REPORT OF THE

COMMITTEE ON POWER

ON THE

INVESTIGATIVE HEARING

ON THE

"NEED TO HALT THE PROPOSED INCREASE IN ELECTRICITY TARIFF BY ELEVEN (11) SUCCESSOR ELECTRICITY DISTRIBUTION COMPANIES (DISCOS)"

AND

" THE PLANNED HIKE IN ELECTRICITY TARIFF BY THE DISTRIBUTION COMPANIES OF NIGERIA (DISCOS), AMIDST THE ECONOMIC SITUATION IN NIGERIA"

MAY, 2024

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LIST OF ABBREVIATIONS

EA	- Electricity Act
NERC	- Nigerian Electricity Regulatory Commission
TCN	- Transmission Company of Nigeria
REA	- Rural Electrification Agency
MYTO	- Multi Year Tariff Order
ANED	- Association of Electricity Distribution Companies
GENCOs	- Generation Companies
DISCOs	- Distribution Companies
PSRP	- Power Sector Reform Programme
PMI	- Presidential Metering Initiative
PPMs	- Pre Paid Meters
PMC	- Presidential Metering Council
NBET	- Nigerian Bulk Electricity Trading Company
SBT	- Service Based Tariff
KwH	- Kilowat Hour
OPEX	- Operating Expenses
CAPEX	- Capital Expenses
MAP	- Meter Asset Provider
NMMP	- National Mass Metering Programme
CAPMI	- Credit Assisted Programme for Mass Metering Initiative
SPV	- Special Purpose Vehicle
NESI	- Nigerian Electricity Supply Industry
MRO	- Minimum Remittance Obligations
DRO	- DISCO Remittance Order
ECP	- Electricity Consumer Protection

1.0 BACKGROUND

The Senate at its plenary sittings of Tuesday the 25th July, 2023 and Wednesday, the 21st of February, 2024 respectively, considered two motions on the *"Need to Halt the Proposed Increase in Tariffs by 11 Successor DISCOs"*; and *"The Planned Hike in Electricity Tariffs by the Distribution Companies of Nigeria (DISCOs), Amidst the Economic Situation in Nigeria"*. After exhaustive deliberation on the motions, the Senate resolved amongst others to mandate the Senate Committee on Power to:

(1) *engage the Federal Minister of Power, the Nigerian Electricity Regulatory Commission (NERC) and other stakeholders to find a lasting solution to the challenges facing the Electricity Sector, including the need for comprehensive sector reforms;*

(2) *investigate the over Two Trillion Naira subsidy requirement as stated by the Minister of Power to avoid the repeat of the fuel subsidy scenario, and the statement made by the Hon. Minister with regard to the 1.3 trillion Naira the Ministry is owing generating companies, and 1.3 billion dollars owed to gas companies;*

(3) *investigate the role of the Ministry of Power, NERC and Ziklagsis Networks Limited on their roles in the failed agreement to provide prepaid meters and ensure Nigerians are not shortchanged;*

(4) *engage the Nigerian Electricity Regulatory Commission (NERC) to come up with a lasting solution to the energy billing system in the country and other related issues;*

(5) *investigate the Federal Government's directive and release of funds for mass prepaid metering;*

(6) *ensure the judicious utilization of the 10.5 billion naira penalty imposed on DISCOs; and*

(7) *investigate the operations of DISCOs to ascertain the current status of metering and the extent of compliance with relevant legal and regulatory frameworks in service delivery.*

The above resolutions of the Senate were referred to the Senate Committee on Power vide referral letters Nos. *NASS/10S/R/01/44* dated *26th July, 2023,* and *NASS/10S/R/01/60* dated *22nd February, 2024* respectively, to conduct an investigative hearing and to report back with its recommendations.

2.0 MEMBERSHIP OF THE COMMITTEE

The Committee Members are:

1.	Sen. Enyinnaya Abaribe	Chairman
2.	Sen. Oyelola Yisa Ashiru	Vice Chairman
3.	Sen. Bamidele Michael Opeyemi	Member
4.	Sen. Danjuma Goje	Member
5.	Sen. Yahaya Abdullahi	Member
6.	Sen. Adamu Aliero	Member
7.	Sen. Francis Fadahunsi	Member
8.	Sen. Mpigi Barinada	Member
9.	Sen. Patrick Ubah	Member
10.	Sen. Buhari Abdulfatai	Member
11.	Sen. Umar Sadiq Suleiman	Member
12.	Sen. Agom Jarigbe	Member
13.	Sen. Isah Jibrin	Member
14.	Sen. Izunaso Osita Bonaventure	Member
15.	Sen. Mohammed Tahir Monguno	Member
16.	Sen. Sunday Marshall Katung	Member
17.	Sen. Ikra Aliyu Bilbis	Member
18.	Sen. Titus Tartenger Zam	Member
19.	Sen. Benson Friday Konbowei	Member

20.	Sen. Ipinsagba Emmanuel Olajide	Member
21.	Sen. Akintunde Yunus Abiodun	Member
22.	Sen. Udende Memga	Member
23.	Sen. Jiya Peter Ndalikali	Member
24.	Sen. Agadaga Benson Sunday	Member
25.	Sen. Imaseun Neda Bernards	Member
26.	Sen. Haruna Manu	Member
27.	Sen. Mustapha Khabeeb	Member
28.	Sen. Fadeyi Oluwole Olubiyi	Member
29.	Sen. Augustine Akobundu	Member
30.	Sen. Simon Lalong	Member
31.	Sen. Anthony Ani	Member
32.	Sen. Tony Nwoye	Member
33.	Sen. Ireti Kingibe	Member

2.1 SECRETARIAT OF THE COMMITTEE

Mr. Gideon Zemo — Committee Clerk

3.0 METHODOLOGY

Upon receipt of the above mentioned referral, the Committee convened a meeting to deliberate on the suitable legislative framework to accomplish the mandate. After deliberations, it was resolved that:

1. The Committee should be guided in its assignment by the provisions of the Constitution, the Electricity Act, 2023 (as amended), the Legislative Houses (Powers and Privileges) Act; the Senate Standing Orders, 2024 (As Amended); extant case law and the resolution of the Senate as conveyed to the Committee vide referral letters Nos. *NASS/10S/R/01/44* dated *26th July, 2023*, and *NASS/10S/R/01/60* dated *22nd February, 2024* respectively;

2. The Committee should invite the Honourable Minister of Power, the Nigerian Electricity Regulatory Commissions and other stakeholders concerned with the subject matter of the investigation to appear before the Committee and make submissions that will assist the Committee in carrying out its assignment;
3. There should be wide publicity in electronic and print media regarding the investigative hearing to enable concerned members of the general public attend and share their views on the subject matter of the investigation; and
4. The Committee should propose any other initiative that would enable it discharge its assignment in accordance with its mandate under the resolution and in compliance with relevant substantive and subsidiary legislations.

4.0 STAKEHOLDERS

In furtherance of the Committee's resolution in paragraph 3.0 above, the following stakeholders were invited for the hearing:

i. Minister of Power;
ii. Nigerian Electricity Regulatory Commission (NERC);
iii. Transmission Company of Nigeria (TCN);
iv. Niger Delta Power Holding Company (NDPHC);
v. Central Bank of Nigeria;
vi. Bureau of Public Enterprise (BPE);
vii. Nigeria Bulk Electricity Trading Company (NBET);
viii. Generation Companies (GENCOs);
ix. Distribution Companies of Nigeria (DISCOs);
x. Dr. Sam Amadi (Former Chairman NERC);
xi. Manufacturers Association of Nigeria;
xii. Electricity Consumer Protection Advocacy Centre (ECPAC);
xiii. Nigeria Hotel Association (NHA);
xiv. Transmission Company of Nigeria (TCN);
xv. Ziklagsis Networks Limited;

xvi. Nigeria Governors Forum (NGF);
xvii. Association of Electricity Distributors (ANED);
xviii. Association of Power Generation Companies (APGC);
xix. Nigeria Labour Congress;
xx. Chartered Institute of Power Engineers (CIPEN).

Invited stakeholders were requested to submit 25 hard copies and soft copies of their memoranda (including an executive summary) to the Committee Secretariat ahead of the **Monday 29th day of April, 2024** which was the scheduled date for the investigative hearing.

5.0 PROCEEDINGS OF THE HEARING

5.1 Opening Session

5.1.1 Chairman's Welcome Address

In his welcome address, the Chairman of the Senate Committee on Power, Senator Enyinnaya Abaribe welcomed all stakeholders to the investigative hearing and urged them to be concise in their presentation. The Chairman reminded all invitees present that the hearing was sequel to two motions considered by the Senate at its plenary sittings of Tuesday the 25th July, 2023 and Wednesday, the 21st of February, 2024 respectively, after which the Senate mandated the Committee to:

(1) To engage the Federal Minister of power, the Nigerian Electricity Regulatory Commission (NERC) and other stakeholders to find a lasting solution to the challenges facing the electricity sector, including the need for comprehensive sector reforms;

(2) To investigate the over Two Trillion Naira subsidy requirement as stated by the Minister of Power, so as to

avoid a repeat of the fuel subsidy scenario, and the statement made by the Hon. Minister with regard to the 1.3 trillion Naira the Ministry is owing generating companies; and to investigate the role of the Ministry of Power, NERC and the company, known as Ziklagsis on their failed agreement to provide meters and ensure that Nigerians are not short changed.

The Chairman further stressed that of utmost importance to the Committee in the investigative hearing is to ensure that the provisions of the Electricity Act, 2023 (as amended) are implemented to the letter, particularly the provisions pertaining to tariffs and subsidies. Noting further that the Committee would like to establish that the procedures for tariff increase are strictly followed upon proper consultation and after due dissemination of information to end users as these twin issues have become the bone of contention at the moment.

In the light of the mandate of the Committee, the Chairman clarified that the investigative hearing is intended to answer the following questions:

(a) At what time did NERC migrate from the previous customer classes of Residential R1, R2 and R3; Commercial C1 and C2 and Demand, D1 and D2; to the present unexplainable bands A, B, C and so forth for electricity customers?

(b) What constitutes consultation in the context of rate setting in the electricity market?

(c) What can be considered according to the Electricity Act, 2023 as a rate that will be just, reasonable, fair, equitable and non-discriminatory.

He assured invitees that the Committee and indeed the 10th Senate is committed to carrying out this investigative hearing to alleviate the sufferings of Nigerians and would not hesitate to recommend measures and sanctions against persons or agencies of Government found culpable.

5.1.2 Opening Remarks by the President of the Senate

In his opening remarks, the President of the Senate who was represented by the Deputy Senate Leader, Senator Oyelola Ashiru welcomed all stakeholders and commended the Chairman and members of the Senate Committee on Power for the platform made available to invitees to make their contributions on the issues that prompted the investigative hearing. He observed that the investigative hearing is coming on the heels of the recent takeover by the Asset Management Corporation Nigeria (AMCON) of five out of Eleven DISCOs that emerged after the privatization of power assets in 2013. He decried the abysmal performance of successor DISCOs considering the several financial interventions by successive administrations to make them effective. He urged all stakeholders to seize the opportunity afforded by the investigative hearing to provide candid answers to all Committee enquiries so that informed recommendations will be made for the final decision of the Senate.

5.1.3 Vote of Thanks

To mark the end of the Opening Session, the Committee's vote of thanks was presented by a member of the Committee in person of Senator Yahaya Abdullahi. He thanked the Senate President, Senator Godswill Akpabio for honouring the invitation by proxy.

He also commended the Minister of Power, the Chairman NERC, representative of the Governor the Central Bank, representative of the Association of Electricity Distribution Companies in Nigeria (ANED), the Director-General, Manufacturer's Association of Nigeria(MAN), Heads of Government Agencies present and other invited stakeholders for honoring the Committees invitation to be part of the investigative hearing.

6.0 SUBMISSIONS BY STAKEHOLDERS DURING THE INVESTIGATIVE SESSION

6.1 Presentation by the Honourable Minister of Power

The Minister in his presentation focused on the three areas of the investigative hearing where he stated that while he was present to provide a general overview on what actually transpired recently in the sector with regards to the upward review of tariffs for certain band of customers, the relevant agencies would provide more detail insights on the issues under investigation.

Regarding the issue of tariff hikes, the Honourable Minister explained that on assumption of office, he did an appraisal of the power sector and discovered that there was a huge liquidity challenge confronting the entire power value chain and this was due to the fact that NESI was operating a subsidized tariff regime whereby electricity consumers were not paying the full commercial price of electricity. According to the Minister, while the use of subsidy in energy consumption was also common in several big economies including the United States of America, China, and the UK, in the case of Nigeria it became obvious to Government that payment of electricity subsidy was no longer sustainable considering that Government subsidy for the 2024 year alone was put at the sum ₦2.8trillion naira and will remain so without an upward review of the current tariff regime. He explained further that in the year 2023, the total tariff subsidy stood at the sum of ₦720 billion but only the sum of ₦400billion was paid bringing forward over ₦300billion to 2024.

He explained further that Government's inability to pay the subsidy component of the electricity tariffs has left the operators in the power value chain in huge liquidity crisis.

According to the Honourable Minister, as at the last estimate, 1.3 Trillion Naira is being owed the GENCOs while the legacy debts of the gas supply companies now stood at $1.3 billion. He clarified that Government would need to set aside 10% of its annual budget to be able to continue with the subsidy regime in the power sector which is not realistic considering other competing demands for Government's limited resources.

It was in this context that the introduction tariff increase to Band A customers was arrived at in order to reduce Government subsidy burden. The upward tariff review was carefully done taking into consideration the level of supply available to certain categories of customers who enjoy a minimum electricity supply of 20 hours per day to pay 225 Naira /Kwh while those who enjoy below 20 hours a day will be downgraded to Band B with lower rates.

To ensure that the new tariff regime works, the Honourable Minister stated that NERC put in place an effectively monitoring system to ensure that consumers are satisfied and feel motivated to comply with the new tariff order. It was observed in the first week of implementation that some DISCOs applied the new rates to customers on other bands and such DISCOs were immediately sanction by NERC with a penalty of ₦200 million Naira.

This new tariff regime the Hon Minister explained, would afford the DISCOs the opportunity to migrate all customers to feeders with the infrastructure that can sustain 20hrs of electricity supply while at the same time invest in the upgrade of infrastructure on the other feeders that are below Band A. The second justification is that with improved cash flow to operators arising from the tariff increase, banks and other lenders will find it easier to advance credit facilities to operators to invest in improvement of extant infrastructure. Another justification advanced by the Honourable Minister in support of the tariff hike is that inflation, exchange and interest rates have gone up and so is the cost of doing business.

Thus, considering the fact that the last tariff review was done in 2022 leaving the rate at 66Naira /Kwh and the EA, 2023 allows for minor review every six months and a major review every two years, if the tariffs were not reviewed upwards, the Federal Government will have to subsidize up to 70% of the cost of electricity supply in Nigeria.

He stated that in the month of March, 2024 for instance, only 9% of the invoices were paid by DISCOs meaning that the FG subsidized about 91% of the invoices.

On the issue of cost of Government investment in mass metering through the CBN, the Honourable Minister stated that apart from annual appropriation made by the National Assembly for the benefit of the Ministry of Power and its agencies including the Transmission Company of Nigeria (TCN), the Rural Electrification Agency (REA), any other government expenditure is in form of loans that can be recovered by the lenders including the CBN.

On the status of metering initiatives of the Federal Government, the Honourable Minister stated that there was a metering initiative years back with credit facility made available by the CBN. The initiative was to run through phases beginning with Phase Zero which targeted the acquisition and installation of one million meters but only nine hundred and fifty thousand meters were actually procured and installed under the Zero Phase. The initiative was supposed to progress to Phase One which targeted about four million meters but because of the distress noticed in the Zero Phase, the CBN opted out.

Another intervention was through the Power Sector Reform Programme (PSRP) under the distribution sector expansion programme of the World Bank which was aimed at acquiring one million, two hundred and fifty thousand meters. A bid was advertised but was stalled by the Association of Meter Manufacturers/Assemblers' (AMMA) litigation challenging the process but following the Minister's recent intervention the case was withdrawn by AMMA. The bid has now been announced and once the funds for the project are appropriated by the National Assembly, the scheme will proceed to logical conclusion.

The Minister stated that currently there is a Presidential Metering Initiative (PMI) introduced under President Bola Ahmed Tinubu to be implemented under the Presidential Metering Council (PMC) chaired by the Honourable Minister of Power. The PMI has the mandate to harmonize previous accelerated metering initiatives and ensure the acquisition and installation of about thirty million meters within four to five years at a target of 2 million to 2.5 million meters annually using both importation and local manufacturing. He explained further that with the recent tariff increase, whatever loan expended on the metering programme will be a recoverable expenditure. He concluded by saying that all decisions and policies including the tariff increase were taken after looking at several options and opting for the one that is most realistic and would occasion less hardship and suffering to Nigerians.

6.2 Nigerian Electricity Regulatory Commission (NERC)

In his presentation, the Chairman of NERC adopted the written memorandum earlier submitted by the Commission in response to the invitation to the investigative hearing. He by stating that after the conclusion of privatization in 2013, the power plants were sold to private sector while the TCN which is still Government owned transmits the power generated by these power plants, the 11 successor DISCOs distribute the power for use in our homes and businesses. This power is paid for by the DISCOs through NBET while NBET in turns pays the GENCOs.

In justifying the recent tariff increase, the Chairman of NERC explained that since May, 2023, due to unfavourable FOREX rate coupled with other factors, the cost of producing a kilowatt of electricity went up since gas needed by thermal plants is largely priced in United States dollars. Although the cost of production increased since May last year, tariffs were not reviewed upwards leading to a sharp rise in NBET invoice without a corresponding cash flow from the DISCOs to clear the invoice. The GENCOs and DISCOs have been in serious financial difficulty with debt owed GENCOs by NBET reaching ₦1.3 trillion as at December, 2023 with an additional debt of 240 billion per month recorded for the year 2024. The implication is that if there is no decision to increase the tariffs, Government will have to pay for the tariff shortfall by way of subsidy. He stated further that there were several consultations on the policy side so that the tariff increase could target a certain category of electricity consumers that could probably reduce the monthly debt/subsidy burden from 240 billion per month to 100 billion per month. This category of customers in Band A constitutes less than 15% of the Customer population representing the most affluent clusters of the population who consume 40% of available electricity and accounts for 50% of industry revenues.

NERCs memorandum to the Committee showed that the FGN subsidy obligation was reduced from ₦528billion in 2019 to ₦144 billion in 2022 but rose again to hit ₦2.9 trillion in 2024 due to FX and inflation. The submission also contained details of processes and timelines leading to the tariff review in line with the provisions of Sections 34(d), and 116(1)(2) of the Electricity Act, 2023 as well as the relevant regulations/orders of the Commission. Based on the Memorandum submitted by NERC, the Multi Year Tariff Order, 2024 went through the under listed processes and timelines before final approval by NERC:

- DISCOs filed for tariff review case application to NERC by DISCOs - **3rd-7th July, 2023**
- NERC publication of DISCOs tariff review case application and intention to review in national dailies and its website – **14th July, 2024**
- NERC publication of the excerpts of DISCO tariff review case on its website for stakeholder inputs – **3rd -24th July, 2024 (21 days)**
- Commission held Public hearings for DISCOs to defend their rate case application before NESI stakeholders -**24th July – 27th July, 2024.**
- NERC carried a detailed review of the DISCO rate case application, factoring in feedback from the public hearings.
- NERC issued MYTO 2024 Order conveying the outcome of DISCO case review effective 1st January, 2024 but the end use tariffs were frozen.
- NERC began a monthly adjustment of tariffs to reflect changes in macroeconomic indices but end use tariffs were frozen.

- NERC approved a tariff of 225/kWh for band A customers effective 3rd April, 2024 while tariffs for other bands were frozen in line with FGN directive on subsidy administration.

The NERC further justified the recent tariff increase by stating that without the upward review of tariffs and non-cash backing of subsidy, complete shut-down of power plants was imminent as the GENCOs and DISCOs remain in dire liquidity challenge. However, the upward review of tariffs will allow for immediate savings of over 127 billion monthly, minimize subsidy requirements and improve settlement of GENCO invoices from market revenue by 50% instead of 9.3% recorded before the increase.

It was also pointed out that Nigeria has one of the lowest end-user tariffs on the continent of Africa even with the proposed increase in tariff for Band A customers.

He explained that the upward review of tariff under the MYTO 2024 is a service based tariff based (SBT) on three major reasons namely: firstly, the feedback NERC obtained after the public hearing on tariff review and after going round the six geopolitical zones indicated that Nigerians were not averse to rates increase provided there is efficient service delivery. Secondly, the decision was aimed at catalyzing investments because it will spur the DISCOs to identify certain clusters (as already done around Ikeja and Magodo), invest and provide quality service, then apply the right tariffs with the intention to apply that proof of concept to cover more areas. Thirdly, SBT was also aimed at triggering the commencement of migration from NBET with its attendant subsidy cost to bilateral contracts meaning that more and more customers and even DISCOs will be ready to directly buy power from the GENCOs paying the right rates instead of relying on power purchased by DISCOs through NBET.

On the question as to when NERC migrated from the previous customer classification system comprising of: Residential R1, R2 and R3; Commercial C1 and C2 and Demand, D1 and D2; to the present Bands A, B, C and so forth for electricity customers, that all decisions of NERC followed stakeholder consultation and the provisions of Section 116(3) of the EA, 2023 which provides that the methodology for setting rates could take into account the location of customers and the cost of providing service. So the current classification of customers is based on feeder location since feeders can be differentiated by location and some feeders have more infrastructures to deliver service for a longer duration of up 20 hours while other feeder locations are yet to have such level of infrastructure.

With regards to the question whether the reviewed rates are just, reasonable, fair, equitable and non-discriminatory, the Chairman of NERC stated that the rates are fair because they were based on the cost of producing one kilowatt of electricity taking into consideration all macroeconomic factors such as exchange rate, inflation etc, cost of customer and service friendly investment on infrastructure such as wires, transformers, depreciation and return on investments losses.

Prior to the upward review of the tariffs, NERC took steps to avoid the moral hazard of passing DISCO inefficiency to customers by setting a bar on losses allowed by DISCOs at 25% such that DISCOs are incentivized to operate at minimal losses to be able to keep what it has been able to achieve. And as to whether tariffs are reasonable, the law provides that tariffs should be fair to customers and also incentivize investments by the operators. He explained that NERC has since embarked on enforcement and compliance measures with the creation of a situation room to ensure that customers are not shortchanged by arbitrary or wrong customer classification and Rapid Response Teams (RRTs) by DISCOs to address customer complaints promptly. That NERCs website and social media handles are updated regularly to disseminate information on approved feeders for Band A and tariffs across the different bands while DISCOs are required to publish daily Band A feeders' performance.

On the metering gap, he stated that currently about 47% out of the 12, 121, 051 grid connected customers are metered leaving a metering gap of about 53% (6.3 million) of unmetered customers which is exclusive of meters that may need to be replaced and the upcoming customer enumeration that is ongoing. However, DISCOs are subject to a Capping Order to ensure that customers under estimated billings are not arbitrary billed by DISCOs pending when they are metered.

To address perennial metering gap, the FGN had in the past intervened through various metering schemes since 2015 to ensure accelerated deployment of end-user meters namely the

Credit Assisted Programme for Mass Metering Initiative (CAPMI); the Meter Asset Provider Programme (MAP); and the National Mass Metering Programme (NMMP) all of which achieved a metering deployment of 2.4 million meters with a huge metering gap of about 6.3 million customers requiring about N800bn to cover the gap. Currently, there is a Presidential Metering Initiative (PMI) being implemented through a Presidential Metering Council (PMC) under the Chairmanship of the Honourable Minister of Power.

On the mandate of the Committee to ensure judicious utilization of the 10.5 billion naira penalty imposed on DISCOs, he explained that the penalty imposed on DISCOs for non-compliance with the Capping Order is not cash payment but a direct reduction in their Approved Operating Expenses (OPEX) chargeable to customers via tariffs.

On the role of the Ministry of Power, NERC and Ziklagsis Networks Limited to provide prepaid meters, he stated that NERC was neither a party to the transaction involving Ziklagsis but that the contract was signed prior to the conclusion of the privatization. He explained that Ziklagsis only became a Meter Asset Provider permit holder on the 7th of June, 2020 to operate under Yola DISCO with another permit to operate under the Kaduna DISCO issued on the 14th of December, 2020 having fulfilled the requirements of MAP.

6.3 Dr. Sam Amadi – Former Chairman, NERC

He began his presentation by adopting his written memorandum and highlighting the key issues that pertains to the focus of the investigation. On the current liquidity crisis in the electricity market, he observed that the crisis has been there even during his tenure as Chairman of NERC but only increased because of certain fiscal policies mainly exchange rate and since the impact FOREX crisis on cost of production is a pass-through cost, tariffs will inevitably be affected.

He further observed that the problem with the recent tariff increase is that of consultation which is hardly robust as concerned stakeholders hardly respond to notices for consultation. But in the instant review, the targeted customers were well known to the DISCOs as such there should have been direct consultation with the Band A Customers to inform them on the need to pay more because they are receiving more power or they will receive more supply based on the evidence available to DISCOs and the regulator. Robust consultation would have also afforded the affected customers the opportunity to understand how NERC arrived at the cost of N225 /kWh as industry experts are unanimous that tariffs must be based on consultation and consensus whereby the service provider and customers come to some form of agreement. The advantage of consultation is that while customers may not all agree on the need for evidence, they will be afforded the opportunity to see evidence, commitment and promises why the tariff has to change.

Dr. Amadi stated that "consultation" has to be properly defined with a framework such as the extant tariff regulation which should invariably require robust consultation with the affected customers. The customers need to be sensitized on cost of service between different bands instead of heavy reliance on feeder location and duration of service. This is very important bearing in mind that those on Band B who were temporally placed on Band A albeit arbitrary enjoyed service without any changes in installations implying that feeder to feeder does not necessarily constitute cost element to create the billing divergences.

He stressed that since 2008, the tariff methodology which sets out signs and parameters of electricity pricing has not changed. Thus while the tariffs were arrived at following the methodology, the normal customer classification is usually done by the DISCOs. The key essential consideration is the revenue requirement which identifies the cost of generating and transmitting electricity which is then allocated to customer classes based on real differences in cost not imaginary. He insisted that since the tariffs review was not justified by evidence as per the real difference in cost and infrastructure between Band A and B, the Senate may need to request for such evidence.

Another issue is that customers on Band B may suffer starvation of power because it means if those on Band A are enjoying 20 hrs of electricity supply daily then it means those on band B will be denied access for those on Band A to enjoy more thereby leading to the issue of discrimination. He recommended that the tariffs be adjusted holistically based on proper cost base revenue requirement such that each customer class can pay what is fair, just, equitable and reasonable in the circumstance. If this is not done, majority of the people will pay more for power through self-provision.

He concluded that if there is need for subsidy, the Government should pay such subsidy in a transparent and clear way and if there is need for customers to pay more, consumers should pay tariffs that allows everybody access to the same energy supply based on affordability.

6.4 Presentation by the Central Bank of Nigeria (CBN)

In its oral submission, the CBN adopted its five page memorandum earlier submitted to the Committee Secretariat pertaining to CBN's intervention in the mass metering programme. The CBN stated that it needed to intervene in 2022 bearing in mind the fact that there was a metering gap of about 8,000,000 which was responsible for a lot of losses in the sector. From the outset, the sum of ₦50billion Naira was set aside to support the procurement of electricity meters to bridge the metering gap. The programme was to be in three phases namely Phase Zero which targeted 1,000,000 meters with funding from the CBN; Phase One which was a joint venture between the CBN and Deposit Money Banks (DMBs) targeted 1.5 million meters; and Phase Three which targeted 4 million meters was to be funded by the World Bank.

He explained that from inception in 2020 to date, the sum of ₦55,424,975,546.97 has been disbursed in favour of eleven (11) DISCOs for procurement and installation of 962,832 meters. The programme was being implemented through the CBN established

SPV – NESI Stabilization Strategy Limited as the Fund Administrator while Meristem Wealth Management Limited is the Fund Manager/Administrator.

All the 11 DISCOs benefitted from this intervention with each accessing about ₦5,475,975,000 (Five Billion, Four Hundred and Seventy Five Thousand, Nine Hundred and Seventy Five Thousand Naira) only. As at today, ₦6.3 billion has been repaid leaving an outstanding balance of ₦49,037,671,551.31. He observed that the programme faced a a lot of setbacks such as liquidity challenges, increasing rate of insecurity in areas with high rate of unmetered customers in the country; exchange rate volatility, high reliance on foreign exchange in the procurement and production processes. The CBN recommended improved collaboration between NESI stakeholders and security agencies to improve security in their businesses in high risk locations; improved regulatory coordination and elimination of information asymmetry; promotion of local content in the NESI to avoid over reliance on importation and FOREX; and improved Public Private Partnerships to close the metering gaps.

6.5 Association of Electricity Distribution Companies (ANED)

The Managing Director of Kaduna DISCO on behalf of the eleven DISCOs under the auspices of the Association of Electricity Distribution Companies (ANED) adopted ANEDs memorandum earlier submitted to the Committee Secretariat, stating further that from the extant tariff methodology adopted by NERC years ago, tariffs have been laid out in such a manner as to cater for efficient cost of generation, transmission, distribution and other ancillary services.

ANEDs position was that the recent upward review of tariffs was done in conformity with the law and extant orders of NERC and the increase was done to prevent the collapse of the sector. He stated that the performance of all the 11 DISCOs since the introduction of the new tariffs on the 3rd of April, 2024 has been at 85% and that the DISCOs have met 20 hours service on all the 400 Band A feeders that have been allocated to and those numbers are being monitored by both the DISCOs and the regulator.

He stated that with regards to the CBN intervention for mass metering, ANED is of the view that the loans given to DISCOs by the CBN under the NMMP are the most performing loans in the portfolio of the CBN since it has not recorded any single default. He decried the 9% interest charged on the loans.

On the issue of consultation, he also stated that consultations have been made with relevant stakeholders by both NERC and the DISCOs but that in most cases those concerned do not respond to adverts and publications of such consultations. He also cautioned, that while metering is important, it is not a guarantee for cost recovery since many Nigerians compromise their meter in such a way that even if they are metered it does not give full recovery.

6.6 Manufacturers Association of Nigeria (MAN)

In his presentation on behalf of MAN, the Director–General of MAN, stated that MAN has over 2,500 members operating in 10 sectors and 70 subsectors of the Nigerian economy across the country and that electric power is the lifeblood of the manufacturing sector because it constitutes about 28 to 40% of the cost of production. He further stated that all the factors mentioned by NERC Chairman as warranting the recent tariff increase is affecting the manufacturing sector. MAN spent about ₦281 billion on alternative sources of power in the year 2023.

MAN is concerned that the issues raised by the NERC Chairman and the Honourable Minister should have been subjected to robust consultation. He stated that their members that were on Bands A and B were rarely aware that they were categorized into such bands and they hardly enjoy 20 hours supply as claimed by NERC and the DISCOs. He observed with dismay that an upward review of tariff from 66/kWh to 225/kWh will definitely put MAN members out of business.

Furthermore, on the issue of consultations, MAN believes that there was non-compliance with the extant law and regulation for consumer consultations by DISCOs and the time given for comments was not adequate given the extraordinary review of almost 300 per cent. He further opined that no detailed explanation was provided as to how the price of 225/kWh was arrived at and what will happen if the indices that triggered the upward review change positively after some time. Similarly, the quality of service promised Band A customers appears unrealistic and unsustainable considering the present level of production and infrastructure. MAN in conclusion stated that while the cost of electricity like other things has to go up, there is a need for the reversal or suspension of the implementation to allow stakeholders have meaningful dialogue to agree on the most acceptable pricing.

6.8 Electricity Consumer Protection Advocacy Center (ECPAC)

In his presentation on behalf of the Electricity Consumer Protection Advocacy Center (ECPAC), Chief Princewell Okorie decried the fact that the relevant provisions of the Electricity Act, 2023 particularly Sections 34(1)(F), 34(2)(c), 116(2)(d)(e)(12) and Section 119 were not complied with by NERC and the DISCOs in carrying out the tariff review and such the increase should be suspended.

He also decried that fact that consumers have been made to fund acquisition electricity assets such as meters and transformers without any refund in terms of energy credits. This is happening even when Government continues to intervene in meter acquisition and yearly allowance is made in the tariff by NERC for OPEX and CAPEX thus calling to question the justification for such considerations. He also lamented the absence of units under the Ministry of Power to address consumer concerns. He called on the Committee and the National Assembly at large to introduce a consumer enlightenment programme that would verify some of the claims made by DISCOs within the various geopolitical zones. He enjoined the Committee to hold the DISCOs accountable on the utilization of their CAPEX and OPEX allocations under previous tariff orders.

6.6 Other Written submissions

Apart from the above reported oral submissions, there were written submissions by the Chartered Institute of Power Engineers of Nigeria (CIPEN), the Nigerian Hotels Association and the GENCOS.

According to the Memo submitted by GENCOs, they have been at the receiving end of the current liquidity challenge in the electricity market. They decried the current state of inefficiency in the market which they attributed to lack of sanctity of contracts, poor liquidity, revenue shortfalls and poor grid operations with revenue shortfalls occurring mainly due to low remittances and delayed market subsidies.

The GENCOs further stated that given the challenge of idle capacity and the concomitant capacity payments, the current NERC designs will always fall short of capturing the true cost of generating power in Nigeria. It further noted that the MYTO 2024 has taken into consideration the following key market review indices namely: inflation, exchange rate, transmission loss factor, generation cost, transmission and administration cost, wholesale gas to power prices, and benchmark gas transportation tariff, all of which have far reaching implications on arriving at a fair tariff.

However, the Minimum Remittance Obligations (MRO) or DISCO Remittance Order (DRO) contained in the Supplementary MYTO Order, 2024 is a far cry when juxtaposed with the monthly market invoice of ₦240 billion implying that the MYTO 2024 is approving a 91% monthly loss based on the approved MRO. GENCOs also queried the fact that the MYTO 2024 is silent on the unpaid balance of the invoice after the DISCOs have met their MRO. Furthermore, GENCOs stated that since 2013, the wholesale electricity market has not invoiced greater that 4000 MWh/h in a monthly invoice to DISCOs so if the entire 4,000 MWh/h of power is divided by the 1.8 Band A Customers, the system can support an average Band A customer load of 2.667kW for 20 hours with practically no energy left for Bands B-E customers.

On the whole, GENCOs recommended a multi-pronged approach comprising of targeted subsidies for low-income households from the full burden of increase; focus on efficiency which entails that DISCOs address inefficiencies in their operations such as energy theft, transmission losses etc as a precondition for increase; gradual and performance –based increases; investments in renewables which will reduce reliance on expensive fossil fuels; promotion of public-private partnerships and most fundamentally consultation and open dialogue which will afford consumers reasons behind the increase and how the additional revenues will be utilized.

CIPEN on their part alleged that the liquidity challenges in the electricity market can be traceable to the fact that the ATC & C losses in the MYTO adopted at the time of privatization were mere guesswork and later proved to be less than the actual loss levels after the investors took over the assets. This became the origin of a subsidized tariff regime which has become an incentive for licensed utilities not to invest in network or infrastructure expansion. CIPEN observed that DISCOs failed to show substantial evidence regarding their levels of investments in the last three years during the public hearing held in July 2023 to consider their request for extraordinary tariff review. This is so even with the CAPEX allowance in earlier tariffs orders between 2018 - 2021.

This prompted most participants at the public hearing to kick against any further CAPEX allocation to allow them plough back the unutilized CAPEX or in the alternative, any new CAPEX financed should be treated in arrears in the following tariff review.

CIPEN suggested that for the process towards the tariff review to have been transparent, adequate consultation and sensitization of customers by DISCOs and NERC should have taken place. Secondly, the affected customers on Band A feeders should have been provided with smart meters before implementing the Order.

Thirdly, the present tariff design which switched segmentation of customers from their nature of power usage to "feeder connection" needs to be reviewed since within a feeder, historically, customers who are supposed to be on lifeline grade or social service like public hospitals, public institutions of higher learning, schools, emergency services etc may now be wrongly classified as Band A customers. Fourthly, Government needs to clarify its position on subsidy to target lifeline customers who have now been migrated to Bands A–E and some may find themselves in band A. He stressed that subsidy should also apply to Gas-to-power and that Subsidy should also be based on real sales not quantum electricity invoiced as delivered to DISCO franchise areas.

CIPEN further recommends that the Federal Government should first address the problem of electricity scarcity rather than resort to price manipulation as a solution. Decentralization of power as envisaged under the Constitution and the Electricity Act, 2023 should be encouraged by the Federal Government. Grant incentives to investors to invest in power plants matched to viable off takers as well as investors investing in transmission capacity expansion. The regulator needs to hold the DISCOs accountable on Key Performance Indicators (KPIs) including failure to deliver on promised CAPEX, OPEX, misallocation, refusal to evacuate power, essential customer services. Customers should be placed on cost reflective tariffs without diverting scarce supply to preferred areas.

7.0 LEGISLATIVE REVIEW OF EVIDENCE

After the submissions by the above mentioned stakeholders, a number of issues emerged which were considered by the Committee in its legislative review of evidence. Accordingly, more facts and information were elicited by the Committee through responses of the stakeholders to questions, comments, and reactions of members of the Committee to their respective submissions.

First, the Committee sought to know why electricity consumers are made to pay for meters when NERC and DISCOs themselves are saying that the meters are to be provided by DISCOs and a clarification on the veracity of the allegation that loans made available to some entities for mass metering were diverted. The Committee decried the level of consultation that led to the outrageous increase of over 200% which is only supported by NERC and the DISCOs. The Committee warned that it would ensure that systemic corruption in the power sector is exposed and stopped.

The Committee also sought to know the actual beneficiaries of Government subsidy and parameters in place to deploy the subsidy and the need for the way forward instead of criticisms.

In response to the Committees enquiries on the issue of systemic corruption in the power sector, the Honourable Minister of Powers assured the Committee that the Ministry is committed to elimination of corruption in the sector citing how the Ministry is handling the case of company that took $200 million of public funds meant for acquisition of 3,000,000 in 2003 and instead converted the money into Naira at the rate of 160 /USD to make ₦32billion and was kept in a bank fixed deposit for 21 years. He stated that Mr. President has approved the termination of the contract and recovery of the sum which according to the Minister should now stand at about ₦225billion. He also reiterated that tariff increase remains a viable option to address the current liquidity challenges.

On the way forward, the Honourable Minister stated that there is the need to resolve the current liquidity challenges, so as to make the sector attractive to investors and lenders; improve on the existing structures, the need for Generating plants to operate at optimum capacity and the diversification of energy mix to give prominence to generation and consumption of electricity from renewable sources. He concluded that if the tariff review is suspended, insolvency in the sector is imminent and the entire power value chain will shut down.

Further enquiries on the cost of meters, reluctance of DISCOs to accept full metering customers, how much the DISCOs have invested in network expansion since acquisition; and who actually owns transformers and meters provided by customers on DISCO network.

With regards to the cost of meters, the representative of the CBN responded that as at the time of the NMMP, the cost of a one phase meter was put at ₦48,000 while three phase meter was put at ₦89,000. On the ownership of transformers and meters acquired by Customers, the NERC Chairman explained that there is regulation in place that allows customers to acquire power asset to improve their supply but they are expected to get refunds in form of energy credit regarding such investments.

8.0 OBSERVATIONS

The Committee flowing from the foregoing, the Committee observed as follows:

1. That by virtue of sections 62, 88, and 89 of the 1999 Constitution of the Federal Republic of Nigeria as well as section 4 and 7 of the Legislatives Houses (Powers and Privileges) Act, the National Assembly has the powers to conduct investigative hearings into the recent tariff hikes and other issues that formed the focus of the investigative hearing.
2. Since the conclusion of privatization of power assets in 2013, concerted efforts have been made by successive administrations towards mitigating the liquidity crisis through subsidy and metering gap in the Nigerian electricity market.

3. The Electricity Act, 2023 and extant subsidiary regulations contains adequate provisions on matters of tariff and subsidies in the Nigerian electricity market.
4. Metering, tariff shortfalls, poor revenue collections and systemic corruption have become the bane of the Nigerian electricity market.
5. Previous Tariff Orders issued by the Nigerian Electricity Regulatory Commission between 2018-2022 has consistently granted the DISCOs CAPEX and OPEX allocation but the DISCOs have not been able to provide evidence on utilization of such CAPEX and OPEX given to them in previous tariff orders.
6. Contrary to the provisions of Section 68(1)(b) which makes the provision, installation and maintenance of electricity meters the primary obligation of DISCOs, provision of prepaid meters has now become a responsibility of consumers or through intervention by the Federal Government.
7. Apart from the Honourable Minister of Power, NERC and the DISCOs that were in full support of the over 200% tariff increase, majority of stakeholders have either criticized or called for the suspension of the tariff increase that affected 15% of electricity consumers in Band A customer category for lack of proper consultation as envisaged by the Electricity Act, 2023 and the relevant regulations.
8. The powers of NERC to set and review tariffs under Sections 34(1)(d) and Section 116 of the Electricity Act, 2023 is to be exercised in accordance with its mandatory obligation to have a

robust consultation on matters of significant interest to the general public as required by Section 48 of the EA. 2023.

9.0 FINDINGS

Taking into consideration the above observations and having regard to oral and written submissions by stakeholders at the public investigative hearing on the recent tariff increase amidst the economic situation in Nigeria and for other related matters; The Committee makes the following findings:

(1) Since the conclusion of the privatization of power assets in 2013, the Nigerian electricity market is plagued by huge liquidity crisis that cuts across the entire power value chain and this is attributable to the subsidized tariff regime whereby the FGN bears responsibility for between 75% to 91% of the monthly NBET invoices as tariff subsidy.

(2) Official figures made available to the Committee in the course of its investigative hearing indicates that although FGN subsidy obligation reduced from ₦528 billion in 2019 to ₦144 in 2022, it rose again to hit ₦2.9 trillion Naira in 2024 due to FX and inflation while legacy debts of gas supply companies now stood at $1.3billion.

(3) The Honourable Minister of Power, the Nigerian Electricity Regulatory Commission and the DISCOs were unanimous in their presentation that the over 200% upward review in electricity tariffs which affected Band A category of customers was the best option to reduce subsidy burden from ₦240 billion per month to about ₦100 billion per

month. However, the preponderance of stakeholder opinions support the suspension of the tariff increase due to bad timing and poor consultation which is against the provisions of Sections 48 and 49 of the Electricity Act, 2023.

(4) The upward review of tariff under the MYTO 2024 is a Service Based Tariff (SBT) rather than a Cost Reflective Tariff and it was justified by NERC on the basis of the feedback NERC received after the public hearing on tariff review which is expected to catalyze investments by DISCOs and strengthen the current migration away from NBET to bilateral contracts which will allow DISCOs to pay the right rates to GENCOs.

(5) MYTO 2024 was arrived at taking into consideration the following key market review indices namely: inflation, exchange rate, transmission loss factor, generation cost, transmission and administration cost, wholesale gas to power prices, and benchmark gas transportation tariff. However, NERC failed to provide what should happen to the rates in case of positive changes in the indices above.

(6) MYTO 2024 which approved the upward review of tariffs from 68/kWh to 255/kWh also abolished customer classification typical of tariff design comprising of: Residential R1, R2 and R3; Commercial C1 and C2 and Demand, D1 and D2; to the present Bands A, B, C-E thereby unilaterally switching customers from the nature of power usage to "feeder of connection".

(7) The Minimum Remittance Obligations (MRO) or DISCO Remittance Order (DRO) contained in the Supplementary MYTO Order, 2024 is a far cry when juxtaposed with the monthly market invoice of N240 billion implying that the MYTO 2024 approved a 91% monthly loss based on the approved MRO.

(8) GENCOs queried the fact that the MYTO 2024 is silent on the unpaid balance of the invoice after the DISCOs have met their MRO.

(9) GENCOs stated that since 2013, the wholesale electricity market has not invoiced greater than 4000 MWh/h in a monthly invoice to DISCOs so if the entire 4,000 MWh/h of power is divided by the 1.8 million Band A Customers, the system can support an average Band A customer load of 2.667kW for 20 hours with practically no energy left for Bands B-E customers so in essence the MYTO 2024 will only entrench power starvation for customer in classes B-E.

(10) MYTO 2024 approved a CAPEX and OPEX allowance to DISCOs without any evidence of proper utilization of the CAPEX and OPEX allocation to DISCOs under previous tariff orders.

(11) On the metering, the Committee finds that 47% out of the 12, 121, 051 grid connected customers are currently metered leaving a metering gap of about 53% (6.3 million) of unmetered customers which is exclusive of meters that may need to be replaced and the upcoming customer

enumeration that is ongoing. However, DISCOs are subject to a Capping Order to ensure that customers under estimated billings are not subjected to arbitrary bills by DISCOs pending when they are metered.

(12) To address perennial metering gap, the FGN had in past intervened through various metering schemes since 2015 to ensure accelerated deployment of end-user meters namely the Credit Assisted Programme for Mass Metering Initiative (CAPMI); the Meter Asset Provider Programme (MAP); and the National Mass Metering Programme (NMMP) all of which achieved a metering deployment of 2.4 million meters with a huge metering gap of about 6.3 million customers requiring about ₦800bn to cover the gap. Currently, there is a Presidential Metering Initiative (PMI) being implemented through a Presidential Metering Council (PMC) under the Chairmanship of the Honourable Minister of Power.

(13) On the mandate of the Committee to ensure judicious utilization of the 10.5 billion naira penalty imposed on DISCOs, the Committee finds that the penalty imposed on DISCOs for non-compliance with the Capping Order is not cash payment but a direct reduction in their approved operating expenses (OPEX) chargeable to customers via tariffs.

(14) On the status of the FGN intervention to close the metering gap, the Committee finds that from inception in 2020 to date, the sum of ₦55,424,975,546.97 has been disbursed by the CBN in favour of eleven (11) DISCOs for procurement

and installation of 962,832 meters. The programme is implemented through the CBN established SPV – NESI Stabilization Strategy Limited as the Fund Administrator while Meristem Wealth Management Limited is the Fund Manager/Administrator. All the 11 DISCOs benefitted from this intervention with each accessing about ₦5,475,975,000 (Five Billion, Four Hundred and Seventy Five Thousand, Nine Hundred and Seventy Five Thousand Naira) only. As at today, ₦6.3 billion have been repaid leaving an outstanding balance of ₦49,037,671,551.31.

(15) There is a subsisting Agreement between the Federal Ministry of Power (FMoP) and Ziklagsis Networks Ltd (ZNL) comprising of the Original Tripartite Agreement between the FGN (NEPA) and Unistar High-Tech Systems Limited (UHTSL) and ZNL dated 5th December, 2003; Addendum No.1 of June 6th, 2005; and Addendum No. 2 (Judgment Comprise Agreement dated 28th August, 2017) for the manufacture, supply, installation, management and maintenance of 3,000,000 prepaid meters (PPMs) in Nigeria. By virtue of the Agreement (Addendum No. 2), ZNL is to be funded for the project by way of a loan through a $200 million DMO Eurobond raised and converted at the prevailing market rate which together accrued bank interest amounted to ₦39,171,985,233.95.

(16) The absence of consumer affairs department/unit in the Ministry of Power to drive the demand side issues in the sector.

10.0 RECOMMENDATIONS

The Committee after exhaustive deliberations of the observations and findings recommends as follows:

(1) That NERC suspends the ongoing implementation of MYTO, 2024 which approved over 200% upward review of the previous tariffs from ₦68/kWh to ₦225/kWh to allow for robust consultation with customers on the various bands on the cost of service instead of heavy reliance on feeder location and duration of service which are difficult to determine and monitor.

(2) That NERC should ensure full compliance with the mandatory requirement of stakeholder consultation under Section 48 of the Electricity Act, 2023 regarding future regulatory decisions to avoid a repeat of the confusion and public outcry that trailed the recent tariff increase.

(3) That the Ministry of Power and NERC should in the meantime adopt measures to address the problem of power scarcity holistically rather than its preoccupation with price manipulation which has proven to be counterproductive.

(4) That NERC should hold the DISCOs accountable on Key performance Indicators (KPIs) including failure to deliver on CAPEX and OPEX allocations, customer metering obligation under the Electricity Act, 2023, essential customer service obligations including customer sensitization, implementation of energy credits for customers who invested in transformers meters and other assets on the DISCO networks.

(5) That rate designs should only be cost–reflective if proper account is taken of the relevant macroeconomic environment that determine the affordability of electricity to the different segments of the market.

(6) That the Federal Government metering intervention should be encouraged and intensified to address current metering gap of 6.3 million and this must be pursued by the FGN without prejudice to the statutory obligation of DISCOs to meter their customers as provided under Section 68(1)(b) of the Electricity Act, 2023. In this regard, Mr. President should be commended for the introduction of the Presidential Metering Initiative.

(7) The Federal Ministry of Power should be advised to intensify efforts towards honouring the subsisting contract with Ziklagsis Networks Ltd (ZNL) for the manufacture, supply, installation, management and maintenance of Pre-Paid Meters (PPMs) in Nigeria including the recent Tripartite Metering Project Consortium Agreement between ZNL and De-Haryor Global Services Limited and the Nigerian Army dated 7th September, 2023 which was signed by ZNL for the metering of Army Barracks and other Military Facilities or in the alternative refund the initial funding to the Federal Government.

(8) That vigorous implementation of power decentralization provided for under the Constitution of the Federal Republic of Nigeria, 1999 (As Amended) and the Electricity Act, 2023

to relieve the Federal Government of the pressure to electrify every nook and cranny of this country should be encouraged.

(9) The Ministry of Power should establish Electricity Consumer Protection (ECP) Unit to develop, implement and enforce Electricity Consumer Protection component of the Electricity Act, 2023. 34(2)(c) and 119 (1)(f)

11.0 CONCLUSION

Finally, the Committee wishes to use this opportunity to express its gratitude to the President of the Senate and other Distinguished colleagues for finding us worthy of service in this capacity.

We so move.

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Sen. Enyinnaya Abaribe
Chairman

....
Gideon A. Zemo
Committee Clerk

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