

**Extraordinary**



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**ELECTRIC POWER SECTOR REFORM ACT**

(No. 6 of 2005)

**METER READING, BILLING, CASH COLLECTIONS AND CREDIT  
MANAGEMENT FOR ELECTRICITY SUPPLIES REGULATIONS, 2007****ARRANGEMENT OF REGULATIONS****REGULATION :**

1. Routine Meter Readings.
2. Final Meter Reading.
3. Other Special Meter Reading.
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5. Final Bills.
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**SCHEDULE**

Electric Power Act

June 6 of 1906

INTER-READING BILLING CASH COLLECTIONS AND CREDIT  
MANAGEMENT FOR ELECTRICITY SUPPLY REGULATION



ARRANGEMENT OF

Revised Edition  
of the  
Electric Power Act

Revised Edition  
of the  
Electric Power Act

Revised Edition  
of the  
Electric Power Act

Revised Edition  
of the  
Electric Power Act

1906

**ELECTRIC POWER SECTOR REFORM ACT**  
(No. 6 of 2005)

**METER READING, BILLING, CASH COLLECTIONS AND CREDIT  
MANAGEMENT FOR ELECTRICITY SUPPLIES REGULATIONS, 2007**

[20th December, 2007]

Commence-  
ment.

In exercise of the powers conferred upon it by Section 96 of the Electric Power Sector Reform Act, and all other powers enabling it in that behalf, the NIGERIAN ELECTRICITY REGULATORY COMMISSION hereby makes the following regulations :

1.—(1) Every Distribution Company shall obtain, through its authorised representatives, an actual reading of all meters in all electricity supply addresses within its areas of operations every month but not later than once in every three months.

Routine Meter  
Readings.

(2) Whenever a Distribution Company is unable to obtain a meter reading at a Customer's premises, it shall leave in the premises a notice approved by the Commission, explaining that it was unable to obtain a meter reading and that unless the Customer provides his own meter reading within a stipulated period, it shall estimate the Customer's electricity usage.

(3) Where a Distribution Company is unable to obtain a meter reading, it shall accept the Customer's own meter reading, or it shall estimate the Customer's usage for the period.

(4) Whenever a Distribution Company estimates a Customer's usage, it shall ensure that the estimate accurately reflects the Customer's expected usage for the period and shall not under any circumstances artificially inflate it.

(5) The methodology used by every Distribution Company for estimating a Customer's usage shall be approved by the Commission.

2.—(1) A Customer shall request his Distribution Company to undertake a final reading of his meter when he vacates his premises and the reading shall be used to calculate his final electricity usage in those premises.

Final Meter  
Reading.

(2) On being notified that a Customer requires a final meter reading, the Distribution Company shall make an appointment with the Customer to carry out the meter reading.

(3) Whenever a Distribution Company keeps to the appointment but is unable to carry out the meter reading due to the fault of the Customer, the Customer shall be liable for the usage of electricity up to the point where the Distribution Company is able to obtain the meter reading:

Provided that the Customer shall only be liable for any usage up to the date a new Customer occupies the premises.

(4) Whenever a Distribution Company fails to keep to the appointment made with the Customer, the Customer shall only be liable for the electricity usage up to the date that he vacates the premises.

(5) Whenever a Distribution Company fails to keep to the appointment made with the Customer, the Distribution Company shall accept any final meter reading provided by the Customer.

(6) Whenever a Distribution Company fails to keep to the appointment made with the Customer, and the Customer does not provide an acceptable meter reading, the Distribution Company shall obtain an actual final meter reading at the first possible opportunity after the Customer has vacated the premises, as follows:

(a) where the premises have been unoccupied since the previous Customer left the premises, the meter reading shall be used as the final reading, however, for billing purposes, the date on which the Customer left the premises shall be used irrespective of the date of reading;

(b) where a new Customer has taken over but a meter reading was not obtained on the day the new Customer assumed responsibility, the total usage up to the point the meter reading is obtained shall be apportioned between the two Customers based on the average daily usage of the Customer who has vacated the premises, provided that for billing purposes, the date on which the Customer left the premises shall be used irrespective of the date of the reading.

(7) A Distribution Company shall not under any circumstances artificially inflate the estimated usage of either the old or new Customer.

3.—(1) A Distribution Company or a Customer may request that a reading be obtained to check a previously obtained meter reading which appears to be incorrect or where the meter appears to be recording inaccurately.

Other Special  
Meter  
Reading.

(2) Whenever a special meter reading is requested, a Distribution Company shall make an appointment with the Customer to obtain the reading.

(3) Where a Distribution Company is unable to obtain the reading despite the appointment, it shall leave in the Customer's premises a notice, approved by the Commission, explaining that it was unable to obtain a meter reading and requesting the Customer to contact it to re-schedule the appointment.

(4) Where a Customer requests the special meter reading but fails to provide access, the Distribution Company shall advise the Customer in writing that no further attempts to obtain a special meter reading shall be made and that the meter reading questioned by the Customer shall be deemed by the Distribution Company to be accepted as correct by the Customer.

4.—(1) Every Distribution Company shall issue bills for electricity used at each Customer's supply address at regular intervals approved by the Commission.

Billing.

(2) A Distribution Company may not issue more than one routine bill to any Customer during the same billing period.

(3) All electricity bills shall be in a format easily understood by Customers and shall contain the information in the schedule to this Regulation.

5. —(1) A Distribution Company shall produce a final bill in accordance with regulation 2 to finalise a Customer's account with the Distribution Company when he moves from his supply address. Final Bills.

(2) A Distribution Company shall not under any circumstances bill a Customer any charges for a supply address after a final account has been produced for him at the supply address.

6. —(1) A Distribution Company shall use the meter reading taken at the time of disconnection to bill every Customer who is disconnected for non-payment and the bill shall show the total value of all charges owed by the Customer up to the time of disconnection. Disconnection for Non-Payment of Bills.

(2) Whenever a supply address has been disconnected for non-payment and a non-payment bill has been produced, the Distribution Company shall not bill any additional charges in respect of that supply address until after it has reconnected electricity supply to that address.

7. —(1) A Distribution Company may under special circumstances bill a Customer a supplementary bill during the billing period. Other Non-Routine Billings.

(2) The special circumstances referred to in sub-regulation (1) include situations where it is necessary to amend an earlier incorrect bill and where a special request for a supplementary bill is made by a Customer.

8. Where there is no electricity meter to record electricity usage at a Customer's supply address, a Distribution Company shall base the Customer's bill on an estimated energy consumption which shall be calculated in accordance with a method approved by the Commission. Unmetered Supply of Electricity.

9.—(1) A Distribution Company shall review a Customer's bill when requested to do so by the Customer : Adjustment of a Bill.

(2) While the review referred to in sub-regulation (1) is ongoing, the Customer shall pay an amount which the Customer and the Distribution Company agree to as reasonable, provided that where agreement on an amount cannot be reached, the Customer shall pay an amount equal to the average amount of the Customer's bills at current supply address over the previous twelve months, however, where the Customer has not been at the supply address for twelve months, the amount shall equal the average amount of the Customer's bills for the period that he has been the Customer at the supply address.

(3) If the review covers more than one billing period, the Customer shall pay an amount in accordance with sub-regulation (2) of this regulation of all bills rendered during the period of the review.

(4) If the bill under review is found to be correct, the Customer shall either accept that the bill is correct and pay any balance outstanding or request a meter test in accordance with the criteria set out in the Metering Code.

(5) If the meter test proves that the meter complies with the criteria set out in the Metering Code, the Customer shall pay the amount outstanding.

(6) If the review shows that the bill is incorrect, the Distribution Company shall amend the bill in accordance with sub-regulations (7) and (8) of this regulation.

(7) Where a Distribution Company has over-charged a Customer, it shall advise the Customer in writing, within five working days of its becoming aware of the error and it shall repay the amount to the Customer in accordance with his reasonable instructions, or if no reasonable instructions are received from the Customer, by crediting the amount of the overcharge to the Customer's next bill.

(8) Where a Distribution Company has under-charged or not charged a Customer, it shall be entitled to recover the amount of the undercharge from the Customer but in so doing it shall notify the Customer in writing of the error that led to the Customer being undercharged or uncharged and the amount of the undercharge or charge.

(9) The amount to be recovered by a Distribution Company pursuant to sub-regulation (8) of this regulation shall be as follows :

(a) if the undercharge is the fault of the Distribution Company through its failure to bill or correctly bill the Customer, it may only recover the amount undercharged in the three months prior to the date on which it advises the Customer of the undercharge ;

(b) in all other instances, a Distribution Company may only recover the amount undercharged in the six months prior to the date on which it advises the Customer of the undercharge.

(10) A Distribution Company shall :

(a) not inflate the proportioned amount in order to increase the recoverable undercharge or charge the Customer interest on the amount of the undercharge ;

(b) offer its Customer time to pay the amount undercharged in a payment arrangement covering a period at least equal to the period over which the undercharge to be recovered occurred.

Payment of a  
Bill.

10.—(1) As a minimum, a Distribution Company shall accept payment by a Customer using any of the following methods of payment namely :

(a) cash paid at any of the distribution company's offices ;

(b) bank drafts paid at any of the distribution company's offices ;

(c) payment made through any bank authorised by the Distribution Company to accept payment on its behalf.

(2) A Distribution Company may offer other methods of payment in addition to the minimum stipulated in sub-regulation (1) of this regulation, provided that they shall not replace any of them.

(3) A Distribution Company may accept any payments made by a Customer in advance of receiving a bill.

(4) Whenever a Customer makes a payment to a distribution company, the Distribution Company shall issue to the Customer for the full value of the payment made, a receipt containing :

- (a) the name of the Customer ;
- (b) the supply address for which payment is made ;
- (c) the account number of the supply address ;
- (d) the full amount paid ; and
- (e) any other information that the Distribution Company may deem necessary.

11.—(1) Every Distribution Company shall produce Credit Management Guidelines detailing its approach to all aspects of credit management. Credit Management.

(2) Every Distribution Company shall lodge a copy of its Credit Management Guidelines with the Commission.

12.—(1) A Distribution Company may request any Customer to lodge with it a sum calculated in accordance with this regulation as security for future electricity bills: Security Deposits.

Provided that in the case of an existing Customer, a Distribution Company may only request for the security deposit where the Customer has a long history of non-payment of electricity bills.

(2) The maximum amount of a security deposit that a Distribution Company may request from a Customer is an amount equal to the average of two months bill for that Customer.

(3) A Distribution Company may review the amount of each security deposit on each anniversary of the initial deposit and where the deposit held is found to be less than the value of the average of two months bill for the Customer, the Distribution Company may request an additional payment from the Customer to increase the security deposit to an amount equal to an average of two months bill for that Customer.

(4) Wherever the deposit is found to be more than the value of an average of two months bills for a Customer, the Distribution Company shall within ten working days of the review, advise the Customer in writing and refund the excess amount held.

13.—(1) Notwithstanding the provisions of sub-regulation (4) of regulation 12, a Distribution Company may hold the security deposited by a Customer until the Customer vacates the premises for which the security deposit is held and a final account is produced, in which case, the Distribution Company shall offset the amount of the security deposit against the final bill. Refund of Security deposits.

(2) Whenever offsetting the security deposit against the final bill results in a credit balance, the Distribution Company shall notify in writing and refund the balance to the Customer within ten working days of the final bill being produced.

(3) Whenever offsetting the security deposit against the final bill results in a debit balance, the Customer shall pay the amount due by the due date for payment

shown on the bill which shall not be less than ten working days from the date on which the bill is delivered to the Customer.

Arrangement  
to pay future  
bills.

14.—(1) Whenever a Customer anticipates difficulty in fully paying an electricity bill by the due date, he shall contact the Distribution Company, and the Company shall determine the Customer's capacity to pay the outstanding bill and, unless the Customer had failed to comply with an arrangement to pay agreed in the previous six months, the Company shall offer the Customer an arrangement to pay the outstanding bill.

(2) An arrangement to pay may either be for the Customer to clear an existing bill and to pay future bills by the due date or for the Customer to clear an existing bill and include advance payments for one or more future bills.

(3) In calculating the amount of the payment under an arrangement which includes advance payment for future bills, a Distribution Company shall not under any circumstances inflate the value of the payments above the amount the Customer would ordinarily be expected to pay.

(4) Before adopting an arrangement to pay between it and a Customer, a Distribution Company shall confirm to the Customer, in writing, the amount and date of each installment, the number of installments and the details of the bills covered by the arrangement to pay.

Interpretation.

15.—(1) In this Regulation, unless the context otherwise requires—  
“bill” means the document issued by a Distribution Company as evidence of the indebtedness of a Customer and shall contain the details set forth in the Schedule to this Regulation ;

“Commission” means the Nigerian Electricity Regulatory Commission ;

“Customer” means any person or organisation supplied with electricity for his or its own use by a Distribution Licensee or by any other person engaged in the business of supplying electricity to the public under the Electric Power Sector Reform Act, this Regulation or any other law for the time being in force and includes any person whose premises are for the time being connected for the purpose of receiving electricity from a Distribution Licensee ;

“Distribution Company” means a licensee authorised to operate and maintain a distribution system for supplying electricity to the Customer in his area of supply and in this Regulation is also referred to as a Distribution Licensee.

“month” means a period of 30 calendar days ;

Citation.

16. This Regulation may be cited as the Nigerian Electricity Regulatory Commission's Meter Reading, Billing, Cash Collections and Credit Management for Electricity Supplies Regulations, 2007.

## SCHEDULE

Regulation 4 (3)

## BILL DETAILS

- (1) Customer's name.
- (2) Customer's account number.
- (3) The supply address to which the bill refers.
- (4) A bill delivery address if different from the supply address.
- (5) The meter number of the meter recording the electricity usage at the supply address. Where there is more than one meter all meter numbers must be shown.
- (6) The date of production of the bill.
- (7) The period covered by the bill.
- (8) The relevant tariff/tariffs on which the bill is based.
- (9) Where a multiplier (meter constant) is applied, the value of the multiplier.
- (10) The previous and present meter readings.
- (11) Dates of previous and present meter readings.
- (12) An indicator to show whether the current and previous readings were—
  - (a) actual meter readings ;
  - (b) estimated readings ; or
  - (c) a Customer's own meter reading.
- (13) The total amount (kWhs) of electricity used in the period covered by the bill.
- (14) The total value (Naira) of electricity used in the period covered by the bill.
- (15) Details and value of any fixed charge applied to the period covered by the bill.
- (16) Details and amounts of any other charges applied to the period covered by the bill. All such charges must be shown separately and must not be aggregated.
- (17) The amount of any arrears/credits brought forward from the previous bill.
- (18) The total amount of the current bill. This must include any arrears/credit brought forward from the previous bill.
- (19) The due date for payment. This must not be less than ten working days from the date on which the bill is delivered to the Customer.
- (20) A telephone number for billing and payment enquires.
- (21) Details of the Distribution Company's complaint handling process. This must comply with the requirements set out in the Customer Complaints Handling Standards and Procedures issued by the Commission.
- (22) A summary of methods of payment and payment arrangement options. This must include details of where payment can be made.

**B 502**

**(23) A Distribution Company may include additional information on its bills either in a pre-printed or computer-printed format but under no circumstance shall this be included to the exclusion of the information listed above.**

**MADE AT ABUJA this 20th day of December, 2007.**

**Dr RANSOME OWAN,**  
*Chairman/Chief Executive Officer*  
*Nigerian Electricity Regulatory Commission*