

BLOOMFIELD LP WEEKLY ENERGY TITBITS (BWET)

Bloomfield LP's Energy Practice brings you highlights of interesting energy developments in Nigeria
May 07, 2024.

The Nigerian Electricity Regulatory Commission Announces the Deregulation of Meter Prices under the Meter Asset Provider ("MAP") Scheme

On Monday, April 29, 2024, the Nigerian Electricity Regulatory Commission (the "Commission") by an order jointly signed by the Commission's Chairman, Sanusi Garba, and its Commissioner, Legal, Licensing, and Compliance, Dafe Akpeneye, (the "Order") announced the deregulation of meter prices under the Meter Asset Provider ("MAP") scheme.

The Order, which became effective on May 1, 2023, implements a competitive bidding process, giving customers the option to select from a range of approved vendors. It also outlined that the prices of meters within the MAP scheme will be determined through a competitive bidding process. This marks a departure from the previously regulated pricing framework.

Read more at:

<https://nairametrics.com/2024/04/29/nerc-deregulates-meter-prices-for-discos-under-map-scheme>

The Federal Government of Nigeria Introduces New Criteria for Issuance of Gas Licenses

On Thursday, May 4, 2024, the Minister of State for Petroleum Resources (Gas), Mr. Ekperikpe Ekpo announced that the Federal Government of Nigeria has commenced plans to discontinue the issuance of gas licenses to gas companies that lack the capacity to build pipelines for the distribution of gas.

Mr. Ekpo stressed that while Compressed Natural Gas (CNG) remains a better alternative to fuel, directives have been given to the Chief Executive of the Nigerian Midstream and Downstream Regulatory Authority ("NMDPRA"), Farouk Ahmed, to ensure that there is no grant of gas supply and distribution licences to any person that does not have the capacity to supply CNG through pipelines to its end users.

Read more at:

https://punchng.com/fg-gives-fresh-condition-for-gas-licence/#google_vignette

The Federal Government Commences Fresh Bid Rounds for Oil Blocks

On Monday, April 29, 2024, the Federal Government of Nigeria through the Nigerian Upstream Petroleum Regulatory Commission (the "NUPRC") announced that it had commenced the process for the 2024 oil block bid rounds. This was disclosed by the Chief Executive of the NUPRC, Mr. Gbenga Komolafe, at the first edition of the Nigerian Extractive Industries Transparency Initiative ("NIETI") House Dialogue in Abuja.

Mr. Komolafe stated that the twelve (12) greenfield oil blocks put on offer include six (6) acreages located on the continental shelf, four (4) deep offshore blocks, and two (2) onshore blocks in Niger Delta region of the country. Mr. Komolafe further noted that dormant oil blocks awarded to investors previously will be revoked and reviewed.

Read more at:

<https://businessday.ng/news/article/fg-to-begin-2024-oil-block-bid-rounds>



Kaduna Refining and Petrochemical Company to Resume Operations with a Potential of Sixty Per Cent (60%) Production Capacity by December – Nigerian National Petroleum Company Limited

The Managing Director of the Kaduna Refining and Petrochemical Company (the “**Refinery**”), Mr. Mustapha Sugungun, on Monday, April 29, 2024, disclosed to the members of the Senate Adhoc Committee on Petroleum Downstream during an oversight visit that the Refinery will commence operations at Sixty per cent (60%) production capacity by the end of the year.

Mr. Sugungun further stated that the Refinery’s rehabilitation progress stands at Forty per cent (40%) and it is expected to be completed by the end of 2024. The Refinery has an overall capacity to produce One Hundred and Ten thousand (110,000) barrels per day of crude oil. However, upon the completion of the Refinery’s rehabilitation, it will commence operations with Sixty per cent (60%) production capacity and subsequently improve its production to One Hundred per cent (100%).

Read more at:

<https://businessday.ng/news/article/kaduna-refinery-eyes-december-restart-at-60-production-capacity>

Nigerian Electricity Regulatory Commission Unbundles the Transmission Company of Nigeria (“TCN”) and issues Directives on the Incorporation of the Independent System Operator (“ISO”)

The Nigerian Electricity Regulatory Commission (the “**Commission**”), in accordance with the Electricity Act 2023, has mandated the creation of an Independent System Operator (“**ISO**”) to assume the market and system operations responsibilities of the Transmission Company of Nigeria (“**TCN**”). This was revealed by NERC in an order released on Friday, May 3, 2024.

According to the order, TCN shall retain its Transmission Service Provider (“**TSP**”) license. The Bureau of Public Enterprises (“**BPE**”) has also been directed to incorporate a private company limited by shares to be known as Nigerian Independent System Operator of Nigeria Limited (“**NISO**”) to carry out the system and market operation functions from a date no later than May 31, 2024.

Read more at:

<https://nairametrics.com/2024/05/03/nerc-unbundles-tcn-orders-the-establishment-of-new-company-for-system-operations/>