

TWENTY-TWENTY FOUR

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A message from the Chief Marketing Officer

Welcome to a new quarter and second quarter of the year 2020. We came into 2020 with a slow but growing economy renewing hopes of a better year for all our customers. Every year, however, comes with its challenges and this year began on a rather inauspicious note, We face a global pandemic of epic proportions and economic uncertainty made worse by the crash in oil prices. Despite these challenges we are confident that we will come out stronger and wiser as a nation.

At Ikeja Electric, our focus is to ensure that we support our customer's economic aspirations through steady power supply and excellent customer survive delivery. As a Customer First using Technology Now company, we are committed to ensuring that our Bilateral Customers continue to maximize value for their money. We also recognize the importance of communication and feedback in improving our service delivery. The more feedback we get from you the easier it is for us to give you the service you espouse. The more information we are able to share with you about our service to you, the more value you derive.

It is thus with pride, that I introduce to you our Bilateral quarterly Newsletter "Twenty-Twenty Four" by Ikeja Electric Marketing Department. This Newsletter is specially designed to keep our bilateral customers informed about all the wonderful plans we have for you to enjoy world class electricity supply. In this newsletter you will learn about new ideas we are working on to improve your service, data and analytics on your supply, important sector related updates, new signups and many more.

Thank you for opportunities given to serve and I hope you all stay safe. #stayhome #socialdistancing

Ugochukwu Obi-Chukwu
Chief Marketing Officer



AN OVERVIEW OF BILATERAL POWER

The initiative, Bilateral Power, is an enhanced level of power supply and associated services to customers guaranteeing a minimum of 20 hours of electricity daily to contracted customers, based on a mutually agreed tariff under the Willing Buyer – Willing Seller initiative.

Ikeja Electric has a strategic alliance with Egbin Power Plant, this alliance gives Ikeja Electric exclusive access to 100mW bilateral power from Egbin Power Plant. This energy is used to deliver Bilateral Power to willing customers through the transmission network and Ikeja Electric existing distribution network.

Ikeja Electric's commitment is hinged on excellent customer service and an enforceable service level agreement backed by a Power Purchase Agreement.

Ikeja Electric Plc has successfully deployed Bilateral Power services in Magodo GRA, Ikeja GRA, Shonibare Estate, GCappa Estate and Ogudu GRA following an intensive network rehabilitation. These locations have consistently enjoyed an average of 620 hours monthly and a 24-hour customer delivery service.



A WILLING BUYER- WILLING SELLER

In December 2019, through the Ministry of Power, the Nigerian Federal Government announced the introduction of a new “Willing Seller, Willing Buyer” policy that would allow electricity generating companies to wheel electricity directly to consumers who can pay cost-reflective tariffs.

In its directive to NERC, the Ministry urged the regulatory body “to create a level playing field that will improve electricity supply across the country. The ministry explained that as a regulatory body, NERC should do all within its power to encourage competition.”

To achieve this, the Ministry, according to the document further advised that the immediate tasks for NERC include, “Encouraging and facilitating willing-buyer willing-seller transactions with Competition Transition Charge (CTC) compensation, where applicable, to the distribution company for a defined period, according to a CTC Regulation with clearly defined rates, and timely approval, according to the timelines in the regulation.

UPDATE: NERC HALTS PLAN TO EFFECT TRANSITION TO COST-REFLECTIVE TARIFF-

Introduction of New Tariff Classes Determined by Quality of Service

On March 31, 2020, the Nigerian Electricity Regulatory Commission (“NERC”) suspended the planned increase in end-user tariffs scheduled for April 1, 2020 and extended the enforcement period to June 30, 2020

NERC also considered the impact of the Covid-19 pandemic on the global economy, the provision of meters and the average Nigerian in issuing the Order.



Highlights of the Order

Suspension of the Planned April 1st, 2020

Increase in Electricity Tariffs

The Federal Government of Nigeria (“FGN”)’s Power Sector Recovery Program (“PSRP”) and the December 2019 Minor Review of the Multi Year Tariff Order (MYTO) 2015 and Minimum Remittance Order for the Year 2020 (the “December 2019 Minor Review”) envisaged an increase in end-user tariffs by April 1, 2020 but the Order extends the enforcement period of the December 2019 Minor Review to June 30, 2020, thereby retaining existing tariffs.

Introduction of New Tariff Classes Determined by Quality of Service

Discos are required to dis-aggregate their respective service areas/customers in accordance with the quality of service to be delivered to such customers and to propose a corresponding graduated scale of tariffs, on the basis of the quality of service provided, for approval by NERC.

The introduction of a service reflective tariff is similar to the Bilateral Power arrangement which the government believes to be a template for solving the power challenges in the country.

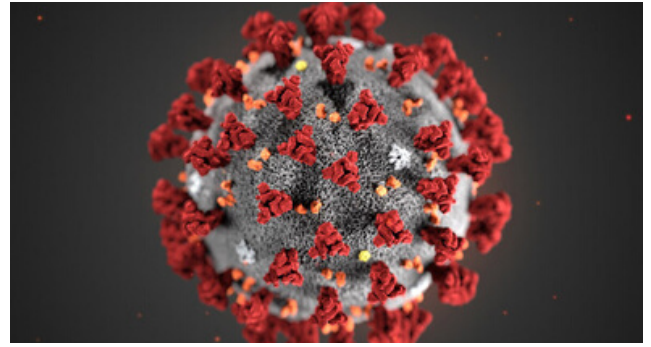


COVID-19: Ikeja Electric suspends disconnection of customers

Ikeja Electric announced the suspension of all disconnection activities of non-paying customers for two weeks effective April 1, due to the lockdown of Lagos State caused by COVID-19.

Mrs. Folake Soetan, Acting Chief Executive Officer, announced in a statement in Ikeja on Wednesday, 1st April 2020.

*"We will leverage our world-class communication tools online and via social media to attend to your complaints and inquiries while also increasing the turnaround time for resolution."
Folake Soetan*



While making the announcement, Folake Soetan, acting CEO of the company said: "At Ikeja Electric, we are committed to ensuring that our customers enjoy steady and quality supply throughout this difficult period and beyond. We recognize the fact that electricity supply is critical to our ability to stay safe, clean and indoors.

"Therefore, we have also decided to suspend all disconnection activities of non-paying customers for two weeks. This is to ensure that customers who cannot afford to pay their March bills due to the closure continue to enjoy supply until the stay at home order is lifted."

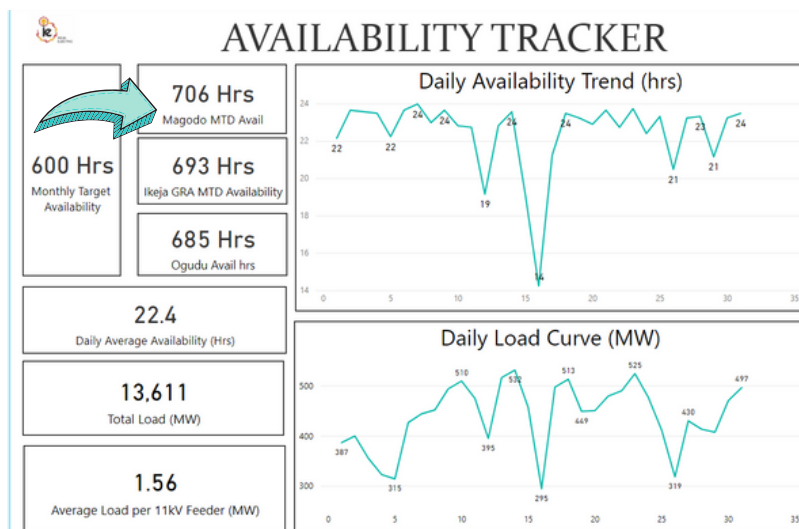


a commitment
to reliable
power supply

BILATERAL POWER UPDATES



HILLTOP ESTATE, ABORU SIGNS ON TO BILATERAL POWER



MAGODO GRA HIT A NEW AVAILABILITY PEAK IN JANUARY 2020 WITH A TOTAL AVAILABILITY OF 706 HOURS OUT OF 720 HOURS.

UP NEXT

Omole Phase I and II commences Bilateral Power.

Omole Phase II and Phase I have signed up to the Bilateral Power and go-live dates are April 1 and May 1 2020 respectively.



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....My experience is the same amount being spent on electricity, less fuel expenses for my generator and stable power. A wonderful experience!

Ogudu GRA Resident

...A very pleasant experience since supply became stable. If it continues this way, it will be a good bargain. Less noise and air pollution is also a welcome development.

Magodo GRA Resident

...Daily units consumption is now lower than in the pre-prestige period. Meanwhile my generator usage is now zero.

I had to start it up just to warm the engine last week. We're enjoying much better power supply at a lower monthly cost
Ikeja GRA Resident