

Communique

Issued at the end of the 12th monthly meeting of the Honourable Minister of Power, Works and Housing with operators of the Power Sector, held on Monday, February 13, 2017 at IBEDC Olorunsogo Injection Substation Substation, Akanran, Lagos-Ibadan Expressway, Ibadan, Oyo State.

1. Introduction

The Honourable Minister of Power, Works and Housing, Babatunde Raji Fashola (SAN) chaired the twelfth monthly meeting of operators in the electricity industry. The meeting was hosted by the Ibadan Electricity Distribution Company (IBEDC). The Honourable Minister of State, Hon. Mustapha Baba Shehuri was also present.

The meeting focused on identifying, discussing, and finding practical solutions to critical issues facing the Nigerian Electricity Supply Industry.

The operators were fully represented at the highest executive management levels, including Commissioners of the Nigerian Electricity Regulatory Commission (NERC), Managing Directors and CEOs of Generating Companies (GenCos), Distribution Companies (DisCos), and the Transmission Company of Nigeria (TCN), as well as various government agencies such as the Niger Delta Power Holding Company (NDPHC), the Nigerian Bulk Electricity Trader (NBET), Nigerian Electricity Liability Management Company (NELMCO) and Nigerian Electricity Management Services Agency (NEMSA) responsible for the regulation and development of the electricity industry.

2. The meeting deliberated and resolved as follows:

- I. Commiserates with the family of victims of electrical accidents. Nigerian Electricity Management Services Agency (NEMSA) was asked to monitor the resolution of these issues, and the meeting charged all DisCos to reinvigorate their efforts on safety of their networks and facilities.

- II. It was reiterated that service delivery should remain a key focus of the industry, with enhanced efforts to engage community members in order to raise awareness and appreciation of work completed. It was resolved that a stronger effort to connect the host communities of power installations to power supply will be undertaken.
- III. Noted the negative impact of sabotage of gas pipelines, leading to a severe limitation in power generation and highlighted the efforts of the Acting President in engaging communities in the Niger Delta in an effort to address their concerns and therefore, bring a lasting solution to pipeline vandalism.
- IV. Identified key policy steps taken by the Federal Government to improve the stability of the sector with the inauguration of the new commissioners of the Nigerian Electricity Regulatory Commission (NERC), and the appointment of an interim Managing Director for the Transmission Company of Nigeria (TCN) to reform the company for a more robust service to the industry.
- V. The meeting also noted the steps taken to address the liquidity issues (currently limiting the functioning of the sector), through the work currently underway to identify, verify and pay MDA debts to DisCos, as well as gas debts and generation debts. It was noted that Abuja, Ikeja, Ibadan and Yola Electricity Distribution Company have complied with data requirements, and verification of their submission is underway on a first come first serve basis. A deadline of February 28 2017 was issued to receive submissions on MDA debts from Distribution Companies (DisCos) and the 17th of February 2017 was set as a deadline for submission of audited and management accounts
- VI. TCN announced that Osogbo – Ede line is fully completed, and is awaiting completion of the connected substation for energization. This substation is to be completed in 12 months. The MD, Transmission Services Provider (TSP) also noted the completion of a transformer project in New Bussa, and announced that the substation should be ready for energizing in six weeks, following pre-commissioning tests. TCN also reported progress on the following projects in the host (IBEDC) region: Abeokuta-Igboora-Lanlate 132KV DC Line, Odogunyan substation and transmission line, and transmission substation in Iseyin, as well as transmission

- projects in Ago-Iwoye, Benin-Akure, Gamo-Ogbomoso and Magboro, and the meeting charged them to expedite action towards completion and service delivery.
- VII. The Market Operator (MO) noted that Eko DisCo showed the highest payment performance to service providers, followed by Yola DisCo, and encouraged other operators to fulfil their obligation to the market.