

IbomPower 

NEWSLETTER

WE NEVER RECEIVED A DIME FROM THE STATE GOVERNMENT, INSTEAD WE GAVE THE STATE N2.3Bn – MD, IBOM POWER

The Managing Director of Ibom Power Company Limited, Engr. Meyen Etukudo has refuted claims that Ibom Power frequently appeared in the budgetary provisions of the Akwa Ibom State Government. Engr. Etukudo said the reverse is the case since the State Government never funded Ibom Power at any time rather, in 2017, Ibom Power paid the sum of N2.3billion to the State Government.

The MD recently disclosed this information at a public hearing on a bill to create the Akwa Ibom Electricity Regulatory Commission by the Akwa Ibom State House of Assembly, where it was alleged that Ibom Power regularly received funding from the state government with nothing to show for it. "When you said that every year there is a budget for Ibom Power from the State Government, I stand here to state clearly that Ibom Power has never received one naira from the State Government since the first of August, 8 a.m on Monday when I resumed as the MD of Ibom Power. We never received a dime from previous administrations or the current one, let research be conducted. Rather, in 2017, we paid N2.308 billion to the state government" the MD, stated. Engr. Etukudo also revealed that when he



Photo: Ibom Power MD, Engr. Meyen Etukudo speaking at the Public Hearing organized by the Akwa Ibom State House of Assembly recently

resumed as the MD in August 2016, Ibom Power had 33 court cases pertaining to finance and more than N10 billion in debt. "This current Management has reduced the number of court cases from 33 to 6 and paid off a significant portion of the inherited debt," he disclosed.

The Speaker of the House, Rt. Hon. Udemé Oton, represented by the Deputy Speaker, Rt. Hon. Kufreabasi Edidem recalled that since 2019, when the house resumed, Ibom Power has been reflected in the budget submitted to the Akwa Ibom State House of Assembly. He appreciated the MD's insight on the issue and expressed concern that the company grappled with so much debt.



DID YOU KNOW

As at 2016, the inherited debt of Ibom Power was about N5.66 billion and \$11.6 million respectively. The current Management has reduced the debt of Ibom Power from N5.66 billion to N380m and from \$11.6 million to \$6.7 million.





**Engr. Meyen Etukudo, fnse
MD/CEO, Ibom Power**

Excerpts from MD's public hearing presentation to the Akwa Ibom State House of Assembly on a bill to create the State's Electricity Regulatory Commission

- Title: "A Law to make provision for electricity generation, transmission, and distribution within and for the residents of Akwa Ibom State..."

We recommended that "sales" of electricity should be incorporated into the provisions for generation, transmission, and distribution of electricity included in the bill's long title. This is because, without sales, the state will only generate, transmit, and distribute electricity without making any sales. We also recommended that the trading of electricity should be included among the services to be regulated by the bill.

- Section 6, No. 1, appointment of Chairperson and Board members to serve on a part-time basis.

We suggested that due to its essential role in the industry, the Commission ought to be full-time like NERC. An ad hoc Chairperson and Board might not be able to accomplish the regulatory goals of the State's energy commission. It needs full-time management and staff with sufficient industry-relevant qualification and expertise, particularly, in legal, compliance, and market roles.

- Section 6, (d) and (e) appointment of a representative from the Ministry of Power and from the civil society groups in the state. We highlighted that such requirements might compromise the technical proficiency of the Commission and threaten its independence.

- Section 6, No. 5, "A member of the Board shall hold office for a single term of 3 years and may be reappointed for another 3 years and no more".

We recommended a 5-year single term in addition to other recommendations submitted by Ibom Power.



Photo: L-R Permanent Secretary, Min. of Power, Dr. Valerie Obot, Partner, Details Commercial Solicitor, Anthony Ezeamama and Ibom Power MD, Engr. Meyen Etukudo at the public hearing organized by AKHA in Uyo.

Editorial

NUMBERS DON'T LIE!

Hi everyone,

The weekly newsletter from Ibom Power is now in its 3rd issue! As they say, "Good things come in threes".

When our MD, Engr. Meyen Etukudo revealed that Ibom Power has never received any money from the Akwa Ibom State Government, past or present, jaws dropped in amazement. It stayed in that position following further disclosure that to the contrary, it was Ibom Power that gave N2.3 billion to the State Government. Our own Paul Okon saw his idea come to life as he successfully held the first edition of the Ibom Energy Forum to galvanize and ignite discussions on the growth of the Akwa Ibom States' power sector. We also highlighted Ibom Power's financial investment in corporate social responsibility within its host community.

Enjoy it!

About Ibom Power

Ibom Power is a 191 megawatts Independent Power Plant (IPP) owned by the Akwa Ibom State Government and situated in the Ikot Abasi local government area of Akwa Ibom State. It is a pioneer in the Nigerian power industry. Please visit www.ibompower.com to learn more.

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Michael Dada, anipr

“The will to win, the desire to succeed, the urge to reach your full potential... these are the keys that will unlock the door to personal excellence.

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CONFUCIUS

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INDUSTRY

trends

SEPTEMBER 15 – 21, 2024

VOL. 1. | ISSUE 03



Paul Okon

Convener, Ibom Energy Forum

IBOM ENERGY FORUM 2024: SHAPING AKWA IBOM'S ENERGY FUTURE

The Ibom Energy Forum, launched on September 11, 2024, with the theme “Outlook for Akwa Ibom State Electricity Market: Opportunities for Industrialization and Economic Prosperity”. According to the Convener, Paul Okon, the forum aims to drive conversations centered on a commercially viable electricity market in Akwa Ibom State by bringing together industry experts to share ideas and insights on how the State can leverage the current regulatory reforms to address its power supply needs.

Despite the state's natural resources and investments in power infrastructure, Akwa Ibom still has an erratic power supply, which highlights the need for a reliable electricity market for industrialization and economic growth as envisioned in the elements of the ARISE Agenda of the Governor, His Excellency, Pastor Umo Eno. Ibom Energy Forum hopes to promote the potential of Akwa Ibom State as a leading power

“If the power sector stakeholders in Akwa Ibom State collaborate strategically, Akwa Ibom can become a model for regional development and economic prosperity.”

hub in Nigeria. At its inaugural edition, the Forum assessed the requirements for Akwa Ibom State to establish a thriving electricity market by examining key market conditions. Oluwafemi Omisanjo, an energy market specialist, identified five fundamental considerations for Akwa Ibom State to establish and regulate a viable electricity market. He mentioned a constitutional amendment, a comprehensive economic development plan, a data-driven energy resource plan, a bankable financial and commercial framework, and the political will. According to Omisanjo, these components are crucial for attracting investments, ensuring sustainability, and for the economic viability of Akwa Ibom State.

Similarly, Anthony Ezeamama, a lawyer with extensive experience in corporate and commercial law, stressed the importance of due diligence in developing a state electricity market. He highlighted the challenges of setting tariffs that reflect actual costs and the need for a balanced approach that considers financial viability and affordability for consumers, fostering a sustainable and equitable energy sector. In summary, the Ibom Energy Forum discussed the complexities of establishing a state electricity market in Akwa Ibom State. It emphasized the need for a strong legal framework, strategic planning, financial sustainability, and political will to overcome power supply challenges and become a leading power hub in Nigeria. The key takeaway from the virtual event is that If the power sector stakeholders in Akwa Ibom collaborate strategically, Akwa Ibom can become a model for regional development and economic prosperity.

IBOM POWER SPONSORS THE INSTALLATION OF TRANSFORMERS IN AKWA IBOM COMMUNITIES.



Photo: Ibom Power Management during the presentation at the conference room of AKICORP

Ibom Power Company Limited has expanded its Corporate Social Responsibility (CSR) efforts to Akwa Ibom communities by funding the installation of distribution transformers in various local government areas to improve power supply.

According to the Managing Director of Ibom Power, Engr. Meyen Etukudo, these transformer installations should have been done by the Port Harcourt Electricity Distribution Company (PHEDC), but Ibom Power is doing them as part of the company's broader CSR strategy, which is expected to bring significant benefits to the communities by ensuring a more stable and efficient power supply.

"Our goal with these projects is to have a long-term impact on Akwa Ibom communities by enabling the provision of a reliable and constant electricity supply. We collaborated closely with local authorities and contractors to ensure the effective completion of projects in various local government areas."

In a report presented to the Akwa Ibom Investment Corporation (AKICORP), the company stated that over N160 million was spent on the construction of distribution transformers and lines. This project

was launched to eliminate power outages and improve power supply thereby, helping thousands of households and local businesses. Ibom Power's investment in this important infrastructure demonstrates its commitment to the long-term development of its host community while also promoting economic growth in Akwa Ibom communities.

FAQ

Why can't Ibom Power give light to Ikot Abasi?

Nigeria's power sector is a value chain. That means different companies have different roles. One company cannot do the work of another otherwise it will be violating its operating license. Ibom power is licensed to generate electricity **ONLY**, it cannot distribute electricity.