

ENERGY AND INFRASTRUCTURE

SECTOR NEWS UPDATE SEPTEMBER 2026

www.advocaat-law.com

LAGOS | ABUJA | CALABAR

OIL AND GAS SECTOR

NUPRC Signals Enforcement of Drill-or-Drop Provisions Against Non-Compliant PPL Holders

The Nigerian Upstream Petroleum Regulatory Commission (“NUPRC”) has moved to enforce the Drill-or-Drop provision of the Petroleum Industry Act 2021 against holders of Petroleum Prospecting Licences (“PPLs”) awarded under the 2020 Marginal Field Bid Round, the 2022/2023 Mini Bid Round and the 2024 Licensing Round. The Commission has directed affected licensees that are not meeting their approved work programme to disclose their compliance status, performance constraints, and proposed mitigation measures by 31st October, 2026. Affected licensees are advised to audit their compliance position urgently and prepare their disclosure before the deadline.

NUPRC Threatens Licence Revocation Over NGFCP Project Delays

The Nigerian Upstream Petroleum Regulatory Commission (“NUPRC”) has warned that it may revoke awards granted under the Nigerian Gas Flare Commercialisation Programme (“NGFCP”) if beneficiaries fail to demonstrate significant progress in utilising the awarded flare gas sites. Despite the government collecting significant fines for gas flaring. The Commission will evaluate awardees one year after an award is granted and may take regulatory action, including revocation, where insufficient progress is recorded. NGFCP awardees will therefore be subject to closer scrutiny of project implementation and will need to demonstrate meaningful progress in developing and utilising their awarded flare gas sites.

NNPC Plans 50–70 Smart Self-Service Petrol Stations Nationwide Within Six Months

The Nigerian National Petroleum Company Limited (“NNPC”) has announced plans to deploy between 50 and 70 smart self-service petrol stations across Nigeria within the next six months as part of a drive to transform conventional filling stations into modern energy hubs and mobility hubs offering petrol alongside electric vehicle charging, LPG, CNG and other services. The new self-service model will also allow customers to purchase and dispense petrol through digital payments, while attendants remain available to assist.

MDGIF Leverages N671bn Public Funds to Attract N1.6 trillion in Private Gas Investment

The Executive Director of the Midstream and Downstream Gas Infrastructure Fund (“MDGIF” or “the Fund”), Oluwole Adama, has disclosed that the Fund plans to leverage N671 billion in public funds to attract N1.6 trillion in private investment into gas infrastructure projects across Nigeria. The Fund currently supports 31 projects covering 205 infrastructure assets, expected to deliver approximately 475 million standard cubic feet of gas daily to the domestic market when fully operational. MDGIF's portfolio includes partnerships with four gas flare commercialisation awardees targeting 444 million standard cubic feet per day, over 100 CNG mother and daughter stations, and Nigeria's first indigenous mini-LNG plant in Delta State, developed by Topline Limited.

TotalEnergies, AMNI Take Final Investment Decision on Offshore Ima Gas Field

TotalEnergies and its Nigerian partner AMNI have taken a Final Investment Decision (“FID”) to develop the offshore Ima gas field, with production expected to begin in 2028. TotalEnergies operates the project with a 40% interest, while AMNI holds the remaining 60%. The project is expected to supply approximately one-third of the gas required for the Nigeria LNG Train 7 expansion, which will increase liquefaction capacity from 22 to 30 million tonnes per annum. The project will operate with no routine flaring, shore-supplied electricity, and permanent methane monitoring, with a generous local content prioritisation for all contracts.

RMAFC Plans Oil and Gas Investment Summit in China for November 2026

The Revenue Mobilisation Allocation and Fiscal Commission (“RMAFC”) is planning an Oil and Gas Investment Summit in China, scheduled for November 2026, to attract fresh capital into Nigeria's energy sector and boost Federation Account revenues. The summit is expected to showcase opportunities across the upstream, midstream and downstream segments, with a particular focus on Nigeria's gas resources, while facilitating investment matchmaking, financing and technology partnerships.

NNPC Targets 10 Bcf/d Gas Production by 2027, Eyes Expansion to 600 TCF Reserves

The Nigerian National Petroleum Company Limited (“NNPC”) has outlined plans to ramp up national gas production to 10 billion standard cubic feet per day (Bcf/d) by 2027 and 12 Bcf/d by 2030, as part of a Gas Master Plan designed to grow Nigeria's proven reserves from 215 trillion cubic feet (TCF) to above 600 TCF. Gas processors, off-takers, and infrastructure investors should expect an accelerated push for new gas projects and supply agreements over the next few years.

NLNG Urges Global Gas Industry to Prioritise Methane Reduction

Nigeria LNG Limited (“NLNG”) has urged the global gas industry to treat methane reduction as a business priority, noting that methane emissions represent lost gas, revenue and energy that could otherwise reach the market. NLNG's approach centres on measuring methane losses, guiding investment through independent verification, and shifting the industry's conversation from the cost of abatement to the commercial and environmental value it creates.

ELECTRICITY SECTOR

FG Dismisses Tariff Hike Speculation

The Federal Government has dismissed speculation about an increase in electricity tariffs. Minister of Power Joseph Tegbe stated that the government's immediate focus is on improving electricity supply and addressing constraints across the power sector value chain, and that, as a result, there are no immediate plans to increase electricity tariffs. The reforms include stabilizing existing infrastructure, addressing sector debt and revenue leakages, expanding metering, improving gas supply to power plants, and strengthening transmission and distribution infrastructure.

LASERC Issues Electricity Generation Licence to Elektron Energy

The Lagos State Electricity Regulatory Commission ("LASERC") has issued an electricity generation licence to Elektron Energy Development Strategies Limited, authorising the company to generate electricity within Lagos State. The licence advances Elektron's flagship 40MW Victoria Island Power project, a gas-fired embedded power plant developed in partnership with Eko Power, towards its scheduled commercial operation in December 2026. The project is expected to provide dedicated electricity to businesses across Victoria Island.

Nigeria, UAE Discuss 5,000MW Electricity Generation Expansion and Solar Cooperation

Nigeria and the United Arab Emirates (UAE) are discussing proposals to increase electricity generation capacity by approximately 5,000MW, with solar energy identified as a key area of cooperation. According to the Minister of Power, Joseph Tegbe, the discussions also cover financing, technical expertise, and knowledge exchange as both countries explore opportunities to strengthen Nigeria's power sector.

ePointZero Plans to Acquire 90% Stake in Azura Power

Abu Dhabi-based energy infrastructure platform, ePointZero, a subsidiary of 2PointZero Group, has announced plans to acquire a 90% stake in pan-African independent power producer Azura Power Holdings Limited, which operates Nigeria's 461MW Azura-Edo power plant. The transaction, which is subject to regulatory approvals and other closing conditions, will see ePointZero acquire the interests of Actis and Africa50, while Amaya Capital, which founded Azura Power in 2010, will retain a 10% minority stake.

MINING

Mining Enforcement Intensifies Across Nigeria

In its continued clampdown on illegal mining, the Ministry of Solid Minerals Development has intensified enforcement operations nationwide, with the Mining Marshals reportedly recording 327 arrests, 143 arraignments and the recovery of 98 mining sites across ten states, including arrests of foreign nationals. Investors are advised to carry out due diligence to verify the validity of mining titles, ownership and transfer history, regulatory approvals, and supporting project documentation before committing capital.

Nasarawa Secures \$2 Million Lithium Supply Agreement

Nasarawa State has signed a supplementary \$2 million agreement with Diamond New Energy, building on the parties' 2024 mining cooperation agreement. The arrangement secures the continued supply of lithium materials from the State's mining block to Diamond New Energy's processing plant, with Nasarawa State receiving an immediate \$2 million payment upon signing and additional revenues under the agreement. The agreement is intended to support the continued operation of the processing facility, strengthen local lithium processing, and secure economic benefits for the state, including employment opportunities.

CONTACTS



OLA ALOKOLARO

ola.alokolaro@advocaat-law.com



HASSAN SHERIF

hassan.sherif@advocaat-law.com



VICTORIA OBI

victoria.ob@advocaat-law.com



MIRACLE IKANI

miracle.ikani@advocaat-law.com



ONYEKA CHIKA

onyeka.chika@advocaat-law.com

LAGOS OFFICE

13 Norman Williams Street
Off Keffi Street, Ikoyi
Lagos Nigeria

ABUJA OFFICE

Nigerian National Merit Award House Enspire
1st Floor Room 3
Plot 22 Aguiyi Ironsi Way Maitama Abuja
Nigeria

CALABAR

Akom Building
15 Murtala Mohammed Highway Calabar
Cross River
Nigeria

TELEPHONE: (LOS)+234 02014547932 (ABJ)+234 8105340496

EMAIL: info@advocaat-law.com

WEBSITE: www.advocaat-law.com