

NIGERIAN ELECTRICITY REGULATORY COMMISSION

LICENCE AND OPERATING FEES REGULATION

In exercise of the powers conferred under Section 96(2) (h) of the Electric Power Sector Reform Act, 2005 (Act no. 6 of 2005) and Clause 7 of these Regulations, the Nigerian Electricity Regulatory Commission hereby makes the following Regulations for Licence and Operating Fees 2010 to repeal the Regulations for Licence and Operating Fees 2006.

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NIGERIAN ELECTRICITY REGULATORY COMMISSION
(Licence and Operating Fees Regulations, 2009)

CHAPTER I

GENERAL

1. Short Title and Commencement

(1) These Regulations may be cited as the **Nigerian Electricity Regulatory Commission (Licence and Operating Fees) Regulations, 2010**.

(2) These Regulations shall come into force on the date on which it is approved by a resolution of the Commission.

(3) These Regulations shall be signed by the Chairman who shall also cause the seal of the Commission to be affixed thereon.

(4) The Regulation, Nigerian Electricity Regulatory Commission Licence and Operating Fees Regulations, 2006 is hereby repealed.

2 Definitions and Interpretation:

(1) In these Regulations, unless the context otherwise requires:

“Act” means the Electric Power Sector Reform Act, 2005

“Commission” means the Nigerian Electricity Regulatory Commission.

“Applicant” means a person as defined in the Act, who has applied to the Commission for a licence.

“Application” means an Application for a licence, or for an amendment, renewal, or extension of the tenure of a licence under the Act.

“Processing Fees” means fees mentioned in the Schedules.

“Licensee” means the holder of a licence issued by the Commission.

“Regulations” mean the Nigerian Electricity Regulatory Commission (Licence and Operating Fees) Regulations, 2010.

“Schedule” refers to the “Schedule of Fees” annexed to these Regulations.

(2) Words and expressions used and not defined in the Regulations but defined in the Act shall have the meanings assigned to them in the Act.

(3) In the interpretation of these Regulations, unless the context otherwise requires:

(a) Words importing any one gender includes the other gender and the singular includes the plural and vice versa.

(b) References herein to the "Regulation" shall be construed as a reference to these Regulations as amended or modified by the Commission from time to time in accordance with the applicable laws in force.

(c) The headings are inserted for convenience and may not be taken into account for the purpose of interpretation of these Regulations.

(d) References to statutes, regulations or guidelines shall be construed as including all provisions consolidating, amending or replacing such statutes, regulations or guidelines, as the case may be.

CHAPTER II

FEES

3 Processing Fees for Applications

- (1) Every application for a licence made to the Commission shall be accompanied by the non-refundable Application Processing Fees as specified in the Schedules.
- (2) The Fees payable under these Regulations shall be paid by means of bank draft or cheque drawn in favour of the 'Nigerian Electricity Regulatory Commission'.
- (3) All Fees received by the Commission under these Regulations shall be acknowledged by the issuance of the Commission's official receipt.

4 Licence Fees

- (1) Upon approval by the Commission of an application for a licence, the Commission shall inform the applicant, in writing, of such approval and be informed of the licence fee required to be paid by the applicant for the grant of a licence.
- (2) The licence fee to be paid shall be as specified in the Schedules.
- (3) Where the Licence fee is not paid within the time specified in the terms and conditions of the Licence, a surcharge will be payable on the amount due at the rate of 1% per week up to a maximum period of 12 (twelve) weeks after which period the grant of a licence shall lapse.

5 Processing Fees for Amendment, Renewal, and Extension Tenure

- (1) Every application for the Amendment, Renewal or Extension of Tenure of an existing Licence by a licensee shall be accompanied by the applicable processing fees as specified in the Schedules.
- (2) The processing fee for Amendment, Renewal or Extension of Tenure shall be non-refundable.

6 Annual Operating Fees

- (1) Licensees shall pay Annual Operating Fees.
- (2) The Annual Operating Fee payable shall be charged in accordance with the rates specified in the Schedules.
- (3) Where the Operating Fee is not paid within the time specified in the terms and conditions of the licence, surcharge shall be payable on the amount due at the rate of 1% per week up to a maximum period of 12 (twelve) weeks after which period the Commission shall apply appropriate penalties in accordance with the terms and conditions of the licence.

CHAPTER III
MISCELLANEOUS

7 Amendment

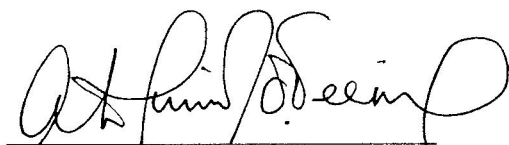
- (1) The Commission may from time to time amend or repeal the provisions of these Regulations.
- (2) The Commission may from time to time, by Order, add, amend, alter or vary the amounts of Fees payable as provided in Schedule.

8 Inherent Powers of the Commission

- (1) Nothing in these Regulations shall be deemed to limit or otherwise affect the power of the Commission to make such Orders as may be in the public interest.
- (2) Nothing in these Regulations shall bar the Commission from adopting in conformity with provisions of the Act, a procedure which is at variance with any of the provisions of these Regulations, if the Commission, in view of the special circumstances of a matter or a class of matters and for reasons to be recorded in writing, deems it just or expedient for deciding such matter or class of matters.

THE COMMON SEAL OF
NIGERIAN ELECTRICITY REGULATORY COMMISSION
Was affixed pursuant to the ORDER OF THE COMMISSION

On this 14th day of APRIL 2010



Imamuddeen Talba
Chief Executive officer

SCHEDULE OF FEES

A. Operations Connected to the Transmission Grid:

S/N	Licence Category	Validity Period (Years)	Processing Fees for Application & Amendment of Licences (Naira)	Licence Fees (US Dollars) or Naira equivalent	Processing Fees for Renewal & Extension of Tenure (Naira)	Annual Operating Fees
1.	Generation: 1 – 10MW 11 – 50MW 51 – 100MW 101 – 200MW 201 – 300MW 301 – 400MW 401 – 500MW Above 500MW	10	N70,000.00 N150,000.00 N200,000.00 N250,000.00 N350,000.00 N400,000.00 N450,000.00 N500,000.00	US\$5,000.00 US\$30,000.00 US\$40,000.00 US\$60,000.00 US\$80,000.00 US\$100,000.00 US\$120,000.00 US\$140,000.00	N35,000.00 N75,000.00 N100,000.00 N125,000.00 N175,000.00 N200,000.00 N225,000.00 N250,000.00	1.5% of Licensee's Charges/kWh
2.	Transmission	10	N1,000,000.00	US\$300,000.00	N500,000.00	"
3.	System Operations	10	N1,000,000.00	US\$300,000.00	N500,000.00	"
4.	Distribution	10	N1,000,000.00	US\$75,000.00	N500,000.00	1.5% of Licensee's Charges/kWh net the cost of generation and transmission
5.	Trading	10	N1,000,000.00	US\$75,000.00	N500,000.00	"

B. Operations not Connected to the Transmission Grid or Embedded Generation:

S/N	Licence Category	Validity Period (Years)	Processing Fees for Application & Amendment of Licences (Naira)	Licence Fees (US Dollars) or Naira equivalent	Processing Fees for Renewal & Extension of Tenure (Naira)	Annual Operating Fees
1.	Generation: 1 – 10 11 – 25 26 – 40 41 – 60 61 – 85 86 – 100 101 – 200 201 – 400 401 – 500 Above 500	Up to 10	N50,000.00 N150,000.00 N175,000.00 N225,000.00 N250,000.00 N275,000.00 N300,000.00 N400,000.00 N500,000.00 N600,000.00	US\$10,000.00 US\$35,000.00 US\$40,000.00 US\$45,000.00 US\$50,000.00 US\$55,000.00 US\$75,000.00 US\$95,000.00 US\$150,000.00 US\$200,000.00	N25,000.00 N75,000.00 N87,500.00 N112,500.00 N125,000.00 N137,500.00 N150,000.00 N200,000.00 N250,000.00 N300,000.00	1.5% of Tariff Charge/kWh
2.	Distribution	Up to 10	N100,000.00	US\$20,000.00	N50,000.00	1.5% of Licensee's Charges/kWh net the cost of generation and transmission