



ANAMBRA STATE ELECTRICITY REGULATORY COMMISSION

REGULATIONS FOR INDEPENDENT ELECTRICITY DISTRIBUTION NETWORK (IEDN), 2026

REGULATION NO: ASERC-R-TR/001-2026

ANAMBRA STATE ELECTRICITY REGULATORY COMMISSION

In exercise of the Powers to make regulations conferred by Section 78 of the Anambra State Electricity Law (ASEL) 2025, and all other laws enabling it in that behalf, the Anambra State Electricity Regulatory Commission (ASERC) makes the following regulations for Independent Electricity Distribution Network (IEDN) 2026.

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CHAPTER I

GENERAL

1. Short Title

These regulations may be cited as the Anambra State Independent Electricity Distribution Network (IEDN) Regulations 2026.

2. Commencement

(1) These regulations shall come into force on the date on which they are approved by a resolution of the Commission and signed by the Chairman of the Commission who shall also cause the seal of the Commission to be affixed thereon.

3. Interpretation

(1) In these regulations, unless the context otherwise requires:

"Law" means the Anambra State Electricity Law, 2025;

"Affiliate" means affiliate as defined in the Law.

"Business day" means a day other than a Saturday, a Sunday or a day which is lawfully declared as a public holiday by the Federal, State or Local Government in Nigeria

"Business Rules" mean the Anambra State Electricity Regulatory Commission (Business Rules of the Commission) Regulations, 2026 as amended;

"Commission" means the Anambra State Electricity Regulatory Commission (ASERC);

"Connection" means the electrical equipment and materials that allow the transfer of electricity between the distribution system and an electrical system that is not part of that network and includes any transformers or switchgear at the point of interconnection that are necessary for the transfer but does not include the lines and switchgear at the connection that form part of the transmission system;

"Connection Offer" means an offer received or made to connect electrical equipment and materials that allow the transfer of electricity between the distribution system and the generator or consumer

"Connection point" means an entry or an exit point on a distribution network;

"Connection services" means in respect of a connection, the establishment and maintenance of that connection;

"Disconnect" in respect of a connection, means to operate switching equipment so as to prevent the transfer of electricity through the connection;

"Distribution Code" means the code and guidelines for the Anambra State electricity distribution system, as approved from time to time by the Commission;

"Distribution Network" means any connection of cables, service lines and overhead lines, electrical apparatus/equipment and having design voltage of 33kv and below used to transport electric power on a distribution system

"Distribution System Operator" means an operator of the distribution system facilities consisting wholly or mainly of low voltage (less than 132kv) electric lines used for the distribution of electricity.

"Embedded IEDN" means an IEDN connected to a distribution network that is connected to the transmission system operated by the system operation licensee;

"Force majeure" means as defined by the parties in their agreement(s);

"Independent Electricity Distribution Network" or "IEDN" means a distribution network not directly connected to a transmission system operated by the system operator;

"Independent Electricity Distribution Network Operator" or "IEDNO" means an IEDN operator licensed by the Commission;

"Isolated off-grid rural IEDN" means an IEDN in a rural area which is not connected to a distribution network;

"Isolated off-grid urban IEDN" means an IEDN in an urban area which is not connected to a distribution network that is connected to the transmission system operated by the system operation licensee;

"Licence" means a licence granted by the Commission under the Law;

"Licensee" means any person who holds a licence issued by the Commission;

"Market Participant" means any person who has signed a Market Participation Agreement;

"Market Participation Agreement" means an agreement executed by every participant in the Anambra State Electricity Market by which the participant agrees to be bound by the rules governing the market.

"Market Rules" means Market Rules for the Anambra State Electricity Market;

"Metering Code" means the Anambra State Metering Code approved by the Commission;

"Other regulated activities" means activities either in generation, transmission, system operation, distribution or trading of electricity;

"Person" includes an individual, a company, partnership or any association of individuals, whether incorporated or not;

"Regulated Activity" means any activity in generation, transmission, systems operation, distribution and trading for which a licence is required;

"Rural Area" means any area of the State not designated as urban area by the State Government.

"Distribution Company" means a distribution company that is granted a distribution licence under s. 38 of the Law;

"Technical Codes" means Grid Code, Distribution Code; Metering Code, Health & Safety Code and other codes approved by the Commission for the technical regulation of the electricity supply industry in Anambra State;

"Use of system services" means an electricity distribution network service provided to a user of the distribution system for the transportation of electricity that can be reasonably allocated to a user on an individual basis; and

"User" means any person using the distribution system of a licensee.

"Urban Area" means the boundaries of an area or city as determined by the Anambra State Government.

- (2) Unless otherwise specified, in these regulations:
- (a) Words importing any one gender includes the other gender and the singular includes the plural and vice versa;
 - (b) Words or expressions used in these regulations but not defined shall have the same meanings respectively assigned to them in the Law;
 - (c) Any reference to a statute or statutory provision includes a reference to that provision as amended re-enacted or replaced and any regulations or orders made under such provisions from time to time; and
 - (d) If the date on which an event is scheduled to occur by these regulations is a day which is not a business day, then the event shall be deemed to occur on the next business day.

4. Application of the Regulations

These regulations shall apply to all independent electricity distribution systems, the owners, operators and users of the distribution system.

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CHAPTER II

CHARACTERISTICS OF INDEPENDENT DISTRIBUTION NETWORKS

5. Structure/Arrangement

- a) An IEDN may be any one of the following:
 - (i) Isolated off-grid rural IEDN
 - (ii) Isolated off-grid urban IEDN
 - (iii) Embedded IEDN
- b) An IEDN may be required by the Commission to have a generator in its network
- c) Where an embedded IEDN does not have a generator it shall enter into service agreement with the distribution company supplying the IEDN electric power
- d) Where the embedded IEDN has a generator, the generator shall be regarded as an embedded generator in the Distribution Company to which the IEDN is connected.

6. Geographical Delineation of Distribution Systems

- (1) The Commission may grant a licensee the right to construct, own, operate and maintain a distribution system in a designated geographical area within the area of operations of a Distribution Company.
- (2) An applicant for an IEDN licence shall submit to the Commission an accurate description of its proposed distribution system, including geographical depiction.
- (3) The geographical depiction shall be in the prescribed form.

7. Participation in Other Regulated Activities

- (1) An affiliate of the IEDN may be licensed to engage in other regulated activities provided the Commission is satisfied that the applicant will not abuse market power to the detriment of consumers or that appropriate safeguards exist to prevent such abuse.
- (2) Pursuant to sub-section (1), the IEDN licensee and its licensed affiliate shall prepare separate accounts for each of its licensed activities as would be required under the Companies and Allied Matters Act, 2020 as if each activity was carried on by a separate company.

CHAPTER III
GRANT OF LICENCE AND MANDATORY CONDITIONS OF LICENCE

8. Conditions for Grant of a License

(1) The Commission may issue a licence to construct, own, operate and maintain, or to procure the construction, operation and maintenance of an independent electricity distribution system; provided that a licence shall not be issued unless the Commission is satisfied that:

- a. there is no existing distribution system within the geographical area to be served by the proposed independent distribution system;
- b. the infrastructure of an existing distribution licensee is unable to meet the demand of customers in the area. Where this is the case, the IEDN Operator shall satisfy the following conditions before the issuance of a licence:
 - i. Ensure the safety of equipment, workers and the public;
 - ii. Show the ability to provide generation capacity for the IEDN.

(2) Notwithstanding section 8(1) the Commission, in making a decision on an application for a licence for an independent electricity distribution system, shall consider if the grant of an IEDN license as proposed:

- a. Will maximise access to electricity services;
- b. Will reduce distribution congestion to the benefit of consumers;

9. Licence Application procedure

All applications and related proceedings before the Commission for grant of an Independent Electricity Distribution System Licence shall be governed by the Application for licences Regulations, including amendments and statutory re-enactments thereof.

(1) No person shall be eligible for grant of licence to construct, own, operate and or maintain an independent electricity distribution system unless it satisfies the requirements for Application for distribution Licence as stated in Schedule 1C of Application for Licences (Generation, Distribution and Trading) Regulations, 2026 or any amendment thereto.

(2) The Commission may consider the expansion plan of the existing distribution companies in assessing the application for IEDN licence.

CHAPTER IV

OPERATION OF THE DISTRIBUTION NETWORK

10. Installation and maintenance of the distribution system

- 1) The licensee shall design, construct, commission, operate and maintain its distribution system and related facilities in compliance with the Technical Codes and standards, terms and conditions of its licence and in accordance with any other standards of design, construction, and maintenance as may be prescribed by the Commission from time to time.
- 2) Where there is any inconsistency between these Regulations and the Technical Codes, the provisions of the Technical Codes shall prevail.

11. Network Losses

- 1) Good construction and maintenance practice shall be observed by the IEDN operator as provided in the Distribution Code to curtail network losses within allowable range as set out by the Commission.

12. Interruption and curtailment

- 1) A licensee may interrupt or curtail the transfer of electricity to or from a connection or the provision of an access service in respect of a connection to the extent, and for such period of time, as the licensee considers is necessary:
 - (a) To carry out planned improvement, maintenance, testing or repair of that part of the distribution system which has the ability to transfer electricity to or from the connection or the plant or equipment used to provide the access service in respect of the connection;
 - (b) To carry out unplanned maintenance, testing or repair of that part of the distribution system used to transfer electricity to or from the connection or the plant or equipment used to provide the access service in respect of the connection, if the licensee considers that doing so is necessary to avoid injury to any person or material damage to any property or the environment;
 - (c) In the event of breakdown or damage to any part of the distribution system which has the ability to transfer electricity to or from the connection or the plant or equipment used to provide the access service in respect of the connection which affects the licensee's ability to transfer electricity to or from the connection or provide the access service; or
 - (d) If a *force majeure* event occurs which affects the licensee's ability to transfer electricity to or from the connection or to provide the access

service.

2) A licensee shall:

- (a) Give users at least 10 business days' prior notice of any planned maintenance, testing or repair that will require interruption to or curtailment of the transfer of electricity to or from, or the provision of an access service to, one or more of the user's connections under these regulations and must liaise with the user concerning the timing of that planned, maintenance, testing or repair; and
 - (b) Use best endeavours to promptly notify a user of any unplanned interruptions to or curtailments of the transfer of electricity to or from, or the provision of an access service to, one or more of the user's connections under these regulations.
 - (c) A licensee shall, in all circumstances, ensure an alternative source of power supply for outages exceeding one hour.
- 3) If a licensee notifies a user of any interruption to or curtailment of the transfer of electricity to or from, or the provision of an access service to, a connection (under this regulation or otherwise), then the user shall:
- (a) Comply with any reasonable requirements concerning the interruption or curtailment set out in the notice; and
 - (b) If the connection is an exit point, use all reasonable endeavours to ensure that the persons taking a supply of electricity through the connection also comply with those requirements.

13. General Provision for Connection to Customers

- 1) An IEDN shall sign a connection agreement with every user who accepts to connect to the IEDN.
- 2) In providing new connection, the IEDN shall connect and install the relevant customer meter as provided in the Customer Protection Regulations 2026.
- 3) For new customer connections, the provision of meters shall be the responsibility of the IEDN.
- 4) Connection charge to customers shall be at the rate approved by the Commission
- 5) The IEDN shall provide, for the Commission's review and approval, the connection charges for each class of customer and that such connection charges shall be cost-based.
- 6) Provision of service by a licensed IEDN shall be disconnected at the request of a customer.

- 7) In addition to the regulations in this section, the procedure for connections and disconnection shall be as prescribed in Customer Protection Regulations.
- 8) In off-grid rural and off-grid urban IEDN, the IEDNO shall be responsible for the procurement, certification, installation, and maintenance and vending of all meters in its network. The licensee shall prepare meter maintenance schedule as approved by the Commission.

14. General Provision for Connection of Embedded Generator

- 1) For every 20MW generating unit, a 33kv medium distribution voltage shall be utilized for evacuation to the IEDN.
- 2) Embedded generating unit(s) above 5MW shall comply with the provisions of the Grid Code
- 3) Embedded generating units of more than 1MW but lower than 6MW shall be connected on 11kV networks of the IEDN
- 4) Embedded generating units of 6MW or more shall be connected on 33kV networks
- 5) The Distribution licensee shall publish its policies, procedures, technical requirements, commercial arrangements, connection procedures and the standard charges associated with the connection of a generating unit to its distribution system.
- 6) The general requirements for connection of an embedded generator are as specified under Part 2 Section 4.1.1 of the Distribution Code generating unit, and any additional requirements which may be specifically applicable to the generator, and as approved by the Commission.
- 7) The IEDN Licensee shall discuss the general requirements for connection of generators to the distribution networks specified under Part 2, Section 4.1.1 of the Distribution Code and any other requirement which may be applicable to IEDN and approved by the Commission.
- 8) An IEDN licensee shall be relieved of its obligation to connect an embedded generating unit in the event that the Embedded Generator is unable or unwilling to fulfil the general requirements as set out in these regulations.
- 9) In the event of being aware of a breach of these Regulations, the Distribution

Licensee shall notify the Commission, the Generator and any other directly affected parties, of the breach and shall advise the EG of the Distribution Licensee's policy and procedures for handling disputes.

10) The generator or any one directly affected may also report such breach to the Commission once aware of the breach of these Regulations.

11) The technical requirements at the connection point shall be as provided in Part 2, Section 4 of the Distribution Code.

12) The Distribution Licensee shall comply with Appendix 4 of the Distribution Code, and the Health and Safety Code approved by the Commission.

13) In addition to the above listed requirements, operators of Renewable Energy Power System shall ensure that where storage is not required, flexible generation shall exist to allow the intermittent and uncertain power to be absorbed into the network on a priority basis.

14) During commissioning, the generator shall provide the IEDN licensee with a written test report and proof of compliance with provisions of the Distribution Code, Metering Code and the Health and Safety Code.

15. Safety and Security of Distribution System

(1) The licensee shall, where necessary, give directives to the user to take any action or refrain from taking any action for reasons of public safety or the security of the distribution system.

(2) A direction under regulation 15(1) shall specify the period within which the direction must be complied with and for how long the direction must be complied with.

(3) If a person is directed to do something under regulation 15(1) but does not comply with the direction, then the licensee may authorize any of its employees or any other person to carry out that direction and the person to whom the initial direction was issued must do all such things to assist the authorized person to carry out that direction.

16. Interconnection and Boundary Delineation

(1) Each licensed IEDN operator shall operate in the geographical area specified in its license.

(2) A licensed IEDN operator may enter into agreement to provide open access to a licensed generator, distributor or transmission company which shall be approved by the Commission in line with the provisions of standard network agreements.

(3) Where augmentation or interconnection with the facilities of:

- (i) Transmission system is required, the System Operator shall coordinate the scheduling of such activities with all licensees that would be impacted by such activities,
- (ii) A larger distribution system is required, the distribution licensee of the larger size (in KVA) distribution system shall coordinate the scheduling of such activities with all licensees that would be impacted by such activities,
- (iii) Another IEDN of similar size (in KVA) is required, the IEDN giving access coordinates operations.

The parties shall execute an agreement to give effect to any of the above arrangements.

(4) The agreement in clause 3 above shall be subject to the approval of the Commission.

CHAPTER V COMMERCIAL ARRANGEMENT

17. Determination of Tariffs and Other Charges

- (1) The tariffs and other charges due to a licensee for distribution services shall be determined in accordance with the methodology for determination of distribution tariffs adopted by the Commission pursuant to section 12(1)(b) and (k) of the Law and in force from time to time.
- (2) Notwithstanding regulation 17(1), a licensee may propose to the Commission, charges, tariffs and tariff methodologies outside the limit of the methodology developed in accordance with section 12(1)(b) and (k) of the Law, and the Commission may consider the application of such tariffs, charges and methodologies where there are special circumstances requiring it to do so.
- (3) Where an IEDN Licensee cannot undertake the re-enforcements and extension needed to evacuate the power generated into the network, the connection agreement shall provide for the recovery of the cost incurred by the embedded generator for any re-enforcements or extension executed based on an agreed timeline.
- (4) Where users of the IEDN contribute to the provision of the distribution infrastructure such contribution shall be taken into account in the determination of the end use tariff.
- (5) Where a generator supplies electric power to an IEDN, the procurement process shall be competitive and in accordance with the provisions of the bulk power and ancillary services procurement guidelines approved by the Commission.
- (6) Tariff to be determined by the Commission shall apply to renewable power supply system connected to an IEDN.
- (7) Where the situation warrants, the parties agree and upon proper documentation, the Commission may grant consent to a distribution licensee to appoint an Embedded IEDN as agent to undertake part of the Distribution licensee's regulated functions.
- (8) Eligible customers connected to an IEDN shall pay a Distribution Use of System Charge to the IEDNO.

CHAPTER VI MISCELLANEOUS

18. Procedure for Securing Compliance with Licences

- (1) Where the Commission, on the basis of material or evidence in its possession is satisfied that the licensee is contravening, or is likely to contravene, the terms and conditions of licence, it shall serve an Order to the licensee to do, or not to do, such things as are specified in the Order for the purpose of rectifying or avoiding any contravention or threaten contravention of any term or condition of the licence.
- (2) The Order shall specify the period within which the licensee shall rectify or avoid the contravention or threaten contravention of the term or condition of the licence.
- (3) Upon expiry of the period specified in the Order, if no compliance is achieved, the Commission shall proceed to enforce the Order through the enforcement mechanism established by it.

19. Proceedings before the Commission

All proceedings before the Commission under these regulations shall be governed by the Business Rules of the Commission as may be amended from time to time.

20. Complaint Procedure

- (1) All customer complaints shall be resolved in accordance with the Commission's Customer Protection Regulations.

25. Dispute Resolution

Disputes between market participants shall be resolved in line with the dispute resolution mechanism established by the Commission.

26. Amendment or Repeal

The Commission may amend or repeal, in whole or in part, the provisions of these Regulation.

THE COMMON SEAL OF THE ANAMBRA STATE ELECTRICITY REGULATORY COMMISSION was affixed

On this 3rd day of June 2026


Prof. Frank N. Okafor
Chairman/CEO