



POWER PRIVATIZATION AND ECONOMIC DEVELOPMENT: ASSESSMENT OF EKO AND IKEJA PHCN IN LAGOS STATE

Olaide Wasiu BELLO

DEPT. OF POLITICAL SCIENCE, CHRISLAND UNIVERSITY, ABEOKUTA

Oluwaremilekun Esther Adenuga ADETOUN

DEPT. OF PUBLIC ADMINISTRATION, DISTANCE LEARNING INSTITUTE, UNIVERSITY
OF LAGOS

Deborah Babawale ANUOLUWAPO

DEPT. OF POLITICAL SCIENCE, CHRISLAND UNIVERSITY, ABEOKUTA

Abstract: *POWER SECTOR IS ESTABLISHED TO PROVIDE ESSENTIAL SERVICES AND PROMOTE ECONOMIC DEVELOPMENT. OVER THE YEARS, THIS SECTOR HAS FAILED TO DELIVER THE ANTICIPATED DIVIDENDS DUE TO LOW PRODUCTIVITY, CORRUPTION, POLITICAL INSTABILITY AND OTHER FACTORS CREATED BY THE NIGERIAN SYSTEM, WHICH HAVE RESULTED INTO EPILEPTIC SERVICES DELIVERY, HIGH RATE OF UNEMPLOYMENT, HIGH POVERTY RATE, LOW LEVEL OF ECONOMIC GROWTH AND DEVELOPMENT, LOW STANDARD OF LIVING OF THE CITIZENS, AMONG OTHERS WHICH THEREFORE CALLED FOR REFORM OF THE SECTOR. THE MAIN OBJECTIVE OF THE STUDY IS TO DETERMINE THE EXTENT TO WHICH POWER PRIVATIZATION HAS CONTRIBUTED TO ECONOMIC DEVELOPMENT IN LAGOS STATE, NIGERIA. THE SPECIFIC OBJECTIVES INCLUDE HOW POWER PRIVATIZATION MODALITIES AND NATURE HAVE INFLUENCED ECONOMIC AND EMPLOYMENT OPPORTUNITIES IN LAGOS STATE. THE STUDY ADOPTED EXPLORATORY AND EXPLANATORY DESIGN IN ORDER TO ASSESS THE CONTRIBUTIONS OF POWER HOLDING COMPANY OF NIGERIA (PHCN) ON ECONOMIC DEVELOPMENT IN LAGOS STATE. THE FINDINGS REVEALED THAT THE PHCN PRIVATIZATION EXERCISES WERE ENGULFED WITH HIGH RATE OF CORRUPTION, LACK OF ACCOUNTABILITY AND*



2/2024

TRANSPARENCY, AND NARROWER NATURE OF ITS PROCESS. THESE HAVE LED TO EPILEPTIC SERVICES DELIVERY, HIGH POVERTY RATE, LOW LEVEL OF INDUSTRIAL GROWTH AND DEVELOPMENT, AND HIGH RATE OF UNEMPLOYMENT. CONSEQUENTLY, SUGGESTIONS WERE MADE FOR THE INTRODUCTION OF POST-REGULATORY MEASURES, REVIEW OF PREVIOUS PRIVATIZATION PROCESS, INTRODUCTION OF CUSTOMERS ORIENTED MANAGEMENT SYSTEM, REPLACEMENT AND EXPANSION OF OBSOLETE EQUIPMENT AND PROMOTION OF FOREIGN DIRECT INVESTMENT THROUGH TRANSPARENCY AND ACCOUNTABILITY.

Keywords: PUBLIC ENTERPRISES, PRIVATIZATION, PRIVATIZATION MODALITIES, EMPLOYMENT AND ECONOMIC DEVELOPMENT

Contact details of the author(s): Email: bellowasiu68@gmail.com, eadenuga@unilag.edu.ng, anuoluwapodeborah92@gmail.com

1. INTRODUCTION

Privatization of Public enterprises has become a public issue in Nigeria. Adeyemo (2005) is of opinion that privatization was introduced by government to promote economic growth and development, improve the production and distribution of goods and services, streamline government structure, improve standard of living, and reinvigorate the industries controlled by the state. In precise terms, the programme of privatization worldwide has been driven by a number of factors most of which took their root from unresolved economic difficulties, failure of state owned enterprises to perform better than private enterprises (loss of comparative advantage) and the imperative need for economic growth and development. A lot of misconstrued opinions are however held by labour, the academia and individuals. Some critics argue that privatization encourages hardship on the poor through loss of employment, reduction in income and reduced access to basic social services (Nightingale & Pindus, 1997).

There are various theories to the study of power privatization policy on economic development. Some of these theories are: system theory, neo-liberal theory of growth, public choice theory, group theory and elite theory, among others. Public enterprises (PEs) approach to resource mobilization and allocation for economic development was on the basis of Keynesian economic development approach and global economic depression. Economic development of any country is determined by the level of industrialization and infrastructural facilities available within a country. As part of governmental efforts towards economic development in Nigeria, most public enterprises were embedded with Nigerianization policy, which gave birth to single monopoly of National Electric Power Authority (NEPA) and other public utilities (Adeyemo & Salami, 2008). As such, power sector is perceived to play a strategic role in the economic activity and the principal suppliers of social services, especially in the areas of employment generation and sustainable environment for industrial development (Oyekanmi, 2016).

Over the years, the power sector failed to deliver the anticipated dividends due to political instability, leadership problems, nepotism and defective structures (Maduabum, 2006), among other factors. Therefore, the aftermath of public enterprises inefficiency results into high inflation rate, ineffective service delivery, balance of payment deficits and rising current account deficits of 1990s which exposed serious government failures and limits capability of public enterprises as major



players in economic development (Adeyemo & Salami, 2008). Moreso, the power sector has decayed to a deplorable state of epileptic power supply due to neglect by the military government, obsolete nature of electricity facilities, corrupt practices of its staff and total collapse of electricity grids in Nigeria (Adedeji, 2017).

Dikki (2014) argues that out of 79 generation units in the country between 80s” to 90s” only 19 units functioned with average daily generation of 1,750MW. Odeh (2011) re-enacts the parlous state of the power sector when he reveals that Nigeria tops the list of generator-importing countries for four successive years has surpassed other countries since 2002. Similarly, the country accounted for 35% representing \$152m of the total sum of \$432.2m spent by other African countries on generator importation. The figure has increased by another 20% in the past two years due to the worsening power situation in the country. To address the above problems, government’s invested over N80 billion in the last five years to rehabilitate the available generation capacities, distribution networks and reinforce transmission grids in the country without any real gains being recorded in the level of service delivery. Considering the ever-increasing demand estimated at 9,780MW and 20,000MW by 2005 and 2010 respectively, the government could not continue to fund or meet the capital- intensive requirement of the sector (Latham & Watkins, 2016).

The result of these failures, coupled with recent developments in the globalizing world, has precipitated the quest for comprehensive national reforms that will facilitate more efficient macroeconomic management and thereby steer the economy back into the path of sustainable growth and development (Adeyemo & Salami, 2008). To address the public sector inefficiency and its economic implications, various reform measures such as privatization, deregulation, concession and public-private partnership were introduced by Nigerian government into public utilities such as telecommunication, air transportation and the power. Thus, to address the problems of power sector, the Electric Power Sector Reform (EPSR) Bill was passed in February 2005 and signed into law as the Electric Power Sector Reform Act (EPSRA). The Act restructured the power sector from a vertically integrated structure into eighteen unbundled autonomous companies comprising one transmission company called TransCo, six generation companies known as GenCos and eleven distribution companies named DisCos (Ogunleye, 2016). Adedeji (2017) examined the privatization and performance of Electricity Distribution Companies in Nigeria and concluded that the outcome was determined more by the form and nature of the government than by the process of privatization. Therefore, there is a need for further research to identify factors that could enhance or inhibit the success of the privatization process in Developing countries.

Objectives of the Study

The main objective of this study is to review the extent to which power privatization has influenced economic development with specific reference to Lagos State. The specific objectives are to:

1. Examine how power privatization modalities effect economic activities in Lagos State.
2. Analyse the extent to which the nature of power privatization has influenced employment opportunity in Lagos State.

Methodology



This paper aim at explaining the extent to which PHCN privatization policy has influenced economic development with specific reference to Lagos State. Based on this, the study is situated within the qualitative paradigm of social research, which is deemed appropriate for explanatory studies (Asika, 2010). To address the research problem analytically, it is necessary to build a conceptual and propositional foundation to help appreciate the relative importance and possible relationship effects of power privatization on economic development with specific reference to the privatization of the Power Holding Company in Nigeria. A personal interview was conducted with experts in management and industries. Five experts were involved for a personal interview on the “Impact of power privatization on economic development in Lagos State”. Two respondents were chosen from academic institutions, two from small and medium scale industries and one senior top official from PHCN Ikeja office. The respondents were chosen through the application of purposeful non-probability sampling technique and five interview questions were raised to seek for information from them. The following questions were raised to cover objective 1: (i) Is power privatization necessary in Nigeria and would the nature of power privatization enhances economic activities in Nigeria, vis- a-vis in Lagos state? (ii) Do you think that the nature of power privatization in Nigeria would enhance efficiency of power supply? (iii) Would the leasing and management by contract means of power privatization promotes quality of output and customers satisfaction? While the objective two (2) was covered under the following questions: (iv) Would the nature of power privatization in Nigeria promotes employment opportunity? (v) Would power privatization contributes to national development in Nigeria?

2. LITERATURE REVIEW

The Concept of Economic Development

Development is viewed as the “multidimensional concept referring to positive changes which affect the majority and which lie in the social, economic, political and cultural spheres of societal life” (Sanda, 1992). To Rudeback (1997), development is about the people, beginning from the grassroots where majority of Nigerians live. Fadeyiye (2005) takes development as those changes or progresses which bring better quality of life for the generality of the people in the society. Dutt (2001) sees development as the plans, usually initiated by the government, for economic, social and political development of the nation. It also takes into recognition such issues as unity, financial stability, health services, effective utilization of resources, educational opportunities, egalitarianism, freedom and social services, urbanization, wide spread literacy, high per capital income, geographical and social mobility, high degree of commercialization network and wide spread participation in a modern social and economic progress.

Privatization of Public Enterprises

Itheme (1997) defines privatization as a measure adopted by government to expose a public enterprise to competition. It could also be to bring in private ownership or control or management into a public enterprises and, accordingly, to reduce the usual weight of public ownership. However, in a strict sense, privatization means the transfer of the ownership of public enterprises to private investors. Ramanadham (1987) captures privatization under micro and macro frameworks. To Ramanadham the micro involves changes in the enterprise ownership and operations while the macro



refers to the fact that the proportion of private investment in the national economy expands as a sequel to government policies on investment and entrepreneurship. The meaning of Nigeria's Privatization and Commercialization Programme is well articulated in the enabling law – Privatization and Commercialization Decree of 1988. In the law, Privatization is taken to mean:

The relinquishment of part or all of the equity and other interest held by the Federal Government or its agency in enterprise whether wholly or partially owned by the Federal Government, while commercialization means reorganization of enterprises wholly or partly owned by the Federal Government in which such commercialized enterprises shall operate as profit-making commercial ventures and without subventions from the Federal Government (FGN, 1988).

From the broader concept of privatization, Nigeria's double-barrelled programme of privatization and commercialization depicts the use of divestiture and non-divestiture approaches to privatization. Privatization is used purely to reflect the programme of sale (either partially or in full) of government equity in Public enterprises (Adeyemo, 2005). Privatisation of public enterprises is a complex phenomenon as the process is affected by both endogenous and exogenous factors. Advocates of privatisation of public enterprises in developing countries tend to have a linear perspective that it will result in efficiency and improved performance of these firms. However, several studies have shown that this is not always the outcome.

Nature of Power Privatization in Nigeria

Electricity came to Nigeria in 1898 with the establishment of the first generating plant by the British colonial masters and it was called Public Works Department (PWD) (Ibrahim, 2012). Thereafter, in 1950, Electricity Corporation of Nigeria (ECN) was established and saddled with the responsibility of generating, transmitting, distributing and sale of electricity in Nigeria. Other bodies like the Native Authorities and the Nigeria Electricity Supply Company (NESCO) had licenses to produce electricity in some locations in Nigeria (Okafor, Onodi & Innocent, 2015). In 1962, the Federal Government, by an act of Parliament, established the Niger Dam Authority (NDA) and was responsible for the construction and maintenance of dams and other works in the River Niger, generate electricity by water power, improve navigation and promote fisheries and irrigation. In April 1972, by a decree, Electricity Corporation of Nigeria and Niger Dam Authority were merged to form National Electric Power Authority (NEPA) (Amadi, 2015). Therefore, NEPA's problems began with the total neglect of the industry by the then military government between 1980 and 1999. The near collapse of the industry was due to the poor funding by the government, mismanagement of the utility, corruption, poor service delivery and load shedding, use of substandard materials, electricity theft, poor revenue drive and non-payment of bills by consumers, technical and non-technical losses, etc. Government's inability to fund and sustain the sector also gave rise to the poor state of the economy and inability to implement developmental activities across the various regions of the country (BPE, 2010; Aminu & Peterside, 2014).

The modalities of the privatization exercise in Nigeria involve public offers, private placements, and sales of assets, management buy-out, and deferred public offer. The Nigerian privatization programme was structured into three phases. The privatization exercise that was carried out during the Babangida administration and up to 1997 under the General Sanni Abacha administration involving the sale of government equity holdings in a number of small public enterprises falls under the first phase of the Nigerian privatization programme. By the end of 1992 the Babangida



administration has privatized seventy- three enterprises, creating over half a million new shareholders. For instance, some 250,000 new shareholders bought shares in 12 privatized banks, the most prized category of the enterprises sold. As Leykun, (2020) further noted: “Over 1988 – 1992, a total of some N 3. 4 bn (\$ 155 mn) was earned from the sale of N468.2 million (\$ 21.3 million) worth of original government equity”. The sales of public utilities and downstream petroleum, e.g. the refineries and distribution facilities between 1999 and 2000 constitute the second phase of the Nigerian privatization process. Other public utilities slated for sale under this phase are the National Electric Power Authority (NEPA), the Nigerian Telecommunication (NITEL), the Nigerian National Petroleum Company (NNPC), airways, urban water supply, etc. These are enterprises, which operate as near-monopoly or total monopoly markets in non-competitive sectors of the Nigerian economy. This phase of the exercise has failed to effectively take off. The third phase, which was slated for 2001 – 2005 is supposed to cater for the privatization of the spillover enterprises from the second phase and those enterprises in the strategic industries such as NNPC upstream, cement, and fertilizer companies. The equity distribution formula for the enterprises in phase two and three are as follows: core investors 40%, Federal Government 40%, Nigerian individuals and associations 20%. The final phase of the Electric Power Sector Reform (EPSR) Bill was passed in February 2005 and signed into law as the Electric Power Sector Reform Act (EPSRA). The Act restructured the power sector from a vertically integrated structure into eighteen unbundled autonomous companies comprising one transmission company called TransCo, six generation companies known as GenCos and eleven distribution companies named DisCos (Ogunleye, 2016)

3. EMPIRICAL AND DISCUSSION OF FINDINGS BASED ON THE RESEARCH OBJECTIVES

In follow up to the interview questions 1,2, and 3, most of the interviewees argued that power privatization is necessary but PHCN privatization modalities in Nigeria cannot promote economic activities, cannot enhance efficiency of power supply, and its modalities cannot promote quality of output and customers satisfaction unless Nigeria government come up with new privatization process and proscribe the previous one which was embedded with high rate corruption, lack of transparency, accountability selfish interest rather national interests and other absurdities.

The findings revealed that the modalities of power privatization in Nigeria cannot promote economic activities because the process was embedded with high rate corruption, lack of transparency, accountability selfish interest rather national interests and other absurdities. The argument was justified by Asaolu (2015), who observed that the privatization of Public enterprises since the return of the civil rule in 1999 shows that the programme was more or less a total mess brought about by corruption, undervaluation of enterprises privatised, sale of the undervalued enterprises to cronies and political associates, assets stripping, clear breaches of due process, wilful refusal of regulatory organs (NCP & BPE) to adopt the guidelines of the public. He finally identifies a number of barriers and constraints which have retarded the progress of government’s privatization programme as cited in Idomigie (2008), as: small markets, high cost of tariff, weak regulatory regime, non-commercial risks, limited access to finance, unavailability of risk mitigation instruments, high level of illiteracy, corruption, lack of infrastructures on the part of government to embark upon certain reforms’ such as enterprise reforms, institutional reforms, financial system reforms, etc. Other problems include lack of manpower, non-reduction of government interference, lack of due process, policy inconsistency, lack of competitive law, weak regulatory mechanisms, and lack of good policy environment. The Nigerian privatization policy is not accompanied by an articulated and properly



phased public sector reform. Therefore, it cannot result in more efficient production of public goods nor will it make any significant positive impact to fiscal balance, unless what is applicable in the telecommunication industries in terms of competitive environment, freedom of choice for consumers and producers. The way forward as suggested by the interviewees were thorough and proper review of previous privatization process, sincerity of purpose on the part of the government officials, Non-interference on the part of government in the ownership of the company, legal and economic framework for investors to operate. In the competitive business environment, open market should be granted to all power providers irrespective of their geographical locations, Consumers' protection policy, expansion of the sources of power generation, etc. among others.

Igbuzor (2003) opines that the executors of the privatization programme are in a hurry to sell-off all state owned enterprises without taking into cognizance adequate preparation such as market competitiveness, productivity, employment, industrial development, infrastructural development, level of poverty, citizens purchasing capability, per capital income and performance. He further argues that the standard procedures for privatization are not followed as can be seen from the scandals that followed the aborted sale of Nigerian Airways to Air wing of UK which had neither solid capital base nor the required experience to take over the National carrier. It can be concluded that in Nigeria, the privatization policy, especially the privatization policy in the Power Holding Company, has not improved economic development due to lack of an independent industrial regulator, lack of competition, lack of freedom of choice on the part of consumers, a cost-effective pricing system, corruption, political interference and weakness regulatory, institutional and legal framework are among factors that may be responsible for this outcome (NERC, 2015).

Popoola (2016) concluded that privatization of public enterprises is good for our national development if the critical success factors like putting in place proper and implementable regulatory framework, adequate public education, taking cognizance of the interest of the poor, effective monitoring and evaluation, transparency, and accountability (among others) are implemented. Thereafter, the economic objective of harnessing and distributing material resources of the nation to serve the common good (as stated in Section 16, sub-section 2(b) of the Constitution of the Federal Republic of Nigeria 1999) would have been achieved.

Adeyemi et al. (2016) revealed that the desired objectives of the privatization policy which includes efficient increase in government revenue, provision of conducive environment for business and investment development has not been achieved in Nigeria, due to lack of accountability, transparency, corruption, lack of proper implementation of the privatization policy, improper evaluation and lack of constitutional framework. The implications of the above problems resulted into high level of inequality, high rate of unemployment, high poverty rate, low level of efficiency and performance among privatized firms especially the public utilities in Nigeria.

Ikhioya, (2017) and Fashola (2017) argued that the foundational structure rights from the beginning of privatization process and bidding for power holding company of Nigeria and other public enterprises were defective due to high rate of corruption, lack of transparency and accountability which derailed the involvement of reliable candidates especially the foreign investors to participate in the PHCN privatization exercises. The aftermath of this action resulted into the transferring of public monopoly to private monopoly due to the personal interest of progenitor rather than national interests; transferring state wealth's into hand of political elites, customers exploitation through estimated billing systems, and excessive government financial wastage on PHCN after privatization without meaningful results.

Achinanya (2017) argues that the new investors lack autonomy and competition to compete among themselves in order to improve the quality of output and deliver quality services to the



customers, rather, they turned themselves into a trade association and cap in hand begging for the federal government for any slight challenges that confronting them. Most of the investors especially the Genco and Disco who took over PHCN after privatization process did not carry out preliminary investigation before taking over the PHCN assets. Ikhioya (2017), said that it was until when the new buyers took over PHCN that they discovered things are not what they seem to be. They discovered that most of the machines and equipment inherited were either obsolete or not in good functioning condition, and due to the large capital requirements to reposition the equipment, the alternative is to continue with obsolete equipment and soliciting for financial support from government which resulted into the reduction of power output from 6000 megawatts to 3000 megawatts.

Achinanya (2017) further argued that privatization through Public-Private Partnership and other forms of privatization would promote employment opportunity if potential investors were attracted and unlimited numbers of business minded people were given the opportunity to participate in the privatization process without restriction of operations. But from the Nigeria experience, the nature of the PHCN privatization policy through PPP and other forms of privatization would not enhance employment opportunity due the mission and vision of the new owners which centred on profit maximization at the detriment of labour force which resulted into mass retrenchment of experienced workers immediately after privatization and maltreatment of few available one in terms of staff welfare. They argued that unless government reviews previous privatization exercises and allows genuine investors to take over the running and management of PHCN through transparent bidding, without that, the nature of PHCN privatization process through public – private partnership such as: Genco, Disco and Transco which are owned and controlled by government and their political acolytes cannot promote employment.

In follow up to the interview questions 4 and 5, most of the interviewees argued that power privatization through (PPP) ought to promote employment opportunity theoretically, but based on practical experience in Nigeria, did not promote employment which in turn affect national development. The findings revealed that privatization through Public-Private Partnership and other forms privatization process would not promote employment opportunity because the mission and vision of the new owners which centered on profit maximization at the detriment of labour force which resulted into mass retrenchment of experienced workers immediately after privatization and maltreatment of few available one in terms of staff welfare. Ojo & Fajemisi (2010) highlight arguments on privatization and its effects on national development (in terms of employment and poverty reduction), the study revealed that Nigerian privatization, especially public utilities, have no direct bearing in improving living standards of the people. To them, privatization of public utility creates unpleasant and unhealthy climate to the economy and living standard of the citizens, rather, creating an economic situation which favour only few individuals in government and their cronies, which should be discontinued. By implications, the Nigerian economy has been held captive by private entrepreneurs who own public institutions for undue profiteering at the expense of the citizenry, thus resulting into mass unemployment, low quality of production, low level of infrastructural development, lack of modern technology, high cost of production, and private monopoly in an attempt to maximize profits. The study recommended that government should look beyond the immediate gains of privatization and sell utilities that would in the near future make the economy thrive and bring succour to the masses in Nigeria (Osunde, 2015). According to Ikhioya, (2017), prior to resumption of new owners to the management of PHCN, the potential suitors called for total retrenchment of old staff on the agitation of over population of staff strengths. They carried out the massive retrenchment without prejudice to professional technicality, consultations and



involvements of labour unions rather they were concerned with staff exploitation, cost minimization and profit maximization. Ikhioya (2017) further argued that most of the new staff are casual workers and are not provided with working equipment (such as; safety uniforms, factory and workmen compensation benefits, proper orientation, training, job security and good working conditions).

Again, the few available permanent staff along with expatriates from South Korea, with better salary and condition of services disparity, where the foreign expatriates are paid in dollars while Nigerians counterpart are paid in naira not equivalent to the one payable to Korean expatriates. The acts called for sabotage of services on the part of Nigerians, thereby resulting in abscond of duties on the part of the expatriates and mass movement of workers on daily basis. From the foregoing discussions, the impact of privatization on employment relations under recession is fairly familiar and predictable. The most serious effect is that it has been contributing to drastic retrenchment and massive unemployment. This is the result of the allegation of over-staffing in the privatized public enterprises and the rapid penchant of the private sector for rationalization.

4. CONCLUSION AND RECOMMENDATIONS

The aftermath effect of power privatization on economic development was characterized with low power generation, distribution, low standard of living, lack of economic development and industrial instability, and high rate of unemployment due to corruption, undervaluation of enterprises privatized, sale of the undervalued enterprises to cronies and political associates, assets stripping, clear breaches of due process, willful refusal of regulatory organs to adopt the guidelines of the public.

The bundled companies are responsible for power generation and distribution, while the Federal Government is solely responsible for electricity transmission. Further, the paper showed that most equipment inherited are obsolete and cannot meet up with the international standard in terms of power generation and distribution, which calls for review of power sector privatization policy in Nigeria. This situation necessitates the review of privatization policy in the power sector in Nigeria. The stable generation and distribution of electricity is an essential ingredient in the development process of the nation as a whole because stable electricity supply is relevant to the growth and sustainability of Nigerian industries, employment, economic growth and development, security concerns and sources of social development, and good living standard of the people at large.

From the study findings the following recommendations are made:

1. The paper recommended that there is need for total replacement of Discos electricity distribution equipment in order to meet the capacity of power generated through the introduction of mini grid regulations. The grid regulation would provide electricity to people who are not served by Discos at all or those who are poorly served because their equipment are not working to get access to power if they are generating anything from 100 kilowatts to 1 megawatt. This action will therefore improve the quality of output, promote customers satisfaction, and provide suitable environment for business development.
2. The study recommended multiple sources of power generation which must be independent including hydropower stations, nuclear reactor, geothermal as well as oil and gas sources which would address the prevailing pressures on the already tensed Kanji and Shiroro dams; such steps will give room for more companies to build their own private power stations. This would create employment opportunities, suitable environment for business development, stable electricity supply, customer choices and satisfactions, and enhancement of gross



domestic product and national development as is applicable in the telecommunication industry.

3. The study recommended that there is need for total replacement of Discos electricity distribution equipments in order to meet the capacity of power generated through the introduction of mini grid regulations. The grid regulation would provide electricity to people who are not served by Discos at all or those who are poorly served because their equipment are not working to get access to power if they are generating anything from 100 kilowatts to 1 mega watt. This action will therefore improve the quality of output, promote customers satisfaction, and provide suitable environment for business development.

REFERENCES

- Achinanya, U. (2017). Blame poor planning for failure of 2013 power privatization –stakeholder. *Daily Sun Newspaper*, May 19, 40.
- Adedeji, O. A. (2017). Privatisation and performance of electricity distribution companies in Nigeria, *Journal of Public Administration and Governance*, 7(3), ISSN 2161-7104 2017
- Adeyemo, D. O. & Salami, A. (2008). A review of privatization and public enterprises reform in Nigeria. *Journal of Contemporary Management Research*, 4(4), 401 – 418.
- Adeyemo, D. O. (2005). Public enterprises reform in Nigeria: A review. *Journal of Social Sciences*, 10(3):223-231.
- Amadi, S. (2015). *From megawatts to actual delivery: Bottlenecks and solutions*. Lecture delivered at the NAPE (Nigerian Association of Petroleum Explorationists) specialized change workshop, Lagos, 14 July.
- Aminu, I. & Petersider, Z. B. (2014). The impact of privatization of power sector in Nigeria: A political economy approach. *Mediterranean Journal of Social Sciences*, 5 (26): 111-118.
- Asaolu, T. (2015). Privatization in Nigeria: Regulation, deregulation, corruption and the way forward. *The Nation Newspaper*, Nov.8.
- Asika, M. (2010). *Research methodology in the behavioural sciences*. Ibadan: Longman Nigeria Plc.
- Bureau of Public Enterprises (BPE) (2010). Jonathan okays US\$ 2.5billion for NITEL. *Bureau of Public Enterprises (BPE) Report*. October 13, BPE, Abuja.
- Dikki, B. E. (2014). Update privatisation issues. Retrieved from: <http://www.power.gov.ng>.
- Dutt, A. K. (2001). Development political economy: Major contemporary themes. In P. O’Hara (ed.), *Encyclopaedia of political economy*, New York: Routledge.
- Fadeyiye, J. O. (2005). *A social studies textbook for colleges and universities*. Ibadan: Akin-Johnson Publishers.
- Fashola, R. B. (2017a). Power generation hits 6800MW. *The Sun Newspaper*, August 15, 40.
- Fashola, R. B. (2017b). How Buhari administration achieved improved power supply. *Premium Times*, September 15.
- Federal Government of Nigeria (1988)*. Privatization and commercialization decree No. 25 of 1988.
- Ibrahim, K. (2012). *Nigeria’s power privatization is an economic dead-end*. Retrieved online on April 23rd, 2017 from <http://www.nigeria.village-square.com/profiles/authors.html>.
- Idomigie, P. O. (2008). *Designing, negotiating and drafting of concession contract*: Abuja: Bureau of public enterprise.
- Igbuzor, O. (2003), *Privatization in Nigeria; Crucial issues of concern of civil society*. A paper presented at a power mapping roundtable discussion on the privatisation programme in Nigeria organized by socio-economic right initiative (SERI). Held at Niger links hotel Abuja on 3rd September, (Unpublished).
- Iheme, E. (1997). *The Incubus: The story of public enterprises in Nigeria*. Lagos: The Helmsman Associates..
- Ikhioya, S. (2017). Our DISCO are dancing disco. *The Vanguard Newspaper*, July 26, 2017.
- Latham & Warkins (2016). *Nigerian power sector: Opportunities and challenges for investment in 2016*. New York: Client Alert White Paper.
- Leykun, F. (2020). Privatization Modalities and Business Valuation: An Ethiopian Focus, *Journal of Investment and Management*, 2020; 9(1): 12-26.
- Maduabum, C. (2006). *Reforming government bureaucracies in Nigeria. The Journey so far*. Lagos: ASCON.
- NERC (2015). *Amended multiyear tariff order (MYTO)*. Abuja: Nigerian Electricity Regulatory Commission.
- Nightingale, S. M. & Pindus, M. N. (1997). *Privatization of public social service: A background Paper*. Unpublished.
- Odeh, A.M. (2011). Privatization of public enterprises and productivity: Nigeria’s dilemma. *Journal of Emerging Trends in Economics and Management Sciences*. 2 (6): 490-496.
- Ogunleye, E. K. (2016). *Political economy of Nigerian power sector reform*. Wider working paper: United Nations University.
- Ojo, O. & Fajemisi, D. (2010). Nigeria’s privatization structures, strategies and shortcomings. *Petroleum-Gas University of Poliesti Bulletin*. 58 (1): 12-20.
- Okafor, T. G., Onodi, B. E. & Innocent, C. O. (2015). The effect of control measures in the power sector reform on electricity development in Nigeria. *International Journal of Academic Research in Business and Social Sciences*, 5 (8): 297-312.
- Osunde, C. (2015). Privatization of public enterprises in Nigeria: Impact on employees’ performance and managerial implications. *International Journal of Research- Grantahaalaya*, 3: 32-38.
- Oyekanmi, A. (2016): Privatization of the Nigerian Railway Corporation (NRC): An evaluation of critical choices. A thesis submitted to Cardiff Metropolitan University in partial fulfilment of the requirement for the degree of Doctor of Philosophy.



- Popoola, O. O. (2016). Privatization of Public Enterprises in Nigeria: Critical Success Factors. *Journal of Law, Policy and Globalization* www.iiste.org ISSN 2224-3240 (Paper) ISSN 2224-3259 (Online) Vol.49, 2016.
- Ramanadham, V. U. (1987). *Studies in public enterprises: From evaluation to privatization*. London: Frank Cass and Co. Ltd.
- Rudeback, C. (1997). To seek happiness development in a West Africa village in the era of democratization. *Review of African Political Economic*.24: 71
- Sanda, A. O. (1992). *Lectures on the sociology of development*. Lagos: Fact Finders.