



Liberia Electricity Regulatory Commission

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October 14, 2025

LIBERIA ELECTRICITY CORPORATION'S ABRIDGED TARIFF APPLICATION FOR PUBLIC COMMENT AND PUBLIC HEARING

1. INTRODUCTION

On September 13, 2024, the Liberia Electricity Regulatory Commission (LERC)—the Commission, henceforth—requested the Liberia Electricity Corporation (LEC) to submit its Tariff Application pursuant to the 2015 Electricity Law of Liberia (2015 ELL) and the Electricity Tariff Regulations (ETR). The LEC, accordingly, submitted its tariffs application on October 21, 2024, for customers in its licensed areas to cover the period 2025 to 2027. The current tariff expired on December 31, 2024, but was temporarily extended until a new tariff decision is announced by the Commission.

On December 16, 2024, LEC withdrew its October 2024 tariff application and requested for an extension of the application timeline on grounds that their newly appointed interim management team was unfamiliar with the submission previously made to the Commission. A two-month window for reapplication was granted to LEC with a new deadline for submission set to February 15, 2025.

LEC submitted a new tariff application on March 10, 2025. From the date of submission to May 09, 2025, the Commission worked closely with LEC to gather all the crucial information needed to begin the tariff review process.



However, on July 4, 2025, LEC's new management team requested the withdrawal of the tariff application and resubmission on September 30, 2025. LEC informed the Commission that this would enable them to align their financial projections with their newly developed strategic plan, incorporate planned capital investment and quantify the impact of new interventions in their proposal. This request was granted by the Commission and LEC finally submitted its tariff application on September 30, 2025.

This document is an abridged version of LEC's September 30, 2025, tariff application and is being published by LERC in fulfilment of provisions of the Electricity Tariff Regulations (ETR) to allow for a transparent approval of tariffs by the Commission in accordance with the 2015 Electricity Law of Liberia (ELL), the ETR and the Multi-Year Tariff Methodology (MYTM).

LEC is a utility owned by the Government of Liberia that is licensed by the Commission under the 2015 ELL to generate, transmit, distribute, import and undertake the services of the Transmission System Operator (TSO) of electricity in Liberia. The current tariff proposal is the subject of a major review of the levels and structure of electricity rates with respect to customer categories.

2. MAIN HIGHLIGHTS OF APPLICATION

LEC application includes proposed tariffs (fixed and variable charges) for the following customer categories: Social, Residential Prepaid, Residential Postpaid, Non-Residential Prepaid, Non-Residential Postpaid and Medium Voltage (industrial) customers. Fixed charges per customer category remain the same as before. However, variable charges have seen end-user's cost of electricity go up on average by 1.7 percent, driven mainly by a 9.1 percent increase for Non-Residential Prepaid and Postpaid customers, and a 5.3 percent increase for Medium Voltage customers. Social (Lifeline) customers, however, will see their cost decline by 13.3 percent. Table 1 below shows both the existing and proposed price levels and structure.



Table 1 Current and Proposed Tariff Levels and Structure

Customer Category		Current Tariff		Proposed Tariff		% Change in Variable Charge
		Fixed Charge (US\$/Month)	Variable Charge (US\$/kWh)	Fixed Charge (US\$/Month)	Variable Charge (US\$/kWh)	
1	Social Tariff	\$ -	\$ 0.15	\$ -	\$ 0.13	-13.3%
2	Residential Prepaid	\$ 2.48	\$ 0.24	\$ 2.48	\$ 0.24	0.0%
3	Residential Postpaid	\$ 4.47	\$ 0.24	\$ 4.47	\$ 0.24	0.0%
4	Non-Residential Prepaid	\$ 10.00	\$ 0.22	\$ 10.00	\$ 0.24	9.1%
5	Non-Residential Postpaid	\$ 12.00	\$ 0.22	\$ 12.00	\$ 0.24	9.1%
6	Medium Voltage	\$ 50.00	\$ 0.19	\$ 50.00	\$ 0.20	5.3%
						1.7%
Connection Charge Per Customer		Current Tariff		Proposed Tariff		% Change
1	Single Phase Meter	\$ 20.00		\$ 82.00		310.0%
2	Three Phase Meter	\$ 350.00		\$ 401.00		14.6%

Source: LEC's Tariff Application Document

Variable rate means the charge for energy

Residential prepaid or post-paid means a non-commercial customer

Fixed Charge means the charge for capacity or for recovery of fixed assets cost

Commercial means non-residential customer

Medium Voltage means a customer who is supplied at 22kV or 33kV



2.1 REGULATED ASSET BASE

Table 2 below shows LEC's Regulated Asset Base (RAB) over the new tariff regime. The RAB does not include GoL-finance or donor-financed assets. The RAB is expected to grow by 70.7 percent over the tariff period from \$40,599,326 in 2025 to \$69,304,351 in 2028.

Table 2 Regulated Asset Base

Regulated Asset Base	2025	2026	2027	2028
Net Asset Value (NAV)	366,656,828			
LEC Funded Asset	28,275,087	11,813,788	10,290,223	10,265,665
Donor Loan/ GoL Funded Asset	98,566,401			
Grant Funded Assets	240,015,340			
Construction Works in Progress (CWIP)	173,112,502			
LEC Funded Asset	2,428,506			
Donor Loan Funded Asset	140,931,385			
Grant Funded Assets	29,752,610			
Net Working Capital (WC)	9,573,482			
Interest During Construction (IDC)	2,200,829			
Donor Loan Funded Asset	2,200,829			
Contribution from Customers (CC)	1,678,578			
Depreciation (LEC Funded Asset)		295,254	1,349,178	2,020,220
RAB	40,599,326	52,117,861	61,058,905	69,304,351

Source: LEC's Tariff Application Document

2.2 REVENUE REQUIREMENT

Table 3 below presents the Revenue Requirement (RR) proposed by LEC at six (6) percent Weighted Average Cost of Capital (WACC). LEC proposed a 107.2 percent increase in allowable revenue over the tariff period from \$110,870,873 in 2025 to \$229,748,889 in 2028.



Table 3 Revenue Requirement

Activity Area	2024	2025	2026	2027	2028
Generation					
Operational Expenses (OPEX)	48,587,947	76,215,143	119,142,670	164,380,172	192,275,757
Taxes	0	0	0	0	0
Depreciation	1,670,989	3,399,587	3,162,926	3,171,892	3,181,301
Weighted Average Cost of Capital (WACC)	6%	6%	6%	6%	6%
Regulated Asset Base	17,862,004	24,359,596	31,270,716	36,635,343	41,582,611
Total Generation Revenue Requirement	51,330,656	81,076,306	124,181,839	169,750,185	197,952,015
Transmission					
Operational Expenses (OPEX)	6,541,797	7,081,377	7,230,086	7,316,847	7,470,501
Taxes	0	0	0	0	0
Depreciation	1,622,265	1,623,144	1,644,597	1,634,261	1,643,670
Weighted Average Cost of Capital (WACC)	6%	6%	6%	6%	6%
Regulated Asset Base	3,572,401	4,871,919	6,254,143	7,327,069	8,316,522
Total Transmission Revenue Requirement	8,378,406	8,996,837	9,249,932	9,390,732	9,613,163
Distribution					
Operational Expenses (OPEX)	15,503,009	16,541,221	16,888,587	17,091,250	17,450,166
Taxes	0	0	0	0	0
Depreciation	3,545,168	3,574,441	3,595,893	3,559,822	3,569,232
Weighted Average Cost of Capital (WACC)	6%	6%	6%	6%	6%
Regulated Asset Base	8,335,602	11,367,811	14,593,001	17,096,494	19,405,218
Total Distribution Revenue Requirement	19,548,314	20,797,730	21,360,060	21,676,862	22,183,711
Total Revenue Requirement	79,257,375	110,870,873	154,791,831	200,817,779	229,748,889

Source: LEC's Tariff Application Document

2.2 LOSS REDUCTION TARGETS FOR TARIFF PERIOD

Table 3 represents LEC's loss reduction targets from 2025 to 2028. It shows the full loss trajectory and its constituent components over the proposed tariff period.

Table 4 Loss Trajectory

Loss Category	2024	2025	2026	2027
Total Losses	41.0%	34.5%	30.0%	27.5%
Technical Losses	15.0%	14.0%	13.0%	12.0%
Non-Technical Losses	26.0%	20.5%	17.0%	15.5%

Source: LEC's Tariff Application Document



2.3 OPERATING COSTS FORECAST FOR THE TARIFF PERIOD

Table 4 below is LEC's Statement of Comprehensive Income for the period 2025 to 2028 which includes actual and forecast values. The period 2026 to 2028 is the forecast period which also represents the three years for the proposed tariff period.

Table 5 Statement of Comprehensive Income

Statement of comprehensive income \$	Actual	Forecast			
	2025	2026	2027	2028	
Energy Revenue	88,031,658	151,743,390	199,895,351	232,005,399	
Postpaid Meter Sales	11,839,904	20,812,773	29,672,401	32,800,368	
Prepaid Meter Sales	60,472,315	98,945,166	130,875,547	156,148,455	
Medium Voltage Sales	6,992,514	13,362,279	19,066,592	21,082,418	
Add: Fixed Charges	6,764,102	8,025,426	9,578,938	11,132,007	
Add: Power Connection Fees	1,962,822	10,597,745	10,701,872	10,842,151	
O&M Costs	108,434,914	151,664,759	197,154,245	225,590,627	
Resellers	0	0	0	0	
Commission on prepaid meter sales	0	0	0	0	
Generation	79,614,730	122,305,596	167,552,064	195,457,058	
Fuel for generation (incl.storage) & IPP Costs	20,649,681	12,631,785	6,165,850	14,469,336	
Lubricants & solvents	175,363	179,045	181,194	184,999	
Salaries and other employees' benefits	1,527,664	1,559,745	1,578,462	1,611,610	
Maintenance O&M Contract	3,124	3,190	3,228	3,296	
Camp Costs	1,740,843	1,777,400	1,798,729	1,836,502	
Insurance costs	1,082,100	1,329,824	1,345,782	1,374,043	
Depreciation Expense	3,399,587	3,162,926	3,171,892	3,181,301	
Transport Fuel & Vehicles expenses	297,773	304,026	307,674	314,135	
Project expenses	949,411	969,348	980,980	1,001,581	
CIE/ Energy Import	36,621,526	33,112,800	33,112,800	33,112,800	
Transco CLSG	6,680,281	10,220,362	11,239,492	11,239,492	
Generation Overhead Cost	5,966,449	6,091,745	6,164,846	6,294,307	
Generation Other Expenses	520,930	531,869	538,252	872,751	
20MW Mt. Coffee Solar	0	0	0	0	
16.5 MW Schieffelin Solar	0	0	3,300,000	4,400,000	
EDG Import Cost	0	47,149,245	55,376,680	60,276,247	
IPP Cost	0	3,282,286	42,286,204	55,284,657	
Transmission	8,704,522	8,874,683	8,951,108	9,114,172	
Salaries and other employees' benefits	942,890	962,690	974,243	994,702	
Materials	483,863	494,024	499,953	510,452	
Depreciation Expense	1,623,144	1,644,597	1,634,261	1,643,670	
Transport Fuel & Vehicles expenses	217,855	222,430	225,099	229,826	
Project expenses	1,445,481	1,475,837	1493546.573	1524911.051	
Other Expenses/Costs	0	0	0	0	
Transmission Overhead Cost	3,682,552	3,759,886	3,805,004	3,884,910	
Transmission Maintenance & Other Expenses	295,171	301,369	304,986	311,390	
Insurance for Transmission Substations	13,565	13,850	14,016	14,310	
Distribution	20,115,662	20,484,480	20,651,072	21,019,398	
Salaries and other employees' benefits	2,200,076	2,246,277	2,273,233	2,320,970	
Materials	1,129,014	1,152,724	1,166,556	1,191,054	
Depreciation Expense	3,574,441	3,595,893	3,559,822	3,569,232	
Transport Fuel & Vehicles expenses	514,941	525,755	532,064	543,237	
Commission on prepaid meter sales	2,764,693	2,822,752	2,856,625	2,916,614	
Street Lights Contractor	0	0	0	0	
Project expenses	619,492	632,501	640,091	653,533	
Other Expenses/Costs	0	0	0	0	
Bad Debt	0	0	0	0	
Distribution Overhead	8,592,622	8,773,067	8,878,344	9,064,789	
Distribution Maintenance & Other Expenses	688,732	703,195	711,633	726,578	
Insurance for Distribution Substations	31,651	32,316	32,704	33,391	

Source: LEC's Tariff Application Document



2.4 CAPITAL EXPENDITURE FOR THE TARIFF PERIOD

During the tariff period, LEC plans to undertake extensive capital investments aimed at improving and expanding the grid and reducing energy losses. These investments—known as CAPEX—includes projects such as the construction and upgrading of substations, transmission lines, and distribution networks to improve service reliability and reduce technical and commercial losses. Table 5 below presents the planned capital expenditure of the utility over the next tariff period.

Table 6 Breakdown of Capital Expenditure

Activity Area	2026	2027	2028
Generation	9,889,061	6,618,967	6,709,614
Transmission	23,322,195	24,199,801	24,290,448
Distribution	55,239,180	52,206,286	51,507,469
Total	88,452,462	83,027,082	82,509,558

Source: LEC's Tariff Application Document

2.5 ENERGY SOURCES FOR THE TARIFF PERIOD

LEC intends to increase energy supply by 109 percent from 635,016 MWh in 2025 to 1,325,281 in 2028. Table 6 below presents the sources from which LEC expects to generate its energy.



Table 7 Energy Sources over the tariff period in Megawatts-hour (MWh)

Generation Sources	2025	2026	2027	2028
Mt. Coffee Solar	0	37,623	37,623	37,623
Schieffelin Solar	0	0	23,592	35,397
Mt. Coffee Hydro Power Plant (MCHPP)	289,872	348,264	348,264	348,516
Cote d'Ivoire Energies (CIE)	219,000	219,000	219,000	219,600
Electricite de Guinee (EDG)	0	292,018	342,975	373,320
Independent Power Producers (IPP)	0	14,271	183,853	240,368
Bushrod Thermal Plant (BTP)	126,144	61,510	30,024	70,457
Total	635,016	972,686	1,185,331	1,325,281

Source: LEC's Tariff Application Document



2.6 NUMBER OF CUSTOMERS OVER THE TARIFF PERIOD

LEC intends to increase customer connection by 74 percent over the tariff period from 355,803 customers in 2025 to 619,623 customers in 2028. This growth in new connection reflects both the expansion of the grid as seen in the CAPEX and increase in energy supply. Table 7 below provides a breakdown of the increase in demand for customer classes.

Table 8 Number of Customers over the Tariff Period

Customer Category	2024	2025	2026	2027	2028
Prepaid					
Residential	262,978	308,409	369,876	430,022	486,765
Non-Residential	8,078	8,517	11,349	14,997	18,645
Social	44,015	38,291	61,677	87,454	113,744
Total Prepaid	315,071	355,217	442,902	532,473	619,154
Postpaid					
Residential	157	149	125	101	78
Non-Residential	460	428	408	389	370
Medium Voltage	3	9	19	21	21
Total Postpaid	620	586	552	511	469
Total Customers	315,691	355,803	443,454	532,984	619,623

Source: LEC's Tariff Application Document

2.7 PROJECTED CONSUMPTION GROWTH

LEC projects that electricity consumption would increase by 154.7 percent from 374,348,639 kWh in 2025 to 953,482,040 kWh in 2028, with a 61.4 percent jump seen early on in 2026. The growth in consumption is on account of grid expansion, increase in energy supply and growth in demand. Table 8 below decomposes the growth in consumption by the customer categories.



Table 9 Projected Growth in Demand

Projected Consumption (kWh)	2024	2025	2026	2027	2028
Prepaid	219,287,702	258,903,231	407,351,867	538,807,539	642,854,739
Social	6,144,916	2,238,272	1,796,172	2,375,374	2,833,922
Residential	152,836,471	183,514,180	284,672,740	376,568,729	449,296,995
Non Residential	60,306,315	73,150,779	120,882,955	159,863,436	190,723,822
Postpaid	77,072,556	115,445,408	196,976,030	260,394,750	310,627,301
Residential	236,932	281,687	105,423	40,328	13,494
Non Residential	46,276,404	53,510,450	84,958,682	112,354,854	134,044,080
Medium Voltage	15,536,598	36,802,706	65,599,234	86,752,669	103,499,593
LEC	15,022,622	24,850,565	46,312,692	61,246,899	73,070,133
Total Consumption	296,360,258	374,348,639	604,327,897	799,202,289	953,482,040

Source: LEC's Tariff Application Document



2.8 PROJECTED REVENUE OVER THE TARIFF PERIOD

LEC projects an increase in revenue of 157 percent over the tariff period from US\$ 86,068,836 in 2025 to US\$ 221,163,248 in 2028. Sixty-four (64) percent of this growth in revenue will occur in the first year of the new tariff regime. This acceleration in revenue in the first year is in proportion to the magnitude of increase observed in projected consumption, energy supply and new customer connections. Table 9 below breaks down LECs projected revenue into its constituent parts for the various customer classes.

Table 10 Projected Revenue Over the Tariff Period

Tariff Revenue (US\$)	2024	2025	2026	2027	2028
Prepaid	50,869,880	60,472,315	98,945,166	130,875,547	156,148,455
Social	921,737	335,741	242,288	320,417	382,271
Residential	36,680,753	44,043,403	69,125,971	91,440,716	109,101,037
Non-Residential	13,267,389	16,093,171	29,576,907	39,114,414	46,665,146
Postpaid	13,189,626	18,832,418	34,175,053	48,738,993	53,882,786
Residential	56,864	67,605	25,599	11,251	3,277
Non-Residential	10,180,809	11,772,299	20,787,174	29,661,150	32,797,091
Medium Voltage	2,951,954	6,992,514	13,362,279	19,066,592	21,082,418
Total Tariff Revenue	64,059,506	79,304,733	133,120,219	179,614,541	210,031,241
Fixed Charge Revenue (US\$)					
Prepaid	5,705,271	6,688,850	7,949,770	9,503,241	11,060,174
Social	0	0	0	0	0
Residential	5,196,431	5,986,439	7,105,495	8,383,950	9,634,450
Non-Residential	508,840	702,411	844,276	1,119,292	1,425,724
Postpaid	48,174	75,253	75,656	75,697	71,833
Residential	4,284	8,332	7,298	6,019	4,742
Non-Residential	42,240	63,270	60,107	57,227	54,491
Medium Voltage	1,650	3,650	8,250	12,450	12,600
Total Fixed Charge Revenue	5,753,445	6,764,102	8,025,426	9,578,938	11,132,007
Total Revenue	69,812,951	86,068,836	141,145,645	189,193,479	221,163,248

Source: LEC's Tariff Application Document



3.0 TARIFF APPLICATION REVIEW SCHEDULE

The table below provides the schedule for the entire tariff determination process and the activities to be undertaken by law to consummate this process.

Table 11: Schedule for Tariff Review Process

1	LEC Submits Application	September 30, 2025
2	Acknowledgement of complete application	October 14, 2025
3	Publication of Notice of Pendency	October 14, 2025
4	Publication of Abridged Application	October 14, 2025
5	Public Hearing (Bomi, Tubmanburg)	October 24, 2025
6	Public Hearing (Cape Mount, Robertsport)	October 25, 2025
7	Public Hearing (Grand Bassa, Compound 1)	October 30, 2025
8	Public Hearing (Rivercess, Yarkpah's Town)	October 31, 2025
9	Public Hearing (Margibi, Kakata)	November 6, 2025
10	Public Hearing (Montserrado, Paynesville Town Hall)	November 19, 2025
11	Announcement of BoC's decision on LEC's Proposal	December 8, 2025
12	Publication of Decision in Official Gazette and in Newspapers	December 8, 2025
13	Tariffs Effective Date	January 1, 2026

