Development of State Electricity Priority Plan and Implementation Roadmap for Ekiti State

Ekiti State Electricity Priority Plan and Implementation Roadmap (SEPP-IR)

Prepared by:

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Executive Summary

The Ekiti State Electricity Priority Plan and Implementation Roadmap (SEPP-IR) builds directly on the findings of the Ekiti State Electricity Market Diagnostic Report (June 2025), which assessed the legal, institutional, infrastructure, and market realities of the electricity sector in Ekiti State. While the Diagnostic Report identified systemic gaps and opportunities across supply, metering, regulation, and investment, the SEPP-IR outlines a comprehensive action plan to operationalize electricity sector reform through six interlinked focus areas. Thus, the SEPP-IR report has been delivered in six sections, and they together constitute the foundation for a modern, inclusive, investor-friendly electricity market under the authority of Ekiti State's Electricity Power Sector Law (EKEPSL), 2023. Highlights of the sections are discussed subsequently.

Section 1: Business Models for Electricity Franchising in Ekiti State

This section outlines five integrated franchise-ready business models designed to drive investment, improve access, and increase efficiency across the electricity value chain. Aligned with the phased market development strategy proposed in the Diagnostic Report, these models include:

- **Independent Power Producers (IPP):** For grid-connected generation, especially renewable energy, with long-term PPAs.
- **Mini-Grid Operators:** For off-grid and under-grid communities using decentralized, clean energy.
- **Energy Service Companies (ESCOs):** For efficient metering, billing, customer engagement, and loss reduction.
- **Integrated Transmission & Distribution Franchise:** For managing grid infrastructure and enabling open access and DER integration.
- **Cluster Offtake Units (COUs):** For localized retail aggregation, demand coordination, and service delivery.

Each model is analysed using a Business Model Canvas (BMC), detailing its value proposition, key activities, partnerships, revenue streams, and risks. This modular architecture enables scalable, private sector-led growth in Ekiti's electricity market.

Section 2: EKSERB Business Plan and Operational Manual

Informed by institutional gaps identified in the Diagnostic Report, this section provides a complete business and operational framework for the Ekiti State Electricity Regulatory Bureau (EKSERB). It includes:

- A functional organizational structure and staffing plan.
- Defined licensing, monitoring, and enforcement functions.
- Key regulatory instruments (tariff orders, service quality codes, open-access rules).
- Revenue projections, funding models, and accountability measures.
- Frameworks for institutional collaboration with ESPC, COUs, MDAs, and national agencies.
- The plan aims to transition EKSERB from a fledgling regulator to a credible, independent institution with full operational autonomy.

Section 3: Sustainable Capacity Building Framework for Ekiti State Electricity Market

This section addresses the capacity constraints outlined in the Diagnostic Report by presenting a comprehensive plan to develop a skilled electricity sector workforce. It includes:

- Strategic objectives and vision for human capital development.
- Proposed partnerships with institutions such as NAPTIN, TVETs, and local universities.
- Introduction of the Ekiti State Electricity Training & Capacity Development Institute (ESET-CDI).
- A phased roadmap for training programs in policy, regulation, mini-grid systems, solar PV, metering, and battery storage.
- Gender and social inclusion targets and community engagement strategies for long-term sustainability.

Section 4: Pipeline of Bankable Renewable Energy Projects in Ekiti State

In response to the untapped potential identified in the Diagnostic Report (338 MW solar, 270 MW hydro, 4,829 MW biomass), this section presents a curated list of investable renewable energy projects. Highlights include:

- A market overview of demand, supply deficits, and project financing needs.
- Funding archetypes (e.g., concessional loans, PPPs, grants) and potential investors (AfDB, REA, World Bank).
- A detailed project pipeline table with capacity, location, technology, funding requirements, and expected impact.
- Project-specific risk and mitigation profiles, and partnership opportunities.

This pipeline is a ready tool to catalyse private sector participation and secure climate-aligned financing.

Section 5: Policy Gaps and Strategic Policy Options for Ekiti State Electricity Market

This section analyses the structural and procedural gaps in Ekiti's current legal and policy framework ,many of which were flagged in the Diagnostic Report. It proposes:

- Clarifications to the regulatory authority and autonomy of EKSERB.
- Design of market-enabling policies such as tariff methodology, net metering, open access, and dispute resolution.
- Data-informed policymaking mechanisms and policy support instruments.
- Strategic reforms to promote gender, social, and environmental safeguards,

consistent with global regulatory benchmarks.

It provides a flexible but actionable policy toolkit to guide continuous improvement of the state's electricity market governance.

Section 6: Implementation Roadmap for Ekiti State Electricity Market

The final section consolidates all proposed reforms into a time-bound roadmap spanning 2025 to 2030. Key components include:

- A phased implementation matrix showing activities, responsible agencies, timelines, budgets, and expected outcomes.
- A market flowchart showing the transition from a transitional hybrid structure to a competitive, decentralized electricity market.
- A robust Monitoring & Evaluation (M&E) framework with KPIs tied to service quality, access, and financial performance.
- Funding mechanisms leveraging federal transfers, development financing, and state-private partnerships.

This roadmap offers Ekiti State and its partners a shared blueprint for coordinated execution and accountability.

It is important to note that the SEPP-IR report is designed to be used alongside the Ekiti State electricity market diagnostic report, which is a key deliverable developed under this project. The diagnostic report was developed ahead of the SEPP-IR and provided a background and context for the SEPP-IR to ensure its relevance to the development of the Ekiti State electricity market. The SEPP-IR is the operational engine behind Ekiti's electricity market reform. It connects high-level diagnostics to practical implementation through structured business models, institutional development, capacity-building, investment planning, policy reform, and time-bound action plans. With strong political will, regulatory clarity, and private sector alignment, Ekiti State is poised to become a national model for subnational electricity market development in Nigeria.

1 Introduction

Ekiti State stands at a pivotal moment in its electricity sector transformation, catalysed by the enactment of the **Ekiti State Electricity Power Sector Law (EKEPSL) 2023** and the broader decentralisation of electricity regulation under Nigeria's **Electricity Act 2023**. This shift grants Ekiti the authority and responsibility to build a modern, inclusive, and sustainable electricity market from the ground up. The reform agenda is rooted in a commitment to improving access, reliability, and efficiency of electricity supply through strategic regulation, private sector participation, and innovative service delivery models.

This consolidated report brings together key foundational documents that collectively chart the path toward achieving Ekiti State's energy ambitions. It outlines practical business models for electricity franchising across the value chain, a detailed business plan and operational manual for the newly established Ekiti State Electricity Regulatory Bureau (EKSERB), a strategic framework for sustainable capacity building, a pipeline of bankable renewable energy projects, and a unified long-term roadmap for electricity market development.

Each section of this report addresses a critical pillar of market development:

Franchising models explore decentralized service delivery and private investment opportunities.

Institutional regulation is guided by a structured operational and governance plan for EKSERB.

Capacity building highlights the importance of human capital and stakeholder alignment in sustaining reforms.

Project pipelines identify renewable energy investments to close supply gaps and foster energy resilience.

Policy and a strategic roadmap provide the overarching direction to harmonize regulatory, technical, financial, and environmental goals.

Each of these pillars have been developed in response to the gaps and recommendations identified in the diagnostic report which was developed ahead of this report. Thus, for a complete picture of the project and how it has evolved to this point, the SEPP-IR report, it is important to use this report alongside the diagnostic report. The diagnostic report provides the background on Ekiti State, the state of electricity demand and supply, the institutional arrangements, the policy and legal framework and capacity gaps to deliver an electricity market for Ekiti State. The SEPP-IR can only be well appreciated through the lens of the diagnostic report.