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Regulatory Response to the COVID-19 Pandemic in Nigeria

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Regulatory Response to the COVID 19 Pandemic in Nigeria

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The outbreak of COVID-19 has resulted in a global crisis that countries, economies, businesses and even individual have been adversely affected by the pandemic. All over the world, Government revenues have dwindled due to lock down restrictions and most countries including Nigeria are teetering on the edge of a possible economic crises. While large businesses and small-scale businesses have to deal with the impact of the crises on their businesses, Regulatory agencies saddled with the task of regulating electric utilities have to monitor and coordinate an industry wide response that will lessen the impact and ensure business continuity for the growth and sustenance of the industry. This paper analyses the response of Nigerian Electricity Regulatory Commission (NERC) to the COVID-19 pandemic in Nigeria. The impact of COVID-19 is evaluated to ascertain the change in demand structure before and after the critical phases of lock down nationwide and the impact on the energy billed and collected in this period.

Keywords: *Coronavirus (COVID-19), Pandemic, Regulatory Response, Business Continuity, Multi-Year Tariff Order (MYTO).*

I. INTRODUCTION

When the World Health Organization reported on 31st December 2019, the discovery of a new strain of corona virus diseases, SARS-COV-2 (COVID -19) in the Chinese city of Wuhan, little did the world know that this would shut down the entire world affecting major sectors of the economy such as Power and Energy, Transport and Aviation, Manufacturing and Industry and Agricultural sectors etc. The Coronavirus outbreak is already causing untold hardship and economic concerns for consumers, businesses and communities around the world to say the least [2]. Quarantine measures imposed by governments in different countries have led to households spending more time at home and

businesses reducing operation time or totally shutting down to contain the pandemic. [8]. COVID-19 has since spread to over 200 Countries/areas, affecting over 28 million people with 55 thousand in Nigeria as at August 2020 [3]. Nigeria recorded its first case of COVID-19 on February 28, 2020 from a returning Italian national in the largest commercial City of Lagos, with population of about 20 million (Federal Ministry of Health Report). The national response to COVID-19 pandemic in Nigeria coordinated by the Presidential Task Force (PTF) on COVID-19, while the Nigerian Electricity Supply Industry (NESI) response is coordinated by the Nigerian Electricity Regulatory Commission (NERC).

The global realization of the importance of private sector involvement in infrastructural development has led to reforms and deregulation of the electricity supply industry [5]. The Power Sector in Nigeria has been characterized by poor capacity, weak infrastructure, high technical and commercial losses poor tariff that cannot cover cost of supply, weak governance and systemic corruption by operators leading to reforms that liberalized the sector from a monopolistic state controlled utility (National Electric Power Authority, NEPA) to an oligopolistic private sector managed structures in 2013. The emerging electricity market has not fared better positioned to serve a nation of over 200 million people with only 3.8GW, 40% access, per capita electricity consumption of 136KWh against an estimated demand of 10GW, Nigeria has considerable suppressed and unmet demand. [4], with average tariff of 0.078 USD. Electricity Customers in Nigeria are now classified into five (5) tariff Service bands (A-E) representing relative quality of service experience as measured by the committed minimum average hours of supply per day over a period of one month. These service Bands are further subdivided into tariff classes as follows.

- i. Non- maximum Demand (Non-MD)
- ii. Low voltage Maximum Demand (MD1).

- iii. Medium/High voltage Maximum Demand (MD 2).
- iv. Lifeline tariff class (R1) (for consumption of not more than 50kWh/month)

Multi Year Tariff Review Order (MYTO) 2020 [4]. Nigeria practices incentive-based Regulation with the Multi-Year Tariff Order (MYTO) pricing mechanism which allows for minor reviews bi-annually and major reviews after 5 years. The Electric Power Sector reform act of 2005, unbundled the vertically integrated state utility to eighteen (18) utility firms, with an independent regulator, the Nigerian Electricity Regulatory Commission (NERC) to monitor, license, regulate also ensure consumer protection in the Nigerian Electricity Supply Industry (NESI). This has made it impossible for demand to match supply sustainably in the NESI. Due to power capacity shortages in Nigeria, daily available is shared between the distribution companies on basis of demand and customer population to ensure supply is effectively managed to serve the over 11.3 million customer population in the NESI according to the recent customer enumeration update [4].

II. BODY

THE IMPACT OF COVID 19 PANDEMIC ON ENERGY MARKETS

With the Worlds proven oil reserves standing at 1.551 trillion barrels, Organization of Petroleum Exporting Countries (OPEC) expects demand for crude to rebound sharply in 2021, surpassing levels seen before the advent of COVID-19 as rival oil producers compete to revive production output [8]. This projected increase is partly expected to be driven by recovery in global oil demand as the world wakes and economic activity picks post COVID-19. Another contributory factor to the surge in demand is the misfortune of OPEC's competitors such as the US, which decline in production by 7.1 due to the heavy impact of COVID-19. Recovery for the world power will be slow and gradual, leading to limited production growth in 2021.

Crude oil represents about 80 percent of Nigeria's export revenue and a downturn in the market for the commodity always has a ripple effect on other sectors of the economy. COVID-19 global pandemic led to supply disruptions which resulted in drop in oil prices, the Country's major source of revenue, thereby impacting on government spending and subsidy sustenance in the energy sector [19].

National Response to COVID-19 Crises

The Federal Government of Nigeria (FGN) responded to the crises by setting up a Presidential Task Force (PTF) on Coronavirus to coordinate the country's efforts at handling the pandemic across the 36 states and the Federal Capital Territory (FCT). The government approved a Fiscal Stimulus Package to support its citizens and businesses adversely impacted by the pandemic to cope and gradually recover. Ministries, Departments and Agencies (MDA's) took a cue from the state response and responded in diverse ways depending on their peculiar challenges [13].

Due to the external shocks directly related to COVID 19, Nigeria's Gross Domestic Product (GDP) contracted in the second quarter of 2020 by as much as 6.1 per cent, representing the first negative growth since the first quarter of 2017.

This trend has been observed globally and is attributable to the effect of COVID-19 crises. Singapore (-14.2%), South Korea (-3.3%), United States (-9.5%), Germany (-10.1) had all reported a GDP contraction in the second quarter of 2020. This has impacted on the foreign exchange market thus depreciating the naira exchange rate, putting pressure on the external reserves leading to complete deregulation of the energy sector in Nigeria.

In the power sector, the traditional challenges of poor retail tariffs and metering which have impacted on sector liquidity and sustainability were further exacerbated by the COVID-19 crises. The utility firms (DisCos) maintain that it is impossible to improve service without a tariff that is sufficient to cover their costs and reasonable profit margin, while Consumers who are 35% metered [10] on the other side argue that an increase in the electricity tariff must be preceded by metering and improved service.

Following a request for rate review filed at NERC by the DisCos, the regulator of NESI on September 1, 2020, announced a new tariff regime dubbed, Service Reflective Tariff with upward review in rates for some consumer groups in certain service clusters (bands). This review was consistent with the government's policy on gradual transition to cost reflective tariff, aimed at eliminating the need for further subsidy in the power sector [9].

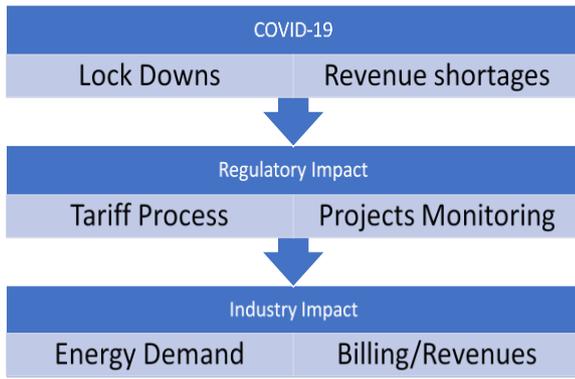


Fig 1.0 COVID-19 Impact on Electricity Sector

REGULATORY STRATEGIES FOR BUSINESS CONTINUITY IN NESI.

Full Deregulation of the Energy Sector in Nigeria.

Following the crash in oil prices related to the COVID 19 pandemic, the government of Nigeria through the subsidiary of the National Oil Company, the Petroleum Product Pricing Regulatory Agency (PPPRA) announced that effective from March 19, 2020 the agency will no longer set prices for Petroleum products but allow market forces to determine petroleum products prices based on market forces of demand and supply [11]. This the government explained was attributable to the prevailing market condition imposed by the global COVID leading to instability of macroeconomic variables such as foreign exchange. Under the market-based pricing regime petroleum products will be determined by market forces. Nigerians are already experiencing the full implication of this policy as prices of premium motor spirit (PMS) has begun to oscillate recently in sympathy with crude price at the international oil market. This stimulated a reaction from all sectors dependent on the oil and gas such as power, transportation, aviation, hospitality/tourism and even building/construction etc. The new competitive pricing frame work coupled with measures put in place by government such as directive to Central Bank of Nigeria (CBN) to make forex available to Oil Marketing Companies (OMC's) has attracted OMC's to participate in PMS importation leading to an increase in the import volume to over 536,000 metric tons of PMS [11]. Competitive pricing in this market is also attracting mega players in the downstream sector such as Dangote Refinery with capacity of 650,000 barrels per day by 2022, as well as pockets of modular private refineries. Although this deregulation policy is brewing some labor concerns, the long-term effect would lead to growth and sustainability of the sector.

Demand and Supply During COVID 19 Restrictions

The COVID 19 pandemic impacted the NESI in several ways. Firstly, Government's response by imposing a total lock down of economic activities in the public and private sectors, forced over 200 million residents to remain at home, thereby changing the

YEAR 2020	JAN	FEB	MAR	APR	MAY	JUN	JUL
MWH	2549	2548	2724	2683.6	2785	2389	2548

dynamics of electricity supply from industrial and commercial to purely residential loads. Thus, the daily peaks curve for residential loads spiked, while industrial and commercial customer load profiles flattened [1]. The structure of customer complaints also changed substantially from majority complaints on billing/metering to supply interruptions, poor Voltage and equipment breakdown. Utility revenues and market remittances as well as compliance monitoring was also affected as distribution operators attributed non-performance to COVID-19 restrictions. Tariff review in line with the MYTO model could also not sale due to socio-economic and political consideration, leading to a temporary freeze of tariff despite the change in extraneous variables that affect pricing in the NESI.

The analysis of the system operators report shows that energy generated rose in February felled in March, then slightly climbed between April and May and collapsed in June and then gradually appreciated. This is not unconnected to discovery of COVID-19 Nigeria at the end of February, then the spread into the hinterland and the declarations of lock down initially in Lagos, Ogun and Abuja.

Table 1.0 Energy Generated in GWH January to July 2020

Source: NERC Quarterly Report, 2020

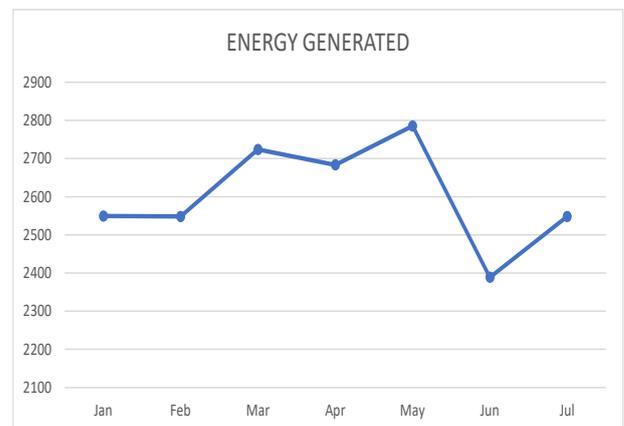


Fig 2.0 Energy Generation Profile Before and During COVID Period

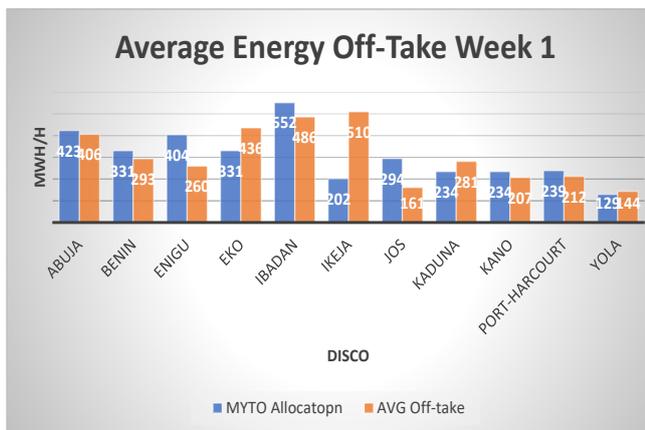


Fig 3.0 DisCo Demand Profile

Pricing Dynamics and Tariff Freeze Under COVID

The last major review of electricity tariff in Nigeria was done in 2015 (MTYO 2015). Minor reviews are to be carried out after every six months to cater for changes in the variables on which the tariff is predicated upon to achieve a cost reflective tariff for the growth and sustainability of NESI building up to the major review in 2020, in line with the MYTO model. Unfortunately, this never happened until September 2020 due to political interference occasioned by the pandemic, leading to tariff that was not sufficient to cover cost of service. This became a challenge for the industry for the operators and the Regulator as the distribution utilities complained of liquidity occasioned by poor tariff as excuse for non-performance.

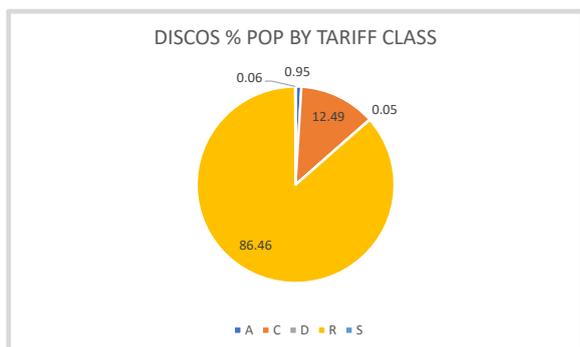


Fig 4.0 Electricity Customers by Tariff Class

When COVID 19 spread to pandemic proportion in the first quarter of 2020, the issue of tariff review became unsaleable to Nigerians who joined the world in imposing lockdown restrictions, thereby bringing all economic activities to a halt. This exacerbated the already bad situation where the tariff was not cost reflective. This did not stop electricity customers in

NESI from demanding for improvement in supply hours, prompt response to complaints bordering on supply in order to keep them effectively locked down at home. This was brought to a crescendo when a Nollywood actress posted a video lamenting lack of power supply to homes during the initial lock down declared by the president. This video became viral because it depicted the typical supply situation at the initial stage of lock down and therefore stimulated an action by the political leadership leading to an emergency stakeholder meeting to address the supply situation to homes in order for the restrictions declared by government to be effective. The video is attached in the link highlighted below.

<https://www.youtube.com/watch?v=fa2Op-UTYXw&list=WL> : Source: You Tube [17]

Creation of Power Supply Situation Room

The Regulator of the NESI responded to this urgent supply challenge by issuing a directive on “Business Continuity” in the NESI on March 31, 2020 (www.nerc.gov.ng). This created the NERC Situation Room at the head office at Abuja, with all Commissioners, Management and key essential staff recalled to report back to work at the Situation Room. The objective of the response was to monitor power supply to homes and address issues relating to supply interruptions to make it convenient for Nigerians to obey the government directive to stay at home to stem the spread of the COVID 19 in Nigeria. All operators in the NESI were also directed to activate their Business Continuity Plans to maintain service while ensuring safety of the work place. This immediately changed the dynamics as power supply to homes improved instantly as dedicated staff were detailed to monitor the load dispatch by distribution Companies and respond to complaints on interruption within 24 hours. The Commission again directed that the utility companies should not disconnect customers for non-payment of electricity bills during the lock down. The work at home rule was also issued by the Commission even before the government directive for total lockdown, so that staff not recalled to the Situation Room at the head office can continue to work at home thereby ensuring that monitoring of special projects such as metering deployment, capping of estimated billed customer monitoring, customer enumeration, MYTO 2020 implementation etc. Therefore, the new normal for regulatory monitoring shifted from physical to virtual platforms such that almost all meetings were held virtually.

Table 2.0 Complaint Structure April, 2020

COMPLAINTS ANALYSIS: APRIL 14, 2020			
DISCO	TOTAL NO OF COMPLAINTS RECEIVED	NO. RESOLVED	NO. PENDING
AEDC	38	0	38
BEDC	44	21	23
EEDC	0	0	0
EKEDC	40	0	40
IBEDC	37	0	37
IKEDC	22	0	22
JEDC	3	0	3
KEDC	0	0	0
KNEDC	8	2	6
PHEDC	5	0	5
YEDC	0	0	0
TOTAL	197	23	174

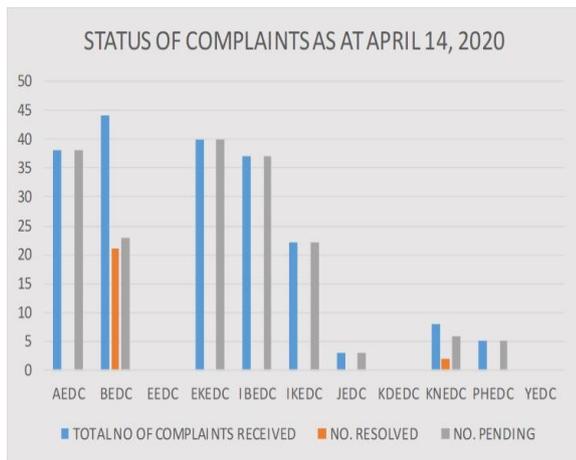


Fig. 5.0 April 2020 Situation Room Analysis

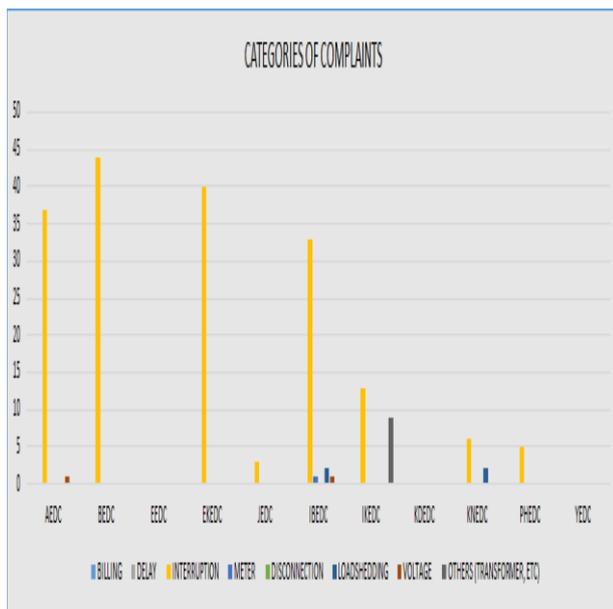


Fig 6.0: April Report showing high Complaints on Interruption

MYTO 2020 Tariff Implementation

Despite the call by Nigerians for free power as palliative to cushion the impact of COVID 19 on Nigerian families, the NERC sustained its efforts towards the realization of a cost-reflective tariff for NESI. Thus, stakeholders' engagements, publicity to educate electricity consumers of the need for a tariff that will reflect the cost incurred by the utility company to supplying power and ensure continuous service improvement. A proposed date of July 1 2020, was publicized for kick off of the new tariff. However, the Government again intervened and shifted the implementation date citing timing as inappropriate due to the impact of COVID 19 lock down on homes as major reasons. The challenge of restructuring operations to meet customer demand in the midst of a rampaging pandemic made it expedient for the government of Nigeria to cave in to industry demand for an upward review of electricity tariff in September 2020. This tariff review was christened Service Based Tariff, implying that the DisCos were incentivized to earn as they improve service in a cluster. The extraordinary tariff review was approved for NESI at such a difficult time of COVID-19 after NERC and stakeholders extracted a commitment from DisCos to improvement in service hours and quality of service.

Distribution Utilities Response.

In Nigeria, industries such as airline, retail, essential services, hospitality, oil and gas and other service-related industries have been adversely affected by the coronavirus pandemic. For mono-commodity economies such as Nigeria, a downward turn in demand would create a serious recession resulting in decay of GDP [13]. The organization Petroleum Exporting Countries (OPEC) recently expressed concerns on the impact of this crises on the global demand for its oil which had gone down to below 30 USD per barrel. As a major exporter, Nigeria is not insulated from the impact of the pandemic on oil price, meaning less revenue for government and consequently less spending for public welfare. DisCos operating within the epicenter of coronavirus spread such as Lagos, Ogun and Abuja were most impacted by low revenue collections. The reason for this is very simple, 60% of revenues accruing to a DisCo such as Eko are from premium customers of the industrial and commercial class that had to scale down or shut down operations due to COVID-19 lockdown restrictions. Commercial staff of DisCos could not continue with their cash drive campaigns as their operations were not considered essential while technical fault clearing operations continue for service continuity, leading to high supply to residential customers but low revenues [13].

Most staff of Eko DisCo continued to work remotely and occasionally visit the office environment when necessary in line with the business continuity directive from NERC.

Following this directive from Regulator of the NESI, operators restructured to ensure that service to customers continued with minimal human contact. Eko Electricity Company (EKEDC) newsletter reported that, "COVID-19 has necessitated that EKEDC's Safe System of Work (SSOW) was revised to include guidelines on how to avoid contact with persons and surfaces as well as guidelines on handling and disposal of nose masks and hand gloves". Consequently, most energy received from the grid during the lock down period was channeled to residential customers who were restricted to stay-at-home to curtail and manage the coronavirus pandemic. Thus the load curves flattened and residential load curves peaked. Unfortunately, this did not translate to revenue peaks. This could be attributed to either the generic disruption of income flows for consumers or payment challenges for certain customer groups (postpaid).

Even though the pandemic impacted on businesses adversely, some electricity distribution companies saw this as an opportunity to learn new skills, embrace technology by adapting to better and innovative ways of getting things done through collaboration, work-life integration, communication and skeletal remote working. Eko DisCo for instance restructure their business operations to continue rendering service to its esteemed customers by use of digital platforms to stay connected (Zoom, Teams, WhatsApp), meeting virtually and staying improving family bond by staying together more.

NERC Advisory on Revenue Backup

In its effort to get NESI to spring back to full business operations, the Nigerian Electricity Regulatory Commission unveiled a band of opportunities for the electricity distribution companies to obtain additional revenue to offset their CBN stabilization loan of 213 billion naira. This the regulator maintained could be achieved by the deploying the earnings from Competition Transition Charge (CTC) due to DisCos in implementation of the Eligible Customer (EC) Regulation. In [14] NERC approved that CTC are additional revenue a distribution licensee is eligible to collect outside its normal tariff from customers exiting its network for another supplier as compensation for loss of revenue. In addition to this, two other revenue streams are approved for DisCos to increase their cash ratio which are compensation due to DisCo arising from stranded infrastructure by network operators and overhead transition costs following the exit of EC's [15].

These measures are considered more technical and relevant to enable to support the distribution utilities cope with the challenges imposed by the COVID -19 pandemic than distribution of rice and cooking oil that can hardly sustainable.

RECOVERY OF THE NIGERIAN ELECTRICITY MARKET POST COVID-19.

As rays of hope arise of a rebound in the global energy market after COVID -19 crises, businesses must count their losses and adopt strategies to outgrow the impact of the pandemic on their balance sheet. The OPEC collaboration with Africa member countries to the April 2020 production cut commitment will enable Nigeria recover from the impact of COVID-19 on their developing economies [16]. The signal for a rebound in the international oil market first emerged when OPEC oil output rose by 1 million barrels per day (bpd) in July 2020 as Saudi Arabia and other Gulf member states ended their voluntary extra supply curbs on top of an OPEC led deal and other members made a limited compliance. According to [16], the 13-member OPEC pumped an average of 23.32 million bpd in June, up by 970,000 bpd from June revised figures which represents the lowest figures since the oil price shocks of 1991.

Following these indications of economic recovery in the horizon, the NERC must develop guidelines for a gradual recovery of NESI from the COVID -19 crises by:

1. Monitoring the implementation of the of the MYTO 2020 which is dubbed Service Based Tariff (SBT).
2. Rapid Metering Deployment to the 65% unmetered customer population by monitoring compliance with the Meter Assets Providers (MAP) Regulation, and other supporting interventions from the government and development agencies.
3. Monitoring compliance with the Capping Order for estimated billing implementation to fast track rapid metering deployment by the distribution utilities.
4. Monitoring compliance with the minimum remittance Order to ensure sector liquidity and growth in view if the transition to cost reflectivity in tariff.
5. Ensure a credible NESI data bank is created in the Commission for monitoring compliance to standards, regulations, orders and directives of the Commission to restore market discipline in the industry.
6. Promote the established framework for generation capacity growth in by encouraging renewable energy and mini-grid integration to

the conventional grid for electricity production and supply as envisaged by the renewable Energy feed-in-Tariff (REFIT) and Regulation for Mini-Grids 2016 [18].

7. Establishment of a performance monitoring, compliance/enforcement and Regulatory Impact Assessment team to enforce the industry regulations going forward.

CASE STUDY OF NERC-EKO DISCO RESPONSE MEASURES TO COVID-19

The Nigerian Electricity Regulatory Commission after due consideration of the rampaging effect of the COVID-19 on operators in the Nigerian Electricity Supply Industry (NESI) issued guidelines for business continuity and safety/protection of workers and protocols on the guaranteeing supply by ensuring that there are minimal disruptions to end-user customers during the COVID-19 period. These directives were in two parts, one for the Commission's staff to enable to sustenance of regulatory functions and the second to operators in the NESI. The operators were accordingly directed to abide by instructions and guidance from Nigerian Centre for Disease Control (NCDC), the agency coordinating the National response in their operations within the COVID-19 era. The Distribution, Transmission and Distribution utilities were also to activate their business continuity plans and ensure it is holistic to cater for:

- (a) Minimum manpower requirement to maintain business operations;
- (b) Contingency plan for essential staff working during this period;
- (c) Health and isolation facilities for localized handling of outbreak of COVID-19 at work sites;
- (d) Adequate provision of essential resources such as food and medical supplies etc;
- (e) Plans for sourcing of essential spare parts, work tools and consumables;
- (f) Plans for monitoring of assets and equipment;
- (g) Alternate channels of engaging with customers.
- (h) Maintain constant communication with NERC for timely reports of contingency events that may require urgent intervention [7].

Sequel to the directive from NERC on all operators to activate their business continuity strategies to mitigate the impact on the reliability of power supply to consumers, Eko Electricity Distribution Company (EKEDC), operation in the Lagos area, the epicenter of COVID-19 in Nigeria responded accordingly.

EKEDC responded to the COVID-19 pandemic by setting up the Eko COVID-19 Task Force to come up with a coordinated best approach to business continuity without jeopardizing the health and safety of its stakeholders. EKEDC as a utility adapted to the new normal by issuing new operational guidelines that encouraged staff to work remotely and/or utilize a skeletal framework to decongest the company offices [1]. The company also took a cue from NERC by enforcing stick hygiene protocols in adherence to the public health advisory issued by NCDC. Furthermore, EKEDC evaluated the economic impact of the crises on its business to identify areas the company needs intervention and collaboration to continue its service excellence mantra is achieved despite the pandemic. In addition to these measures, the utility optimized its digital and electronic platforms and encouraged its esteemed customers to leverage on technology and adopt available channels for complaint resolution, bill payment, meter requisition and other services offered by EKEDC under normal operating conditions. The Company also realigned its distribution and supply architecture to supply more power to residential customers, in view of the fact that demand from its industrial and commercial customer's clusters had crashed due to the stay at home directive. Finally, as a good corporate citizen, EKEDC demonstrated corporate responsibility by collaborating with the Lagos state government to donate palliative packages to the poor and vulnerable people most affected by the pandemic.

On measures taken by the Commission to maintain regulatory monitoring and coordination of the NESI, the following steps were implemented:

- (a) non-essential staff continue to work from home and report to the office when requested to do so;
- (b) Essential staff of the Commission designated as Commissioners, heads of divisions, IT unit registry and other staff nominated by the Commission;
- (c) Establishment of NERC COVID-19 Situation Room to monitor events in the NESI to be manned by essential staff;
- (d) All staff working at the office strictly abide by NCDC COVID-19 health protocols;
- (e) Public notice that all business meetings with the Commission shall be conducted through virtual platforms during the period of the COVID-19 pandemic.
- (f) Provision of work tools such phones internet connection, computers as face masks, hand sanitizers to essential staff working during the COVID-19 pandemic lock down phases [7].

The Commission also approved the MYTO 2020 extraordinary tariff filed by electricity distribution companies. Although most stakeholders argued that the timing was not conducive, the decision had to be taken to ensure the survival of the NESI given the liquidity state distribution operators attributable to tariff freezes pre-Covid-19. These innovative strategies by the regulator of the NESI reduced the impact of the COVID-19 pandemic on business operation in NESI as can be affirmed by the marginal reduction in energy billed and collected analytics in figure 7 and 8.

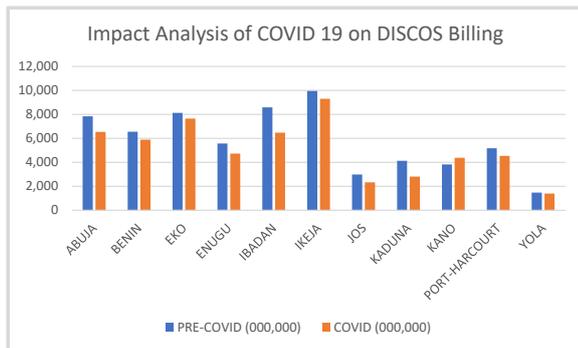


Fig 7: Impact of COVID-19 on DisCos Billing.

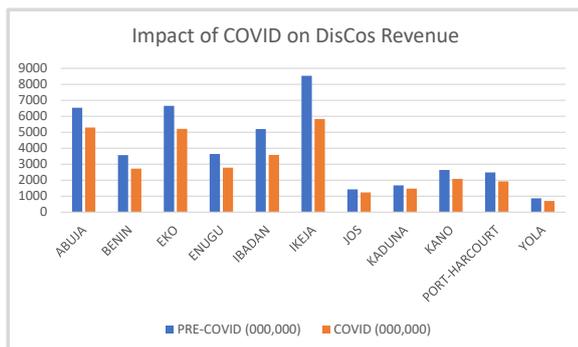


Fig 8: Impact of COVID-19 on DisCos Revenue.

LESSONS LEARNT

Crucial lessons from the COVID-19 disruption include:

1. Maintaining a robust business continuity strategy to ensure that in essential service sectors such as electricity, skeletal service is maintained in event of unforeseen emergencies.
2. Contingency planning, management and coordination is crucial in utility service provision throughout the value chain.
3. Strategic collaboration among generation, transmission, distribution utilities and regulatory agencies for effective coordination of response to emergencies.
4. Adequate budgeting and investment in technology is essential for effective

communication and control in emergency situations.

5. Staff motivation, authorization and work tools are essential components of an effective emergency response strategy.

III. CONCLUSIONS

The world economies continue to reel from the impact of the COVID-19 pandemic, which has created a new normal for businesses and organizations around the world, just as governments, brands and consumers are striving to outlive the deleterious effect of the virus.

The Nigerian Electricity Regulatory Commission (NERC), the regulator of the Nigerian Electricity market rose to the task imposed by this global health challenge by issuing guidelines to the NESI for business continuity to guarantee supply to consumers during severe lock down conditions. The steps taken by NERC on the safety/protection of workers and protocols for guaranteeing supply by ensuring minimal disruption to end-user customer during the COVID-19 critical periods really paid off. This can be seen on the energy generation profile. Although the analysis shows a rise a fall of generation, a decay in April which coincide with the critical period of lock down shows that reduced work hours and business shut down actually impacted on the demand structure during this period. The analysis of revenue billed and collected also shows a general decline in revenues attributed to lock down restrictions. Consequently, we can safely conclude that COVID-19 crises impacted on the energy demand structure and affected revenues of electricity distribution companies though marginally. The measures taken by the industry Regulator, NERC to ensure business continuity actually improved supply to homes thereby stemming the barrage of complaints from electricity customer at the initial stage of lock down.

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