



ORDER/NERC/2025/125

**BEFORE THE NIGERIAN ELECTRICITY REGULATORY COMMISSION
IN THE MATTER OF NOVEMBER 2025 SUPPLEMENTARY ORDER TO THE MULTI-
YEAR TARIFF ORDER 2024 FOR EKO ELECTRICITY DISTRIBUTION PLC**

TITLE

1. This regulatory instrument shall be cited as **November 2025 Supplementary Order to the Multi-Year Tariff Order – 2024** (“November 2025 Supplementary Order”) for Eko Electricity Distribution Plc (“EKEDP” or “the HoldCo”).

COMMENCEMENT AND TERMINATION

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

CONTEXT

3. Historically, the energy traded between HoldCos and NBET is subject to end-users’ tariff subsidy of the FGN, solely determined by NERC as the difference between the HoldCos’ revenue requirements and their allowed recovery from the customers based on subsisting FGN policy directive.
4. Accordingly, and notwithstanding the transfer of regulatory oversight to some states, NERC has the sole responsibility for the determination of the remittance obligations for EKEDP regarding the energy delivered under its vesting arrangement with NBET due to the following facts that –
 - a. The energy being consumed by the state, that has transitioned or yet to be transitioned (“YTTS”) under the EKEDP franchise, are procured through the EKEDP and is still subject to FGN’s subsidy; and
 - b. NERC has the sole responsibility for determining the subsidy obligation to be borne by FGN in line with the FGN’s extant policy directives

OBJECTIVE

5. The November 2025 Supplementary Order seeks to reflect the recent 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 revision of the EKEDP’s revenue requirements, allowed recovery and remittance obligations.

DETERMINATION OF EKEDP'S REVENUE REQUIREMENT, ALLOWED RECOVERY, AND REMITTANCE OBLIGATION

6. Pursuant to the Tariff Review Application by EKEDP on 6 July 2023, NERC approved MYTO-2024 effective from 1st January 2024. The Order, among others:
 - a. Restated EKEDP's Performance Improvement Plan ("PIP") and approved a revised 5-year CAPEX provision to finance planned CAPEX projects. The Order further applied regulatory adjustments to the verified historical investments of EKEDP.
 - b. Approved a reset of the baseline ATC&C loss level to a new target considered to be fair and reasonable given current operating conditions and comparable benchmarks within and outside the Nigerian Electricity Supply Industry ("NESI").
 - c. Revised relevant assumptions for the forecast of revenue requirements, allowed recovery and remittance obligations for the period 2024 – 2027.
7. Pursuant to Section 23 of the MYTO-2024, the Commission has been issuing the monthly Supplementary Orders to MYTO-2024 to reflect changes in the pass-through indices (not within the control of licensees), including inflation rates, ₦/US\$ exchange rate, available generation capacity and gas price for the revision of EKEDP's revenue requirements, allowed recovery and remittance obligations.

BASIS FOR THE REVIEW

8. Minor Review Indices

The underlisted indices with potential impact on electricity rates were considered to revise EKEDP's revenue requirements and associated remittance obligations:

- a. **Exchange Rate:** The Naira to US Dollar exchange rate of ₦1,479.70/US\$1 has been adopted for November 2025; this has been determined by adding a 1% transaction cost to the average foreign exchange rate of ₦1,465.05 during the period of 1st – 24th October 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 18.02% for September 2025, 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 Labour Statistics (<http://www.bls.gov>), the US inflation rate of 3.00% for September 2025 is applied to revise the US Inflation rate projection for 2025.

- d. **Customers Load Allocation:** Considering the periodic reports from EKEDP and pursuant to Section 10(c) of the April 2024 Supplementary Order to MYTO 2024 mandating EKEDP to continuously ensure upward migration of customers from lower Bands to Band A service level, a target of 45% load allocation to Band A and 93% to Bands A–C by EKEDP are adopted, effective November 2025.
- e. **Available Generation Capacity:** Considering the periodic reports from the System Operator and the need for an adequate energy offtake by EKEDP to cater for the revision of the customers load allocation targets above and ensure quality service, a projection of an average offtake of 539MWh/h by EKEDP is adopted, effective November 2025.
- f. **Wholesale Gas to Power Prices:** 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\$2.13/MMBTU based on the revised benchmark price by NMDPRA in April 2025 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\$1.13/MMBTU based on the revised benchmark price by NMDPRA in July 2025.
- g. **Transmission Infrastructure Fund:** Pursuant to the NERC Order on PIP for the Transmission Company of Nigeria Plc (“TCN”) and the Nigerian Independent System Operator (“NISO”) 2025, a provision of ₦2.17/kWh of the projected on-grid energy delivered to EKEDP was considered as the contribution towards the build-up of the TIF.

9. Summary of Underlying Assumptions and Results

Table 1 below presents the summary of the review indices adopted in this Order.

Table – 1: Key Revenue Requirement Review Indices/Assumptions for EKEDP

Parameter	Unit	Sep 2025	Oct 2025	Nov 2025
Loss Target	%	16.88%	16.88%	16.88%
Nigerian Inflation	%	21.9%	20.1%	18.0%
US Inflation	%	2.7%	2.9%	3.0%
Exchange Rate	₦/\$	1550.1	1517.8	1479.7
Gas Supply and Transportation Cost	\$/MMBTU	3.33	3.33	3.33
Transmission Loss Factor	%	7.00%	7.00%	7.00%
Energy Delivered to DisCo	GWh/Year	4,494	4,494	4,719
Energy Delivered to DisCo	MWh/h	513	513	539
Generation Cost	₦/kWh	111.9	109.6	107.1
Transmission & Admin Cost and TIF	₦/kWh	10.7	10.6	12.6
Cost-Reflective Tariff	₦/kWh	192.7	189.6	187.2
Allowed Tariff	₦/kWh	118.3	118.3	125.8
Monthly Tariff Shortfall (Subsidy)	₦' Million	23,152	22,189	20,075

10. EKEDP's Remittance Obligation

Pursuant to the Federal Government's commitment to fund the revenue gap arising from the difference between cost-reflective tariffs approved by the Commission and the allowed recovery during the transition to cost-reflective tariffs, EKEDP shall settle its market invoices under the DisCo Remittance Obligation thresholds as provided in Table 2.

Table 2: Monthly EKEDP's Remittance Obligation

Head	Sub Head	Sep 2025 Revision	Oct 2025 Revision	Nov 2025 Revision
		₦'Million	₦'Million	₦'Million
Revenue Required	NEMSF	69	69	69
	Meter Acquisition Fund	369	369	387
	Unadjusted GenCo Invoice	39,834	39,568	40,696
	ZHEPP Invoice	2,055	1,471	1,424
	TCN & Admin Services and TIF	4,003	3,988	4,961
	DisCo	13,657	13,557	13,663
	Total	59,986	59,023	61,200
	Allowed Recovery	36,834	36,834	41,125
	2024 Under/Over Recovery B/F	-808	-808	-808
	Tariff Shortfall (Subsidy)	22,344	21,381	19,266
	NBET Adjusted Invoice to EKEDP	17,490	18,187	21,430
DisCo Remittance Obligation	NEMSF	69	69	69
	Meter Acquisition Fund	369	369	387
	NBET Remittance Obligation	17,490	18,187	21,430
	ZHEPP Remittance Obligation	2,055	1,471	1,424
	MO Remittance Obligation	4,003	3,988	4,961
	DisCo	12,848	12,749	12,854
	Total Distribution	36,834	36,834	41,125
	DisCo Remittance to NBET	100%	100%	100%
	DisCo Remittance to ZHEPP	100%	100%	100%
	DisCo Remittance to MO	100%	100%	100%

11. The waterfall of market revenues during the transitional period shall be in line with the following:
- NBET shall issue energy invoices to EKEDP net of the applicable tariff shortfall approved by the Commission, while MO shall issue the full transmission and Admin invoices, and contribution to TIF to EKEDP at the applicable tariff.
 - EKEDP shall make full settlement (100%) of the market invoices issued by MO (including Zungeru Power Plant) and NBET as provided in Table 2 above.
 - FGN intervention from budgetary appropriation and other sources for funding tariff shortfall shall be applied by NBET to ensure 100% settlement of market invoices as issued by generating companies ("GenCos").

- d. EKEDP shall be liable to relevant penalties/sanctions for failure to meet the payment obligation in any payment cycle under the terms of its respective contracts with bilateral counterparties, including NBET and MO.
- e. EKEDP shall maintain adequate payment securitisation for energy offtake in line with the earlier directive of the Commission and relevant bilateral contracts.
- f. EKEDP shall settle its market invoices under the DisCo Remittance Obligation thresholds as provided in Table 2. All settlements are subject to regulatory net-offs as may be issued from time to time by the Commission.

12. Procurement of Embedded Generation

EKEDP is obligated by this Order to procure a minimum of 61MW capacity of embedded generation, being 10% of its 2024 load allocation, to improve the reliability of supply, sustain delivery of a minimum service level under the SBT and prevent volumetric risks of on-grid supply. A minimum of 30MW (i.e., 50%) of the embedded generation capacity must be sourced from renewable energy sources. The required capacity may be procured in bulk or distributed capacities across EKEDP's Franchise area.

Approved End-User Tariffs for the Yet to be Transitioned States ("YTTS") under EKEDP, Effective from 1st November 2025

13. The EA requires the Commission to continue to provide regulatory oversight over YTTS and/or states without a regulatory institution as provided in section 63(7) of the EA which states that *"notwithstanding the provision of subsection (1), it shall be the responsibility of the State Electricity Board or any State authority by whatever appellation, to grant licence for mini-grids, IEDN/IEDNOs and IETN, IETNOs and provide the framework for the operation of such licensees, including framework for investment in electricity utilities within the State: Provided that the Commission shall retain regulatory powers over mini-grids, IEDN/IEDNOs and IETN/IETNOs in any State of the Federation where such a State –*
 - i. *Has no legal and institutional framework in place for the regulation of mini-grids, IEDNs, IETNs or related electricity services; or*
 - ii. *The operation of such IEDN/IEDNOs, IETN/IETNOs or electricity generation, transmission and distribution undertaking within any State of the Federation relies on any part of the national grid for its operations.*
14. Accordingly, the Commission is mandated to issue the end-user tariff for customers in the YTSS under EKEDP franchise areas – the Federal Capital Territory and Nasarawa State.
15. Pursuant to Section 116 of the EA and extant regulations, the Commission has considered and approved for the YTTS under EKEDP the tariffs in Table 2 below, effective 1st November 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.

16. In line with the policy direction of the FGN on electricity subsidy, the allowed tariffs for Band (A) and Bands (B–E) customer categories in the YTTS under EKEDP shall remain frozen at the rates payable since July 2024 and December 2022, respectively, subject to further policy direction by the Government.

Table – 3: Approved Allowed Tariffs (₦/kWh) for the YTTS under EKEDP

Tariff Class	Apr 2024	May – Jun 2024	Jul 2024 – Nov 2025
Life-line	4.00	4.00	4.00
A – Non-MD	225.00	206.80	209.50
A – MD1	225.00	206.80	209.50
A – MD2	225.00	206.80	209.50
B – Non-MD	61.00	61.00	61.00
B – MD1	64.07	64.07	64.07
B – MD2	64.07	64.07	64.07
C – Non-MD	48.53	48.53	48.53
C – MD1	52.05	52.05	52.05
C – MD2	52.05	52.05	52.05
D – Non-MD	32.48	32.48	32.48
D – MD1	43.27	43.27	43.27
D – MD2	43.27	43.27	43.27
E – Non-MD	32.44	32.44	32.44
E – MD1	43.27	43.27	43.27
E – MD2	43.27	43.27	43.27

17. Service Delivery Commitments

EKEDP shall be held accountable for service deliveries in the YTTS under EKEDP, as per commitments made under its Service-Based Tariff proposals. These SBT proposals aim to align end-user tariffs in proportion to the service level enjoyed by customer clusters, as measured by the average hours of supply per day over one month. Details of the service level commitments made by EKEDP to customers in various tariff Bands for November 2025 are shown in Appendices.

18. Monitoring and Evaluation of Compliance with Service Level Commitment

- a. The Commission shall continue to leverage technology to directly obtain data on the hours of supply on each Band A feeder from the head-end system of EKEDP for near real time monitoring of service.
- b. EKEDP 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. EKEDP shall maintain the dedicated email and contact numbers of the service rapid response team for each customer cluster/business unit on its website and continue to circulate the same to the customers vide bulk SMS and social media handles.
- c. EKEDP is obligated to publish daily on its website a rolling 7-day average daily hours of supply on each Band A feeder no later than 10:00 am of the next day.
- d. Where EKEDP fails to deliver on the committed level of service on a Band A feeder for consecutive two days, EKEDP 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.
- e. Where EKEDP 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 pursuant to the 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".
- f. EKEDP is mandated to continuously ensure upward migration of customers from the lower service Bands to Band A service level in line with the target on improvement in quality of service as provided in the Order on Key Performance Indicators for EKEDP issued from time to time by the Commission.

19. Effective Date

This Supplementary Order shall be effective from 1st November 2025.

Dated this 31st day of October 2025



Musiliu O. Oseni
Vice-Chairman



Yusuf Ali
Commissioner
Research & Data Analytics

Appendix – 1: EKEDP's Customer Classifications

Service Bands	New Tariff Class	Description
Lifeline	R1	Life-Line customers with energy consumption of not more than 50kWh/month
A (Minimum of 20hrs/day)	A – Non-MD	Customers with single or three-phase connections located within Band-A Service Level Feeders
	A – MD 1	Customers with LV Maximum Demand connection located within Band-A Service Level Feeders
	A – MD 2	Customers with MV/HV Maximum Demand (11/33kV) connection located within Band – A Service Level Feeders
	A – Special	Customers under special supply agreement
B (Minimum of 16hrs/day)	B – Non-MD	Customers with single or three-phase connections located within Band-B Service Level Feeders
	B – MD 1	Customers with LV Maximum Demand connection located within Band-B Service Level Feeders
	B – MD 2	Customers with MV/HV Maximum Demand (11/33kV) connection located within Band – B Service Level Feeders
C (Minimum of 12hrs/day)	C – Non-MD	Customers with single or three-phase connections located within Band-C Service Level Feeders
	C – MD 1	Customers with LV Maximum Demand connection located within Band-C Service Level Feeders
	C – MD 2	Customers with MV/HV Maximum Demand (11/33kV) connection located within Band – C Service Level Feeders
D (Minimum of 8hrs/day)	D – Non-MD	Customers with single or three-phase connections located within Band-D Service Level Feeders
	D – MD 1	Customers with LV Maximum Demand connection located within Band-D Service Level Feeders
	D – MD 2	Customers with MV/HV Maximum Demand (11/33kV) connection located within Band – D Service Level Feeders
E (Minimum of 4hrs/day)	E – Non-MD	Customers with single or three-phase connections located within Band-E Service Level Feeders
	E – MD 1	Customers with LV Maximum Demand connection located within Band-E Service Level Feeders
	E – MD 2	Customers with MV/HV Maximum Demand (11/33kV) connection located within Band-E Service Level Feeders

Appendix 2: EKEDP's Service Level Commitments for November 2025

S/N	BAND	FEEDER NAME	DESCRIPTION OF FEEDER LOCATION	NAME OF MAJOR STREETS SERVED BY THE FEEDER	MIN. SUPPLY DURATION (HRS)
1	A	AGBARA LOCAL T5	AGBARA	AGBARA-ATAN ROADAGBARA-ATAN ROAD AGBARA-ATAN ROAD	20
2	A	AGBARA LOCAL T6	AGBARA	AGBARA-ATAN ROADAGBARA - ATAN ROADAGBARA-ATAN ROAD	20
3	A	AGBARA TS_AGBARA LOCAL T6_AGBARA LOCAL_AJEAST			20
4	A	GUINEA (BETA) GLASS	AGBARA	AGBARA ROADATAN ROAD ATAN ROAD	20
5	A	RYDER GLASS	AGBARA	NON-EXISTENTNON-EXISTENTNON-EXISTENT	20
6	B	AGBARA TS_AGBARA LOCAL T4_AGBARA LOCAL_EVANS	AGBARA TS_AGBARA LOCAL T6_AGBARA LOCAL_LEVER BROTHERS	AGBARA ROADAGBARA ROAD AGBARA ROAD	16
7	B	AGBARA TS_AGBARA LOCAL T5_AGBARA LOCAL_OPIC	AGBARA	AGBARA / ESTATE ROADOPIC ESTATEPETEDO	16
8	D	AGBARA TS_AGBARA LOCAL T5_AGBARA LOCAL_IJURI	AGBARA	AGBARA ROAD/ OPIC ESTATE ROADIDANYIN ROADMEDINA ROAD	8
9	D	AGBARA TS_AGBARA LOCAL T6_AGBARA LOCAL_LEVER BROTHERS	AGBARA	AGBARA ROADAGBARA ROAD AGBARA ROAD	8