

'Crazy' electricity bills shock customers

The failure of electricity distribution companies in the country to provide metres for their customers have often led to estimated billings and over billing of customers.

NERC GUIDELINES AND ELECTRIC POWER SECTOR REFORM ACT (2005)

- ▶ All customers have a right to a properly installed and functional metre.
- ▶ All customers have a right to be properly informed & educated on the electricity service.
- ▶ All customers have a right to transparent electricity billing.
- ▶ All customers have a right to refund when over billed.
- ▶ All un-metered customers should be issued with electricity bills strictly based on NERC's estimated billing methodology.

CUSTOMERS GROAN OVER OUTRAGEOUS BILLS

- AEDC officials hardly go round to take the meter readings of metered electricity customers before issuing out bills to them.
- Indiscriminate and outrageous billings of many customers.
- Customers charged **N15,000** as installation fees after getting a metre.

AEDC Regional Office in Lokoja statistics

- A total number of **7,350** prepaid meters installed for customers in Kogi State.
- Indebtedness of customers to the AEDC in Kogi State currently stands at **N21bn.**

AEDC R2 CUSTOMER

AEDC energy tariff rate for R2 customer is N24.30 per kwh

How some customers are over billed in Kogi State

- 8hr per/day
- 192hr per/month
- **N11,000 billed** (@N24.30per kwh)
Over billed by about **N6,000**

- 8hr per/day
- 176hr per/month
- **N8,700 billed** (@N24.30per kwh)
Over billed by about **N4,000**

Infographic UKEOMA MODESTUS

Itodo Daniel Sule, Lokoja

In Kogi State, customers of the Abuja Electricity Distribution Company (AEDC) are groaning over what they describe as "exorbitant" and "crazy bills" monthly bills from the utility firm, despite poor power supply.

To checkmate this, the Nigeria Electricity Regulatory Commission (NERC) had issued guidelines on metering and billing of customers by distribution companies.

The Commission specifically provided for a minimum period within which a customer can continue to receive estimated billing.

The Commission's Regulation on Standards of Performance for Distribution Companies 1.10 stipulates three months or 90 days after which the utility firm must find every means possible to read the metre for actual energy consumed if the premises is metered.

In the same vein, the Electric Power Sector Reform (EPSR) Act 2005 in a bid to ensure an efficiently managed electricity supply industry that meets the yearnings of Nigerians for stable, adequate and safe electricity supply amongst others provides that, "All customers have a right to a properly installed and functional meter."

"All customers have a right to be properly informed and educated on the electricity service."

"All customers have a right to transparent electricity billing."

"All un-metered customers should be issued with electricity bills strictly based on NERC's estimated billing methodology."

"All customers have a right to refund when over billed."

However, AEDC customers in the state reveal that the rules are not adhered to as stipulated by the NERC's guidelines and the Electric Power Sector Reform Act 2005.

Daily Trust on Saturday findings revealed that the company's officials hardly take metre readings before billing customers. This has led to indiscriminate and outrageous billings of Residential non rural (Non Maximum Demand) consumers identified by the code name, R2.

An R2 customer, Bolu Obahopo, who lives at Army Signal in Lokoja, said, "I live in a four bedroom apartment. Two of my neighbours use prepaid metres. Two of us get estimated billings. We requested for prepaid metres over a year ago. It hasn't come."

"Last month, they billed us over N11, 000. In the month, we only enjoyed power supply for eight hours a day - four hours in the day time and four hours at night. Even at eight hours per day, we hardly enjoyed power supply for more than 24 days in the month."

"Each time we ask why we keep getting outrageous bills, the explanation is that they gave bills on the basis of power supplied to a particular area and not necessarily based on what an individual customer consumes."

"Why should we pay for what we didn't consume? They are making me pay for what other people consume which is not right. If they had given us prepaid metres as requested, we wouldn't be complaining."

AEDC's electricity tariff for R2 customers is currently N24.30 per kwh. Obahopo who enjoys an average of eight hours of electricity supply per day for 24 days in a month has power for a total of 192 hours monthly.

Therefore, the 192 hours multiplied by the N24.30 per kwh comes to N4,665.60. He was over billed by about N6,000.

Similarly, another AEDC R2 customer in Nagazi, Adavi LGA of Kogi State, Salihu Abdulrahman, said, "Even three months after

they had disconnected power supply to my house, these crazy bills kept coming."

"The AEDC officials don't even come around to take metre readings before billing me and I have a meter in my house. They just bill you whatever they like. I have gone to their office at Nagazi to complain and they promised to look into it. Nothing has been done."

Abdulrahman applied for a prepaid metre over two years ago. He is yet to receive it.

"Even those who managed to get the metres are still charged N15, 000 for installation. This is not part of the agreement the federal government had with the DISCOS."

While he enjoyed an average of eight hours of daily power supply for about 22 days monthly totalling 176 hours monthly, he was billed N8,700 instead of N4,276.80.

'Prepaid meters best way to go'

An expert in the power sector and former regional accountant in the power transmission sector, Lamidi Lawal, said the way out of estimated billing, overbilling and crazy bills is for the distribution company to provide all customers with prepaid meters.

He described estimated billing as an archaic system which should be done away with in the interest of customers and profitability of the power sector.

Lawal said, "As someone who has worked in the financial section of the power sector, I can say conveniently that the best way is to give all consumers prepaid metres."

"Even Niger Republic that we supply power, all their customers have been using prepaid metres as far back as 10 years ago. We are in an era we call the digital 'dawomism' where technology affects everything we do. A lot of organisations, including the power sector, are losing money because they are not going digital."

"The best way to manage the power sector is through prepaid metres. We had an experience when we brought in a consultant to manage the revenue collection of the power sector about 10 years ago."

"Then, the total revenue being generated was about N2.8 billion but when we brought in a consultant, the revenue jumped from N2.8 billion to about N4.2 billion within three months through the use of prepaid meters."

"Customers paid their bills promptly because they know the bill was honest and realistic. Most distribution companies complain of not meeting their expenditures because they are not using prepaid metres. By the time they start using prepaid meters, they will enhance their revenues and also be able to manage the power to go round their consumers."

We don't enjoy estimated billings - AEDC

In response to the allegations, the Head Corporate Communication of the Abuja Electricity Distribution Company, Oyeboade Fadipe, said the company does not give arbitrary bills to customers as is alleged.

He said AEDC bills customers in line with the NERC guidelines.

Fadipe said, "We completed our transformer metering project a long time ago and we have feeders that supply each area."

"Every feeder is delineated and we know the load each feeder takes. We know the amount of energy that goes into each feeder. There is no way we cannot calculate the exact energy that goes into that area."

"Now what happens is this, some customers have metres and some don't. Once we finish billing customers with meters, the balance goes to those that don't have meters and I think this is logical."

"For customers who don't have meters, it is either we are under billing or overbilling them. That is where the controversy is."

"Our study has shown that we have more losses in areas where we don't have metres. In other words, we don't enjoy estimated billings because we lose a lot from it. The onus is on us to make sure that customers get metres."

"NERC has given us a guideline to follow and that is what we follow so that whenever there is any displeasure with a bill, customers have the right to seek redress."

"On the issue of metering, there is a new policy called Meter Access Provider (MAP). It took effect from April 3, 2018 and the policy has to liberalise the provision of prepaid meters."

"It has allowed new meter providers to come into the power sector. The aim is to speed up the metering of customers so that incidences of estimated billings can be substantially reduced if not totally wiped out."

Meanwhile, statistics from the AEDC Regional Office in Lokoja indicates that a total 7,350 prepaid meters have so far been installed for customers in Kogi State, while the indebtedness of customers to the AEDC in Kogi State currently stands at N21bn.

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■ AEDC office in Lokoja