

ENERGY AND INFRASTRUCTURE SECTOR NEWS UPDATE OCTOBER 2025

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ELECTRICITY SECTOR



LASERC Licenses New Distribution Subsidiaries Under Eko and Ikeja DisCos

The Lagos State Electricity Regulatory Commission (LASERC) has licensed two new electricity distribution companies namely Excel Distribution Company Limited and IE Energy Lagos Limited as subsidiaries of Eko Electricity Distribution Plc and Ikeja Electric Plc, respectively.

The move marks a significant milestone in the implementation of the Lagos State Electricity Policy, promoting competition and private-sector participation within the Lagos Electricity Market.

FG and China in Talks Over \$2 Billion Super-Grid Project

The Federal Government of Nigeria has commenced negotiations with China's Exim Bank for a \$2 Billion loan to finance the construction of a national "super-grid." The project will strengthen transmission capacity, interconnect eastern and western power corridors, and provide stable electricity for industries and households. According to the Minister of Power, the initiative is part of a wider grid-expansion plan under the Presidential Power Initiative, designed to reduce transmission bottlenecks and improve reliability across Nigeria's 36 states.

FG to Reconnect Aluminium Smelting Plant in Akwa Ibom to National Grid

The Federal Government has announced plans to reconnect the Aluminium Smelting Company of

Nigeria (ALSCON) in Ikot Abasi, Akwa Ibom State, to the national grid, unlocking about 540 MW of power once fully operational. According to the Minister of Power, all six turbines remain functional while work continues on the 330/132 kV transmission link between Ikot Ekpene and Ikot Abasi.

Kano, Katsina, and Jigawa Partner on Tri-State Electricity Market and ₦50 Billion Electrification Fund

Kano, Katsina and Jigawa states have agreed to collaborate on the development of a tri-state electricity market and to launch a ₦50 billion Electrification Fund to expedite power access across the region. The memorandum was signed during a high-level electrification summit held in Marrakech in October 2025. Under the agreement, the states will acquire equity stakes in Future Energies Africa (FEA), the core investor in Kano Electricity Distribution Company (KEDCO) and jointly implement initiatives including embedded generation, solar home systems, mini-grids and grid extension to improve supply and reduce losses.

EERC Holds Public Hearing on MainPower's Tariff Review Petition

The Enugu Electricity Regulatory Commission (EERC) has held a public hearing on MainPower Electricity Distribution Limited's petition challenging the ₦160/kWh tariff order issued in July 2025. MainPower argued that the tariff review process lacked due process and was based on flawed cost assumptions, citing an independent audit by KPMG. The Commission defended its methodology, stating the order was guided by Enugu State's Electricity Law and a review of MainPower's assets and liabilities. Consumer groups, however, opposed any tariff change, citing poor service quality and irregular supply. EERC said it will deliberate on all submissions before issuing its final decision.

Bayelsa, REA, and Jampur Group Sign Renewable Energy Deal for Solar Panel Manufacturing Plant

Bayelsa State has signed a renewable energy agreement for the establishment of a solar-panel manufacturing plant in the state. The tripartite deal, involving the Federal Government’s Rural Electrification Agency (REA), the Bayelsa State Government, and J Marine Logistics Limited, a subsidiary of the Dubai-based Jampur Group, was signed in Abuja during the 2025 Nigeria Renewable Energy Innovation Forum (NREIF).

FG, GenCos Seal Agreement on ₦4 Trillion Power-Sector Debt Settlement

The Federal Government has concluded implementation frameworks for a ₦4 trillion government-backed bond aimed at clearing verified arrears owed to power Generation Companies (GenCos) and gas suppliers. The plan authorises the issuance of up to ₦4 trillion in bonds to address long-standing sector debts that have constrained investment, weakened utility balance sheets, and hampered reliable power supply nationwide.

FG Secures ₦700 Billion to Deploy 1.1 Million Electricity Meters by December 2025

The Federal Government has secured ₦700 billion in funding to deploy 1.1 million smart electricity meters nationwide by December 2025 as part of its ongoing metering acceleration initiative. The funding will be implemented through the Presidential Metering Initiative (PMI) in partnership with local manufacturers and development financiers. According to the Minister of Power, the project will close Nigeria’s metering gap, enhance billing transparency, and improve revenue assurance for electricity distribution companies.

OIL AND GAS SECTOR



Shell and Sunlink Approve Final Investment Decision on HI Gas Project

Shell Plc and its partner, Sunlink Energies and Resources Limited, have approved the Final Investment Decision (FID) for the HI Gas Project offshore Nigeria. The project is expected to produce 350 million standard cubic feet of gas per day, supplying feedstock for power generation and industrial gas consumers.

Italian Appeal Court Upholds Conviction for Milan Prosecutors in Eni Nigeria OPL 245 Case

An Italian appeal court on 16th October 2025, upheld an eight-month prison sentence for two Milan prosecutors, Fabio De Pasquale and Sergio Spadaro, who were found to have failed to file key documents in the high-profile corruption case concerning Eni’s \$1.3 billion oilfield acquisition in Nigeria a decade ago. While Eni and its co-defendant Shell PLC had been acquitted in 2021, the court ruled that the omission of a video and other evidence allegedly useful for the defence warranted the conviction of the prosecutors and that the prosecutors violated defendants’ rights by not disclosing key materials.

First Indigenous On-shore Crude Export Terminal Launched by GEIL at Otakikpo

Green Energy International Limited (GEIL) has launched a \$400 million onshore crude oil export terminal at Otakikpo in Rivers State, the first wholly indigenous facility of its kind in Nigeria built in over 50 years. The terminal, which was commissioned by the President of the Federal Republic of Nigeria, Bola Ahmed Tinubu, marks a major milestone in strengthening Nigeria’s oil and gas export infrastructure. The facility has a current storage capacity of 750,000 barrels, expandable to 3 million barrels, and a pumping capacity of 360,000 barrels per day, with initial operations having already completed the export of one million barrels.

NNPCL Begins Review of Port Harcourt, Warri, and Kaduna Refineries for Viability

The Nigerian National Petroleum Company Limited (NNPCL) commenced a comprehensive review of its three major refineries in Port Harcourt, Warri, and Kaduna to determine their commercial viability and long-term operational sustainability. The review process includes a full technical and financial assessment of each refinery’s assets, performance capacity, and alignment with global efficiency standards.

FG Approves 15% Import Duty on Diesel and Petrol Imports

The Federal Government, has approved a 15% ad-valorem import duty on diesel and premium motor spirit (petrol), via a directive dated 21 October 2025. The duty is to be enforced by the Federal Inland Revenue Service (FIRS) and the Nigerian Midstream and Downstream Petroleum Regulatory Authority (NMDPRA) and it targets imports’ CIF (cost, insurance, freight) value and is aligned with reforms to support domestic refining, protect local producers and raise non-oil revenue.

INFRASTRUCTURE SECTOR



FG to Commission 300 MW Geometric Power Plant in Aba by December 2025

The Federal Government announced that the 300 MW Geometric Power Plant in Aba, Abia State, will be commissioned by December 2025. The project, executed through a public-private partnership, is expected to deliver reliable power supply to nine local government areas and boost industrial productivity in the South-East region.

NPA Extends Port Electrification Drive to Tin Can and Apapa Terminals

The Nigerian Ports Authority (NPA) has unveiled plans to expand its port electrification programme to Tin Can Island and Apapa Terminals following the success of the \$60 million Onne Port project with APM Terminals. The initiative supports the Federal Government’s decarbonisation agenda and the Ministry of Marine and Blue Economy’s green port policy.

MINING SECTOR



FG Revokes 317 Dormant Mining Licenses to Curb Speculation

The Federal Government of Nigeria, through the Ministry of Solid Minerals Development, has revoked 317 dormant mining licenses due to non-payment of service fees and failure to meet operational obligations. The revocation is part of efforts to sanitise the solid minerals sector, promote active mining, and attract serious investors committed to sustainable mineral development.

Bauchi State Signs MoU for Gemstone and Gold Value-Addition Hub

The Bauchi State Government has signed a Memorandum of Understanding with private partners to develop a gemstone and gold value-addition centre in Toro Local Government Area. The facility will include cutting and polishing units, training programmes for artisanal miners, and export certification services aimed at promoting beneficiation and increasing state revenue.

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