



THE CONDUIT

MONTHLY UPDATES ON NIGERIA'S PETROLEUM, MINING AND POWER SECTORS

JANUARY 2025



NUPRC UNVEILS THE UPSTREAM PETROLEUM DECARBONISATION TEMPLATE

An Upstream Petroleum Decarbonisation Template (**UPDT**) has been issued by the Nigerian Upstream Petroleum Regulatory Commission (**NUPRC**) for the promotion of decarbonisation and energy sustainability within Nigeria's upstream petroleum operations.

The UPDT imposes stringent requirements on licensees and lessees to reduce greenhouse gas emissions, adopt low-carbon technologies, implement energy efficiency measures, and incorporate renewables in their operations. The UPDT further requires compliance by operators with relevant laws and regulations issued to eliminate routine gas flaring and venting in petroleum operations and encourages the integration of renewable energy sources in upstream operations.

SEPLAT ENERGY PLC MOVES TO REVIVE 400 IDLE WELLS AFTER ACQUISITION OF EXXONMOBIL'S ONSHORE ASSETS

Seplat Energy Plc announced a decision to revive hundreds of idle oil wells after acquisition of ExxonMobil's onshore assets in Nigeria. According to Seplat, the assets which include 4 licenses and 2 terminals, have had very minimal investments over several years. The company expressed a commitment to restore the idle wells into production within a short period of time.



AGMC INKS DEAL WITH CNCEC TO DEVELOP AND FINANCE THE \$20 BILLION OGDIGBEN GAS REVOLUTION INDUSTRIAL PARK PROJECT

Alpha Grip Management Company, a subsidiary of UAE-based Alpha Group announced a partnership with China National Chemical Engineering International Corporation Ltd for the development, construction and financing of the \$20 billion Ogidigben Gas Revolution Industrial Park in Delta State.

The project, which is conceived to be Africa's largest Gas based industrial park, is anticipated to host industries that will produce fertilizers, petrochemicals, methanol and other related gas products.



NUPRC LAUNCHES THE ADVANCE CARGO DECLARATION SOLUTION AND THE ENGINEERING AUDIT OF UPSTREAM MEASUREMENT EQUIPMENT AND FACILITIES

The NUPRC is set to implement the Advance Cargo Declaration Solution and the engineering audit of upstream measurement equipment and facilities. The Advance Cargo Declaration Solution is aimed at ensuring timeous declaration of hydrocarbon exports and their effective tracking once exported from the shores of Nigeria. The solution seeks to eradicate crude oil theft, illegal topping at export terminals and under-declaration of hydrocarbon exports.

The Engineering Audit of Upstream Measurement Equipment and Facilities is to be conducted pursuant to Regulation 18 of the Nigerian Upstream Petroleum Measurement Regulations, 2023. It addresses issues ranging from inaccurate measurement accounting to obsolete equipment, database management issues and the absence of real-time measurement of hydrocarbon production.

OANDO PLC EXPANDS AFRICAN UPSTREAM PORTFOLIO WITH SUCCESSFUL BID FOR BLOCK KON 13 IN ANGOLA

Oando Plc, a leading energy solutions provider, announced that its upstream subsidiary, Oando Energy Resources (OER), has been awarded operatorship of Block KON 13 in Angola's Onshore Kwanza Basin, following a competitive bidding process organised by the Angolan government.

With a 45% participating interest, OER will lead the development of the block as operator, alongside Effimax and Sonangol holding 30% and 15% participating interests respectively in the block.

NMDPRA AWARDS 10 GAS DISTRIBUTION LICENCES TO INCREASE IN-COUNTRY GAS UTILISATION



The Nigerian Midstream and Downstream Petroleum Regulatory Authority (**NMDPRA**) awarded 10 gas distribution licenses to 6 companies who have met the prescribed minimum requirements.

The NMDPRA Chief Executive noted that the newly awarded licenses will cover a cumulative gas distribution capacity of approximately 1.5 bscf/d over a 1,200km gas distribution pipeline network capacity as well as over 500 customer stations. He further disclosed that another set of licenses will be issued soon after the conduct of necessary regulatory reviews.

ABIA STATE GOVERNMENT PARTNERS WITH PETAN TO COMMENCE OIL AND GAS PRODUCTION

The Abia State Commissioner for Information announced a partnership between Abia State and Petroleum Technology Association of Nigeria (**PETAN**), to boost oil production and capacity in the state by activating over 100 uncapped wells within the state. A Special Purpose Vehicle with a controlling equity stake of 40% to the state and 25% to PETAN with 35% reserved for private investors has been established to implement this initiative. When fully operational, the project is expected to support activities within the Abia Industrial Innovation Park.

NNPCL LAUNCHES THE CONSTRUCTION OF 5 MINI-LNG PLANTS IN AJAOKUTA, KOGI STATE

The Nigerian National Petroleum Company Limited launched the construction of 5 mini-Liquefied Natural Gas (**LNG**) plants in Ajaokuta, Kogi State, namely NNPC Prime LNG, NGML/Gasnexus LNG, BUA LNG, Highland LNG and LNG Arete. These plants have a combined capacity of 97mmscf/d. The mini-LNG facilities are projected to boost domestic gas supply by ensuring the efficient transportation of gas over long distances and providing cleaner and cheaper source of energy to households, industries, and businesses.



FRANCE TO FUND GEOLOGICAL DATA ACQUISITION

Following the execution of a Memorandum of Understanding between Nigeria and France in December 2024, the French Government announced at the Future Minerals Forum held in Riyadh, Saudi Arabia a commitment to upgrade the laboratory of the Nigerian Geological Survey Agency, fund the acquisition of geological data, and provide advanced technological equipment to the Nigerian Government.

NSCDC DESTROYS ILLEGAL MINING SITE IN OSUN STATE

In reinforcement of the efforts of the Federal Government to combat illegal mining in Nigeria, the Osun State Command of the Nigeria Security and Civil Defence Corps announced the destruction of an illegal mining site at Sambisa area, Kajola, Osun State.

Several mining equipment such as draglines, pumping machines, and other tools used in unauthorised mining activities were either seized or destroyed during the operation.

ENUGU STATE GOVERNMENT APPROVES THE CLIMATE POLICY AND ACTION PLAN AND THE OFF-GRID ELECTRIFICATION POLICY

Enugu State Government has adopted a long-term climate policy that incorporates micro energy audits, emissions modelling, and stakeholder engagement.

The Enugu State Climate Policy and Action Plan is the first climate policy adopted by a state government in Nigeria.

Also, the Enugu State Executive Council has approved the Off-Grid Electrification Policy to spearhead their efforts targeted towards providing electricity to underserved and unserved areas.



TRANSGRID ENERCO LIMITED ACQUIRES MAJORITY STAKE IN EKO DISCO

Transgrid Enerco Limited, a consortium of Axxela Limited, North South Power Limited, and the Stanbic IBTC Infrastructure Growth Fund, has executed a Share Purchase Agreement to purchase 60% of the shares of Eko Electricity Distribution Company (**Eko DisCo**) from West Power and Gas Limited.

This acquisition is a significant development in Nigeria's power sector and is expected to improve the operational efficiency of Eko DisCo and expand its distribution capacity.





NERC COMPLETES TRANSFER OF REGULATORY OVERSIGHT TO 4 STATES

Pursuant to the Electricity Act of 2023, which introduced a new era for the decentralisation of the electricity regulation in Nigeria, the Nigerian Electricity Regulatory Commission has completed transfer of full regulatory oversight to Enugu, Ekiti, Ondo, and Imo State Governments.

In the meantime, Oyo, Edo, Kogi, Lagos, Ogun, and Niger states have commenced the process for obtaining full regulatory oversight of the electricity market within their respective states.



Editorial Team:



'Gbite Adeniji
Editor-in-Chief
adeniji@enradvisory.com



Makana Nria
Sub-Editor
nria@enradvisory.com



Rasheed Belo-Osagie
Sub-Editor
belo-osagie@enradvisory.com



Priscillia Mgbearu
Member
mgbearu@enradvisory.com



Rejoice Awodiran
Member
awodiran@enradvisory.com