

BLOOMFIELD LP WEEKLY ENERGY TITBITS (BWET)

Bloomfield LP's Energy Practice brings you highlights of interesting energy developments in Nigeria
May 14, 2024.

Nigerian Electricity Regulatory Commission Approves Reduction in Electricity Tariffs for Band A Customers Across all Distribution Companies

Nigerian Electricity Regulatory Commission ("NERC") has approved a downward review of electricity tariff for customers under the band A category from Two Hundred and Twenty-five Naira per Kilowatt-hour (N225/kWh) to Two Hundred and Six Naira, Eighty Kobo per Kilowatt-hour (N206.8/kWh).

This was revealed by NERC in a circular released on Monday, May 6, 2024. The circular stated that this revised tariff order shall apply to all electricity distribution companies ("DisCos") in Nigeria for the month of May 2024.

Read more at:

<https://nairametrics.com/2024/05/06/naira-appreciation-nerc-approves-8-1-electricity-tariff-cut-for-band-a-customers-for-all-discos>

The Central Bank of Nigeria Relaxes Restrictions on Cash Pooling of Repatriated Oil and Gas Export Proceeds by International Oil Companies

The Central Bank of Nigeria ("CBN") has issued further clarifications on the repatriation of oil and gas export proceeds by international oil companies ("IOCs"). This was announced in a circular dated May 6, 2024, signed by the Director, Trade and Exchange Department, Dr. Hassan Mahmud.

The circular stated that the initial fifty percent (50%) of the repatriated export proceeds can be pooled immediately, while the fifty percent (50%) balance of the repatriated export proceeds can be used to settle financial obligations in Nigeria during a prescribed ninety (90) day period. The circular further listed the expenses eligible for settlement from the fifty percent (50%) balance.

Read more at:

<https://nairametrics.com/2024/05/07/oil-firms-can-spend-50-fx-proceeds-on-financial-obligations-cbn>

Lagos State Government to Establish Five (5) Additional Power Hubs to Boost Electricity Supply in Lagos State

On Wednesday, May 8, 2024, the Lagos State Commissioner for Energy and Mineral Resources, Mr. Biodun Ogunleye disclosed plans to set up five (5) new power hubs across Lagos State, providing the residents with alternative sources of renewable energy.

Mr. Ogunleye explained that these additional power hubs would complement the existing six (6) solar proof of concept projects. Some of the potential sites being considered for this project include the Egbin terminal plant site, Ikorodu, Badagry, Agbara, Ogudu, amongst others.

Read more at:

<https://www.premiumtimesng.com/regional/ssouth-west/693154-lagos-govt-to-establish-five-additional-alternative-power-supply-hubs.html>



The Federal Government of Nigeria Launches 2024 Licensing Round at the Offshore Technology Conference

On May 7, 2024, the Federal Government of Nigeria formally launched the 2024 licensing round at the Offshore Technology Conference in Houston, Texas. This was announced by the Nigerian Upstream Regulatory Commission's ("NUPRC") Chief Executive, Mr Gbenga Komolafe.

At the event, the Commission Chief Executive (CCE), Engr. Gbenga Komolafe reiterated Nigeria's commitment to advancing its oil and gas sector and highlighted incentives by President Bola Ahmed Tinubu's leadership aimed at attracting the attention and involvement of international investors.

Read more at:

<https://www.nuprc.gov.ng/nigeria-launches-2024-licensing-round-at-otc-2024>

Nigerian National Petroleum Company Limited Exploration and Production and Natural Oilfields Services Limited Commence Oil Production at OML 13 in Akwa Ibom State

On May 12, 2024, the Nigerian National Petroleum Company Exploration and Production Limited ("NNPC E&P Ltd"), NNPC Ltd's flagship upstream subsidiary, and Natural Oilfield Services Ltd (NOSL), in a press release, announced the commencement of oil production at Oil Mining Lease ("OML") 13 in Akwa Ibom State.

It was stated that production commenced on May 6, 2024, with an initial output of six thousand barrels per day (6,000/bpd) of oil, and it is expected to increase to forty thousand barrels per day (40,000/bpd) of oil by May 27, 2024.

Read more at:

<https://nnpcgroup.com/insights/nnpc-e-and-p-ltd-nosl-hit-first-oil-in-oml-13-akwa-ibom-state>