



**REGULATIONS ON PROCEDURE FOR ELECTRICITY TARIFF
REVIEWS IN THE KOGI STATE ELECTRICITY SUPPLY
INDUSTRY**

2025

In exercise of the powers to make Regulations conferred by the relevant provisions of the Kogi State Electricity Law 2024, and all other powers enabling it in that behalf, the Kogi State Electricity Regulatory Commission (KERC) enacts the following Regulations on the Procedure for Electricity Tariff Reviews in the Kogi State Electricity Supply Industry.

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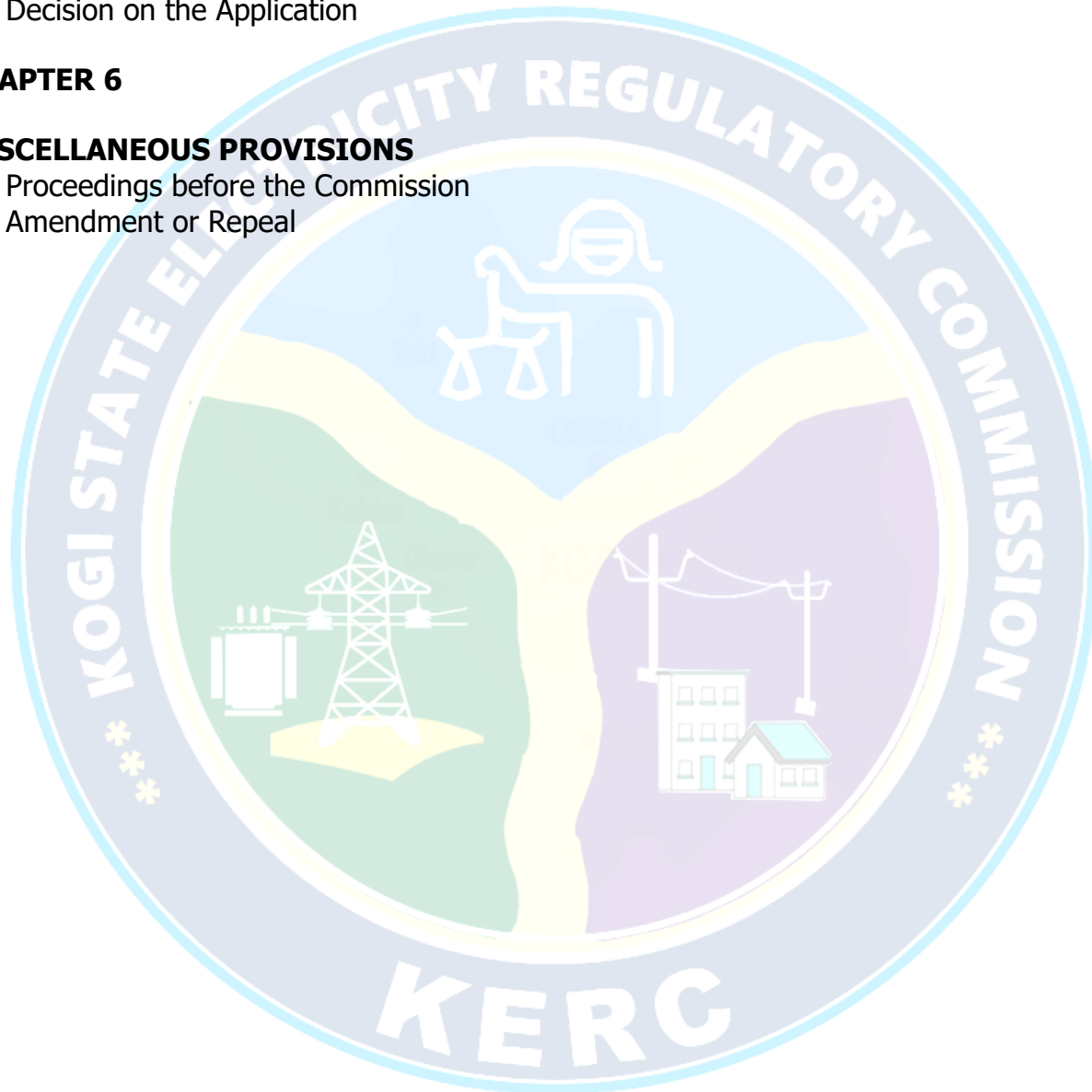
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CHAPTER 1 – GENERAL

1. Short Title and Commencement

- a) These Regulations may be cited as KERC Regulations on Procedure for Electricity Tariff Reviews in the Kogi State Electricity Supply Industry, 2025.
- b) These Regulations shall come into force on the date of their approval by resolution of the Commission.
- c) These Regulations shall be signed by the Chairman and sealed by the Commission.

2. Objective

These Regulations provide the procedures to be followed by the Kogi State Electricity Regulatory Commission (KERC) in conducting electricity tariff reviews in accordance with the enabling law and the MYTO methodology adopted for the Kogi State Electricity Market.

They include the responsibilities of tariff review applicants, timelines, costs, submission requirements, and consultation procedures.

3. Interpretation

In these Regulations, unless the context otherwise requires:

- "*Law*" refers to the **Kogi State Electricity Law** or any other enabling State Law for electricity regulation.
- "*Commission*" or "KERC" means the **Kogi State Electricity Regulatory Commission**.
- "*Chairman*" means the Chairman of the Commission.
- "*Licensee*" means any person or entity holding a generation, transmission, distribution, or trading license issued by the Commission.
- "*MYTO*" refers to the **Multi-Year Tariff Order methodology** adopted by the Commission.
- "*Tariff Review*" means an application by a licensee for a revision of the existing tariff outside the regular review cycle.
- "*Major Review*" means a comprehensive review typically conducted every five years.
- "*Minor Review*" refers to a periodic (e.g., bi-annual) tariff adjustment based on changes in macroeconomic or operational variables.
- "*Extraordinary Review*" means a review conducted outside the Major and Minor reviews, as defined by KERC, due to unforeseen events or capital investments.
- Other terms shall retain their meaning as assigned in the Law and MYTO methodology in force.

CHAPTER 2

PROCEDURE FOR MAJOR TARIFF REVIEWS

4. Notice of Intention to Initiate Major Tariff Review

- a) Not later than one (1) year before the expiration of the prevailing MYTO Order, the Commission shall issue a formal Notice to all Licensees indicating its intention to initiate a Major Tariff Review process.
- b) The Notice shall request that Licensees submit applications for tariff review, which must include:
 - Audited Financial Statements,
 - Annual Budgets,
 - Investment Plans consistent with Schedule 2,
 - Evidence of stakeholder consultation on the proposed tariff,
 - And any other information the Commission may consider relevant.
- c) All applications shall be submitted to the Commission within sixty (60) days from the date of issuance of the Notice.

5. Review of Applications and Issuance of Consultation Paper

- a) The Commission shall acknowledge receipt of each application within five (5) working days.
- b) The review of applications and supporting documents shall be completed within a maximum period of two (2) months from the date of issuance of the Notice.
- c) Upon completion of the review, the Commission shall prepare a Consultation Paper containing its preliminary position on the submitted applications.
- d) The Consultation Paper shall be:
 - Approved by the Commission,
 - Published on its official website, and
 - Made available for public comments for a period of ten (10) days.
- e) A public hearing or general stakeholders' forum shall be held within two (2) months following the close of the public comment period.
- f) All feedback received during the public consultation shall be reviewed, and necessary revisions shall be incorporated into the development of the Draft Tariff Order.

6. Finalization and Approval of the Tariff Order

- (a) Within two (2) months of publishing the Consultation Paper, the Commission shall:
 - Prepare the Draft Tariff Order, and

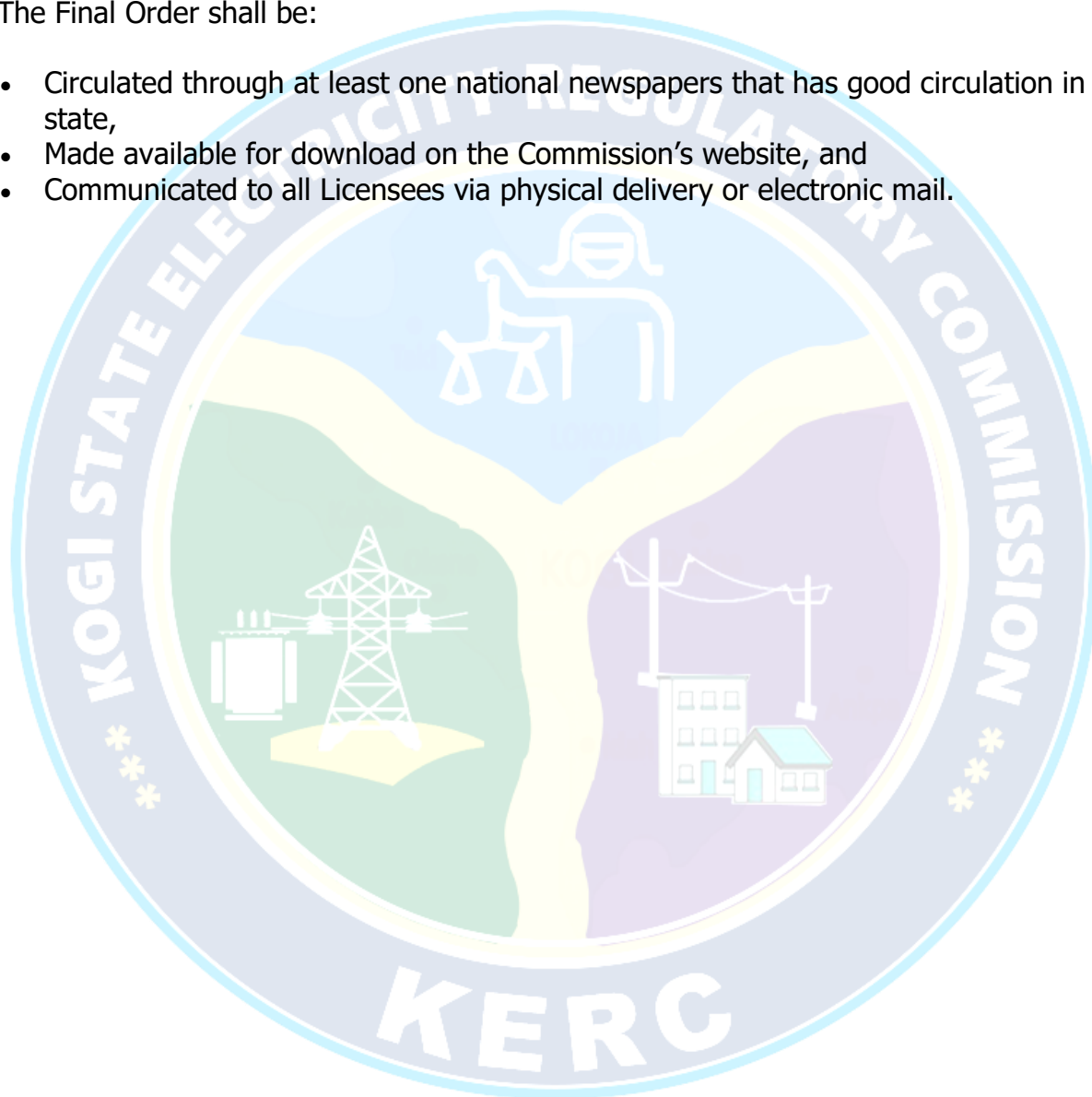
- Conduct stakeholder engagements across all zones of the licensee's service areas.

(b) The Commission shall collate and consider all relevant comments and inputs received during the stakeholder consultations in finalizing the Tariff Order.

(c) The Final Tariff Order shall be approved by the Commission within thirty (30) days following the conclusion of stakeholder engagements.

(f) The Final Order shall be:

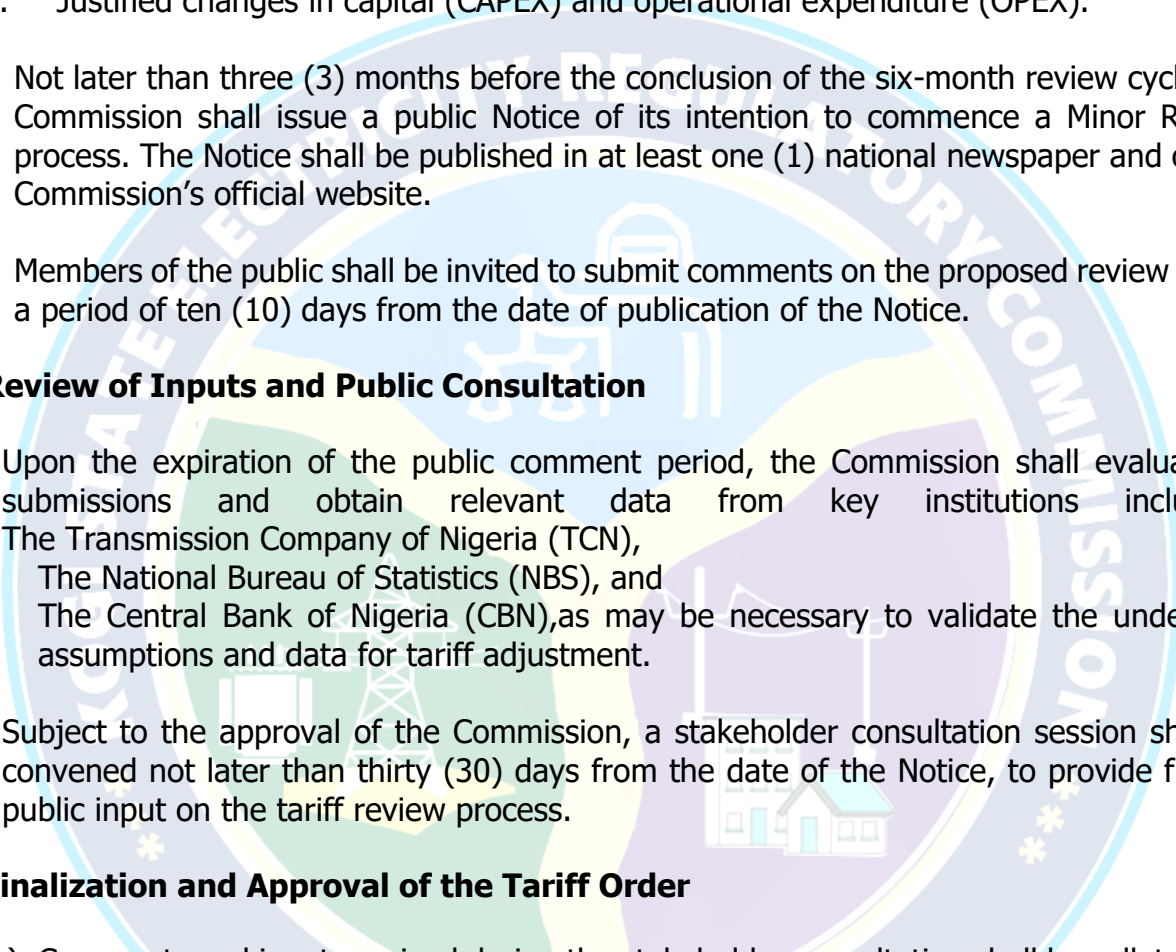
- Circulated through at least one national newspapers that has good circulation in the state,
- Made available for download on the Commission's website, and
- Communicated to all Licensees via physical delivery or electronic mail.



CHAPTER 3

PROCEDURE FOR MINOR REVIEW OF ELECTRICITY TARIFF

7. Notice of Intention to Conduct a Minor Review

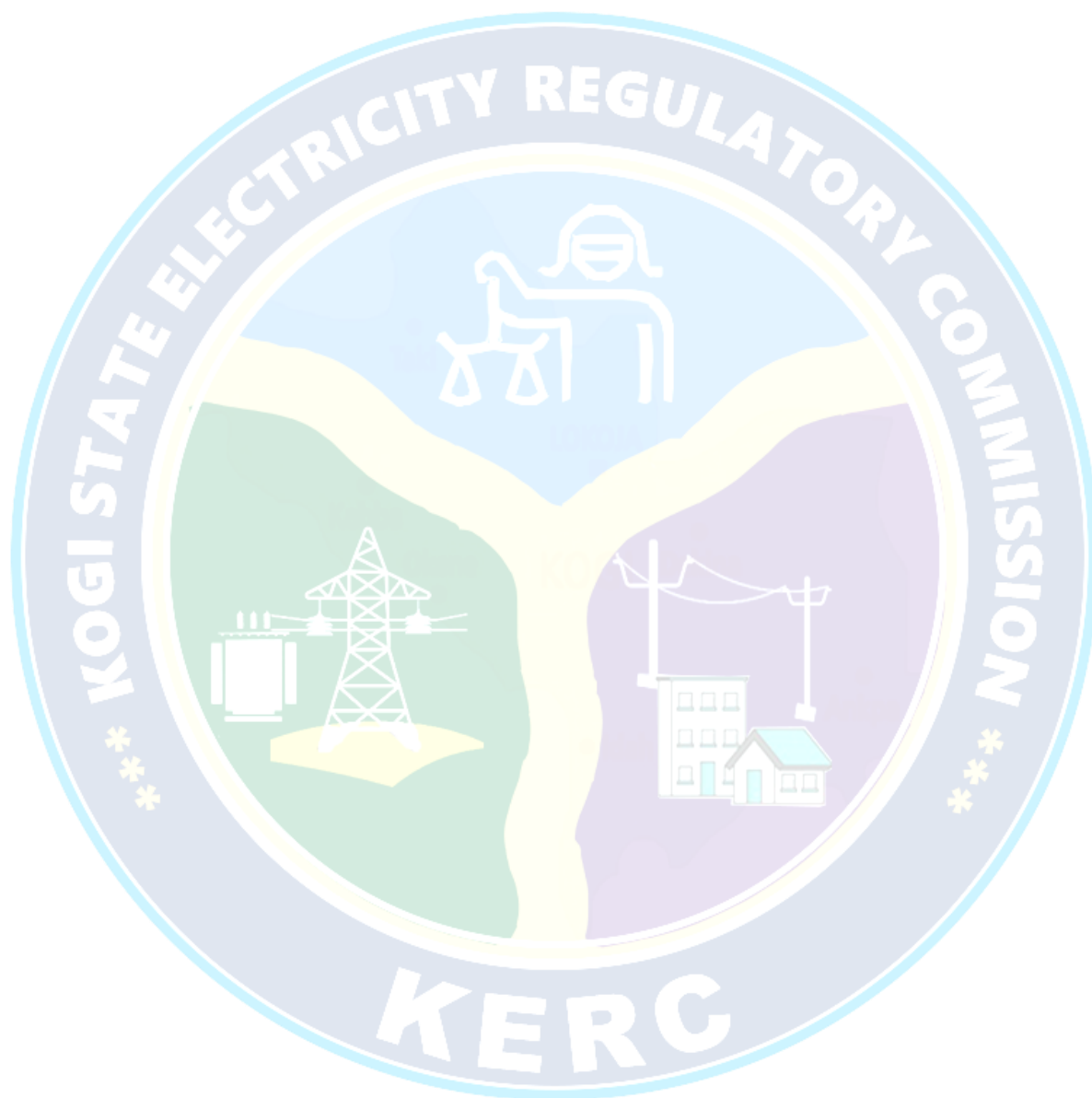
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- a) The Commission shall conduct a Minor Review of the prevailing electricity tariff every six (6) months to reflect material changes in macroeconomic variables and industry parameters, including but not limited to:
 - i. Generation wholesale contract prices,
 - ii. Fuel prices,
 - iii. Nigerian inflation rate,
 - iv. United States Dollar exchange rate,
 - v. Average daily peak generation over the review period, and
 - vi. Justified changes in capital (CAPEX) and operational expenditure (OPEX).
 - b) Not later than three (3) months before the conclusion of the six-month review cycle, the Commission shall issue a public Notice of its intention to commence a Minor Review process. The Notice shall be published in at least one (1) national newspaper and on the Commission's official website.
 - c) Members of the public shall be invited to submit comments on the proposed review within a period of ten (10) days from the date of publication of the Notice.

8. Review of Inputs and Public Consultation

- a) Upon the expiration of the public comment period, the Commission shall evaluate all submissions and obtain relevant data from key institutions including:
 - I. The Transmission Company of Nigeria (TCN),
 - II. The National Bureau of Statistics (NBS), and
 - III. The Central Bank of Nigeria (CBN), as may be necessary to validate the underlying assumptions and data for tariff adjustment.
- b) Subject to the approval of the Commission, a stakeholder consultation session shall be convened not later than thirty (30) days from the date of the Notice, to provide further public input on the tariff review process.

9. Finalization and Approval of the Tariff Order

- a) Comments and input received during the stakeholder consultation shall be collated and incorporated as appropriate into the amended Tariff Order. The revised Tariff Order shall be submitted to the Commission for consideration and approval within seven (7) days of the conclusion of the stakeholder consultation.
- b) The Commission shall approve the amended Tariff Order within ten (10) days of its submission. The final approved Tariff Order shall be:
 - I. Published in at least one (1) national newspapers with wide circulation in Kogi state,
 - II. Made available for download on the Commission's official website, and
 - III. Communicated to all Licensees via mail, courier, or electronic mail.



CHAPTER 4

APPLICATION FOR EXTRAORDINARY TARIFF REVIEW

10. Eligibility and Form of Application

- a) These Regulations shall not apply to tariff reviews conducted under the Multi-Year Tariff Order (MYTO) framework, including Major Reviews, Minor Reviews, and Open Book Tariff Setting processes.
- b) These Regulations shall apply only to the following categories of applications:
 - i. Licensees seeking a tariff review pursuant to Section 6.3 of the MYTO methodology;
 - ii. Licensees proposing additional investments such as emergency network expansions or prudent capital replacements not previously factored into the existing approved tariff;
 - iii. Licensees facing significant and unforeseen operational, legal, or regulatory costs that are demonstrably pass-through in nature.
- c) An application for extraordinary tariff review may be submitted under any of the following categories:
 - i. Revenue Requirement Adjustment;
 - ii. Tariff Design Review;
 - iii. Generation Tariff Recalibration.
- d) The application shall be submitted using the prescribed Form in **Schedule 1** of these Regulations and shall include all required applicant information, as stipulated in **Schedule 2**, based on the nature of the application.
- e) The application must also include an Executive Summary Report prepared in the format prescribed under **Schedule 3**. Except in cases of unforeseen circumstances, a licensee shall have implemented its existing tariff Order for a minimum of three (3) years before submitting a new application.
- f) The prescribed application form may be obtained from the Commission's official website, or its Head Office.
- g) Completed applications shall be addressed to the Chairman of the Commission and submitted by hand or courier to the Commission's Head Office, accompanied by all required supporting documents as specified in Section 11 of these Regulations.
- h) All applications shall be duly signed and dated by the applicant or an authorized representative and must be submitted in the following format:
 - i) Three (3) hard copies submitted in clearly indexed ring binders;
 - I. One (1) electronic copy in Microsoft Office format, cross-referenced to the hard copy for ease of review.
 - II. Each application must be supported with sufficient documentary evidence to enable the Commission to make an informed determination.
- j) All submitted tariff proposals shall be integrated into the Commission's MYTO Financial Model to evaluate either:
 - I. The impact on generation tariffs (for generation licensees), or

- II. The effects on the revenue requirement and retail tariff schedule (for distribution licensees).

11. Supporting Documentation

All applications shall comply with the requirements of **Schedule 2** and must be accompanied by the following documents and evidentiary materials:

- a) Evidence demonstrating that the proposed tariff adjustment will facilitate full recovery of prudent costs associated with electricity service provision, including:
 - i. Capital investment costs;
 - ii. Depreciation expenses;
 - iii. Interest on debt incurred for the proposed investment;
 - iv. Reasonable return on equity;
 - v. Tax liabilities associated with the investment;
 - vi. Any other cost items previously approved by the Commission.
- b) A sworn declaration affirming the accuracy and validity of projected or incurred expenses related to the transmission or distribution tariff, supported with credible studies and verifiable source documentation.
- c) A separate statement affirming the veracity of projected or actual expenditure and plant characteristics relevant to generation tariff proposals, with supporting verifiable documents.
- d) A comprehensive report on stakeholder engagements, including public consultations conducted in not fewer than three (3) locations within the licensee's service territory. The Commission must be formally notified in advance of each consultation session.

Extraordinary Tariff Review Process

12. Filing Fees

- a) Upon submission of the Application Form, the Applicant shall pay a non-refundable filing fee of Twenty-Five Million Naira (₦25,000,000.00) or such amount as may be prescribed by the Commission from time to time.
- b) The fee shall be recoverable only where the tariff review application is approved by the Commission.

13. Acknowledgement of Application

- a) Upon receipt, the designated Receiving Officer shall verify the completeness of the Application, assign a reference number, and officially receive the application if compliant.
- b) Where an application fails to meet the requirements set out in these Regulations, the Receiving Officer shall reject the submission and notify the Applicant of the reason(s) for non-acceptance.

- c) If an incomplete Application is submitted by mail or courier, the Commission shall notify the Applicant within five (5) working days and request submission of the outstanding documents within ten (10) working days.
- d) The Commission shall issue a formal acknowledgment of receipt only if the application is found to be complete, within five (5) working days of such determination.

14. Review of Application and Development of Consultation Paper

- a) Upon verification and acceptance, the Commission shall review the application and prepare a Consultation Paper outlining the justification, objectives, and substance of the proposed Order.
- b) The review process shall be completed within three (3) months from the date of the public notice issued under Clause 14(e).
- c) A draft Consultation Paper, incorporating the Commission's findings, shall be developed and approved within two (2) months following the review period.
- d) The Consultation Paper shall be published on the Commission's official website, and comments invited from the public for a period of twenty-one (21) days.
- e) Within seven (7) days of publishing the Consultation Paper, the Commission shall publish a Notice of Application in:
 - One national newspaper;
 - One newspaper with circulation in the applicant's service area or plant location;
 - The Commission's website.
- f) The Notice shall invite comments, objections, or representations regarding the Application.
- g) Members of the public shall submit their comments within fifteen (15) days of the publication of the Notice.
- h) The Commission shall not issue a decision on the application until all public comments, objections, and representations have been reviewed.
- i) Following review of the submissions, the Commission shall incorporate relevant amendments and proceed to draft the proposed Tariff Order.

15. Request to Participate in Proceedings

- a) Any individual or organization seeking to participate in the proceedings must register by submitting a Request to Participate Form (as specified in Schedule 4) within fifteen (15) days from the date of the Notice publication.
- b) The Request shall be submitted electronically in Microsoft Office format or by email and must include:
 - I. A statement explaining the interest of the requester in the matter and potential impact of the decision;

- II. A description of the requester's comments, concerns, or objections to the application;
- III. A clear indication of support or opposition to the application.

- c) Supporting documents must accompany all Requests to Participate.
- d) Within seven (7) days of receipt, the Commission shall notify both the Applicant and the requesting party of its decision regarding the request, with reasons.
- e) Parties must identify and label all confidential documents at the time of submission.

16. Circularization of Comments

- a) Upon approval of participation, the Commission shall, within **seven (7) days**, circulate the Request to Participate and any accompanying documents to the applicant and all recognized Interveners.
- b) The list of approved Interveners shall be published on the Commission's website within seven (7) days of approval.
- c) All documents submitted during the proceedings shall be deemed public unless explicitly declared confidential in accordance with applicable laws, agreements, or court orders.
- d) Confidential documents must be clearly identified upon submission.

17. Authority to Represent

- a) An Applicant may appoint a representative to act on their behalf during the hearing.
- b) A Notice of Representation, in the format provided in Schedule 5, shall be filed with the Commission at least seven (7) days prior to the scheduled hearing.
- c) The notice must include the full name and company details (residential and work addresses, and email) of the appointed representative.

18. Composition of the Hearing Panel

- a) The hearing of an application for Extraordinary Tariff Review shall be conducted by a Panel of three (3) Commissioners, one of whom shall act as the Chairperson, appointed by the Commission.
- b) The Panel's decision shall be based on oral and documentary evidence presented by the Applicant, Commission staff, expert witnesses, and/or Interveners.
- c) Decisions of the Panel shall be determined by simple majority.
- d) The Panel shall not be bound by the provisions of the Evidence Law in the conduct of proceedings.

19. Hearing of the Application

- a) The Panel shall commence the hearing no later than Thirty (30) days from the expiration of the public comment period as specified in the Notice.
- b) The time and venue of the hearing shall be determined by the Panel.
- c) The Panel may proceed with the hearing in the absence of public or Intervener comments and issue a final decision.

- d) The Panel may permit oral submissions from the Applicant, Commission staff, or Interveners.
- e) Expert witnesses may be invited by any party to provide testimony on specific issues in the application.
- f) A Notice of Intention to Invite an Expert Witness must be submitted at least fourteen (14) days before the hearing.
- g) The Commission shall notify all parties of the participation of expert witnesses within seven (7) days of receiving such notification.
- h) Interlocutory applications (i.e., additional submissions) may be submitted not later than seven (7) days prior to the hearing.
- i) If the Panel is unable to conclude the hearing on the scheduled date, it may adjourn and reconvene at a later date.

20. Burden of Proof

The Applicant bears the burden of proving that the proposed tariff is just, reasonable, and based on prudent costs.

21. Decision of the Commission

- a) The Panel's decision shall be issued as a formal Order of the Commission, presented in writing and including the rationale for the decision.
- b) The Order shall be issued within Twenty-one (21) days of the hearing date.
- c) The Order must be signed by all Panel members.
- d) The Order becomes effective and enforceable upon issuance.

22. Review of Commission Decision

- a) Any person aggrieved by a decision of the Commission may submit an application to the Review Panel for reconsideration of such decision.
- b) The Review Panel reserves the right to initiate a review of its decision on its own motion.
- c) An application for review by an aggrieved party shall be filed in accordance with the procedure for Petitions stipulated under Chapter II, Section 15 of the Business Rules of the Commission (2025).
- d) The Review Panel may, upon receipt of such application, reconsider, vary, or rescind its earlier decision within a period not exceeding thirty (30) days.
- e) The Panel shall only entertain additional evidence or material facts that were not available or presented during the initial proceedings, including new circumstances that have arisen post-decision.
- f) Where deemed necessary, the Panel may conduct a rehearing. The procedures and composition of the Panel for such rehearing shall, subject to the discretion of the Commission, follow the same format (*mutatis mutandis*) as the original proceeding.
- g) Unless expressly directed by the Commission, an appeal for judicial review brought under Section 19 of the Electricity Law shall not operate as a stay of execution of the Panel's decision.

CHAPTER 5
OPEN-BOOK TARIFF SETTING PURSUANT TO SECTION 5 OF THE MYTO
METHODOLOGY

23. Submission of Application

- a) An applicant for a generation license, or a holder of a generation license, may submit a request to the Commission for approval of a tariff higher than the prevailing benchmark tariff as stipulated in the MYTO methodology (as amended), in accordance with Section 5 thereof.
- b) The application shall be submitted in writing addressed to the Chairman of the Commission.
- c) The application shall be accompanied by the following documents:
 - Power Purchase Agreement (PPA);
 - Fuel Supply Agreement (FSA);
 - Engineering, Procurement and Construction (EPC) Contract;
 - Operations and Maintenance (O&M) Agreement; and
 - All additional information and documentation as specified in Schedule 2 to these Regulations.

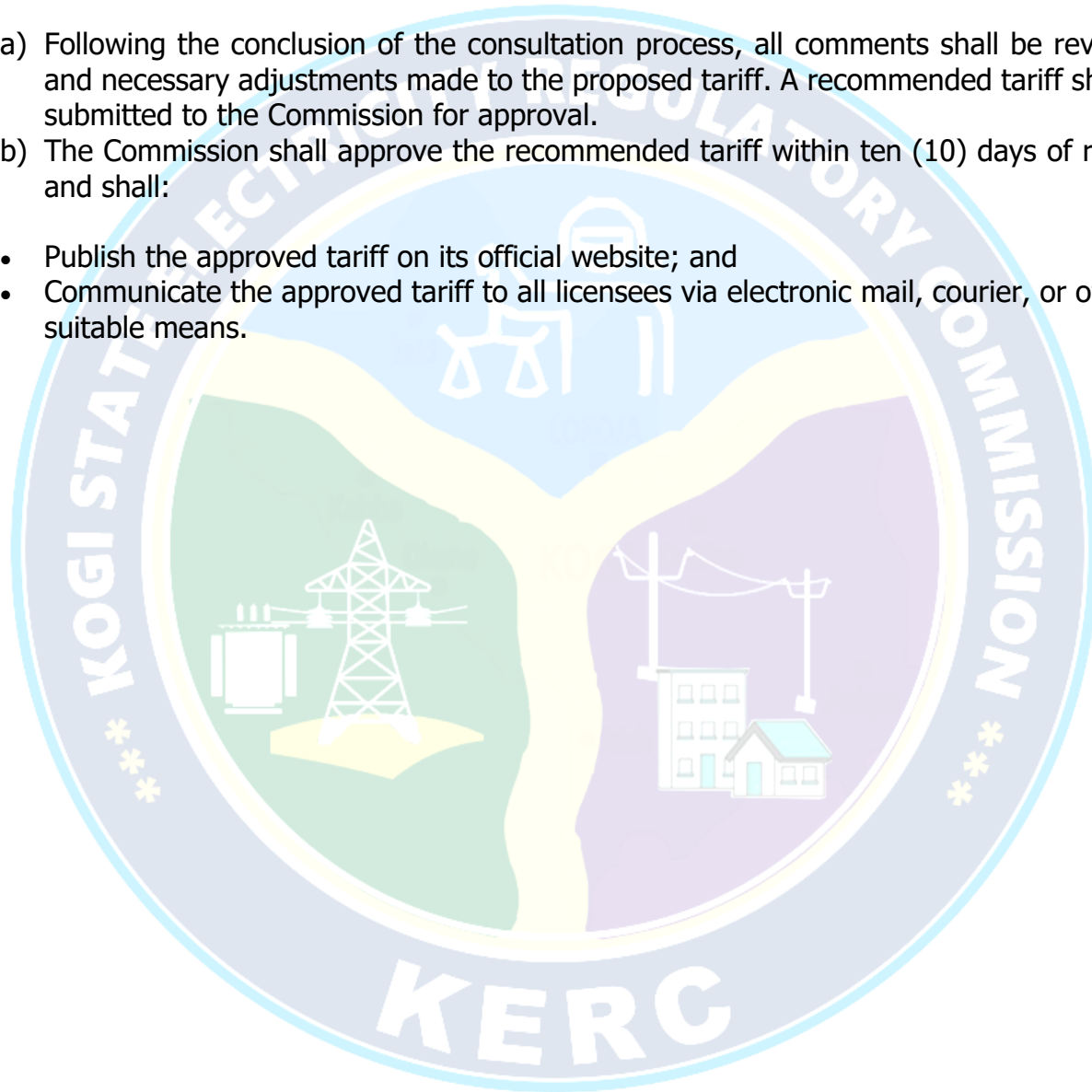
24. Review of Submissions and Development of Consultation Paper

- a) The Commission shall conduct a review of the application and develop a Consultation Paper outlining the rationale for the proposed Order, including its objectives and key considerations.
- b) The review period shall not exceed two (2) months from the date of issuance of the notice referenced in clause 24(e).
- c) A Consultation Paper, reflecting the Commission's findings, shall be finalized and approved for stakeholder engagement within one (1) month of completing the review.
- d) The Consultation Paper shall be published on the Commission's official website and comments shall be invited from the public for a period of fifteen (15) days.
- e) Within seven (7) days of the Consultation Paper's publication, the Commission shall cause a public notice of the application to be published in:
 - One (1) national newspaper;
 - One (1) local newspaper with wide circulation in the area relevant to the applicant's operations; and
 - The Commission's official website.
- f) The notice shall request comments, objections, or representations relating to the application.
- g) Comments shall be submitted within fifteen (15) days from the date of publication of the notice.
- h) The Commission shall not take a decision on the application until all received comments, objections, and representations have been duly reviewed and considered.

- i) Public comments shall be collected, and where applicable, amendments shall be made to the Consultation Paper prior to the commencement of the hearing or issuance of a Draft Tariff Order.
- j) A stakeholder workshop shall be convened within one (1) month of the Consultation Paper publication, subject to Commission approval, for further engagement with interested parties.

25. Determination of Application

- a) Following the conclusion of the consultation process, all comments shall be reviewed and necessary adjustments made to the proposed tariff. A recommended tariff shall be submitted to the Commission for approval.
- b) The Commission shall approve the recommended tariff within ten (10) days of receipt and shall:
 - Publish the approved tariff on its official website; and
 - Communicate the approved tariff to all licensees via electronic mail, courier, or other suitable means.



CHAPTER 6
MISCELLANEOUS PROVISIONS

26. Proceedings Before the Commission

All proceedings conducted under these Regulations shall be governed by the Business Rules of the Commission and any subsequent amendments thereto.

27. Amendment or Repeal

The Commission reserves the right to amend or repeal, whether in whole or in part, the provisions contained in these Regulations.

SIGNED BY ORDER OF THE COMMISSION

On this 16TH day of SEPT. 2025.


Engr. Ibrahim S. Abdwaaris
CHAIRMAN/CEO

