



DEROGATION ORDER NO: KERC/LLC/DO/ 001/2026

A DEROGATION ORDER FOR TRANSITIONAL SIMPLIFIED STS METERING DEPLOYMENT WITHIN THE KOGI STATE ELECTRICITY MARKET, ISSUED PURSUANT TO PART 3, SECTION 1.2 OF THE DISTRIBUTION METERING CODE (VERSION 02), THE ELECTRICITY ACT 2023, AND THE KOGI STATE ELECTRICITY LAW

1. PREAMBLE

The Metering Code (Version 02) establishes the technical, operational, safety, and accuracy standards governing metering installations within the Nigerian Electricity Supply Industry.

Pursuant to the Electricity Act 2023, regulatory authority over intra-state electricity generation, transmission (where applicable), distribution, supply, and retail activities may be exercised by State Electricity Regulatory Commissions established under State law. By virtue of **Sections 4(1), 12(3)(b)** of the Kogi State Electricity Law, 2024, the Commission has exclusive regulatory jurisdiction over intra-state electricity distribution and supply within Kogi State, including metering standards, consumer protection, and revenue assurance.

Part 3, Section 1.2 of the Distribution Metering Code and Part 2, Section 1.3 of the Grid Metering Code expressly provide for derogations under defined and justified circumstances. The Metering Code further recognizes the inherent powers of the Commission to issue directives necessary to safeguard public interest, ensure orderly sector development, and maintain revenue integrity.

Having considered prevailing metering deficits, affordability constraints, and rural electrification challenges within Kogi State, the Commission has determined that a targeted, proportionate, and time-bound technical derogation is necessary to accelerate universal metering without compromising safety, minimum accuracy standards, or revenue protection.

Accordingly, the Commission hereby issues this Derogation Order.

2. TITLE

This Order shall be cited as:

“Transitional Derogation for Simplified and Affordable STS Metering Deployment within the Kogi State Electricity Distribution Network Order, 2026.”

3. OBJECTIVE

The objectives of this Order are to:

- a. Accelerate universal metering within Kogi State;
- b. Reduce capital cost barriers associated with advanced metering configurations;
- c. Enable scalable deployment of affordable STS-compliant prepaid meters;
- d. Improve revenue assurance and reduce estimated billing;
- e. Facilitate rural and low-income customer inclusion;
- f. Preserve long-term smart metering transition pathways.

4. SCOPE AND JURISDICTION

4.1. This Order applies strictly to intra-state electricity distribution and retail supply activities within Kogi State.

4.2. This Order applies to:

- All Distribution Licensees operating within Kogi State;
- Accredited Meter Asset Providers (MAPs);
- Meter manufacturers supplying meters for deployment within Kogi State;
- Metering installations below 33kV within the Kogi State Distribution Network.

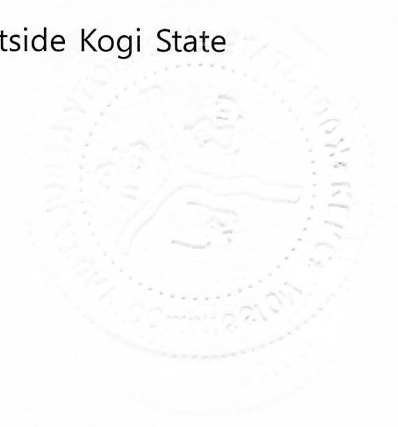
4.3. This Order shall not apply to:

- Grid interface settlement meters;
- Inter-state or national transmission metering;
- Metering installations regulated by any authority outside Kogi State jurisdiction.

5. NATURE OF DEROGATION

This derogation is:

- Transitional in nature;
- Cost-optimization driven;
- Limited to defined technical areas;
- Subject to strict minimum technical safeguards;
- Time-bound and reviewable.



6. DEROGATED PROVISIONS

Pursuant to Section 96(2)(d) of the Kogi State Electricity Law, 2024, which authorizes the Commission to grant temporary exemptions from technical regulations where necessary to promote affordability and universal access, the Commission hereby permits the following derogations:

6.1. Simplified Meter Configuration

Notwithstanding stricter provisions in the Metering Code, the Commission permits deployment of:

- a. Single-phase and three-phase STS prepaid meters meeting minimum IEC Accuracy Class 1 for LV customers;
- b. Simplified display interfaces are limited to essential consumer information;
- c. Reduced embedded communication modules where AMI deployment is demonstrably cost-prohibitive.

6.2. Mandatory Minimum Functional Requirements

Notwithstanding the simplifications permitted above, all meters deployed under this Order shall mandatorily include:

1. STS compliance and token interoperability;
2. Event logging capability (minimum 200 event records);
3. Reverse energy detection;
4. Terminal cover tamper detection;
5. Magnetic tamper detection;
6. Neutral disturbance detection;
7. Non-volatile memory retention;
8. Firmware upgrade capability;
9. Optical communication port compliant with IEC standards;
10. Anti-bypass functionality;
11. Secure encryption consistent with STS standards.

No meter lacking the above minimum features shall qualify under this derogation.

6.3. Future Upgrade Compatibility Safeguard

All meters deployed under this Order shall:

- Be AMI-ready by firmware upgrade without hardware replacement;
- Support integration with future communication modules;
- Not preclude migration to smart grid architecture.

No meter architecture that permanently restricts future AMI integration shall be approved.

6.4. Communication Flexibility

Where full AMI deployment is cost-prohibitive, meters may:

- Operate in standalone STS mode;
- Utilize optical port download;
- Employ batch data extraction mechanisms.

However, Distribution Licensees shall submit a Smart Migration Roadmap within 12 months of this Order.

6.5. Installation Flexibility

- a. Shared pole-mounted or cluster meter installations for rural electrification projects are permitted subject to safety compliance;
- b. Clear consumer identification and allocation must be maintained;
- c. Licensees shall remain liable for cluster security and tamper mitigation;
- d. Consumer access rights shall not be impaired.

6.6. Testing and Certification

- i. Type testing and certification remain mandatory.
- ii. For large-scale procurement:
 - Sampling-based routine testing shall follow a minimum 5% batch sampling ratio;
 - more than 2% of sampled units fail compliance, the entire batch shall be rejected or subjected to 100% testing;
 - Failed batches shall be replaced at supplier cost.
- iii. Only Commission-approved testing laboratories shall be utilized.

7. CONDITIONS OF DEROGATION

This derogation is subject to the following conditions:

- a. Accuracy shall not fall below IEC Class 1 for LV consumers;
- b. Safety standards shall not be compromised;
- c. Anti-tamper features shall remain fully operational;
- d. Quarterly compliance reports shall be submitted to KERC;
- e. Deployment data shall include metering gap reduction statistics;
- f. Consumer complaint metrics shall be tracked and reported;
- g. Distribution Licensee shall meet annual metering targets as approved by the Commission.

8. PERFORMANCE MONITORING AND KPIS

Licensees shall meet the following minimum targets:

- Annual reduction of unmetered customers by not less than 25% of baseline;
- Reduction in estimated billing complaints by measurable thresholds approved by the Commission;
- Improvement in collection efficiency metrics.

Failure to meet KPIs may result in:

- Suspension of derogation privileges;
- Administrative penalties;
- Reinstatement of full Metering Code requirements.

9. DURATION AND REVIEW

- 9.1.** This derogation shall remain valid for three (3) years from the Effective Date.
- 9.2.** A mandatory mid-term review shall be conducted after eighteen (18) months.
- 9.3.** The Commission may amend, suspend, or revoke this Order where:
- Public interest so requires;
 - Revenue integrity is compromised;
 - Safety risks emerge;
 - Licensees fail to meet performance targets.
- 9.4.** This Order is issued under Section 112 of the Kogi State Electricity Law, 2024, and any amendment, suspension, or revocation shall be in accordance with the principles of natural justice and the procedural requirements prescribed under the Law.

10. SAVINGS AND NON-DEROGATION

Nothing in this Order shall:

- Affect grid-level settlement metering standards;
- Exempt licensees from statutory safety obligations;
- Limit the enforcement powers of the Commission;
- Be construed as a permanent lowering of technical standards.

This Order shall be interpreted consistently with Part VII (Consumer Protection) and Part VIII (Enforcement and Penalties) of the Kogi State Electricity Law, 2024.

EFFECTIVE DATE

This Order is issued in exercise of the powers conferred by **Sections 28, 29, and 32** of the **Kogi State Electricity Law, 2024**, and all other powers enabling thereunder.

SIGNED BY ORDER OF THE COMMISSION

On this 01 Day of APRIL 2026



Engr. Ibrahim S Abdwaaris
Chairman / CEO



Prof. Abdulkarim Ibrahim
Commissioner Legal, Licensing & Compliance

