

Association of Nigerian Electricity Distributors

DisCos' Performance Reporting – Q1/2019

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Main Findings

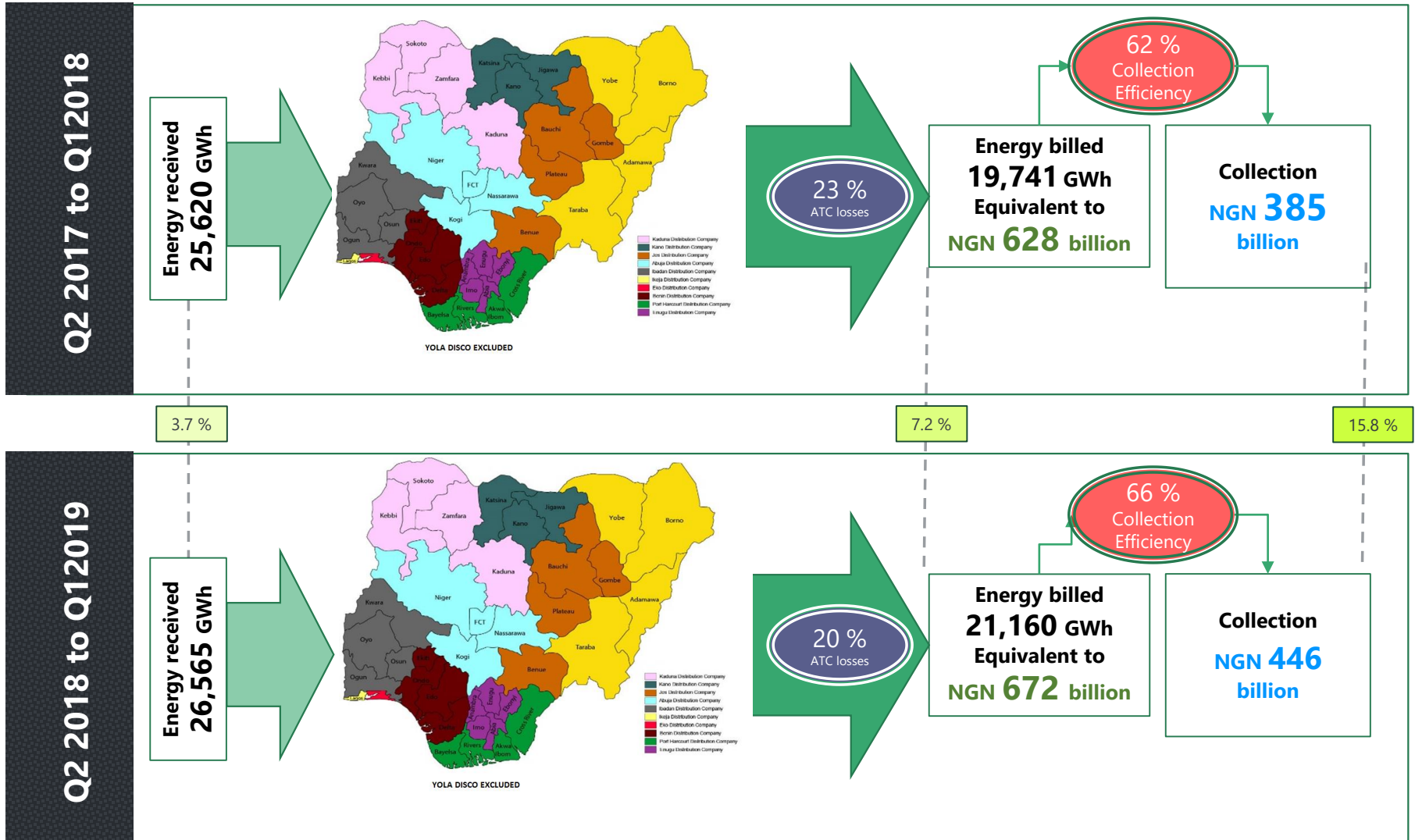
Abuja, Benin, Eko, Enugu, Ibadan, Ikeja,
Jos, Kaduna, Kanu and Port Harcourt

Overview

- ❑ The total energy collection (across the 10 DisCos) increased by **61 billion Naira more**, as compared to the previous 12 months (+16%). This is mainly due to improved performance (+12%), as well as the incremental energy received (4%). In this quarter, in general, DisCos have increased their revenue collection.
- ❑ Overall, the ATC&C keeps reducing and reached a new low in February 2019 (**47.2 %**) versus a starting point of 56%, onset of privatisation.
- ❑ In Q1/2019, energy received increased for 5 DisCos but decreased for the other 5 DisCos.
- ❑ Average collection efficiency has improved from a low of 47.8% in 2016 to 68.4% in Q1/2019.

Executive Summary – Yearly Comparison

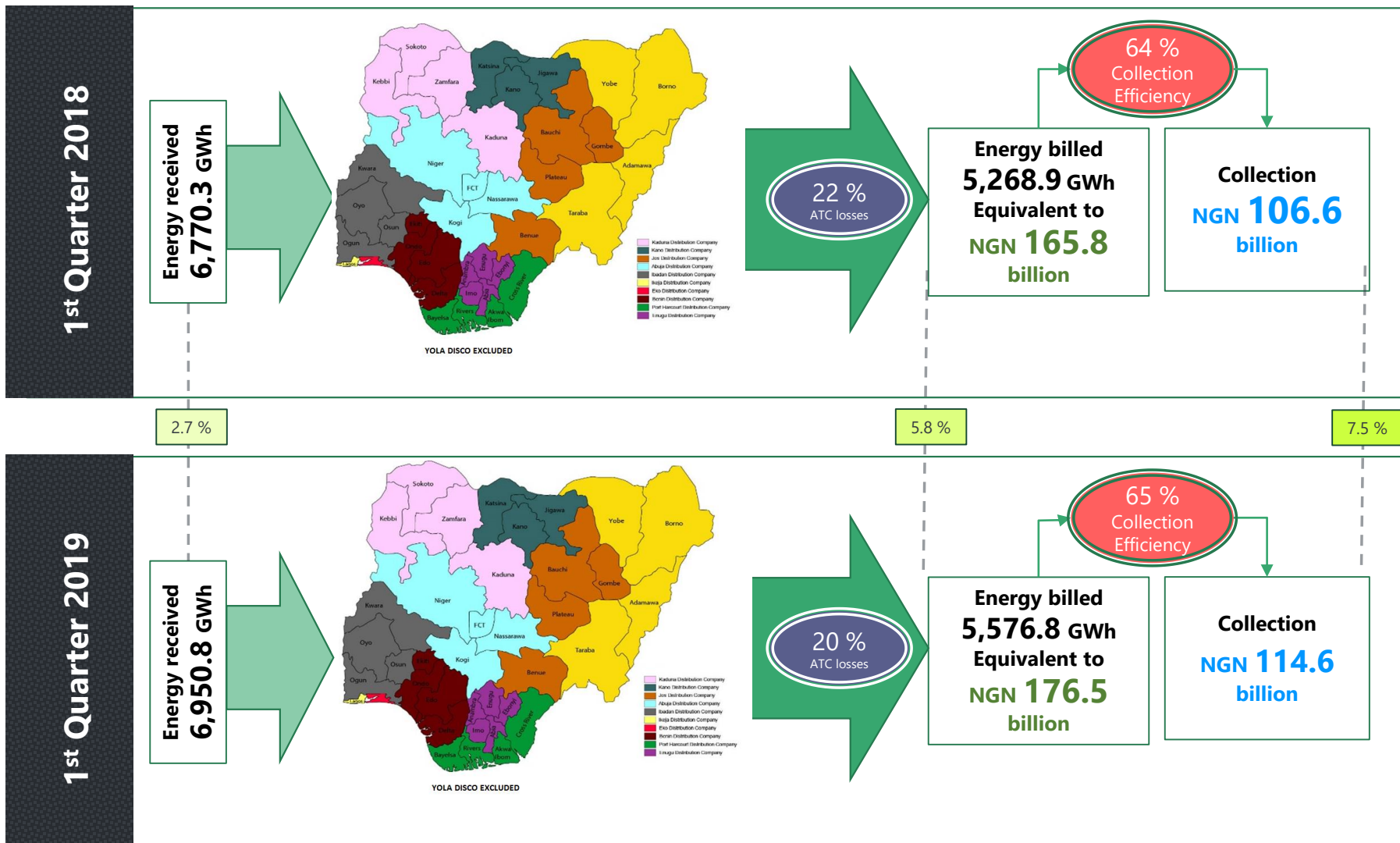
Overall, the amount of revenue collected increased immensely (+16%), as well as energy billed (+7%), which summarizes that the performance improvement of DisCos is not only due to the benefit of receiving more energy (+4%)



Source: DISCOs KPI Report to NERC

Executive Summary – Quarterly Comparison

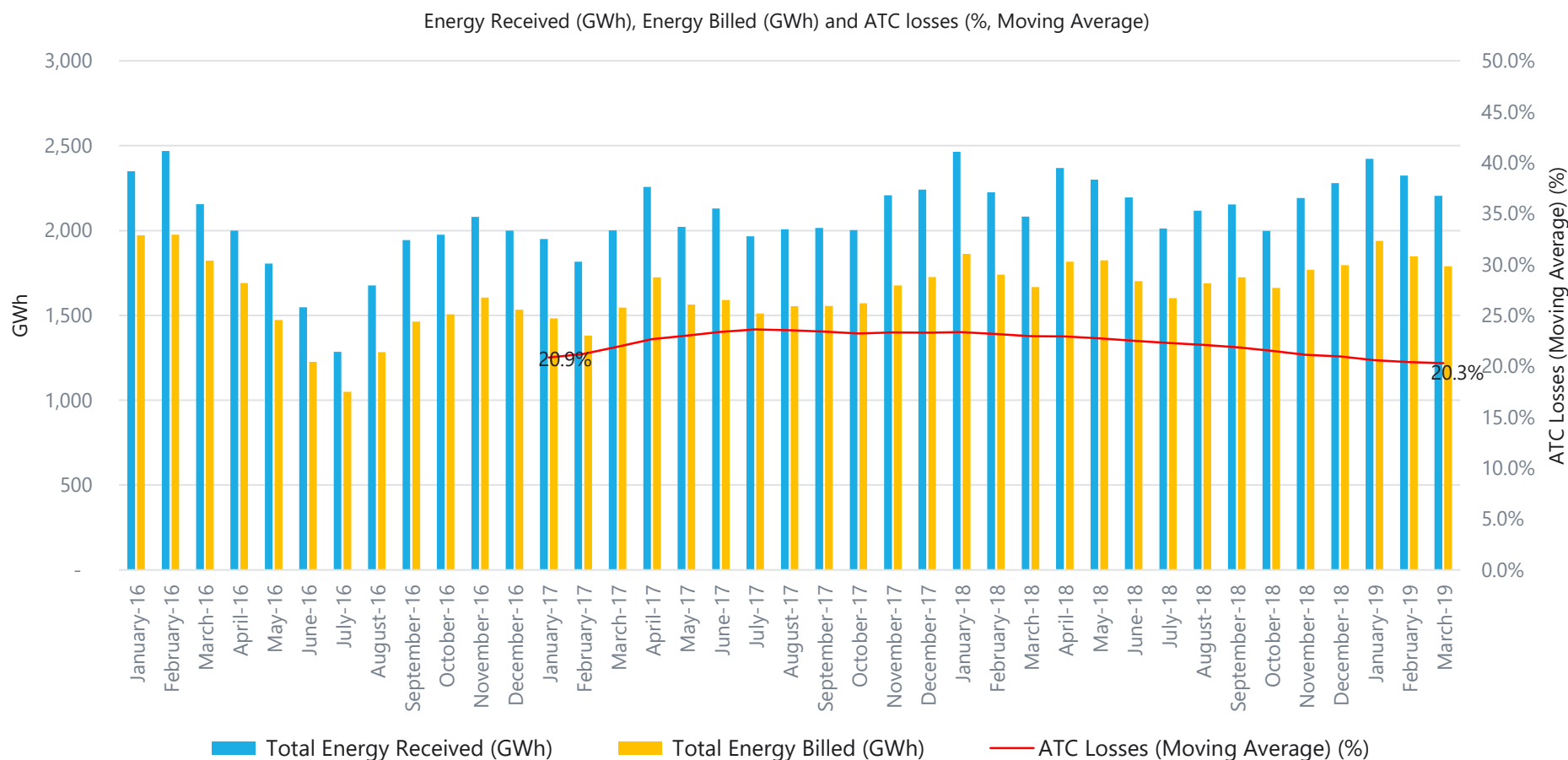
Although the energy received has not increased as much as expected, in the 1st quarter comparison, there was a noticeable increase in energy billed and collected.



Source: DISCOs KPI Report to NERC

Energy Received, Energy Billed and ATC losses (Moving Average)

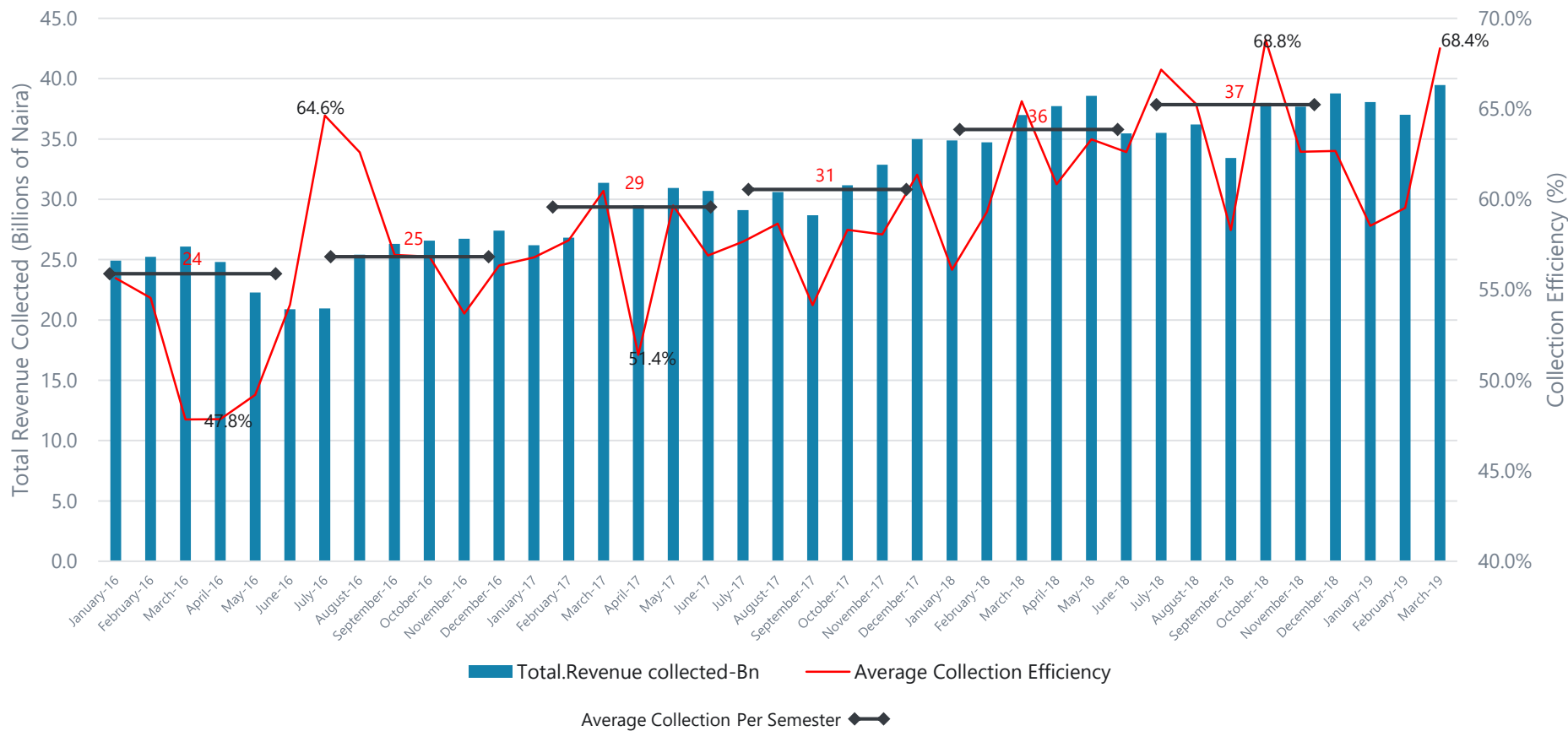
Since July 2016, there has been a gradual rise in both energy received by DisCos and, consequently, in the energy billed.



Revenue Collection and Collection Efficiency Analysis

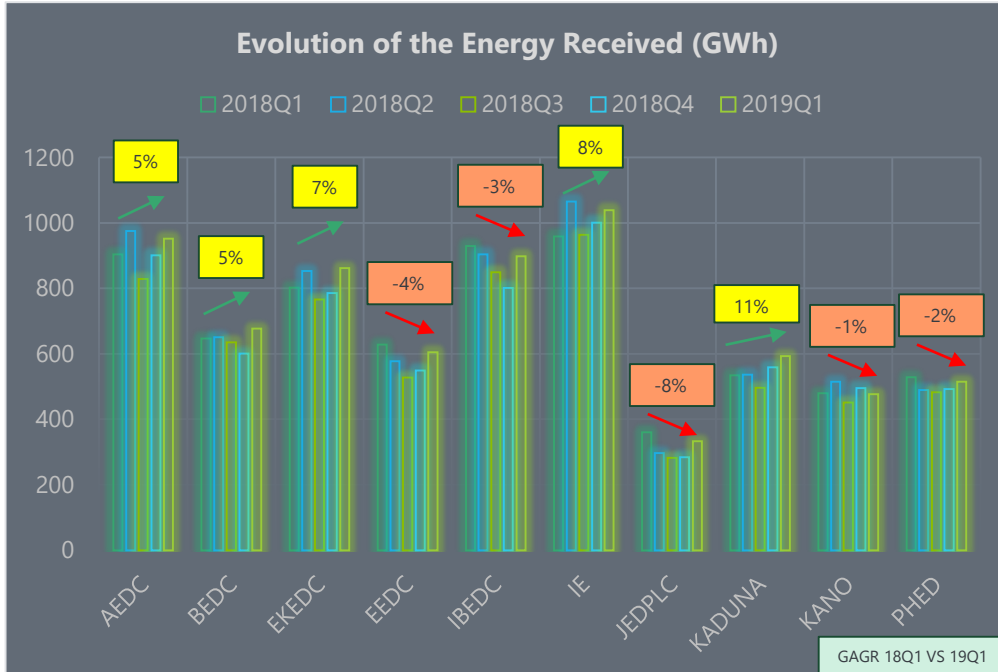
Although the retail tariff has remained unchanged since Feb 2016, the revenue collection has been increased continuously, up by almost NGN 40 billion in March, compared to the average of NGN 24 billion per month in 2016. This is a consequence of improved DisCo performance.

Revenue Collection (NGN billion) and collection efficiency (%) analysis



Energy Received by DisCos

The energy received by ANED's members has increased by 7% in the last quarter compared to the previous one and in some DisCos the increase is above 10%.



Energy Received (Increment Qi/Qj -1, %)

	Q2/Q1	Q3/Q2	Q4/Q3	Q1/Q4
AEDC	8%	-15%	9%	6%
BEDC	1%	-2%	-5%	13%
EKEDC	6%	-10%	3%	10%
EEDC	-8%	-8%	4%	10%
IBEDC	-3%	-6%	-6%	12%
IE	11%	-10%	4%	4%
JEDPLC	-18%	-5%	1%	17%
KADUNA	0%	-7%	13%	6%
KANO	7%	-12%	10%	-4%
PHED	-7%	-2%	2%	5%
TOTAL	1%	-8%	3%	7%

- With the increment in energy received (Q12019vsQ1/2018) by some DisCos (AEDC, BEDC, AKEDC, IE and KE) other DisCos are receiving less (EEDC, IBEDC, JEDPLC, KEDCO and PHED).
- It is important to better understand the reasons behind these variations to avoid decreasing scenarios, while in parallel, there is an urgent need to improve the energy management communications between TCN and DisCos on daily basis.
- Until this operational coordination is completed, DisCos might face erratic scenarios that negatively affect the evolution of their KPIs, under their PIPs.



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