

BLOOMFIELD LP WEEKLY ENERGY TITBITS (BWET)

Bloomfield LP's Energy Practice brings you highlights of interesting energy developments in Nigeria
October 01, 2024.

Nigeria Receives up to Fifty Million, Three Hundred and Sixty Thousand United States Dollars (US\$50,360,000.00) from International Bilateral Customers in 2023

On September 23, 2024, the Nigerian Electricity Regulatory Commission ("NERC") 2023 published its Annual Report (the "Report") which reflects that the Nigerian Electricity Supply Industry ("NESI") received a total of Fifty Million, Three Hundred and Sixty Thousand United States Dollars (US\$50,360,000.00) in 2023 from international bilateral customers ("International Customers"), which includes Niger, Togo, and Benin Republic for the delivery of power.

The Report shows that although the International Customers received an invoice of Fifty-Three Million, Five Hundred and Fifty Thousand United States Dollars (\$US53,550,000.00), they have only a ninety-four per cent (94%) remittance performance.

Read more at:

<https://nerc.gov.ng/resources/nerc-annual-report-2023>

Nigerians' Debt Profile to DisCos for Unpaid Electricity Bills in 2023 increases to over Three Hundred and Eighty-Five Billion Naira (N385,000,000,000.00)

The Nigerian Electricity Regulatory Commission's ("NERC") reported in its 2023 Annual Report and Account that Nigerians' indebtedness to Electricity Distribution Companies ("DisCos") for unpaid electricity bills in 2023 is currently above Three Hundred and Eighty-Five Billion Naira (N385,000,000,000.00).

The DisCos' bill collection efficiency improved to about Seventy-Three Percent (73.65%), with the DisCos receiving One Trillion, Seven Hundred Million Naira (N1,700,000,000,000.00) in 2023. This implies that for each one hundred kilowatts (100KW) worth of electricity billed to customers by DisCos in 2023, approximately Twenty-Six Percent (26%) of the tariff was not recovered from customers.

Read more at:

<https://dailytrust.com/electricity-consumers-owe-discos-n385-7bn-in-2023>

ExxonMobil Corporation Set to Invest Ten Billion United States Dollars (US\$10,000,000,000.00) in Nigeria's Offshore Operations

Following a meeting between ExxonMobil executives and Nigeria's Vice President, Kashim Shettima, during the recently concluded 79th session of the United Nations General Assembly in New York, United States, ExxonMobil Corporation ("ExxonMobil" or the "Company") announced its plan to invest Ten Billion United States Dollars (US\$10,000,000,000) in Nigeria's offshore crude oil operations (the "Investment").

Particularly, the Investment is to be applied towards the development of Owo Project, a deep-water offshore oilfield estimated to cost Ten Billion United States Dollars (US\$10,000,000,000.00). Consultations are ongoing to secure a favourable fiscal arrangement for the seamless execution of the Investment.

Read more at:

<https://businessday.ng/energy/article/exxonmobils-10bn-in-nigerias-deepwater-asset-to-unlock-180000-bpd>



The Federal Government is to Supply Twelve Million (12,000,000) Barrels of Crude Oil to Dangote Refinery in October 2024

On Monday, September 23, 2024, the Chairman of the Dangote Group, Aliko Dangote, confirmed in an interview that the Federal Government of Nigeria (the “**FG**”) is set to supply Twelve Million (12,000,000) barrels of crude oil to Dangote refinery (the “**Refinery**”) in the month of October 2024. This amounts to an envisaged daily supply of about Three Hundred and Ninety Thousand (390,000) barrels of crude oil.

The projected supply is part of the “*Crude Oil for Naira*” agreement (the “**Agreement**”) between the Dangote Group and the FG, enabling the Refinery to process crude oil and produce Premium Motor Spirit (“**PMS**”), diesel, and aviation fuel primarily for the Nigerian market. In the Agreement, the FG will provide crude oil to the Refinery, while the Refinery will sell the refined petroleum products to only the Nigerian market and may subsequently export the excess products.

The supply will enable fifty to sixty percent (50-60%) of non-operational filling stations in the country to resume operations, thereby aiding sufficient availability of petroleum and other petroleum products.

Read more at:

<https://tribuneonline.com/crude-oil-for-naira-fg-to-supply-us-12-million-barrels-in-october-aliko-dangote>

Oil Companies to Plant Five Hundred Thousand (500,000) Trees in Bayelsa to Salvage Biodiversity Crisis

The Nigerian National Petroleum Company Limited (“**NNPCL**”) and First Exploration and Petroleum Development Company Limited (“**First E&P**”) have collaborated with the Nigerian Conservation Foundation (“**NCF**”) on an afforestation project to address the lingering biodiversity crisis in the Niger Delta region, particularly in Bayelsa state (the “**Project**”). The Project is titled Afforestation, Livelihood Enhancement, and Carbon Sequestration (“**ALEC**”).

Through the Project, about Five Hundred Thousand (500,000) trees will be planted in Bayelsa state over the next five (5) years. The Project will focus on restoring critical mangrove and tropical forest habitats, addressing climate change and supporting the local population with sustainable livelihoods.

Read more at:

<https://guardian.ng/energy/oil-firms-to-plant-500000-trees-over-biodiversity-crisis>