

BLOOMFIELD LP WEEKLY ENERGY TITBITS (BWET)

Bloomfield LP's Energy Practice brings you highlights of interesting energy developments in Nigeria
July 18, 2024.

Nigerian Crude Oil Production Increased by over One Percent (1.57%) in June 2024.

According to the Organisation of Petroleum Exporting Countries ("OPEC")'s Monthly Oil Market Report for June 2024 (the "Report"), crude oil production in Nigeria increased by one point five seven per cent (1.57%) in June 2024.

The increase represents a production level of one million, two hundred and seventy-six thousand barrels per day (1,276,000 bpd), compared to one million, two hundred and fifty-one thousand barrels per day (1,251,000 bpd) produced in May 2024.

Read more at:

<https://www.thetimes.com.ng/2024/07/breaking-nigerias-crude-oil-production-in-june-rises-to-1-27-million-barrels-daily-opec/>

The Federal Government of Nigeria to Collaborate with Oil Producers for the Supply of Crude Oil to Local Refineries

The Federal Government of Nigeria ("FGN"), through the Nigeria Upstream Petroleum Regulatory Commission ("NUPRC"), has agreed to collaborate with crude oil producing companies, operational in Lagos, for the supply of crude oil to local refiners at market prices.

Furthermore, the crude oil producers under the protection of the Oil Producers Trade Section ("OPTS") of the Lagos Chamber of Commerce Industry ("LCCI") and pursuant to a recommendation of the NUPRC, agreed to the acceptance of a scheme that would provide mutual benefits to them as crude oil producers and also to the local refiners.

Read more at:

<https://businessday.ng/energy/article/fg-agrees-deal-with-oil-producers-on-local-refinery-supply>

The Federal Government of Nigeria and The United States Agency for International Development ("USAID") sign a Memorandum of Understanding worth One Hundred and Fifty Billion, Two Hundred Million Naira (N115,200,000,000)

On Wednesday, July 10, 2024, the Federal Government of Nigeria ("FGN") and the United States Agency for International Development ("USAID") signed a Memorandum of Understanding ("MoU") worth One Hundred and Fifty Billion, Two Hundred Million Naira (N115,200,000,000) to support the ongoing power sector reforms and the country's drive to provision of electricity through renewable energy.

The Minister of Power, Chief Adebayo Adelabu, expressed that the collaboration with USAID represents an essential step towards providing solutions and resources to the challenges in the Nigerian power sector. He also stated that this collaboration is set to intensify the implementation of the Electricity Act, 2023 (the "Act")

Read more at:

<https://www.usaid.gov/nigeria/press-releases/jul-10-2024-usaid-signs-mou-nigeria-ministry-power-pledges-n1152-billion-electricity-reforms-and-clean-energy-transition>



The Nigerian Electricity Regulatory Commission Approves Sixty Percent (60%) Sale of the Kaduna Electricity Distribution Company Plc's Shares to ASI Engineering Limited.

On Friday, July 13, 2024, the Kaduna Electricity Company Plc ("**Kaduna Electric**") announced that the Nigerian Electricity Regulatory Commission ("**NERC**") has approved the acquisition of sixty per cent (60%) of Kaduna Electric's shares by ASI Engineering Limited ("**ASI**").

This equity transaction was made sequel to NERC's declaration of Kaduna Electric's indebtedness of about One Hundred and Ten Billion Naira (N110,000,000,000) to certain entities, including the Nigerian Bulk Electricity Trader ("**NBET**") and power generation firms. It was reported that the terms of the sale agreement include the prioritisation of investments in Kaduna electricity distribution infrastructure, employee professional development, and community engagement.

Read more at:

<https://www.thetimes.com.ng/2024/07/n110-billion-debt-nerc-approves-60-share-sale-of-kaduna-disco-to-asi-engineering/>

The Federal Government of Nigeria Awards Contract for Metering One Hundred and Eight Seven (187) Crude Oil Flow Station in Niger Delta, Nigeria.

On Friday, July 12, 2024, the Minister for Petroleum Resources (Oil), Heineken Lokpobiri, announced that the Federal Executive Council ("**FEC**") has approved the award of a contract for the metering of one hundred and eight-seven (187) crude oil flow stations in Niger Delta, Nigeria.

The contract is reportedly valued at Twenty-One Million United States Dollars (\$21,000,000) and is set to be completed within one hundred and eight (180) days from the date of execution of the contract.

Read more at:

<https://www.vanguardngr.com/2024/07/oil-theft-fg-approves-21m-contract-to-meter-187-flow-stations>