

Lead debate on the general principles of the Bill for an Act to prohibit and prevent electricity theft, vandalism of public power infrastructure and protection of power company personnel, and other related matters

Sponsor: Sen. (Dr.) Yahaya A. Abdullahi

Thank you Mr. President, Distinguished colleagues, it is a privilege for me to lead this debate on the Bill for an Act to provide for the Prohibition and Prevention of Electricity Theft, the Vandalisation of Public Power Infrastructure and Protection of Power Company Personnel.

Between June and December, 2016, members of this Senate's Committee on Privatisation, undertook oversight visits to power installations and facilities, currently run by the Generating Companies, GENCOs, the Transmission Company of Nigeria, TCN and the Distribution Companies, DISCOs, across the country.

In the course our interaction, their personnel pointedly named electricity theft and power infrastructure vandalism as their greatest headache, and appealed for legislative intervention to address the problem.

And what then became very obvious was the huge challenges faced by some of these actors within the power sector value chain, particularly the widespread, recurring incidence of electricity theft, vandalism of infrastructure and the activities of hostile host communities towards power company field staff.

Instances of the looting of power stations; destruction of feeder pillars, transformers and such unfortunate acts, were glaring. Indeed, many of the power sector stakeholders raised some specific, but troubling issues, namely;

1. The challenges of right of way, to build or site power facilities in some host communities.
2. Vandalisation and looting of power installations and other assets.
3. Electricity theft.

4. Threats to, and attacks on power company staff.

In Abuja, for example, the Abuja electricity Distribution Company, AEDC, said a power feeder, located at 2, Bangui street, Wuse 11, was vandalized and parts, stolen; as well as the destruction of two transformers, along Monrovia street, Wuse 11, (see ThisDay of April 19, 2016).

In Enugu, the power distribution there, reported 50 cases of infrastructure vandalism, in 2015, while in the Port Harcourt area, the loss of 10 distribution transformers was reported in Yenagoa, as well as the attack of 34 staff, excluding kidnapping and abduction, in 2016. These are a few examples of the unfortunate problems in the power sector.

This situation has been going on for too long now. We may also recall that in April 1996, for example, the vandalism of 132kv transmission lines in Lambatta village, Niger State, led to the collapse of the whole power tower, plunging the entire area into a 5-day complete power blackout.

The Key issues to address

Energy security, which the International Energy Agency, defines as the uninterrupted availability of energy source at affordable price, has remained a big source of headache and national embarrassment to this country. In 2013, the World Bank estimated that only 48% of Nigerians had access to public power supplies.

And in terms of cumulative losses to the economy, according to recent Power Sector Recovery Programme document, even at the conservative rate of N305, to the dollar, irregular power supply has cost Nigeria estimated \$25 billion. And citing the report of a research organization, the Stakeholder Democracy Network, the Guardian newspaper of London, said oil pipelines, including electric power installation vandalism costs the country about \$10 billion, every year.

The provisions of the Electric Power Sector Reform Act No 6 of 2005, have not been specific and decisive in addressing this widespread menace in the power sector. Section 32 (1), subsection (e) of the Act, generally provides for the

Nigerian Electricity Regulatory Commission, NERC, "to ensure the safety, security, reliability and quality of service in the production and delivery of electricity to consumers."

Mr. President, Distinguished colleagues, this provision here is rather too broad to specifically and sufficiently deal with the problem of this kind, thus making this Bill a necessary legislation that will go a long way to protecting private sector investments, not only in the power sector, but equally in the larger economy.

National economic implications

There is no doubt about Federal Government's desire to tackle the lingering issues in the power sector, in its overall efforts to consolidating current economic recovery. But this cannot be achieved, if the assets and personnel of private investors are not safe; and the implications of this are far reaching.

Thomas B. Smith of the Zayed University, Dubai, in his interesting piece titled, "Electricity Theft: a comparative analysis," noted that "electricity theft is closely related to governance indicators, with higher level theft in countries without effective accountability . . ." I believe as a national parliament, this Senate must do whatever is necessary to help clean up this country, including our business environment.

The DISCOs as collecting entities, in the face of all this, have become handicapped and ineffective in generating sufficient revenues to be able to pay GENCOs, gas suppliers or the TCN.

Mr. President, Distinguished colleagues, in this regard, the calls for legislative intervention, during our oversight exercise were unmistakable and strident, and it is my belief that this distinguished chamber will act accordingly.

The necessity for this Bill

This Bill basically aims to curb and discourage incidence of deliberate damage to public power infrastructure and to protect those working in the power sector, from threats and attacks by hostile host communities and customers who feel aggrieved enough to take the laws into their hands.

Taking the necessary and perhaps, stern measures to combat this menace, logically falls within the larger context of the Federal Government's current fight

against corruption. This is because power, as a critical success factor in the nation's drive to attain broad sectoral development, calls for decisive and timely legislative intervention.

Already Lagos State, as was recently reported in May 2017, has plans to criminalise the stealing of public electricity and the vandalism of power infrastructure. And on October 16, 2017, a workshop on how the judiciary can respond to instances of electricity theft and power infrastructure vandalism was held for judicial officers, in Abuja. Mr. President, Distinguished colleagues, that event very clearly underlined the necessity for this Senate to pass this Bill, in order to address this menace once and for all.

Arrangement and the highlights of the Bill

The Bill is arranged into four, (4) Parts namely:

Parts I and II contain both the objectives and the application.

Part III spells out the processes by which the minister responsible for power will set up the **Power Theft Prevention and Infrastructure Protection Team**; its membership and responsibilities.

Part IV states the offences, as well as the penalties.

Mr. President, Distinguished colleagues, the key reason for this Bill is that of ensuring strong sanctions as deterrence for people who would willfully take the law into their hands by destroying critical assets, while the existing laws are incapable of decisively addressing such condemnable acts.

The country cannot yearn for investment when the business environment, particularly the infrastructure, is being deliberately sabotaged by some unscrupulous individuals. I believe that this Bill is needed to curb such acts.

Mr. President, Distinguished colleagues, I am, in conclusion requesting for your support for this Bill, and to ensure its timely passage.