

BLOOMFIELD LP WEEKLY ENERGY TITBITS (BWET)

Bloomfield LP's Energy Practice brings you highlights of interesting energy developments in Nigeria
March 04 2025.

The Federal Government of Nigeria Commissions Nine Hundred and Ninety KiloWatt (990kWt) Interconnected Mini-Grid in Niger State

On Wednesday, February 26, 2025, the Federal Government of Nigeria (“FGN”), through the Rural Electrification Agency (“REA”), launched a nine hundred and ninety KiloWatt (990kWt) interconnected mini-grid in Lambata, Gurara Local Government Area, Niger State, with the intent to supply electricity to about three thousand, nine hundred (3,900) households (the “Project”).

The Project represents the second under the Interconnected Mini-grid Accelerated Scheme (“IMAS”) funded by the European Union (“EU”) and the German government at the cost of Nine Million, Five Hundred Thousand Euros (€9,500,000), scalable to one point five MegaWatt (1.5MW).

It is anticipated that this Project will significantly create access to energy, improve local standards of living, economic activities and serve to empower local businesses.

Read more at:

<https://www.vanguardngr.com/2025/02/fg-unveils-990kw-mini-grid-to-power-3900-households-in-niger-community/>

The Federal Government of Nigeria Plans Tariff Adjustments for Band A, B, and C Electricity Users

On Thursday, March 24, 2025, Minister of Power, Mr. Adebayo Adedun, during the public presentation of the National Integrated Electricity Policy (“NIEP”) and Nigeria Integrated Resource Plan in Abuja, disclosed FGN's plan to regularise electricity tariffs for Band A, B and C customers, to ensure a more efficient and reliable power sector.

Currently, band B customers receive between seventeen (17) to eighteen (18) hours of electricity supply and pay Sixty-Three Naira (N63) per kWh, while band A customers, who get just two (2) to six (6) extra hours, pay Two Hundred and Nine Naira (N209) per kWh. In 2024, the power sector adopted cost-reflective tariffs for about fifteen percent (15%) of electricity consumers. Also, Mr Adedun stated that migrating some customers to band A led to a seventy percent (70%) increase in power sector revenue, rising from One Trillion, Five Million Naira (N1,005,000,000,000) in 2024 to One Trillion, Seven Hundred Million Naira (N1,700,000,000,000).

Read more at:

<https://punchng.com/just-in-fg-to-review-electricity-tariff-for-band-b-c-customers/>

The London Court Orders Nigeria LNG Limited to Pay Three Hundred and Eighty Million United States Dollars (US\$380,000,000) Over Undelivered Cargoes

On Thursday, February 25, 2025, the London Court of International Arbitration (“LCIA”) ruled that Nigeria LNG Limited (“NLNGL”), the country's biggest gas exporter must pay Three Hundred and Eighty Million United States Dollars (US\$380,000,000) to global commodity traders, Vitol and Glencore, over undelivered cargoes (the “Ruling”).

The Ruling stems from a long-standing dispute involving contractual obligations and supply disruptions between NLNGL, a joint venture between the Nigerian National Petroleum Company (NNPC), Shell, TotalEnergies, and Eni, in breach of contract for failing to deliver Liquefied Natural Gas (“LNG”) cargoes to Vitol and Glencore.

Read more at:

<https://businessday.ng/energy/article/nigerias-lng-loses-380m-in-london-court-over-19-undelivered-cargoes/>



The Federal Government of Nigeria Plans to Complete the Ajaokuta–Kaduna–Kano Gasoline Pipeline Project in 2025

The Minister of State for Petroleum (Gas), Ekperikpe Ekpo (the “**Minister**”), reaffirmed FGN’s pledge to complete the Ajaokuta–Kaduna–Kano (“**AKK**”) gas pipeline project in 2025.

According to the Minister, the Obrikom, Obiafo, Oben (OB3) and AKK Gas Pipeline projects remain flagship initiatives of Nigeria’s national gas expansion drive. Also, he commended Nigerian National Petroleum Company Limited (“**NNPCL**”) and its private sector partners for their investments in mini–Liquefied Natural Gas (“**LNG**”) projects stating that these partnerships have led to the establishment of five (5) mini LNG plants namely; Prime LNG, BUA LNG, Highland LNG, NGML/Gas Nexus LNG, and LNG Arete, in Ajaokuta, Kogi State.

Read more at:

<https://www.businesstimes.com.ng/2025/03/ekpo-reiterates-fgs-plan-to-finish-akk-gasoline-pipeline-undertaking-in-2025/>

The Nigeria’s Crude Oil Production Experiences a Seventy Percent (70%) Surge

The Chief Executive Officer of the Nigerian Upstream Petroleum Regulatory Commission (“**NUPRC**”), Mr. Gbenga Komolafe, during an address at the 8th Nigeria International Energy Summit (NIES) in Abuja, announced that the Nigeria’s crude oil production rose by seventy percent (70%) since 2021 with the country’s technical potential output at Two Million, Two Hundred and Forty Thousand (2,240,000) barrels per day (“**bpd**”).

Additionally, he stated that between 2023 and 2024, Nigeria’s oil reserves increased by one point forty–three percent (1.43%), reaching thirty–seven billion, five hundred million (37,500,000) barrels, while gas reserves grew by zero point twenty–one percent (0.21%), reaching two hundred and nine trillion, two hundred and sixty million (209,260,000,000) cubic feet. The country’s rig count increased from eight (8) in 2021 to forty (40) in 2025 and is projected to reach fifty (50) before the end of 2025 while (oil) production increased by seventy percent (70%) from One Million (1,000,000) bpd in 2021 to the current production of One Million, seven hundred and fifty thousand (1,750,000) bpd.

Read more at:

<https://www.arise.tv/nuprc-nigerias-crude-oil-production-surges-70-since-2021>