



INTRODUCTION REA CLUB ER GM ABIDJAN 09/2018

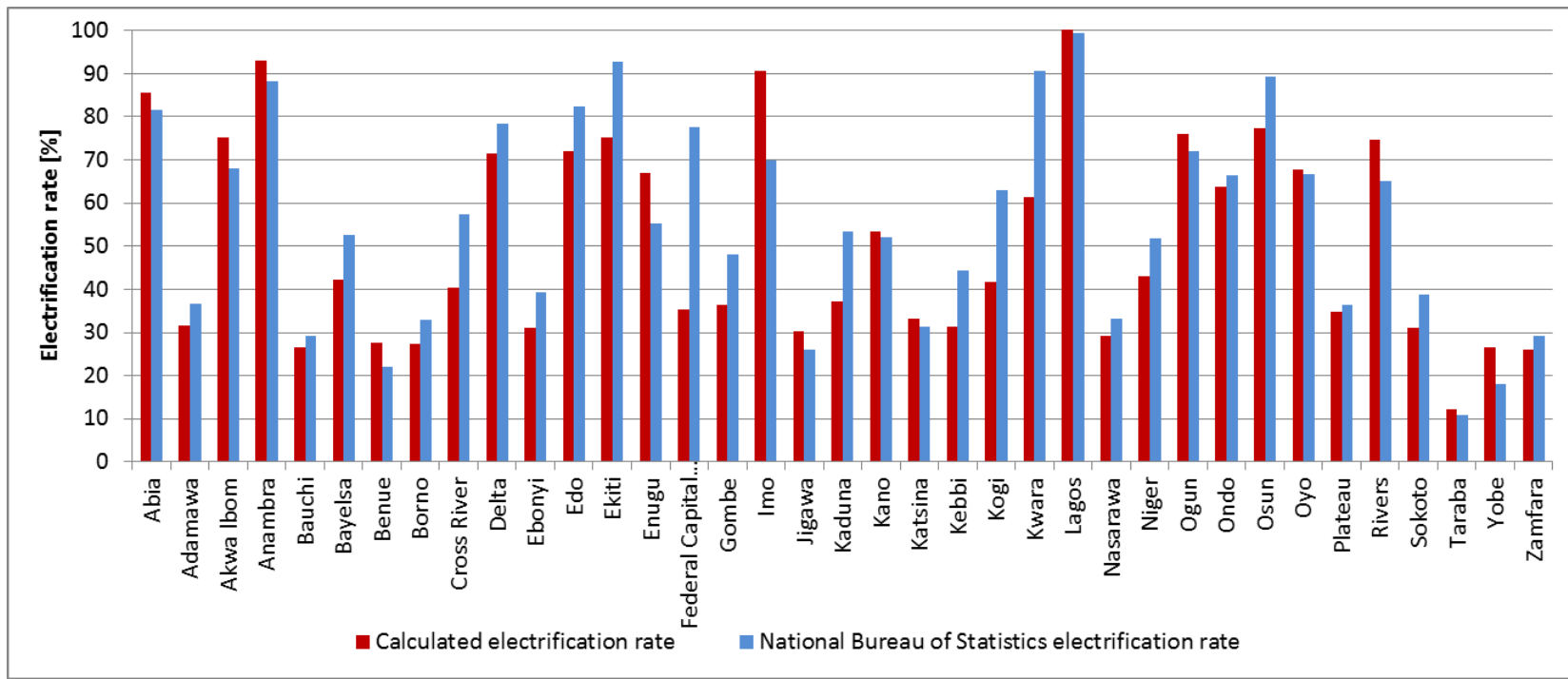
**BY
NAME
TITLE
RURAL ELECTRIFICATION AGENCY**

Outline

- ◉ Status of electrification
- ◉ Institutional structure
- ◉ Legislative and policy basis for REA
- ◉ Roles of the REA
- ◉ Rural Electrification Fund

Status of electrification

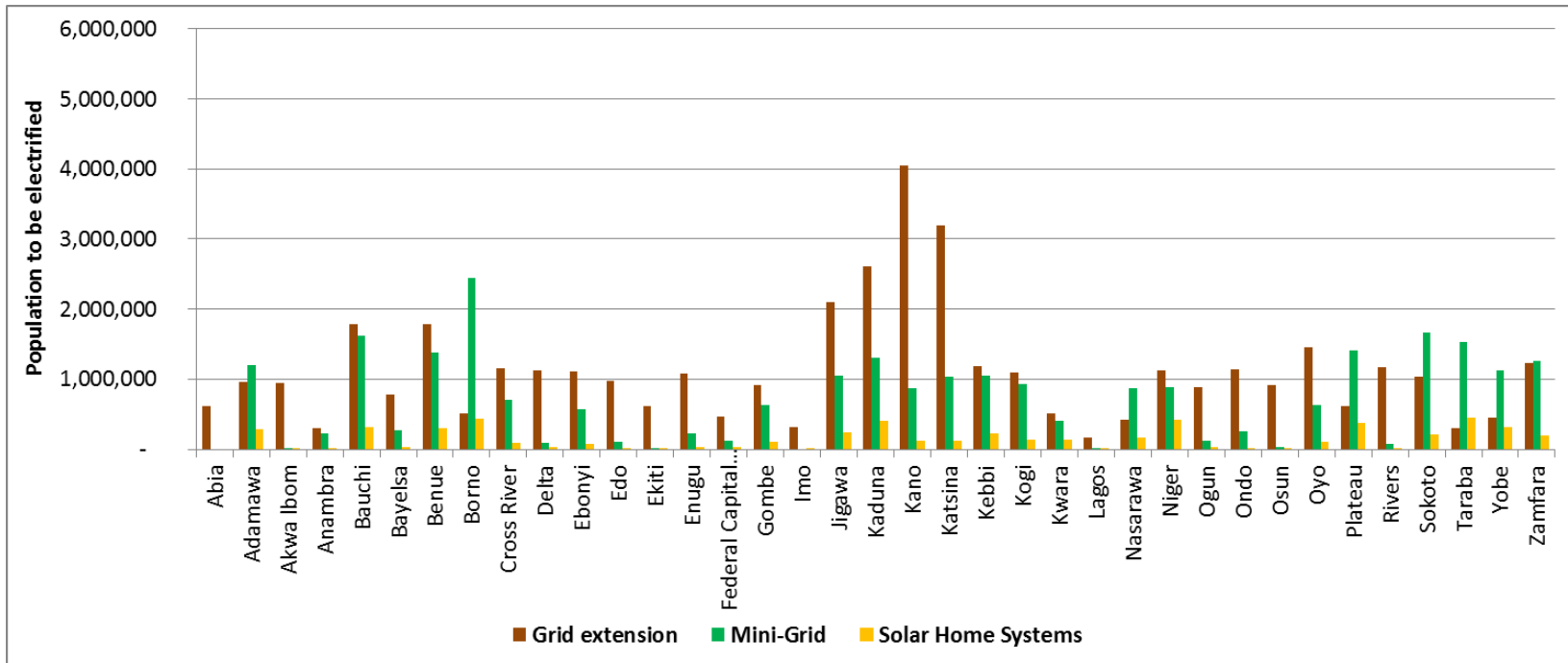
- Total population: 181m
- Total number of ppl living in electrified areas: 54% (98m)



Source: Nigerian Energy Support Programme, 2015

Electricity supply options - 10km grid buffer (progressive)

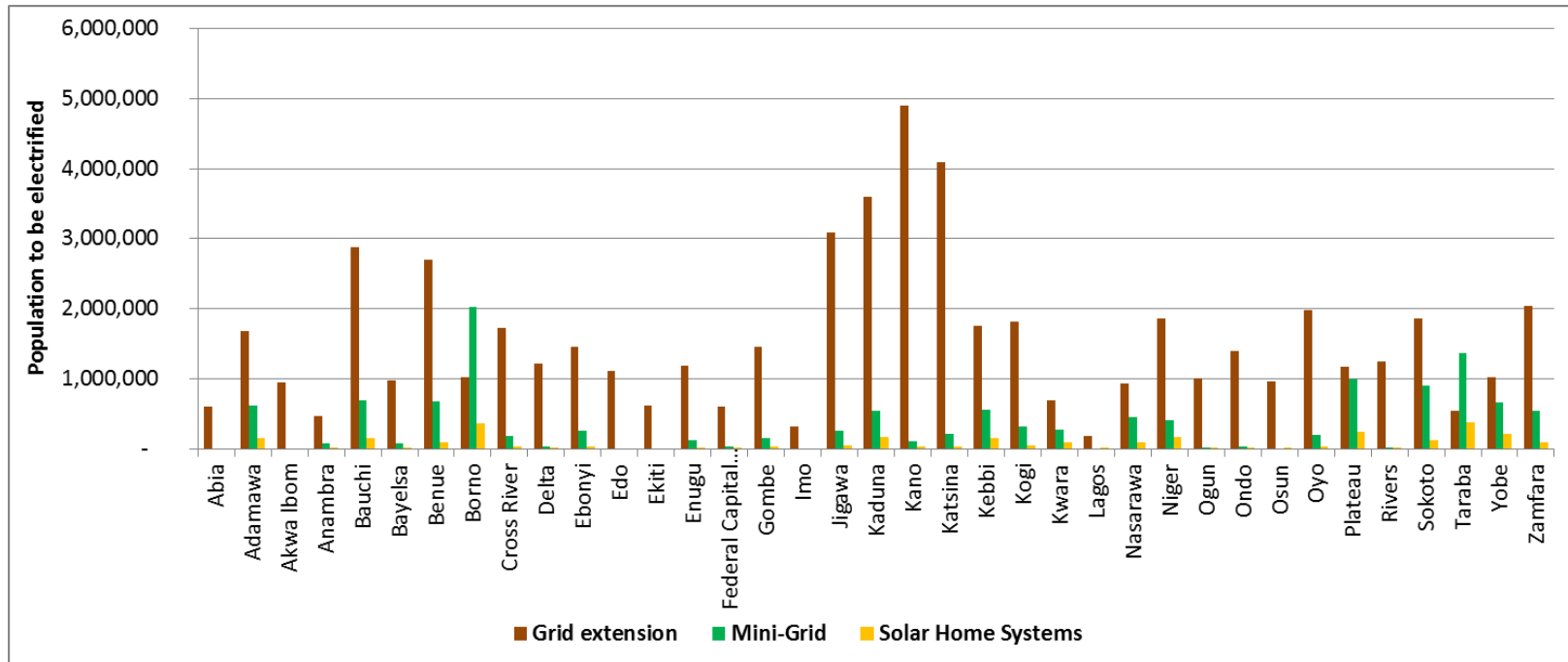
- Total results
 - Grid: 41 m ppl
 - Mini-grid: 26.2 m ppl
 - SHS: 5.5 m ppl
- PV potential
 - Mini-grid: 3,660 MW (700Wp per hhd)
 - SHS: 164MW (150Wp per SHS)



Source: Nigerian Energy Support Programme, 2015

Electricity supply options - 20km grid buffer (conservative)

- Total results
 - Grid: 57.1 m ppl
 - Mini-grid: 12.8 m ppl
 - SHS: 2.8 m ppl
- PV potential
 - Mini-grid: 1,790 MW (700Wp per hhd)
 - SHS: 84MW (150Wp per SHS)



Source: Nigerian Energy Support Programme, 2015

Institutional structure

- ◉ Reporting structure for REA
 - REA reports to the Minister of Power Works and Housing

- ◉ Other key federal actors in the power sector:
 - Nigerian Electricity Regulatory Commission (Regulator)
 - (e.g. Mini-grid Regulations - Draft)
 - Nigerian Electricity Management Services Agency (Certification)
 - (e.g. Metering technologies)
 - Other members of Inter-Ministerial Committee on RE and EE

- ◉ State Governments
 - Constitutional mandate to electrify off-grid areas

- ◉ Coordination structures key to success

Legislative and policy basis

- ◉ Electricity Power Sector Reform Act, 2005 (Art. 88)
- ◉ Rural Electrification Policy, 2008
- ◉ Rural Electrification Strategy and Plan, 2016
- ◉ REF Operational Guidelines (under development)

- ◉ Foundations for paradigm shift

Roles of the REA

- ◉ Set-up and administer REF (EPSRA Art 88 (11))
- ◉ Promote rural electrification (EPSRA Art 88 (13))
- ◉ Manage and resolve legacy projects (RESP)

REF - Funding sources (1)

- ◉ (EPSRA 88 (12))
 - any surplus to NERC's budgeted requirements;
 - any fines obtained by NERC;
 - any donations, gifts or loans;
 - contributions from licensees and eligible customers; and interest and other benefits accrued to the REF;
 - and monies appropriated by the National Assembly;
 - such percentage of the annual turnover of the licensee's as may be determined by NERC.

REF - Governance Structure (2)

- ◉ (EPSRA 91 (1b)) project selection through competition
- ◉ RESP
 - Transparent project eligibility & selection criteria
 - Evaluation team to assess project applications
 - REF Dept compiles ranked project list and recommendations for funding
 - REA Management Team reviews compliance
 - REA Board approves
 - Selected project reaches specified milestones
 - Funds then approved for release from Trust escrow

REF - Eligibility criteria (3)

- ◉ EPSRA 91 (2) tbd by REA with Minister
- ◉ RESP provides guidance
 - Technical, economic and financial viability
 - Degree of impact on rural development
 - Level of community/investor commitment

REF - Eligibility criteria (4)

- ◉ (EPSRA 91 (3)) provides guidance
 - Funds shall be allocated to projects according to available resources in REF;
 - The cost per connection created under the project; and
 - Other objective criteria e.g. tariff levels or service quality.

- ◉ (EPSRA 88 (13)) also provides guidance
 - Achieve more equitable regional energy access;
 - Maximise the economic, social and environmental benefits of rural electrification subsidies;
 - Promote expansion of the grid and development of off-grid electrification;
 - Stimulate innovative approaches to rural electrification (provided that no part of the REF is used as subsidies for consumption);

THANK YOU.