



THE CONDUIT

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

JULY 2025

PETROLEUM

BINL TO ESTABLISH A \$15 BILLION REFINERY AND FREE TRADE ZONE IN ONDO STATE

Backbone Infrastructure Nigeria Limited (**BINL**) announced plans to construct a \$15 billion refinery, with a refining capacity of 500,000 barrels of oil per day (BPD) and establish a Free Trade Zone in Ilaje Local Government Area of Ondo State. BINL disclosed that the project is to be delivered through a joint venture between BINL and the Ondo State Development and Investment Promotion Agency and that the refinery project will be executed in phases, beginning with a 100,000BPD modular refinery, which is expected to be completed within 48 months.

[Click here for more information](#)

NGML PARTNERS WITH ZUID ENERGIES LIMITED TO DEVELOP NEW CNG AND LNG FACILITIES

The NNPC Gas Marketing Limited (**NGML**), a subsidiary of the Nigerian National Petroleum Company Limited (**NNPCL**), announced the signing of a joint venture agreement with Zuid Energies Limited for the construction of a 6 million standard cubic feet per day (mmscf/d) compressed natural gas (**CNG**) plant and a 40 mmscf/d liquefied natural gas facility in Ajaokuta, Kogi State. The partnership is aimed at deepening the gas market, supporting mobility infrastructure through CNG usage and stimulating local investment in clean energy.

[Click here for more information](#)

GASOLINE ASSOCIATES INTERNATIONAL LIMITED TO LAUNCH A MAJOR REFINERY PROJECT IN OGUN STATE

Gasoline Associates International Limited announced plans to launch a major refinery project in Ipokia, Ogun State. The refinery is expected to process up to 100,000 BPD in its initial phase, with the capacity to scale up to 450,000 BPD. Once operational, the refinery will deliver essential fuels such as premium motor spirit, automotive gas oil, liquefied petroleum gas, and jet fuel, along with petrochemical derivatives for the domestic and international markets.

[Click here for more information](#)

NGML SIGNS GAS SALES AND PURCHASE AGREEMENT WITH CCETC SUK POWER LIMITED

NGML signed a gas sales and purchase agreement with CCETC Suk Power Limited for the delivery of up to 44 mmscf/d of natural gas. The deal is expected to significantly improve power generation capacity, support liquefied natural gas production and contribute to the Nigeria's industrial and energy security goals.

[Click here for more information](#)

PETROLEUM

FIRST E&P AND TANZANIA PETROLEUM DEVELOPMENT CORPORATION INKS DEAL TO ADVANCE REGIONAL ENERGY DEVELOPMENT

First Exploration & Petroleum Development Company Limited (**First E&P**) has announced the signing of a memorandum of understanding with the Tanzania Petroleum Development Corporation (**TPDC**) for the technical assessment and potential development of the Mnazi Bay North Block in southern Tanzania. According to First E&P, the strategic partnership with TPDC represents a major milestone in unlocking Tanzania's abundant energy potential and advancing regional energy security.

[Click here for more information](#)

NNPCL DRILLS 4 OIL WELLS IN BAUCHI STATE

NNPCL has announced the drilling of 4 oil wells in the Kolmani area of Bauchi State as part of its efforts to expand oil and gas exploration in northern Nigeria. The project is designed to improve energy access and supply across the North and is part of NNPCL's contributions to strengthen Nigeria's energy capacity and ensure equitable infrastructure development in the region.

[Click here for more information](#)

SUNBETH ENERGIES AGREES DEAL WITH DANGOTE REFINERY FOR DISTRIBUTION OF PETROLEUM PRODUCTS

Sunbeth Energies Limited ("Sunbeth") has announced the signing of an agreement with Dangote Petroleum Refinery & Petrochemicals for the purchase and nationwide distribution of refined petroleum products. According to Sunbeth, the company will distribute Dangote-refined petroleum products across its service stations nationwide, thereby ensuring availability and reducing supply chain inefficiencies.

[Click here for more information](#)

KADUNA ESTABLISHES STATE-OWNED MINING COMPANY

The Governor of Kaduna State, Uba Sani, recently signed into law, the legislation which establishes the Kaduna Mining Development Company (KMDC), a vehicle aimed at harnessing the state's vast mineral resources to increase internally generated revenue, attract investments, and create jobs. The state government noted that the aim is for the KMDC to operate as a commercial entity engaged in exploration, mining, processing, and export of minerals like gold, lithium, and granite, while also partnering with private investors.

[Click here for more information.](#)

NIGERIAN SOLID MINERALS COMPANY BEGINS OPERATIONS

The Minister of Solid Minerals Development, Dr. Dele Alake, has announced the start of skeletal operations of the Nigerian Solid Minerals Company (NSMC), as part of efforts to revamp the mining sector and catalyse economic growth. The NSMC, which will be a collaboration between the public and private sector will be led by Martins Imonitie, and part of its mandate is to take over assets of the defunct Nigerian Mining Corporation.

[Click here for more information.](#)

CHARIOT CORPORATION LIMITED ENTERS NIGERIAN LITHIUM MARKET WITH \$11.5M JOINT VENTURE

Chariot Corporation Limited ("Chariot") has entered into a joint venture with Continental Lithium Limited ("Continental") to acquire a 66.7% interest in a 254 km² hard rock lithium portfolio in Nigeria, with Continental retaining 33.3%. The assets span four undrilled but highly prospective projects containing lithium-bearing pegmatites and proven export history to Chinese and other buyers. As part of the deal, Chariot will invest \$1.5 million in cash and commit at least \$10 million in funding for exploration and development. The partnership combines Chariot's capital markets expertise with Continental's local operating experience, positioning the venture to tap into the growing Africa-China lithium supply corridor.

[Click here for more information.](#)

NSCDC SHUTS DOWN ILLEGAL LITHIUM MINE IN KEBBI OVER ₦1.43 TRILLION MINERAL THEFT

The Nigeria Security and Civil Defence Corps (NSCDC) has shut down an illegal lithium mining operation in Libata, Kebbi State, accusing the operators of violating mining laws and defrauding the government of ₦1.43 trillion over 2 years. The company, Three Crown Mines, allegedly exceeded its licence area and encroached on land belonging to another titleholder, violating key provisions of the Nigerian Minerals and Mining Act, 2007. The operation, carried out in collaboration with unnamed foreign nationals, triggered a joint inspection involving regulators and security personnel.

[Click here for more information.](#)

POWER AND RENEWABLES

SENATE SEEKS TO AMEND ELECTRICITY ACT

The Senate has proposed amendments to the Electricity Act, 2023 to address regulatory gaps, rising debt, and vandalism in Nigeria's power sector. The bill to amend the Act is being sponsored by Senator Enyinnaya Abaribe (representing Abia South), and proposes tougher penalties for electricity infrastructure vandalism, clearer delineation of regulatory powers between federal and state governments, and better implementation of the Power Consumer Assistance Fund.

[Click here for more information.](#)

Another amendment currently being considered by the National Assembly, proposes sweeping reforms that could see the Federal Government re-privatise 11 electricity Distribution Companies (DisCos) if they fail to inject fresh capital within 12 months. The bill seeks to grant the Nigerian Electricity Regulatory Commission (NERC) the authority to impose stiff penalties on underperforming core investors, including share dilution, receivership, or outright re-privatisation..

[Click here for more information.](#)

NERC TRANSFERS REGULATORY POWER TO NASARAWA STATE REGULATOR

NERC has officially transferred regulatory control of Nasarawa State's electricity market to the Nasarawa State Electricity Regulatory Commission (NASERC). Abuja Electricity Distribution Plc (AEDC) has been directed to set up a local subsidiary within 60 days to handle the intrastate electricity supply and obtain a licence from NASERC. This move makes Nasarawa State the latest in a growing list of states, such as Lagos, Edo, and Enugu, to assume control over their electricity markets.

[Click here for more information.](#)

OSUN STATE PASSES ELECTRICITY MARKET REGULATORY BILL

The Osun State House of Assembly has passed the Osun State Electricity Market Regulatory Bill 2025 into law, which will establish a state-level electricity regulatory commission. The legislation will give Osun State authority to regulate power generation, transmission, and distribution within the State, following the 2023 constitutional amendment and the Electricity Act, 2023.

[Click here for more information.](#)

TCN ADDS 120MW TO NATIONAL GRID

The Transmission Company of Nigeria (TCN) has boosted the capacity of the national grid by 120 megawatts following the activation of two new power transformers at its 330/132/33kV Birnin Kebbi Transmission Substation. According to a statement by TCN's General Manager, Public Affairs, Ndidi Mbah, the 100MVA and 150MVA transformers were energised on June 27, 2025, increasing the substation's capacity from 300MVA to 450MVA. This upgrade enables the Kaduna Electricity Distribution Company to deliver more power across Kebbi, Sokoto, and nearby areas, while also supporting continued electricity supply to Niamey, Niger Republic.

[Click here for more information.](#)

POWER AND RENEWABLES

BENIN AND TOGO OWE NIGERIA OVER \$11M FOR UNPAID ELECTRICITY BILLS

NERC has reported that the Republic of Benin and Togo owe Nigeria more than \$11 million for electricity supplied in the first quarter of 2025. Benin partially settled its bill while Togo made no payment at all for power received through two bilateral deals. Out of the \$17.24 million billed to six international bilateral customers, only \$5.8 million was paid, making a 33.7 percent remittance rate. Niger's NIGELEC was the only foreign customer to fully settle its bill. NERC has warned that these chronic defaults threaten the financial stability of Nigeria's electricity market and may lead to supply cuts.

[Click here for more information.](#)

NIGERIA'S ELECTRICITY GENERATION RISES BY OVER 10% IN Q1 2025

According to NERC's Q1 2025 report, Nigeria's electricity generation grew by 10.92% in the first quarter of 2025, reaching 10,304.47 GWh due to improved capacity and better performance of thermal and hydropower plants, according to NERC's Q1 2025 report. The average hourly generation also increased by 13.39%, with thermal plants contributing most of the gains, particularly Delta_1, Geregu_2, and Egbin_1. Hydropower plants such as Zungeru_1 and Shiroro_1 also saw modest improvements, helping to stabilize national grid supply.

[Click here for more information.](#)

AMCON CONFIRMS N100 BILLION SALE OF IBADAN ELECTRICITY DISTRIBUTION COMPANY

The Asset Management Corporation of Nigeria (AMCON) has confirmed the sale of Ibadan Electricity Distribution Company (IBEDC) for N100 billion as part of the federal government's ongoing divestment from distressed power distribution firms. Announcing the deal during a media parley, AMCON CEO Gbenga Alade revealed that the preferred bidder offered nearly double the initial price, though the transaction has drawn legal opposition from civil society groups questioning its transparency and valuation.

[Click here for more information.](#)

TCN BEGINS KANO RECONDUCTORING PROJECT TO BOOST POWER SUPPLY IN THE NORTH

TCN has commenced a major line reconductoring project in Kano to upgrade the ageing Kumbotso-Dakata 132kV transmission line, aiming to enhance power reliability across Northern Nigeria. This effort targets longstanding supply issues affecting industrial areas like the Dakata Industrial Zone and the emerging Walalambe Substation. The project, set for completion within 12 months, includes replacing old ACSR Dog conductors with high-capacity ACCC-Silvassa conductors, installing Optical Ground Wire for real-time monitoring, and using composite polymer insulators to withstand harsh conditions.

[Click here for more information.](#)

POWER AND RENEWABLES

ALAOJI POWER PLANT TO RESUME OPERATIONS BY AUGUST 2025 AS NDPHC RAMPS UP RECOVERY EFFORTS

The Niger Delta Power Holding Company (NDPHC) has announced that the long-idle Alaoji Power Plant will return to the national grid this month. During a visit to the Nigerian Independent System Operator (NISO), NDPHC Managing Director Jennifer Adighije disclosed ongoing recovery strategies that have already doubled plant availability within 9 months. She also emphasized the need for deeper collaboration with NISO on fair dispatch and regulatory flexibility, noting that NDPHC, Nigeria's largest utility with over 5,000MW capacity, remains underutilized, with less than 800MW currently dispatched to the grid.

[Click here for more information.](#)

DELTA STATE LAUNCHES INDEPENDENT POWER MARKET WITH MINI-GRID MODEL

Delta State has officially opened its electricity market to private investors by adopting a decentralized mini-grid model and establishing new regulatory bodies to oversee the electricity sector. This move follows the domestication of the Electricity Act, 2023. The model will allow licensed private operators to generate, distribute, and supply electricity within defined zones, offering localized, resilient power systems with the flexibility to use gas or renewable energy sources. To support this structure, the state created the Delta State Electricity Commission, a Rural Electricity Agency, and outlined roles for system and market operators to coordinate technical and service standards. The aim is for the initiative to be fully funded by the private sector, with the state's role being limited to regulator and facilitator.

[Click here for more information.](#)

FEDERAL GOVERNMENT UNVEILS ₦4 TRILLION BOND PLAN TO SETTLE GENCO DEBTS

President Bola Tinubu has approved a ₦4 trillion bond programme to resolve the long-standing debt owed to power generation companies (GenCos), appealing to them for more time to complete a thorough verification of the claims. At a meeting with GenCo executives, the President acknowledged inherited liabilities and stressed the need for credible audits to ensure transparency.

[Click here for more information.](#)

ENUGU SLASHES BAND A ELECTRICITY TARIFF

The Enugu State Electricity Regulatory Commission (EERC) has announced a reduction in the Band A electricity tariff for MainPower Electricity Distribution Limited from ₦209/kWh to ₦160/kWh, effective August 1, 2025. This move follows a detailed cost review under the state's Tariff Methodology Regulations and reflects the federal subsidy on power generation. The new rate was issued under the 2025 Tariff Order. EERC Chairman Chijioke Okonkwo noted that while other customer bands remain frozen, Band A customers will benefit from the lower rate for now, though future adjustments could occur if federal subsidies are withdrawn.

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