A BILL

FOR

AN ACT TO ESTABLISH THE NATIONAL ALTERNATIVE ENERGY COMMISSION AND FOR RELATED MATTERS

Sponsored By Senator Ben Murray-Bruce

[ ] Commencement

BE IT ENACTED by the National Assembly of the Federal Republic of Nigeria as follows:

Establishment Clause

1. There is established a National Alternative Energy Commission, hereinafter called 'the Commission'.

Functions of the Commission

2. The functions of the Commission shall be to:

(1) Develop a national infrastructure for the attainment of electricity power in Nigeria via alternative sources:

(a) Alternative sources shall be defined as sources of generating electricity other than the traditional sources that include hydro, thermal coal and other sources for generating power from fossil fuels.

(2) To set policies (in consultation with the Executive and the Legislature) and guidelines for the regulation of commercial and governmental operators that will arise in future to provide electric power via alternative means.

(3) To promote indigenous research and development by Nigerian tertiary institutions in the field of alternative energy.

(4) To manage and utilize funds sourced by the Federal Government for the provision of infrastructure for the alternative energy industry.

(5) To work with the Nigerian Armed Forces and the Nigerian Police Force to ensure adequate security provision for all alternative energy infrastructure.

Funding

3. The Commission shall be funded by the proceeds of a 3% tax to be imposed on the profits of all telecommunications firms operating in Nigeria and a 1% tax to be imposed on all Power Generating, Distribution and Transmission Companies operating in Nigeria, which tax shall be known as "the Energy Tax".

(1) The Commission shall also be funded by a 3% subscriber tax charged on all mobile subscriptions sold in Nigeria either by way of contracts or by vended recharge cards. The 3% tax shall not exceed N300 per scratch card.

Payment of matching Grants and Credits

4. The Commission, in addition to regulating the alternative energy industry, shall also encourage communities to develop their own alternative energy capacity by;

(1) Providing matching grants to any community that desires to build a community wide alternative energy source up to a maximum of 5million Naira:

(a) This amount shall be reviewed every three years to take into account inflation.

(2) Providing credits to each individual home that desires to build an alternative energy source up to a maximum of 30,000 Naira:

(a) This amount shall be reviewed every three years to take into account inflation.

Constituency Projects

5. In order to ensure a national spread in its effort to increase that nation's alternative energy capacity, the Commission shall work with Senators of the National Assembly to fund at least one alternative energy project with a capacity to generate at least 500 KVA of electricity in each senatorial zone of Nigeria.

Trade Ins

6. The Commission shall develop a trade in system where commercial and domestic consumers of electricity can trade in their generators and receive government credits which must be applied to installing alternative energy devices in their business or homes.

7. The Commission shall prioritize residential areas and Small and Medium Scale enterprises in the distribution of assets for the provision of electric power through alternative energy sources. Domestic Purposes

ALTERNATIVE ENERGY FOR THE MASSES

Issues

1. Source of Funding - Telecoms user tax

(a) N300 per month per phone subscriber @ 117 million subscribers = N421.2billion annually (N300 X 12 X 117m);

(b) 65% goes to solar power = N273.78 billion;

(c) 5% for administration = N21.06bn;

(d) 10% research and development N42.12bn;

(e) 20% for security of equipment = N84.24bn. Police would get solar outstations with solar motorcycles and electric vehicles.

2. Efficiency of our Program

(a) Size of Solar system = 1.5kW lights, fan, TV other basic amenities etc;

(b) Cost of system = $4k = N800,000;

(c) Number of homes that we will give solar power at $4000/home (N800,000/house);

(d) This equals N273.78billion/N800,000 = 342,225 homes per year reference from NERC.

3. Present Status

(a) Number of houses with power in Nigeria = 5.1 million, out of 28.9mllion total. Reference "NERC 2012";

(b) Rate of electrification since independence = 5.lmi! homes/55yrs = 93,000 homes/yr.

(c) The plan is to solve the power problem in 10yrs.

(d) Taking into consideration we have 23.8m homes presently without light and a housing deficit of 22million. That gives us a total of 45.8m homes in need of power. Reference from NERC 2012.

4. Manufacturing of Systems:

(a) Systems to be made in Nigeria State, including the solar cells and panels;

(b) This should reduce cost in 3yrs to at least half the price there by increasing the number of homes annually;

(c) This would generate employment in terms of manufacturing and maintenance of the systems.

5. Need New Law Making Tax Credits Marketable:

(a) Will help finance the pioneer industry, including manufacturing.

6. Custom-Fitting Renewables for Different Regions:

(a) The entire country will be fitted with solar, although some parts will have more insolation than others we are looking at rural areas for solar and dealing with the poor;

(b) Some parts of the nation will have wind power (e.g. some hilly parts and far Northern parts);

(c) Some parts of the nation will have bio power/waste to energy as appropriate (e.g. from garbage dumps/landfills in the cities and farming communities with enough biomass);

(d) Bio Mass/waste to energy plant costs $3.5m to power 500 homes N1.4m per home with 50tn of waste daily;

(e) This cost is reduced if we invest in more than one plant and can bring the figure down to as low as N1m per home;

(f) Also in 3yrs if we begin to use our raw materials and expertise gained to make the plants we would surely reduce price drastically and bring cost down to about N6S0k per home;

(g) Town halls and markets and high industrial areas would be powered with bio power.

Note: exchange rate used is $1=N200