ERERA to Conduct Study on Impact of Reform of Electricity Sector in ECOWAS Member States

ERERA will soon begin a study on the economic, financial and technical impact of the unbundling of the electricity sector in some ECOWAS Member States, which have carried out power sector reforms.

The findings of the study will enable ERERA to update, more appropriately, its evaluation report on the countries' implementation of the Directive on the Organization of the Regional Electricity Market and determine the degree of the impact of the power sector market reforms.

According to members of the joint ERERA Consultative Committees of Regulators and Operator who ended their two-day meeting on Thursday, 26th July 2017 in Accra, the findings of the study would encourage other Member States to accelerate the electricity reform processes in their countries for the benefits of their citizens, as envisaged by ECOWAS.

The Directive provides for the gradual establishment of the ECOWAS regional power market through the harmonization of national electricity markets. It also provides for a regional market design at different market phases, open access to the regional transmission network and access by eligible customers.

In addition, the Directive provides for the harmonization of contractual arrangements relating to cross-border electricity exchanges for the import and export of electricity, among others.

Members of the joint Consultative Committees reviewed the Market Participation Agreement documents for the ECOWAS Regional Electricity Market and its accompanying Participation Form.

The Participation Agreement spells out the requirements for admission into the Regional Electricity Market and the obligations of the market participant (who may function as a
generator, a distribution company, or as an eligible customer participating directly in the electricity market).

Members of the joint Committees who split into two working groups (Legislation and Licensing Working Group and Pricing and Performance Working Group) during the Accra meeting reviewed the Terms of Reference for these two groups of documents relating to sanctions and wheeling tariffs, respectively.