



THE PRESIDENCY
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PRESS RELEASE

A total of 331 applications were received by the Bureau of Public Enterprises (BPE) on Friday, March 4, 2011—being the deadline for the submission of Expressions of Interest (EOIs) in the privatisation of the successor companies created out of the Power Holding Company of Nigeria (PHCN.)

One hundred and seventy four applications were received from prospective investors/concessionaires interested in acquiring the four thermal stations and the two hydro stations. One hundred and fifty seven applications were harvested from prospective investors interested in acquiring the eleven distribution companies.

It would be recalled that the BPE, had between December 13 and 20, 2010, published adverts in local and foreign media inviting prospective core investors to express interest in the eleven distribution companies unbundled from the Power Holding Company of Nigeria (PHCN.) The BPE also invited prospective core investors to express interest in the four thermal power stations and as concessionaires for the two hydro power stations. The initial deadline for receipt of EOIs was Friday, February 18, 2011.

But following representations by prospective investors who attended the five-city Electric Power Investors' Forum which was to court world class investors to participate in the privatization of the successor companies, the Federal Government approved the extension of the deadline for the submission of EOIs to Friday, March 4, 2011. The approval was granted by the Chairman of the National Council on Privatization (NCP), Vice President Mohammed Namadi Sambo. The fora were held in Lagos (January 18-19, 2011); Dubai (January 24-25); London (January 27-28); New York (February 1-2); and Johannesburg (February 10-11.)

The core investor sales to be carried out through international competitive bidding will cover the eleven electricity distribution companies in the country. They are Abuja Electricity Distribution Company Plc; Benin Electricity Distribution Company Plc; Enugu Electricity Distribution Company Plc; Eko Electricity Distribution Company Plc; Ibadan Electricity Distribution Company Plc; and Ikeja Electricity Distribution Company Plc. Others are Jos Electricity Distribution Company Plc; Kaduna Electricity Distribution Company Plc; Kano Electricity Distribution Company Plc; Port Harcourt Electricity Distribution Company Plc; and Yola Electricity Distribution Company Plc.

The privatization of thermal and hydro power stations, which will also be carried out through international competitive bidding, will cover the following companies:

Thermal Power Generating Companies:

- (1)Ughelli Power Plc – situated in Delta area in South-South region of Nigeria with a total installed capacity of 972 MW;
- (2)Geregu Power Plc- situated in Kogi State in North Central Nigeria with a total installed capacity of 414 MW;
- (3)Afam Power Plc comprising of Afam I-V power stations located in Rivers State in South-South Nigeria with an installed capacity of 776 MW; and
- (4)Sapele Power Plc located in Sapele, Delta State in South-South Nigeria with an installed capacity of 1020 MW.

Hydro Power Generating Companies:

- (1)Kainji Power Plc comprising Kainji Power Plants and Jebba Power Plants located in Niger and Kwara States respectively in North-Central Nigeria; and
- (2)Shiroro Power Plc located at the Shiroro Gorge, Niger State in North-Central Nigeria.

Potential bidders should be existing power distribution companies or core investor groups with power distribution companies as long-term technical partners. Successful bidders will be responsible for operating the distribution companies, making the necessary investments to improve the distribution network and customer service in line with the objectives of the Federal Government of Nigeria set out in the National Electric Power Policy (NEPP.)

As for the generating companies, potential bidders/concessionaires, who should be existing local and/or international power generators or investors with power generators as long-term technical partners, will be responsible for operating the stations, improving the generation capacity and making the necessary investments in line with the objectives of the Federal Government of Nigeria set out in the NEPP.

CHUKWUMA NWOKOH

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March 6, 2010