

**COMMUNIQUE ISSUED AT THE END OF THE THIRD NATIONAL
COUNCIL ON POWER (NACOP), HELD AT THE CREST HOTEL
AND GARDENS, OLD AIRPORT ROAD, JOS, PLATEAU STATE
FROM 18TH – 22ND SEPTEMBER, 2017**

The 3rd edition of the National Council on Power (NACOP) was held in Jos, Plateau State, from 18th to 22nd September, 2017 with the theme: **Completing Power Sector Reforms.** The Council was presided over by the Honourable Minister of Power, Works and Housing Babatunde Raji Fashola, (SAN) and supported by the Honourable Minister of State for Power, Works and Housing, Surv. Suleiman Zarma Hassan. Council members from 27 States of the federation were in attendance.

2. Council commended the Monitoring and Implementation Task Team on the decisions taken at the 2nd Edition of NACOP held in Kaduna in 2016 for effectively carrying out its mandate. Council noted that, of the 50 decisions taken at the 2nd NACOP, the implementation report indicated that:-

- a) 22 Nos. were fully implemented;
- b) 12 Nos. are in progress;
- c) 13 are routine ongoing duties; and
- d) 3 are yet to be implemented.

3. A total number of 405 delegates from the public and private sectors participated at the technical session leading to the Council meeting.

4. A total number of thirty-six (36) memoranda on topical power issues were received from stakeholders, while seven (7) presentations on power related issues were made at the plenary sessions. Council reviewed the specific recommendations from the various Technical Sessions.

5. Memoranda and papers presented were exhaustively discussed at the following four (4) Working Technical Committees:-

- i. Tariff and other market liquidity issues;
- ii. Energy Mix, Nigeria's Sustainable Energy for All (SE4ALL) and Mitigating Electrical Accident;
- iii. Legislative Agenda; and
- iv. Customer Service and Capacity Building.

6. Council considered issues, observations, and recommendations made by the Working/Technical Committees as contained in the reports laid before it, and took key decisions as well as gave directives for implementation with time lines as outlined below:-

- i. Nigerian Electricity Regulatory Commission (NERC) to commence within 30 working days an aggressive multi-platform public awareness program that reaches as many customers as possible,

- and explain all policies and regulations and obligations related to metering;
- ii. NERC to reinstate regulations permitting willing customers to purchase meters from approved meter vendors as approved by the Distribution Companies DisCos & Nigeria Electricity Management Services Agency (NEMSA) with a framework to reimburse such customers in cash, or energy;
 - iii. NERC to issue a regulation that enables 3rd party meter providers to install and manage customers' meters, provided that such 3rd parties are certified by NEMSA & approved by the DisCos based on available Metering Standards;
 - iv. NERC to provide a framework for compensating the investment made by meter service providers in cash or shares in the DisCos;
 - v. Council approved that meters should as much as possible be manufactured and assembled in Nigeria and where the need arise to import materials for their manufacturing, they should be exempted from custom duty;
 - vi. NERC to issue a regulatory order that requires all DisCos to complete credible customer enumeration that identifies the metering gap and makes the result available according to a timeline prescribed by NERC;
 - vii. NERC to enforce on DisCos the policy directive that any unmetered customer is obligated to pay only its last undisputed bill, if the Customer remains unmetered, the last undisputed bill

should be discounted by 15% in each subsequent year that the customer remains unmetered provided that the failure to meter the Customer is the fault of the DisCo.

- viii. NERC to enforce the regulation that prevents DisCos from connecting new unmetered Consumers to their networks.
- ix. NERC to review the Multi-Year Tariff Order (MYTO) methodology used to determine and adjust electricity tariff, especially the tariff components regarding return on capital investment and Capital recovery used for its computation.
- x. That in areas where distribution infrastructure is non-existent, NERC should franchise the opportunity to provide services to interested investors (including States & Local Governments) through regulations such as the Mini-grid regulations.
- xi. In areas where Customers are dissatisfied with the services they are currently enjoy, NERC regulations should give Customers the option of:-
 - a. contracting better services from service providers & generation companies through policies like the eligible customers regulation & mini-grids using varieties of generation technologies including LNG & CNG.
 - b. obtaining better services by compelling DisCos to appoint retail Agents.

- c. obtaining better services by compelling the DisCos to relinquish its franchise to capable investors/service providers
- xii. NERC to rigorously enforce sanctions on payment of disputed electricity bills;
- xiii. That State Governments, and State legislatures empower their local Courts & security Agencies to exercise jurisdiction to enforce stiff penalties for electricity theft and related matters.
- xiv. That all stakeholders expedite action towards resolving existing debts in the Nigeria Electricity Supply Industry (NESI).
- xv. TCN to take steps to install & commission functional SCADA/EMS system with automatic generation control & necessary data & voice communication between the Systems Operator & operators;
- xvi. That Federal Government should implement the Power Sector Recovery Programme;
- xvii. NERC and NEMSA to strengthen public enlightenment on, enforcement of (including modification, where necessary) and sanctions for breach of existing regulatory orders, especially those relating to:
 - a) Energy efficiency & conservation;
 - b) Metering;
 - c) Local content;
 - d) Utilization of qualified local manpower;

- e) Refund of investments in the DisCos' networks by the Customers, State & Local Governments.
- xviii. The Ministry to develop a policy to promote local manufacturing and utilization of energy efficiency appliances;
- xix. The National Assembly extend the legislation under consideration on protection of whistleblowers, to cover energy theft & vandalism in the NESI;
- xx. NERC to refine & enforce the reporting obligations of all licensees in the NESI and publish online relevant operational data collected arising from such reporting.
- xxi. State Governments to lead the advocacy and sensitization for protection of power installations in their locality.
- xxii. NERC to subject the proposed Bill on: Electricity Theft; & Vandalization of electricity installation to stakeholders' review.
- xxiii. National Power Training Institute of Nigeria (NAPTIN) to draw up Terms of Reference (ToR) for a comprehensive workforce Audit with the aim of developing a national power sector capacity building Master Plan, for submission to the Ministry for further directive on implementation of the ToR by the Ministry, NAPTIN and/or a procured consultant.;
- xxiv. Council approved that the three (3) procedural steps for tracking Customer complaint issues in the sector to be as follows:-
- a. the responsible DisCo's Costumer Care Units (CCU);
 - b. the responsible DisCo's Forum Office; and
 - c. NERC.

- xxv. NERC to create a national customer complaint database to enable Customers locate the nearest CCUs within their localities digitally.
- xxvi. NEMSA to enforce all technical standards for 33kV & 11kV installations & give DisCos timelines for compliance failing which sanctions will be applied.
- xxvii. Council approved Nigeria's Sustainable Energy for All (SE4ALL) Investment Prospectus (IP) for implementation and presentation to all stakeholders and to the development partners for funding, in order to achieve Nigeria's Vision 30: 30:30 aimed at 30,000MW target by year 2030 with Renewable Energy contributing 30%;
- xxviii. Council approved that State Governments should intervene to resolve Land and Line-related issues such as way leave and compensation negotiation which currently hinders completion of TCN projects in the States.
- xxix. TCN to develop & implement a framework for investors including State and Federal Government to finance, build & recover their investment in transmission infrastructure, subject to approval of the Ministry.
- xxx. TCN to comply with N-1 redundancy by building additional infrastructure and where required, converting single circuit lines to double circuits.
- xxxi. NEMSA to develop & enforce regulation that Conductors on all primary feeders not be less than 150mm² Aluminum Conductor Steel Reinforced (ACSR) conductors to ensure adequate mechanical

strength, and require compliance for all new lines & a deadline, of three years for existing lines.

- xxxii. The relevant Federal, State & Local Government Agencies to comply with & enforce regulations related to minimum setback from distribution & transmission lines; and where necessary, enact legislation required for compliance & demolition of offending structures.
 - xxxiii. NERC & NEMSA to ensure that the DisCos disconnect from their network all structures/premises within the Right of Way of Transmission & Distribution lines.
7. Council expressed its profound appreciation to the Government and people of Plateau State for hosting the 3rd edition of the National Council on Power (NACOP).

**Planning, Research and Statistics Department
Federal Ministry of Power, Works and Housing (Power Sector)**

21st September, 2017