

NNPCL PRESENTATION TO THE FEDERATION ACCOUNT ALLOCATION COMMITTEE (FAAC) MEETING



Joshua J. Danjuma
For: Group CEO NNPC Ltd

20th & 21st September 2023

SEPTEMBER 2023 FAAC EXECUTIVE SUMMARY

SUMMARY OF JULY 2023 CRUDE OIL AND GAS SALES RECEIPTS IN AUGUST 2023

S	Description	Unit	JULY 2023 SALES			AUGUST 2023 RECEIPTS			Ref	JUNE 2023 SALES NAIRA EQUIV.	VARIANCE %
			Volume	%	USD	NGN	NGN Equiv.				
A	Export Crude Oil	BBL/\$	90,000.00	4%	7,257,330.00	5,490,337,063.59	5,490,337,063.59	A	13,440,315,450.27	-59.15%	
L	Domestic Crude Oil	BBL/\$	2,397,971.00	96%	191,661,407.12	145,091,901,740.80	145,091,901,740.80	A	71,223,729,635.37	103.71%	
E	Sub-total (a)	BBL/\$	2,487,971.00	100%	198,918,737.12	150,582,238,804.39	150,582,238,804.39		84,664,045,085.64	77.86%	
S	Export Gas (NGL/LPG/ECTL)	M/T/\$	-	-	-	-	-	A	-	-	
F	NLNG Feedstock Gas	MBTU/\$	-	-	-	-	-	A	-	-	
R	Sub-total (b)	BBL/\$	-	-	-	-	-		84,664,045,085.64	77.86%	
	Sub-total (c)	BBL/\$	-	-	198,918,737.12	150,582,238,804.39	150,582,238,804.39		-	-	
SALES RECEIPTS											
	Export Crude Oil	\$			7,257,330.00			B	13,440,315,450.27	-59.15%	
	NLNG Feedstock Gas	\$			-			B	-	-	
	Oil & Gas Export (d)	\$			7,257,330.00				13,440,315,450.27	-59.15%	
	Other Receipts	US\$			-			B	-	-	
	Total Oil & Gas Export (e)	US\$			7,257,330.00				13,440,315,450.27	-59.15%	
	Domestic Crude Cost Due (May Lifting)	N			-	57,698,432,269.76	57,698,432,269.76	B	65,252,069,375.86	-11.58%	
	Domestic Gas and Other Receipts	N			-	329,457,982.61	329,457,982.61	B	273,719,971.85	20.36%	
	Total Oil & Gas Domestic (f)	N			-	58,027,890,252.37	58,027,890,252.37		65,525,789,347.71	-11.44%	
	Gross Revenue Oil & Gas (g) = (e) + (f)	N			7,257,330.00	58,027,890,252.37	63,518,227,315.96		78,966,104,797.98	-19.56%	
	PSC (FEF)	N			2,177,199.00	17,408,367,075.71	19,055,468,194.79	A	23,689,831,439.39	-19.56%	
	PSC (Mgt Fee)	N			2,177,199.00	17,408,367,075.71	19,055,468,194.79	A	23,689,831,439.39	-19.56%	
	Federation PSC Profit Share	N/\$			2,902,932.00	23,271,156,100.95	25,407,290,926.38	A	31,586,441,919.19	-19.56%	
	Total From PSC Profits	N/\$			7,257,330.00	58,027,890,252.37	63,518,227,315.96		78,966,104,797.98	-19.56%	
	NNPC Ltd Calendarised Interim Dividend to Federation Account	N/\$			-	81,166,666,666.60	81,166,666,666.60	B	81,166,666,666.60	0.00%	
	NLNG Dividend due to Federation Account	N/\$			-	-	-		119,734,605,423.04	-100.00%	
	Federation PSC Profit due to June 2023 FAAC revised Ex. Rate	N/\$			-	-	-		-	-	
	Total Transfer	N/\$			7,257,330.00	2,960,495,060.79	2,960,495,060.79		279,867,376,887.61	-47.24%	
	September 2023 FAAC Exchange Rate USD/ NGN as advised by CBN (August 2023 Kems)				756.52	142,155,051,979.76	147,645,369,043.35		-	-	
	August 2023 FAAC Exchange Rate USD/ NGN as advised by CBN (July 2023 Kems)				757.02	-	-		-	-	



Note to September 2023 FAAC

- 1. Crude Oil and Gas Sale**
 - The NNPC PSC Crude Oil lifting stood at **2.49 Mbbbls** (Export & Domestic Crude) which is relatively higher than **1.45 Mbbbls** recorded last month by 71.7%.
- 2. Crude & Gas Receipt and Distribution**
 - **Export Crude Oil:** Crude Oil export revenue received in August 2023 amounted to **\$7,257,330.00**
 - **Domestic Crude Oil and Gas:** The sum of **N58,027,890,252.37** is the Domestic PSC Crude Oil and Gas receipt in August 2023.
 - **Frontier Exploration Funds(FEF):** The sum of **\$2,177,199.00** and **N17,408,367,075.71** are transferred to FEF being **30%** share of PSC Profit in line with PJA.
 - **NNPC Management Fee:** The sum of **\$2,177,199.00** and **N17,408,367,075.71** are transferred to NNPC Ltd as Management fee being **30%** share of PSC Profit in line with PJA
 - **Federation Account:** The Federation Share (40% of PSC Profits) of **\$2,902,932.00** & **N23,211,156,100.95** are transferred to Federation Account .
- 3. Dividend**
 - NNPC Ltd declared monthly interim dividend of **N81,166,666,666.60** due to Federation.
- 4. FIRS & NUPRC Obligations**
 - The sum of **\$109,467,595.79** and **N35,797,681,830.00** being JV Royalties and PSC Royalty respectively are due to NUPRC.
 - The sum of **\$28,761,875.04** and **N42,666,251,345.96** being JV Taxes and PSC Tax respectively are due to FIRS.
- 5. Outstanding June & July 2023 Crude Oil Lifting Due**
 - The June & July 2023 PSC Royalty Lifting for Domestic products amounting to **N51,754,315,363.72** and **N66,795,292,384.44** respectively are due for payment.
 - The June & July 2023 PSC PPT Lifting for Domestic products amounting to **N96,348,038,123.72** and **N72,319,384,940.05** respectively are due for payment.
 - The PSC Profit Oil for June & July 2023 amounting to **N71,223,729,635.37** and **N145,091,901,740.80** respectively are due for payment inline with PJA.

Note to September 2023 FAAC

PSC ASSETS	UNIT	TARGET	JULY	JULY SHORTFALL	REASONS FOR SHORTFALL
NAE	KBOPD	128	-	12.76	
AGBAMI	KBOPD	96.0	97.6	1.58	2023 planned statutory plant shut-down for maintenance activities
TUPNI	KBOPD	183.2	161.9	21.35	Akpo Full Field Shut Down (FFSD) for cooling water header repair.
SNEPCO	KBOPD	104.0	127.5	23.46	Dehydration system trip
ERHA	KBOPD	60.0	60.5	0.49	
USAN	KBOPD	43.0	29.6	13.44	Impact of hydrates on production
APL-BRASS/ANTAN	KBOPD	17.0	9.8	7.17	Shut-in of Brass production due to sabotage on evacuation route
APL-OKWORI	KBOPD	3.0	0.2	2.75	
SEPCO-OML 143	KBOPD	57.0	46.7	10.32	
SCORL-OML 146	KBOPD	15.0	8.0	7.02	
ENAGEED	KBOPD	2.6	0.9	1.73	Shut-in production due to tank top constraint at Forcados Terminal
PAN OCEAN-OML 147	KBOPD	5.0	1.2	3.76	Curtailed production due to tank top constraint at Forcados Terminal
NEWCROSS (OML 152)-EFE	KBOPD	0.3	0.7	0.37	
NEPL-AGBARA-OML 116	KBOPD	2.0	1.0	0.97	
SUB-TOTAL	KBOPD	600.9	545.5	55.38	

For More Details, please refer to the underlisted appendices

- 1 Appendix A July 2023 Export & Domestic Crude Oil & Gas Sales and receipt in August 2023
- 2 Appendix B August 2023 Crude Oil & Gas Proceeds for September, 2023 FAAC Meeting
- 3 Appendix C PSC Crude Oil & Gas Receipts
- 4 Appendix D PSC Repayment Agreement
- 5 Appendix E Crude Oil & Gas Lifting for the payment of PSC PPT for July 2023
- 6 Appendix F Crude Oil & Gas Lifting for the payment of PSC Royalty for July 2023
- 7 Appendix G Monthly Actual NNPC Oil & Gas Revenue & Distribution to FAAC

The above tables and notations are presented to you for your kind consideration and adoption


Ibrahim S.S.

For: Chief Financial Officer

Appendix A

July 2023 Crude Oil Exports Payable in August, 2023						
Fiscal Regime	Operator	Volume (Bbls)	Value	Receipt	Variance	Remark
			- USD -			
PSC & SC	SEEPCO	90,000	7,257,330.00	7,257,330.00	-	
PSC Sub-total		90,000	7,257,330.00	7,257,330.00	-	
Sub-total (Others)		-	-	-	-	
Total		90,000	7,257,330.00	7,257,330.00	-	
July 2023 Domestic Crude Oil						
Fiscal Regime	Operator	Volume (Bbls)	USD Value	NGN Equiv.		Remark
PSC	STARDEEP	339,246	25,040,765.00	18,956,410,000.32		
	ESSO	809,738	61,122,263.19	46,270,897,926.13		
	TUPNI	997,387	85,366,353.33	64,624,207,530.58		
	SNEPCO	251,600	20,132,025.60	15,240,386,283.76		
PSC - SUBTOTAL		2,397,971	191,661,407.12	145,091,901,740.80		
Total		2,397,971	191,661,407.12	145,091,901,740.80		

Appendix B

AUGUST 2023 CRUDE OIL & GAS PROCEEDS FOR SEPTEMBER, 2023 FAAC MEETING			
	\$	N	Naira Eqv. /756.523
PSC Profits			
Crude Oil	7,257,330.00	57,698,432,269.76	63,188,769,333.35
Gas		329,457,982.61	329,457,982.61
Miscellaneous			-
Total Receipt	7,257,330.00	58,027,890,252.37	63,518,227,315.96
NNPC Ltd Mgt Fee (30% PSC Profit)	2,177,199.00	17,408,367,075.71	19,055,468,194.79
FEF Escrow Acct (30% PSC Profit)	2,177,199.00	17,408,367,075.71	19,055,468,194.79
Federation Acct (40% PSC Profits)	2,902,932.00	23,211,156,100.95	25,407,290,926.38
Total Transfer (a)	7,257,330.00	58,027,890,252.37	63,518,227,315.96
Other Obligations Due for Remittance			
PSC Crude Royalty (Domestic Products)	-	35,797,681,830.00	35,797,681,830.00
JV Crude Royalty	104,672,331.24	-	79,187,026,046.67
JV Gas Royalty	4,795,264.55	-	3,627,727,920.64
Royalty (b.)	109,467,595.79	35,797,681,830.00	118,612,435,797.31
PSC Crude PPT (Domestic Products)		42,666,251,345.96	42,666,251,345.96
JV Crude (PPT)	23,750,606.50		17,967,880,081.20
JV GAS (CIT)	5,011,268.54		3,791,139,912.77
Tax (c.)	28,761,875.04	42,666,251,345.96	64,425,271,339.93
Calendarised Interim Dividend to Federation (d)		81,166,666,666.60	81,166,666,666.60
Federation PSC Profit due to June 2023 FAAC revised Ex. Rate (e.)		2,960,495,060.79	2,960,495,060.79
Total Other Obligations f=(b+c+d+e)	138,229,470.83	162,591,094,903.35	267,164,868,864.63
Grand Total g=(a+f)	145,486,800.83	220,618,985,155.72	330,683,096,180.59

Note:

- 1 CBN August, 2023 (September 2023 FAAC) exchange rate of 756.523N/\$ was applied.
- 2 The PSC Domestic Crude Lifting(Profit Oil, Royalty and PPT) are based on the revised CBN exchange of N621.86/US instead of N436.38 earlier adopted for May, 2023 Lifting
- 3 The arrears of Federation PSC share of N2,960,495,060.79 arose due to revised Exchange rate (June 2023 FAAC) from N436.38 to 621.86/US which affected the Dollar component of N25,995,107,781.26 (N19,029,931,834.37 plus US\$15,961,263@436.38/US).

Appendix C

PSC CRUDE AND GAS RECEIPT

CRUDE OIL & GAS SALES AND REVENUE													
CRUDE OIL REVENUE	B/L DATE	DUE DATE	VESSEL	CRUDE TYPE	PRODUCER	AGR	INVOICE NUMBERS	QTY IN BBLs	UNIT PRICE	SALES RECEIPT VALUE IN US\$	EXCH RATE	NAPRA EQUIVALENT	
1 SAHARA ENERGY RES DMCC	12-May-23	10-Aug-23	PINNACLE SPIRIT	EONA	TUPNI	PSC	COS/05/INTL/DSDP/EP/1020/2023	998,480	77,4690	77,351,247.12	621.86	48101646554.04	
2 OANDU PLC	15-May-23	13-Aug-23	MARAN PLATO	BONGA	SNPCO	PSC	COS/05/INTL/DSDP/EP/1020/2023	201,063	76,7540	15,432,389.50	621.86	9,396,785,735.71	
3 STERLING OIL EXPLORATION & ENERGY PROD.	15-Jul-23	14-Aug-23	NORDIC BRASLIA	OKWUBOME	SEPCO	PSC	COS/07/05/1/2023	40,000	80,6370	3,225,480.00	756.52	2,440,149,806.04	
4 STERLING OIL EXPLORATION & ENERGY PROD.	15-Jul-23	14-Aug-23	NORDIC BRASLIA	OKWUBOME	SEPCO	PSC	COS/07/05/4/2023	50,000	80,6370	4,031,850.00	756.52	3,050,187,257.55	
SUB-TOTAL								1,289,543		100,040,966.62		63,188,769,333.35	
MISCELLANEOUS	B/L DATE	DUE DATE	VESSEL	CRUDE TYPE	PRODUCER	AGR	INVOICE NUMBERS	QTY IN BBLs	UNIT PRICE	SALES RECEIPT VALUE IN US\$	EXCH RATE	NAPRA EQUIVALENT	
1 PAN OCEAN OIL CORPORATION (INCLIMITED)						PSC					756.52	18,629,052.97	
2 PAN OCEAN OIL CORPORATION (INCLIMITED)						PSC					756.52	310,928,929.64	
SUB-TOTAL												329,457,982.61	
TOTAL RECEIPTS										100,040,966.62		63,518,227,315.96	

Appendix D

DISPUTE SETTLEMENT AGREEMENT (DSA)										
PSC REPAYMENT AGREEMENT & 3RDPARTY LIFTING JULY 2023										
CUSTOMER	B/L DATE	DUE DATE	VESSEL	CRUDE TYPE	PRODUCER	AGR	INVOICE NO.	QTY IN BBLs	UNIT PRICE	SALES VALUE IN US\$
1 NNPC TRADING SA	03-Jul-23	02-Aug-23	CSSC LIAO NING	AGBAMI CRUDE	STARDEEP	PSC	COS/DSA/07/011/2023	203,000	73.8130	14,984,039.00
2 NNPC TRADING SA	09-Jul-23	08-Aug-23	ONANCOL CABIND	ERHA	ESSO	PSC	COS/DSA/07/012/2023	90,000	80.1970	7,217,730.00
3 NNPC TRADING SA	06-Jul-23	05-Aug-23	LONDON SPIRIT	BONGA	SNEPCO	PSC	COS/DSA/07/013/2023	100,000	80.0160	8,001,600.00
4 NNPC TRADING SA	06-Jul-23	05-Aug-23	LONDON SPIRIT	BONGA	SNEPCO	PSC	COS/DSA/07/014/2023	150,000	80.0160	12,002,400.00
5 NNPC TRADING SA	12-Jul-23	11-Aug-23	MARAN LUPUS	USAN	ESSO	PSC	COS/DSA/07/015/2023	186,000	75.4840	14,040,024.00
TOTAL								729,000.00		56,245,793.00

Appendix E

1	2	3	4	5	6	7	8	9	10	11	12	13	14
JULY 2023 CRUDE OIL/GAS LIFTING FOR THE PAYMENT OF PETROLEUM PROFIT TAX (PPT), COMPANY INCOME TAX (CIT) & EDUCATION TAX.													
	CUSTOMER	B/L DATE	DUE DATE	VESSEL	CRUDE TYPE	PRODUCER	AGR	INVOICE NO.	QTY IN BBLs	UNIT PRICE	SALES VALUE IN US\$	EXCH RATE	VALUE PAYABLE IN
	DSDP- FIRS ACCOUNT LIFTINGS (PPT)											NAIRA	NAIRA
1	SAHARA ENERGY RES. DMCC	09-Jul-23	07-Oct-23	SONANGOL CABINDA	ERHA	ESSO	PSC	FIRS/DSDP/07/06/2023 - EPI	660,000	80.1970	52,930,020.00	757.02	40,069,189,600.44
2	OANDO PLC	26-Jul-23	24-Oct-23	FAIRWAY	BONGA	SNEPCO	PSC	FIRS/DSDP/07/09/2023 - PPSA	660,000	85.2270	42,601,397.77	757.02	32,250,195,339.61
	SUB TOTAL								1,320,000		95,531,417.77		72,319,384,940.05
	CUSTOMER	B/L DATE	DUE DATE	VESSEL	GAS TYPE	PRODUCER	AGR	INVOICE NO.			VALUE IN US\$		
1	NLNG	31-Jul-23	30-Aug-23	PIPELINE	FEEDSTOCK	TEPNC	JV	150021630//TEPNC			808,153.02		
	SUB TOTAL										808,153.02		
	CUSTOMER	B/L DATE	DUE DATE	VESSEL	GAS TYPE	PRODUCER	AGR	INVOICE NO.			VALUE IN US\$		
1	NLNG	31-Jul-23	30-Aug-23	PIPELINE	FEEDSTOCK	TEPNC	JV	150021630//TEPNC			654,631.23		
	SUB TOTAL										654,631.23		
	TOTAL payable in USD										1,462,784.25		
	TOTAL payable in NGN										72,319,384,940.05		

Appendix C

2023 MONTHLY ACTUAL NNPC OIL & GAS REVENUE AND DISTRIBUTION TO FAAC															
Description	Budget					Actual								YTD	Variance M=(C,-L)
	Annual	Mth	YTD (12)	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	YTD			
	A	B	C	D	E	F	G	H	I	J	K	L=(D+E...K)			
PSC PROFIT	469.83	39.15	313.22	48.83	42.76	74.65	54.56	64.99	106.20	78.97	63.52	534.46	221.244		
NNPC Management Fee (30% of PSC Profits)	140.950	11.746	93.966	14.648	12.828	22.395	16.367	19.496	31.860	23.690	19.055	160.34	66.373		
Frontier Exploration Funds (30% of the PSC Profit)	140.950	11.746	93.966	14.648	12.828	22.395	16.367	19.496	31.860	23.690	19.055	160.34	66.373		
Federation Share of Psc (40% Share of PSC)	187.933	15.661	125.289	19.531	17.105	29.860	21.823	25.995	42.480	31.586	25.407	213.79	88.497		
PSC Total Distribution	469.832	39.153	313.221	48.827	42.762	74.649	54.556	64.988	106.199	78.966	63.52	534.46	221.244		
NNPC Ltd Calendarised Interim Dividend to Federation Account									81.167	81.167	81.167	243.50	243.500		
Federation PSC Profit due to June 2023 FAAC revised Ex. Rate											2.960	2.96	2.960		
Grand Total	469.832	39.153	313.221	48.827	42.762	74.649	54.556	64.988	187.366	160.133	147.65	780.93	467.70		

** The 2023 MTEF is applied

THANK YOU