BUSINESSDAY NIGERIA — ENERGY · NIGERIA · PIPELINE

Nigeria OB3 Pipeline ships first commercial gas

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Gas from the Assa North-Ohaji South (ANOH) plant has begun flowing commercially through the $700 million Obiafu-Obrikom-Oben (OB3) gas pipeline, marking a significant milestone in Nigeria's long-delayed effort to expand domestic gas supply and reduce energy poverty.

The OB3 pipeline has been one of Nigeria's most strategically important midstream infrastructure projects, designed to move gas from production clusters in the Niger Delta to demand centres further west, including the critical Oben hub in Edo State. First commercial gas delivery through the line signals that the project has crossed from construction and commissioning into revenue-generating operation — a threshold that has taken years to reach amid financing, contractor, and right-of-way challenges that have dogged Nigerian pipeline development broadly.

The ANOH gas processing plant, which feeds into OB3, is a joint venture between Seplat Energy and the Nigerian National Petroleum Company Limited (NNPCL), and has itself been a flagship domestic gas project. Commercial gas flow through OB3 means that processed volumes can now reach Nigerian gas distribution networks, power generators, and industrial consumers at scale. Nigeria's chronic gas-to-power deficit has constrained electricity output for decades, and new midstream capacity of this kind is considered essential to closing the gap between wellhead production and end-user delivery.

For the broader Nigerian gas market, the OB3 milestone matters beyond the single pipeline. The project demonstrates that large-scale midstream gas infrastructure can

be financed, built, and brought into operation inside Nigeria — a proof of concept that investors and project developers in the sector have needed. Nigeria holds some of the largest proven gas reserves on the African continent, yet a significant share of associated gas continues to be flared due to the absence of gathering and transportation infrastructure. Expanding pipeline capacity is therefore both a commercial and an environmental imperative for the country.

The timing also intersects with Nigeria's wider push to monetise gas reserves through both domestic supply obligations and LNG export expansion. Reliable midstream connectivity between upstream fields and downstream consumers or export terminals underpins both ambitions. Whether OB3's commercial operation accelerates upstream investment decisions or unlocks additional gas processing capacity in the region remains to be seen, but first gas delivery removes one of the key infrastructure bottlenecks that has constrained the value chain.

Why this matters to partners and clients of Saga

The OB3 pipeline entering commercial operation is a monitoring and relationship-building opportunity at this stage rather than an immediate procurement trigger — no open tenders or contracts are referenced in the article. Norwegian pipeline integrity, metering, and compression service companies should track operator announcements from NNPCL and Seplat Energy for upcoming maintenance, inspection, and capacity-expansion contracts that typically follow first commercial gas. Early engagement with the project's technical and commercial teams will position Norwegian suppliers well ahead of future procurement cycles.

PARTNER ANGLES

- **Pipeline:** Monitor NNPCL and Seplat Energy for pipeline integrity, pigging, and cathodic protection service contracts expected to follow commercial start-up on the OB3 line.
- **Service:** Metering, gas quality monitoring, and SCADA system suppliers should track any capacity-expansion or optimisation tenders as throughput volumes ramp up on OB3.

- **LNG:** Increased midstream connectivity in the Niger Delta could support feedgas reliability discussions for Nigeria LNG expansion — worth monitoring for downstream offtake and liquefaction service implications.
- **Subsea/FPSO:** If ANOH upstream production scales with new pipeline offtake capacity, associated well-services and production optimisation demand at the ANOH joint venture may grow — follow Seplat Energy's capital programme announcements.

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