



# ENERGY AND INFRASTRUCTURE SECTOR NEWS UPDATE AUGUST 2025

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 LAGOS | ABUJA | CALABAR

## OIL AND GAS SECTOR



### SEPLAT COMPLETES FIRST DOMESTIC LPG SUPPLY FROM BONNY RIVER TERMINAL, WITH DELIVERY OF 12,600 METRIC TONS

Seplat Energy Plc, in partnership with the Nigeria Petroleum Company Limited (“NNPCL”), has completed its first domestic supply of liquefied petroleum gas (“LPG”) from the Bonny River Terminal (BRT) in Rivers State. In this operation, 12,600 metric tons of LPG were delivered to the Nigerian market, shifting the BRT from its traditional role as an export hub and supporting Seplat’s efforts to grow local energy supply.

### THE PRESIDENCY SECURES PETROBRAS RETURN, SIGNS NIGERIA-BRAZIL AGREEMENT TO BOOST TRADE AND ENERGY

President Bola Ahmed Tinubu has welcomed the imminent return of the Brazilian Petroleum Corporation (“Petrobras”) to Nigeria after the Brazil state owned oil company halted its joint venture operation. During the president’s state visit, Nigeria and Brazil signed five Memoranda of Understanding to strengthen trade, diplomacy, science, aviation and finance cooperation.

### ORGANIZATION OF THE PETROLEUM EXPORTING COUNTRIES REPORTS RISE IN NIGERIA’S AVERAGE DAILY CRUDE OIL PRODUCTION

The Organization of the Petroleum Exporting Countries (“OPEC”) in its latest monthly market

report, provided an update on Nigeria’s crude oil production. According to the report, Nigeria’s crude oil production rose to 1.507 million barrels per day (“BPD”) in July, an increase from the 1.505 million bpd recorded in June. This marginal increase allows Nigeria to maintain its position as Africa’s leading oil producer.

### NNPC AND OTHER UPSTREAM GAS SUPPLIERS SIGN GAS SUPPLY AGREEMENT WITH NLNG

The Nigerian National Petroleum Company Limited and other upstream gas suppliers have signed long-term Gas Supply Agreements with the Nigeria Liquefied Natural Gas Limited for the delivery of 1.29 billion standard cubic feet of feed-gas daily. The 20-year agreements, with extension options, were signed by the NLNG and Amni International Petroleum Development Company Limited; Sunlink Energies and Resources Limited; First Exploration & Petroleum Development Company Limited; NNPC Gas Marketing Limited; NNPC E&P Limited; Shell Nigeria Gas Solutions Limited; Oando Group; and Aradel Holdings

### THE FEDERAL REPUBLIC OF NIGERIA COMMISSIONS WEST AFRICA GAS LIMITED’S 40,000-CUBIC-METRE LIQUEFIED PETROLEUM GAS (“LPG”) VESSEL

The Federal Government of Nigeria has commissioned the MT Iyalaja (Lagos), a 40,000-cubic-metre Liquefied Petroleum Gas vessel built for West Africa Gas Limited, a joint venture between Nigerian National Petroleum Company Limited and Sahara Group. The state-of-the-art, dual-fuel carrier, launched in Ulsan, South Korea, expands West Africa Gas Limited’s fleet capacity to 162,000 cubic metres. The vessel was named in honor of the late Alhaja Abibatu Mogaji and christened by Folasade Tinubu-Ojo, the Iyalaja-General of Nigeria

**NNPC–SAHARA JV, WAGL ENERGY, EXPANDS FLEET CAPACITY PAST 160,000 CUBIC METERS**

WAGL Energy Limited, a joint venture between the Nigerian National Petroleum Company (“NNPC”) Limited and Sahara Group, has announce a significant expansion of its fleet capacity, now surpassing 160,000 cubic meters. NNPC noted, that the fleet expansion strengthens WAGL Energy’s position as one of the leading suppliers of Liquefied Petroleum Gas (LPG) on the Continent.

**HEIRS ENERGIES TO DOUBLE OIL OUTPUT BY 2030, EYES AFRICA-WIDE EXPANSION.**

Heirs Energies has announced plans to double its crude output by 2030 while pursuing expansion opportunities across Africa. The company has boosted production from its crown asset, a permit known as Oil Mining Lease 17 that it purchased from Shell Plc in 2021, to as much as 55,000 barrels per day from an earlier 27,000 barrels per day.

**FEDERAL GOVERNMENT DECLARES OVER 50 EXPIRED OIL LICENCES WILL REMAIN REVOKED**

The Minister of Petroleum Resources (“The Minister”), has declined to approve the extension of more than 50 expired oil licences. According to the Minister, although over 60 licences were awarded during a marginal bid round held a few years ago, fewer than six licence holders have made any meaningful investment in their allocated assets. The decision, the Minister explained, is intended to boost oil production by reallocating the licences to companies with financial strength and technical capacity to ensure effective development and output.

**ELECTRICITY SECTOR**



**FEDERAL EXECUTIVE COUNCIL APPROVES ₦13 BILLION NAIRA COMPENSATION UNDER LAGOS POWER PROJECT.**

The Federal Executive Council (“FEC”) has approved the sum of ₦13 billion Naira for the Lagos transmission industrial project which is being funded through a \$230 million development loan from the Japanese International Cooperation Agency (“JICA”). The Minister of Power confirms that the project when completed will boost electricity supply along the industrial axis of Lagos and Ogun State.

**FEC APPROVES FIRST PHASE OF ₦200 BILLION SOLAR ELECTRIFICATION PLAN FOR UNIVERSITIES, HOSPITALS, AND RURAL CENTRES**

The Federal Executive Council (“FEC”) has approved ₦68.7 billion for electricity projects in federal universities, teaching hospitals, and rural agricultural centres. This is part of the Ministry of Power’s ₦200 billion solar electrification plan to improve energy access in key sectors. The first phase focuses on solar mini-grids under the Energising Education Programme (EEP).

**FEC FUNDS NATIONAL GRID UPGRADE**

The Minister for power announced that the FEC has approved three proposals for the procurement of various grids of power transformers to replace weak and dilapidated ones. The Minister noted that the approval will see the purchase of 14 high-capacity

transformers which include; two 150MVA 330/132/33kV units, five 100MVA 132/33kV units, five 60MVA 132/33kV units, and two 30MVA 132/33kV units.

**NIGERIAN ELECTRICITY REGULATORY COMMISSION TRANSFERS ELECTRICITY MARKET REGULATION IN NASARAWA STATE TO NASARAWA STATE ELECTRICITY REGULATORY COMMISSION**

The Nigerian Electricity Regulatory Commission (“NERC”) has ordered the transfer of electricity market regulation in Nasarawa State to the Nasarawa State Electricity Regulatory Commission (“NASERC”) in line with Constitution of the Federal Republic of Nigeria (as amended) and the Electricity Act 2023, which empowers states to regulate electricity generation, transmission, and distribution within their boundaries. NASERC will now oversee electricity generation, transmission, and distribution within the state.

**ABUJA ELECTRICITY DISTRIBUTION PLC TO INCORPORATE A SUBSIDIARY**

The Nigerian Electricity Regulatory Commission (“NERC”) has directed the Abuja Electricity Distribution Plc (“AEDC”) to incorporate a new subsidiary, AEDC SubCo, to take over intrastate electricity supply and distribution operations in Nasarawa State. The company is expected to complete this incorporation within 60 days from 4<sup>th</sup> August, 2025.

**NIGERIAN ELECTRICITY REGULATORY COMMISSION HANDS OVER ELECTRICITY MARKET REGULATION TO BAYELSA STATE ELECTRICITY REGULATORY AGENCY**

The Nigerian Electricity Regulatory Commission (“NERC”) has officially transferred regulatory oversight of the electricity market in Bayelsa State from the commission to the Bayelsa State

Electricity Regulatory Agency. This development empowers Bayelsa state to regulate electricity generation, transmission and distribution within their boundaries.

**PORT HARCOURT ELECTRICITY DISTRIBUTION COMPANY PLC TO INCORPORATE NEW SUBSIDIARY.**

The Nigerian Electricity Regulatory Commission (“NERC”) has directed the Port Harcourt Electricity Distribution Company Plc (“PHED”) to incorporate a new subsidiary, HED SubCo, to take over intrastate supply and distribution of electricity in Bayelsa State. The company is expected to complete this incorporation within 60 days from 21<sup>st</sup> August 2025.

**INFRASTRUCTURE SECTOR**

**ELEKTON FINANCE SPV PLC FLOATS N200 BILLION BOND PROGRAMME TARGETS 2026 FOR PLANT OPERATION IN LAGOS.**

Elektron Finance SPV Plc has announced the launch of a ₦200 billion bond issuance programme to fund its power infrastructure plans. The proceeds will support the development of a 30-megawatt gas-fired embedded generation plant in Victoria Island. The plant, owned by Victoria Island Power Limited, a subsidiary of Elektron Power Infracom, is expected to begin commercial operations in 2026. Elektron said the bond programme will provide long-term funding for the embedded independent power project. The initiative reinforces the group’s strategy to expand reliable power generation within Lagos’ commercial hub.

**FG UNVEILS NEW PUBLIC PRIVATE PARTNERSHIP GUIDELINES TO BOOST INFRASTRUCTURE**

The Federal Government of Nigeria, through the Infrastructure Concession Regulatory

Commission, has issued new guidelines on Public-Private Partnerships (“PPP”), decentralizing approval powers to ministries, departments, and agencies. The framework introduces project Approval Boards with thresholds of up to ₦20 billion for ministries and ₦10 billion for agencies and parastatals, as approved by the President. These guidelines are designed to regulate the planning and execution of PPP projects nationwide. They aim to streamline processes, speed up project delivery, and attract greater private sector investment.

**STATES SEEK TO BYPASS DISCOS AND PURCHASE POWER DIRECTLY FROM GENCOS.**

The Forum for Commissioners of Power and Energy in Nigeria (FOCPEN), representing State governments, has called for the signing of Interim Power Purchase Agreements (PPAs) that will enable Substation Companies (SubCos) to procure energy directly from Electricity Generating Companies (GenCos). The forum noted that such regulatory measures could include mandating the Nigerian Bulk Electricity Trading Plc (NBET) to execute direct or interim PPAs with SubCos.

**RENEWABLE ENERGY**



**FEC APPROVES ₦68.7 BILLION FOR SOLAR PROJECTS IN UNIVERSITIES, HOSPITALS, RURAL CENTRES**

As part of a broader ₦200 billion solar electrification plan secured by the Ministry of Power, the Federal Executive Council has

approved ₦68.7 billion for key electricity projects for federal universities, teaching hospitals and rural agricultural centres across the country. The approval, underscores the government’s commitment to expanding access to clean energy.

**YABATECH SECURES €117,000 GRANT FROM THE EUROPEAN UNION TO DEVELOP SOLAR POWERED AQUAPONICS FOR FOOD SECURITY.**

The Yaba College of Technology (Yabatech) has secured a €117,000 (approximately N200 million) grant from the European Union to develop a solar-powered integrated aquaponic system, focusing on catfish production alongside vegetable and maize farming. The grant was awarded under the Project Integrated Aquaponic System for sustainable catfish production and Dual-Crop Cultivation of Leafy Vegetables and Corn (AQUACLEC).

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