-side management.
10. As of the April 2024 market settlement cycle, the sum of NGN 21,864,851,725 (Twenty-One Billion, Eight Hundred and Sixty-Four Million, Eight Hundred and Fifty-One Thousand, Seven Hundred and Twenty-Five Naira only) had accrued and was made available for the procurement of meters under the first tranche of the MAF scheme.
11. The Commission approved the use of the sum of NGN21,000,000,000 (Twenty-One Billion Naira) only from the accrued amount apportioned pro rata to the contributions of the DisCos, for the procurement and installation of meters under Tranche A of the MAF scheme, which concluded on 30 June 2025.
12. The Commission has further approved the deployment of the sum of NGN28,000,000,000 (Twenty-Eight Billion Naira) for Tranche B of the MAF Scheme. These funds shall be allocated in proportion to the respective contributions of the DisCos, and are intended to meter all outstanding unmetered Band A customers while also expediting the closure of the metering gap for customers currently classified under Tariff Band B. Schedule 1 provides the detailed breakdown of the funds available to each DisCo for the purchase of end-use customer meters.

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13. All the meters to be procured and installed under the MAF framework shall be provided at no cost to the customers.

Objective

14. This Order seeks to –
- a. Establish a clear and transparent framework for the implementation of Tranche B of the MAF scheme.
 - b. Define the eligibility requirements and obligations of DisCos and MAPs in accessing and utilising funds under Tranche B.
 - c. Prescribe the terms of financing, repayment, and utilisation of funds under the scheme.
 - d. Set out the monitoring, reporting and evaluation requirements to ensure accountability, efficiency and transparency in the deployment of MAF-funded meters.
 - e. Provide operational guidelines and conditions applicable to participating entities to safeguard the integrity of the MAF scheme.

Eligibility Requirements

15. Distribution Companies shall –
- a. Provide an Application Programming Interface ("API") for integrating to the IT platform provided by the FM allowing access to real-time data and a confirmation of the activation of all meters installed under the MAF scheme.
 - b. Ensure completion of accurate Know-Your-Customer ("KYC") documentation.
 - c. Confirm the readiness of the premises for metering of all customer locations where MAF meters are to be deployed
16. Meter Asset Providers shall –
- a. Provide evidence of a Memorandum of Understanding ("MoU") with a local meter manufacturer or assembler ("LMMA") for the fulfilment of a minimum 30% local content threshold. Upon securing orders for meters

from DisCos, eligible MAPs shall submit evidence in support of the fulfilment of the minimum threshold of 30% local content.

- b. Hold a valid MAP Permit issued by the Commission.
- c. Submit details of proposed meter installers with valid NERC certification as a Meter Service Provider ("MSP") for the installation of meters.

THE COMMISSION HEREBY ORDERS AS FOLLOWS –

- A. DisCos shall utilise **NGN28,000,000,000** (Twenty-Eight Billion Naira only) of the MAF scheme for Tranche B apportioned in accordance with their respective contributions as at the July 2025 market settlement and detailed in Schedule 1, for the procurement and installation of meters for unmetered Band 'A' and 'B' customers within their franchise areas.
- B. The Commission shall adopt the median DisCo MAP online bid prices for the August 2025 bid cycle as the final prices for all meter categories. The evaluation of all bids in respect of Tranche B shall be on the basis of meter stock availability and technical assessment.
- C. DisCos shall, within 10 (ten) days from the effective date of this Order, conduct a transparent procurement process for the selection and execution of a contract with MAPs *with verified and ready-for-deployment meter stock* for the metering of end-use customer meters under the MAF scheme.
- D. DisCos shall, no later than 15 (fifteen) days from the date of the Order, submit to the Commission a list of their selected MAPs, details of meter inventory, including meter types, brand names, serial numbers, and meter location, to obtain a "No-Objection" approval from the Commission.
- E. Selected MAPs shall, within 7 (seven) days of the Commission's No-Objection approval of the procurement process, deliver 100% of the contracted meter volume to the DisCo's warehouse which shall be verified by the Commission. Where the selected MAP fails to deliver the contracted meter quantities within the 7- day timeframe, supply of the outstanding meter quantities shall be opened up to another MAP on a first-come, first-served basis. Each delivery shall be certified by a Store Receipt Voucher ("SRV") issued by the DisCo.
- F. Upon delivery of the contracted meter stock, DisCos shall on behalf of the MAPs, submit a request to the Fund Manager for the payment of 60% of the contract sum, accompanied by the SRV.

- G. Each MAP shall submit a Performance Bond in respect of the meter installation, issued in favour of the Fund Manager by a licensed commercial bank in Nigeria. The Performance Bond shall be equivalent to 5% of the total contract value and shall remain valid for a minimum period of 90 (ninety) days from the date of issuance.
- H. The balance of 40% of the contract sum shall be payable upon the verified installation of the entire contracted quantity by the Fund Manager.
- I. DisCos shall ensure that all the necessary resources and network clearance required by the MAPs to install meters based on installation plans are provided and/or completed.
- J. Where a DisCo elects to move an existing customer's connection point to a pole or high wall to ensure revenue protection, such DisCo shall bear the cost for the relocation.
- K. MAPs shall ensure that they obtain the necessary permits and clearances required to fully deploy meters under Tranche B within the installation time frame specified by the Commission, including NEMSA certification seals.
- L. Where the non-installation of meters is directly attributable to DisCo's failure to provide the required network clearance or failure to furnish accurate KYC information to the MAP within the stipulated installation period, such DisCo shall be liable to a penalty which shall be equivalent to the total cost of the uninstalled meters. Penalty shall be deducted from the DisCo's approved Administrative Operating Expenditure ("Admin OpEx").
- M. All contracts for the supply and installation of meters shall be filed with the Commission.
- N. All parties under the MAF scheme shall exhibit the highest degree of public trust and ethical standards and shall not engage in any conduct that may constitute unfair practice or conflict of interest.
- O. DisCos and MAPs shall ensure full compliance with the FM's Operational Process Manual for Tranche B.
- P. The installation of meters shall be completed by 31 December 2025.
- Q. Parties shall file the following reports with the Commission -

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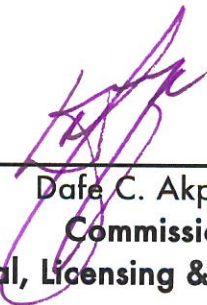
Reporting Party	Type of Report	Frequency	Receiving Party
FM	a. Fund Performance Report	Quarterly	NERC
	b. Risk Management Report	One-Off	
DisCo	a. Meter Deployment Plan	One-Off	NERC/FM
	b. Meter Deployment Report	Monthly	
MAPs	Meter Installation Report	Weekly	DisCo/FM/NERC

- R. DisCos shall file audited reports under the Uniform System of Accounting, clearly reporting the performance of the MAF metering programme.
- S. This Order is issued without prejudice to relevant provisions of the MAP&NMMR and other Regulations of the Commission not specifically mentioned herein.

Dated this 30th day of September 2025



 Musiliu O. Oseni
 Vice - Chairman



 Dafe C. Akpeneye
 Commissioner
 Legal, Licensing & Compliance

SCHEDULE 1

MAF IMPLEMENTATION – Tranche B Disbursement Allocation		
	DisCo	Tranche B Allocation (NGN)
1	Abuja Electricity Distribution Company (AEDC)	3,307,798,662.29
2	Benin Electricity Distribution Company (BEDC)	2,297,458,693.26
3	Eko Electricity Distribution Company (EKEDC)	4,355,609,563.18
4	Enugu Electricity Distribution Company (EEDC)	1,982,548,135.42
5	Ibadan Electricity Distribution Company (IBEDC)	4,255,821,514.88
6	Ikeja Electricity Distribution Company (IE)	5,467,439,124.32
7	Jos Electricity Distribution Company (JEDC)	793,901,597.28
8	Kaduna Electricity Distribution Company (KAEDC)	1,459,717,477.95
9	Kano Electricity Distribution Company (KEDCO)	1,582,162,406.07
10	Port Harcourt Electricity Distribution Company (PHEDC)	2,266,288,800.96
11	Yola Electricity Distribution Company (YEDC)	231,254,024.39
	Total	28,000,000,000.00

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