

BLOOMFIELD LP WEEKLY ENERGY TITBITS (BWET)

Bloomfield LP's Energy Practice brings you highlights of interesting energy developments in Nigeria
October 22, 2024.

Petroleum Motor Spirit ("PMS") Price Increases to over One Thousand Naira (1000.00) in September 2024

On October 17, 2024, the National Bureau of Statistics ("NBS") released a report titled "Premium Motor Spirit (Petrol) Price Watch (September 2024)" (the "Report"). According to the Report, the price of Premium Motor Spirit ("PMS" or "Petrol") increased to over One Thousand Naira (N1000.00) in the month of September 2024.

Particularly, the average price of Petroleum currently is One Thousand, Thirty Naira and Forty-Six Kobo (N1,030.46). The reviewed price reflects about twenty-four percent (24.08%) increase in the price of Petrol.

It is envisaged that measures will be implemented to introduce alternative fuels to Petrol to reduce the impact of the price increase on Nigerians.

Read more at:

<https://nigerianstat.gov.ng/elibrary/read/1241571#:~:text=The%20average%20retail%20price%20paid,value%20with%20the%20previous%20month%20>

The Federal Government of Nigeria Procures One Million, Eight Hundred Thousand (1,800,000) Meters to Prevent Estimated Electricity Billing

On October 15, 2024, during the Nigeria Energy Summit held in Lagos, the Minister of Power, Mr. Adebayo Adedun (the "Minister") announced that the Federal Government of Nigeria ("FGN") had procured one million, eight hundred thousand (1,800,000) meters to prevent estimated electricity billing across the country (the "Project"). The Minister noted that the Project is part of the FGN's partnership scheme with the World Bank to supply three million and two hundred thousand (3,200,000) meters over a three (3)-year period.

The Minister also stated that the necessary documents required for the Project have been executed. The meters provided through the Project will be distributed in two (2) phases. The first distribution phase will take place in December 2024 while the second phase will take place by the second quarter of 2025.

Read more at:

https://punchng.com/1-3-million-meters-to-be-delivered-in-december-minister/?utm_source=rss.punchng.com&utm_medium=web

Nigerian National Petroleum Company Limited ("NNPCL") Partners with A4E Energy to Construct a One Hundred Million Standard Cubic Feet Per Day (100MMSCF/D) Gas Distribution Facility in Kogi State

The Nigerian National Petroleum Company Limited ("NNPCL"), through its subsidiary, the NNPC Gas Marketing Limited ("NGML") has announced its partnership with A4E Energy Company Limited ("A4E") to construct a one hundred million standard cubic feet per day gas distribution facility in Ajaokuta, Kogi State (the "Project").

The Project aligns with the Presidential Compressed Natural Gas ("CNG") Initiative and is aimed at driving industrialisation and transforming the transportation sector through the exploitation of natural gas as an alternative fuel source.

Read more at:

<https://nnpccgroup.com/insights/ngml-and-a4-e-energy-to-construct-100-mmscf-d-gas-distribution-facility-in-ajaokuta>



Oil and Gas Incentives in the Nigerian Gas Sector attracts Three Billion United States Dollars (US\$3,000,000,000.00) worth investment

On October 15, 2024, the Minister of Finance and Coordinating Minister of the Economy, Mr. Wale Edun (the “**Minister**”), during the Nigerian Economic Summit in Abuja disclosed that the recently unveiled oil and gas aimed at revitalizing Nigeria’s oil and gas sector (the “**Incentives**”), have attracted Three Billion United States Dollars (US\$3,000,000,000.00) investments (the “**Investments**”) into the economy.

The Incentives comprise Value Added Tax (VAT) Modification Order 2024; and Notice of Tax Incentives for Deep Offshore Oil & Gas Production, in accordance with the Oil & Gas Companies (Tax Incentives, Exemption, Remission, etc.) Order 2024.

Read more at:

<https://finance.gov.ng/fg-introduces-new-fiscal-incentives-to-boost-nigerias-oil-and-gas-sector>

The Nigerian National Grid Collapses for The Sixth Time in 2024

On Monday, October 14, 2024, the Nigerian Electricity Regulatory Commission (“**NERC**”) announced that the national grid (the “**Grid**”) collapsed for the sixth time in the 2024 due to system failure. The electricity Distribution Companies (“**DisCos**”) were consequently unable to distribute electricity to the final consumers.

The Nigerian System Operator reported that the Grid recorded an unprecedented zero Megawatts (0MW) capacity, reflecting that power generation dropped from three and eighty-seven gigawatts (3.87GW) at 5:00pm, to three and fifty-six gigawatts (3.56GW) at 6:00pm, to zero Megawatt (0MW) by 7:00pm and 8:00pm on the same day.

However, on October 15, 2024, the Transmission Company of Nigeria announced that the national grid has been successfully restored to about ninety per cent (90%) of bulk power supply across its substations nationwide. To prevent any other grid collapse, it is envisaged that more investments will be made in the critical electricity infrastructure of the country.

Read more at:

<https://businessday.ng/breaking-news/article/nationwide-blackout-as-national-grid-collapses-sixth-time-in-2024>