

BLOOMFIELD LP WEEKLY ENERGY TITBITS (BWET)

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

The Nigerian Upstream Petroleum Regulatory Commission Publishes a New Template for Domestic Crude Oil Supply Obligation

On Monday, April 15, 2024, the Chief Executive of the Nigerian Upstream Petroleum Regulatory Commission (the "**Commission**"), Mr. Gbenga Komolafe disclosed that the Commission has developed a template for the seamless implementation of the Domestic Crude Oil Supply Obligation ("**DCSO**").

Mr. Komolafe noted that the development of a template was in alignment with the Federal Government of Nigeria's commitment to improve its domestic refining capacity and ensure the sustainability of the Nigerian oil industry.

The development of a template is also in accordance with the provisions of Section 109 of the Petroleum Industry Act which empowers the Commission to issue regulations or guidelines on the mechanism for the imposition of a DCSO on lessees of upstream petroleum operations, including applicable penalties for defaults.

Read more at:

<https://businessday.ng/news/article/nuprc-sets-new-template-for-domestic-crude-oil-supply/>

Dangote Refinery Sets Diesel Price at One Thousand Naira (N1000) per Litre.

The Dangote Petroleum Refinery (the "**Refinery**") is reportedly selling Automotive Gas Oil ("**AGO**" or "**Diesel**") at the price of One Thousand Naira (N1000) per litre. This reflects a reduction from the price of One Thousand Two Hundred Naira (N1,200) per Litre which the Chairman of the Dangote Group had announced in March 2024.

The decrease in price was made sequel to the earlier reduction of about Thirty per cent (30%) from the prevalent market price of One Thousand Six Hundred Naira (N1,600) to One Thousand Two Hundred Naira (N1,200) per Litre in March 2024. The decrease is attributed to the appreciation of the Naira against the Dollar in the foreign exchange market.

Read more at:

https://businessday.ng/news/article/respice-for-manufacturers-as-dangote-refinery-sells-diesel-at-n1000-litre/#google_vignette

The Federal Government of Nigerian will require Three Trillion, Two Hundred Billion Naira (N3,200,000,000,000) to provide Electricity Subsidies if Tariff Increase is Reversed.

The Federal Government of Nigeria ("**FGN**") has disclosed that it would require about Three Trillion, Two Hundred Billion Naira (N3,200,000,000,000) to provide electricity subsidy in 2024 if the current tariff increase is reversed.

This disclosure was made by the Chairman of the Nigerian Electricity Regulatory Commission ("**NERC**"), Mr. Sanusi Garba at a stakeholders' meeting on April 18, 2024. He further emphasized that investments in the Nigerian power sector were insufficient to ensure adequate power supply in the country. He noted that the sector was also experiencing challenges such as foreign exchange fluctuations and gas payments issues, which was significantly affecting the sector.

Read more at:

<https://nairametrics.com/2024/04/19/fg-will-require-n3-2-trillion-to-subsidise-electricity-in-2024-without-tariff-hike-nerc>



Nigeria to Realize Twenty Thousand barrels per day (20,000bpd) of Oil from Oil Mining Lease (“OML”) 85

The Nigerian National Petroleum Company Limited (“**NNPCL**”) and its Joint Venture partner, First Exploration and Petroleum Development Company Limited (“**First E & P**”) have announced the proposed production of Twenty Thousand barrels per day (20,000bpd) of crude oil from its new Oil Mining Lease (“**OML**”) 85 located in Bayelsa State.

This disclosure was made by the NNPCL spokesperson, Mr. Olufemi Soneye, on Friday, April 19, 2024. He noted that the achievement reflects the dedication of the Federal Government of Nigeria’s dedication to enhance production from the Nigerian oil and gas assets by creating a favourable environment for both current and future investors.

Read more at:

<https://nairametrics.com/2024/04/19/nigeria-to-get-20000bdp-oil-from-oml-85-oil-platform-nnpc>

The World Bank and African Development Bank to Partner in Providing Electricity to Three Hundred Million Africans.

The World Bank Group and the African Development Bank (“**AfDB**”) have announced plans to partner on an ambitious plan to provide electricity access to at least Three Hundred Million (300,000,000) people in Africa by the year 2030.

It was agreed that the World Bank Group will work towards providing electricity to Two Hundred and Fifty Million (250,000,000) people through distributed renewable energy systems or the distribution grid, while the AfDB will provide electricity to an additional Fifty Million (50,000,000) persons.

Read more at:

<https://www.worldbank.org/en/news/press-release/2024/04/17/new-partnership-aims-to-connect-300-million-to-electricity-by-2030>