

COMMUNIQUE' ISSUED AT THE END OF THE 4TH QUARTER MARKET PARTICIPANTS/KEY STAKEHOLDERS' INTERACTIVE FORUM HELD AT THE TRANSCORP HILTON ON THURSDAY, OCTOBER 27, 2016.

The interactive Forum was put together by the Market Operator as part of its quarterly activities of Market development. The forum was attended by Market Participants – Gencos, Discos, Transmission Company of Nigeria (TCN), Nigerian Bulk Electricity Trader (NBET) and Association of Power Generation Companies (APGC).

Below are the resolutions reached:

1. NERC needs to implement a mechanism for rewarding performance and punishing indiscipline.
2. Organisational capacity limitations across the value chain (Gencos, Discos, Regulator, TCN, and other Market Participants) should be addressed so as to achieve smooth operation of the Market.
3. Market Operator & Nigeria Bulk Electricity Trader should work together in collaboration with NERC to ensure their roles are complementary and aligned to the Market Rule at this stage of the market.
4. MO, NBET, NERC and BPE should collaborate and ensure Implementation of necessary supportive commercial arrangements to ensure Market liquidity.
5. Based on the current state of the Electricity Market, the Regulator is to ensure credible tariff assumptions and respected methodology that ensure appropriate risk allocation to Market Participants and the Government.
6. The Regulator should grow capacity to acquire own-data independently to facilitate information-based decision making for the management of the industry.
7. There should be behavioural consistency by the Regulator, Service Providers and Government in the treatment of concerns, issues, challenges and complaints of market which should be on the basis of ruling industry documents.
8. BPE must enforce Performance Agreements and conduct Post-Privatization monitoring by engaging properly equipped personnel who can hold their own in the midst of Private sector Boardroom experts.
9. It is important to appoint NERC Commissioners who are experienced, knowledgeable and contextually aware of the issues in the industry.
10. Federal Government should ensure multi-year budgeting for funding of Transmission network critical projects.
11. MO and NBET need to collaborate in exchange of data used for settlement in order to limit disputes on Settlement Statements and invoices.

12. NERC to ensure credible and flexible Tariff assumptions towards factors such as inflation and foreign exchange fluctuations.
13. MO should look into Process of Settling inter-boundary energy flow across Distribution companies.
14. Federal Government to enforce payment of MDAs obligations to the Market from source.
15. To improve transparency of the Market, there should be information sharing across the chain of Market Participants.
16. NERC should come up with a mechanism for improving market remittance and liquidity.

Signed by:

Sola Adeyegbe
Ibadan Disco

John Kadiri
Shell Power Plc

Kabiru M. Adamu
TCN

Dotun Ajayi
Omosho Electric Power Plc