

Communique

Issued at the end of the 11th monthly meeting of the Honourable Minister of Power, Works and Housing with operators of the Power Sector, held on Monday, January 9 2017 at Ikeja West Transmission Station, Lagos State.

1. Introduction

The Honourable Minister of Power, Works and Housing, Babatunde Raji Fashola (SAN) chaired the eleventh monthly meeting of operators in the electricity industry. The meeting was jointly hosted by Ikeja Electric and Egbin Power.

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 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), the Nigerian Electricity Regulatory Commission (NERC), 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. The Honourable Minister reiterated that customer service should be the focus of the power sector and encouraged each operator and service provider to improve the user experience of its consumers, by improving metering and reducing estimated billings.
- II. The meeting noted that the family affected by the electrical accident at Oke-Ira, Ogba in Lagos State had been compensated by Ikeja Electric. All operators agreed to prioritize safety in all their undertakings to avoid future accidents.
- III. The meeting acknowledged the challenges of liquidity in the sector and efforts being made by Government and international development partners to address these challenges.

- IV. Nigerian Bulk Electricity Trading Plc (NBET) reminded the meeting that all operators must pay their bills to NBET as well as their suppliers and service providers promptly, to ensure that the sector remains functional and friendly to investors.
- V. The meeting resolved to complete and submit all outstanding audited financial accounts of all operators before the next meeting in order to improve transparency within the sector.
- VI. The meeting noted the importance of ongoing works to complete all outstanding work at the Ikot Ekpene switching station that was commissioned on 21st November 2016, to take full advantage of the added capacity to deliver incremental power.
- VII. Transmission Company of Nigeria (TCN) reported the progress of the projects in Shagamu, Ikeja West, Ajah, Ayobo, Omotosho, Ayede and Ogba which will be completed between April and the end of 2017. The projects when completed, will improve power supply in Lagos State and its environs. TCN reported that the capacity of the grid is dynamic, and that with the commissioning of Ikot Ekpene switchyard, transmission capacity is now above 6500MVA.
- VIII. The meeting agreed on the importance of government MDAs paying their debts, and acknowledged the need for proper verification prior to payment and also noted the ongoing verification and data collection exercise which is aimed at improving liquidity in the sector.
- IX. NNPC noted that work is ongoing to repair all pipelines vandalised in 2016 to restore gas supply to power plants.
- X. NERC announced that Abuja DisCo was the best performing DisCo in the third quarter of 2016. The score is based on rates of collections, metering progress, health and safety, amongst other indicators. Okpai Power Plant was announced as the best performing thermal plant in the third quarter of 2016, and Shiroro as the best performing hydroelectric plant. The score for generating plants was based on availability and general compliance with industry standards.