



Gas utilization in Nigeria: The Role of Nigerian Gas Marketing Company (NGMC) Limited

A Presentation

At the Ghana Gas Forum, Accra Ghana.

Nov 29-30, 2021



Outline



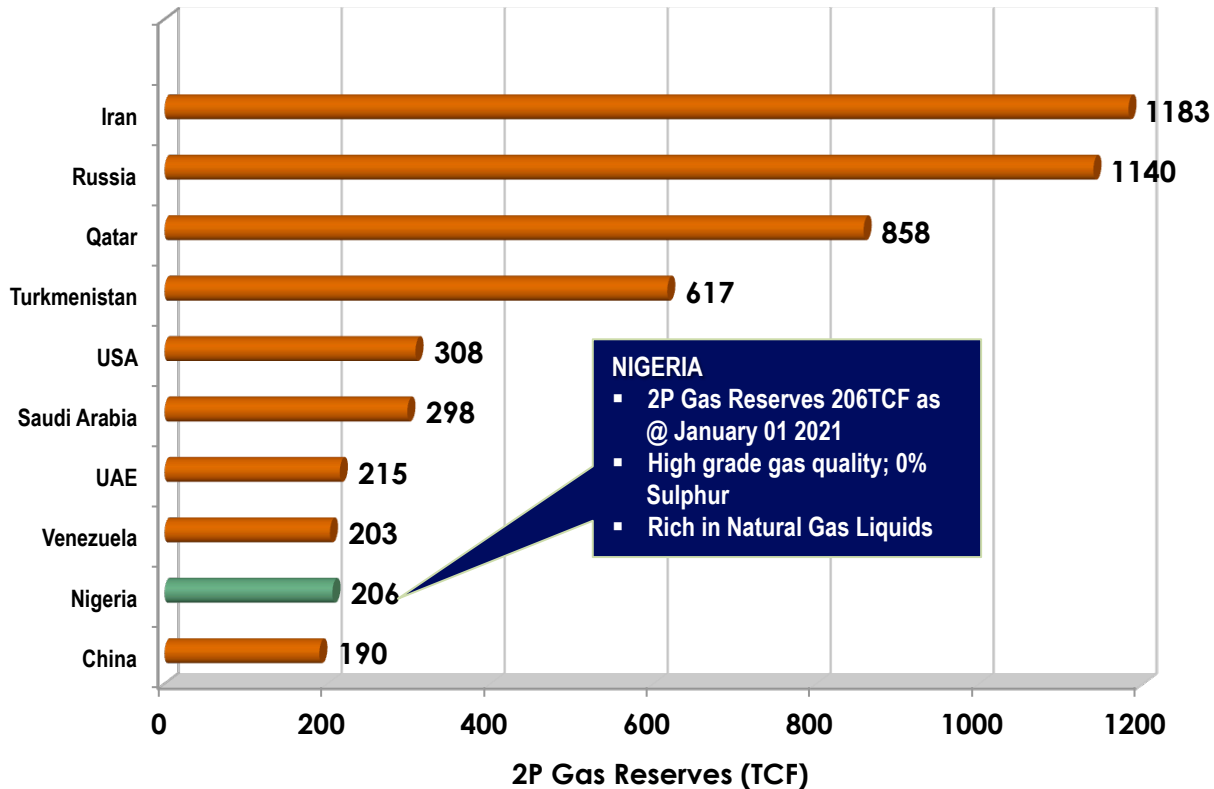
- ❑ **Overview of Nigeria Gas Reserves**
- ❑ **Gas Utilization in Nigeria**
- ❑ **About NGMC- Who we are**
- ❑ **NGMC's Activities**
- ❑ **NGMC in Gas Value Chain**
- ❑ **Role of NGMC in Domestic Gas Utilization**
- ❑ **Gas supply vs Demand Balance**
- ❑ **Opportunities for Collaboration**

Overview of the Nigeria Gas Sector – Enormous Gas Reserves

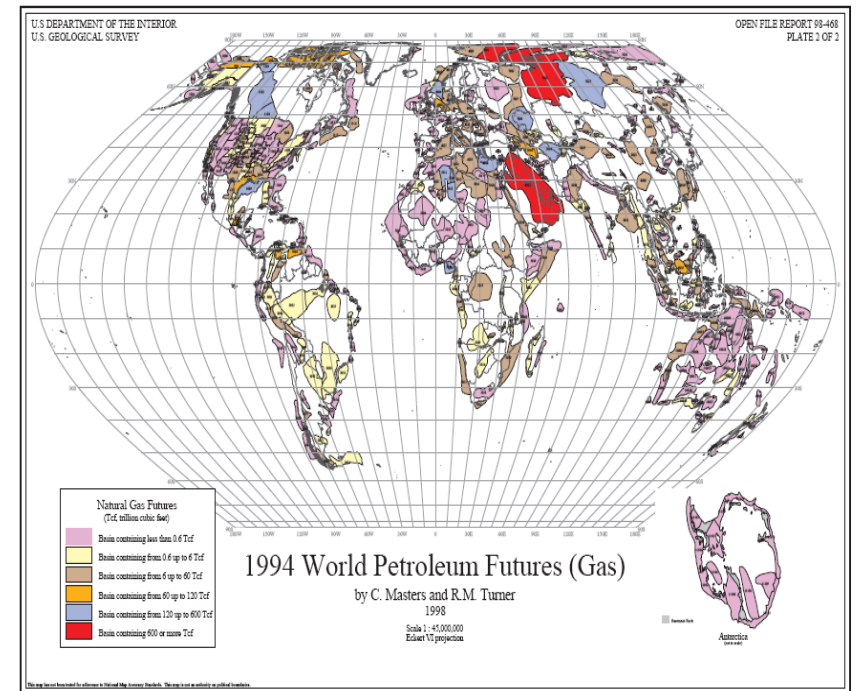


Nigeria has a huge economic potential trapped in its vast natural gas resource. Currently number 9th in the world and largest in Africa with a 2P gas reserves of 206.53TCF as @ 01.01.2021.

Top Gas-Rich Countries Proved Gas Reserves



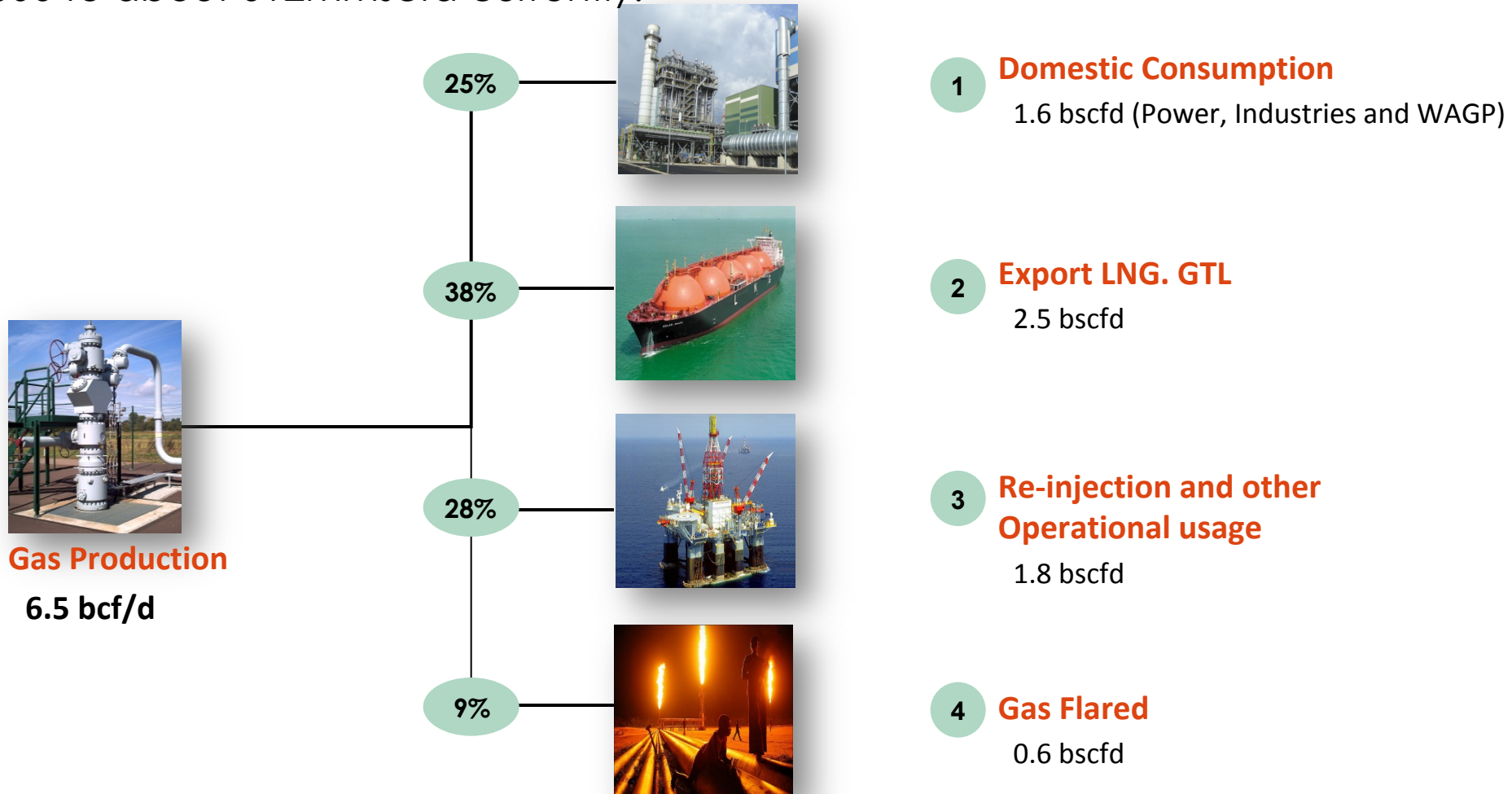
Source: BP Statistical Report

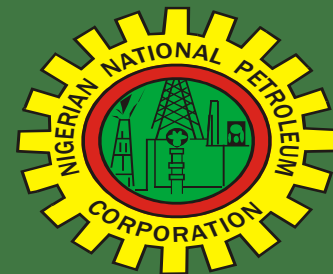


Source: US Geological Survey

Nigerian Gas Production & Utilization

Nigeria average daily gas production is about 6.5bscfd. Gas Flare has significantly reduced from 2.5bscfd in 2006 to about 612mmscfd currently.





About NGMC-Who We Are

The Nigerian Gas Marketing Company (NGMC) Limited is a wholly owned subsidiary company of the Nigerian National Petroleum Corporation (NNPC) carved out of the Nigerian Gas Company (NGC) Limited which was restructured in 2016 consistent with NNPC's strategic business direction. NGMC was incorporated on July 16, 2016 to market and distribute Natural Gas nationally and to regional African markets.

NGMC has mandate to promote the utilization and monetization of natural gas resources and to profitably increase natural gas share of the domestic energy mix through rapid market expansion and strategic partnerships.

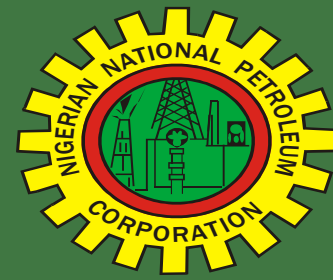
Mission

- NGMC is committed to adding commercial value to natural gas and making it an energy resource of first choice within and outside Nigeria for the benefit of all its Stakeholders.

Vision

- To be the preferred Gas Marketing Company to all its present and future customers.

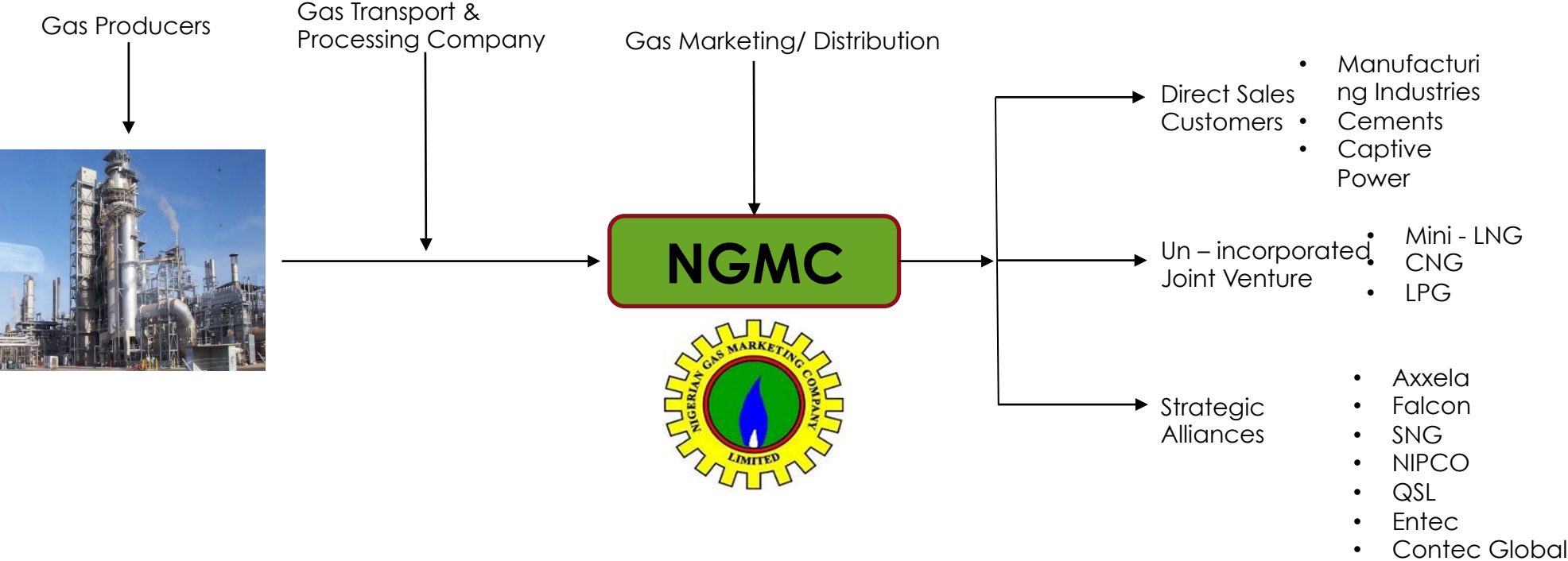
NGMC's Activities



Market and Distribute Natural Gas to users

- ◆ Own and manage over 540km gas spur-lines, over 300 direct and indirect customers stations across Nigeria
- ◆ Supply gas to over 300 customers across Nigeria for use in cements factories, CNG/LNG plants, manufacturing companies, Textiles, captive & embedded power companies
- ◆ Operate BOT/UJV with partners for Gas Marketing & Distributions

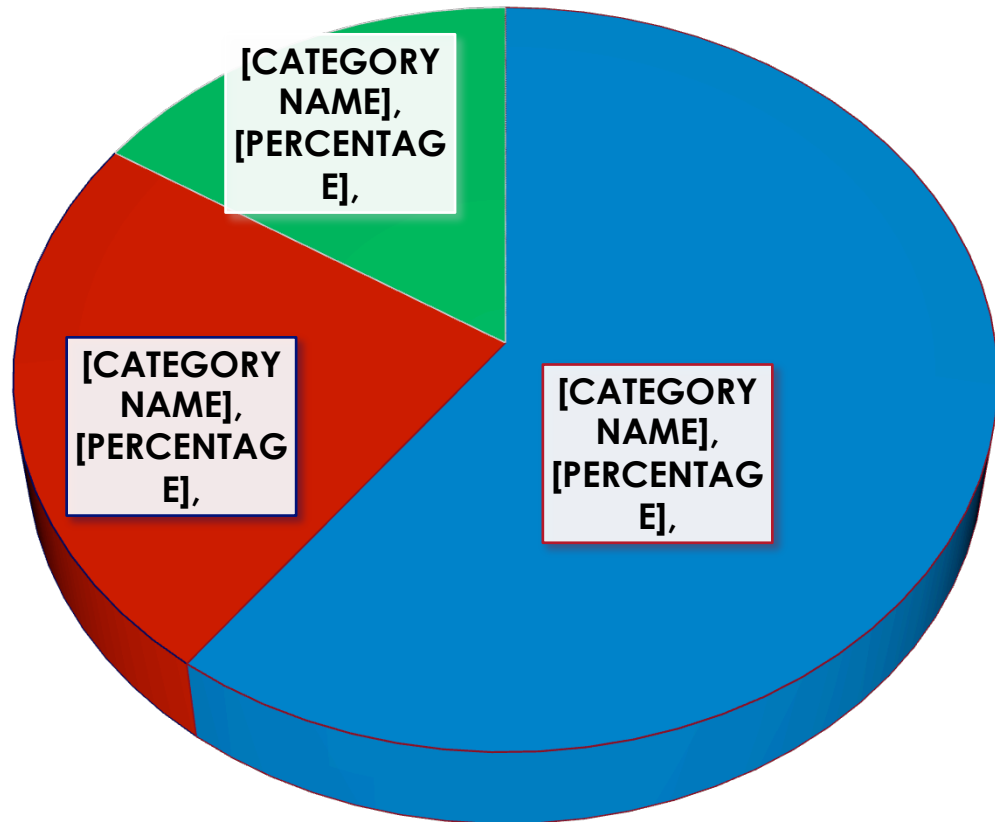
NGMC in the Gas Value Chain



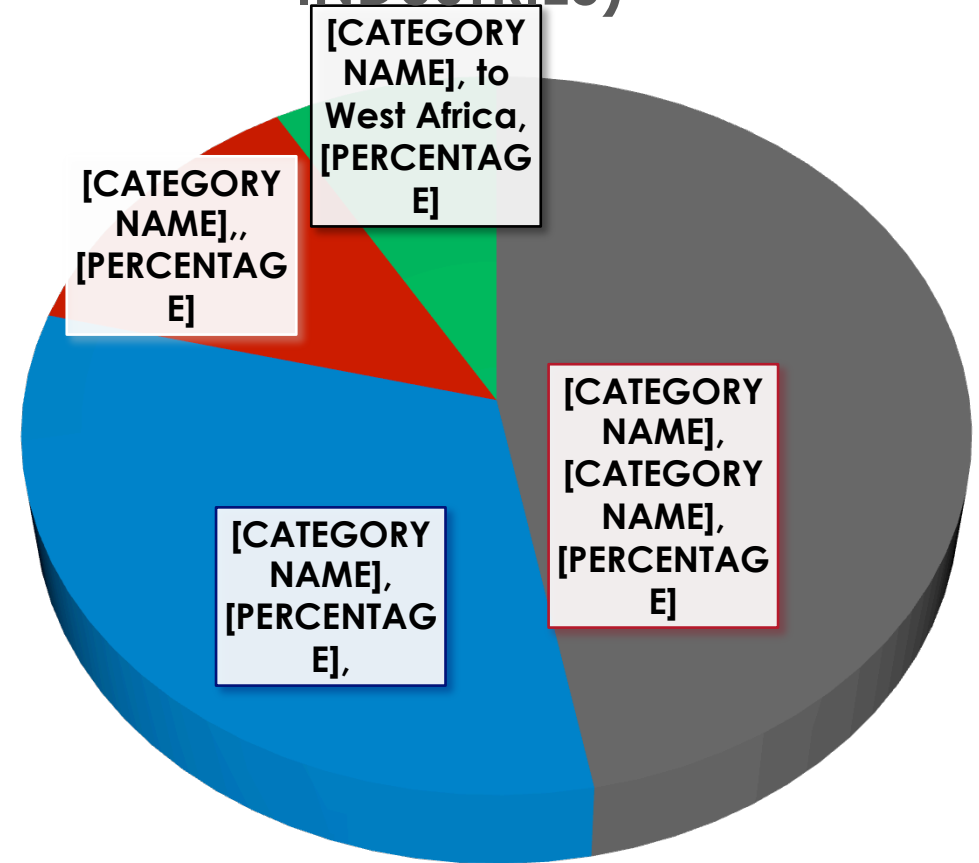
Role of NGMC in Domestic Gas Utilization - Market share



MARKET SHARE (INDUSTRIES ALONE)



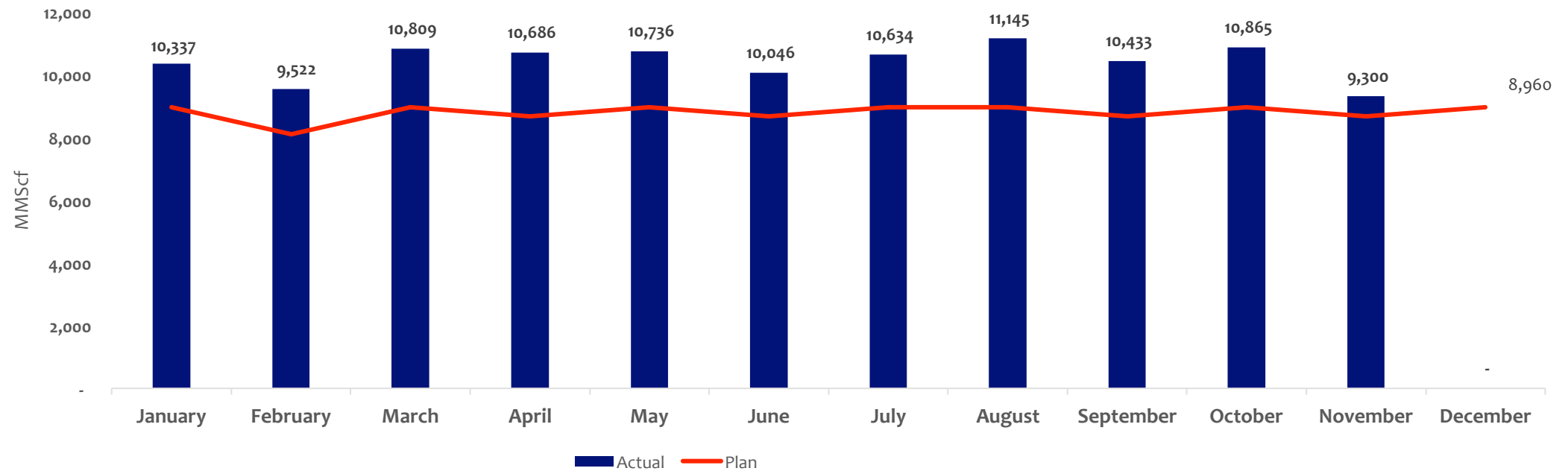
MARKET SHARE (POWER PLANTS + INDUSTRIES)



Role of NGMC is Domestic Gas Utilization- Gas performance 2021



2021 Monthly Volume Trend

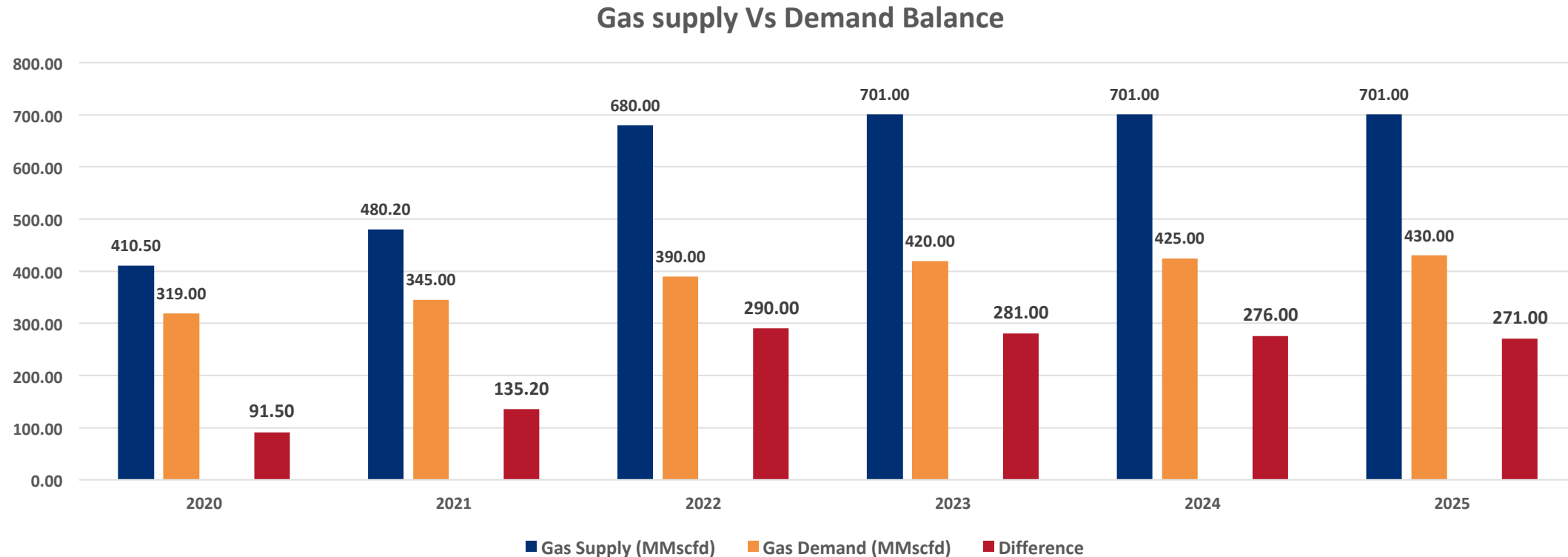


- The average daily Gas offtake by customers is about 345MMscfd.
- Cement, Strategic Partner, Embedded Power and Manufacturing Customers contributed 58%, 18%, 3% and 21% off-take respectively.

Gas supply vs Demand Balance



NGMC has large portfolio of gas producers. The Gas supply vs Demand balance portfolio shows that we have excess supply based on all existing and potential gas sourcing arrangement (firm + interruptible).



LICENSING AND REGULATIONS: Nigerian Downstream & Midstream Regulatory Authority



- Petroleum Industry Act 2021 prescribes licenses required for certain activities in the midstream and downstream sub sector. Sections 125 & 126 requires that entities must be licensed for the following:
- Establish, construct, and operate a facility for **processing, storage, transportation of natural gas; engage in bulk transportation of natural gas by rail, barge or other means of transportation; operate a gas transportation network; operate a terminal, jetty or other facility for export or import of natural gas; engage in wholesale gas supply; engage in construction or operation of petrochemical or fertilizer plant.**
- **retail trading, distribution or supplies of natural gas; establishment, construction or operation of a gas distribution network; establishment, construction or operation of a facility for the supply or trading of natural gas.**
- A single entity may be required for apply and hold multiple licenses for different activities in the mid or downstream.
- The Authority is empowered to issue appropriate Regulations for the regulation of all activities in the downstream and midstream sub-sector.

Opportunities for Collaboration



The following opportunities exist for collaboration with NGMC

- Gas supply on interruptible bases from existing portfolio
- Virtual pipeline (CNG, Mini-LNG) for gas supply to stranded market
- Gas distribution infrastructures (spur line, pressure reduction and metering facilities)

Contact US



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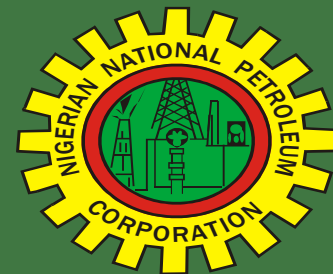
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Thank You

Any Question?

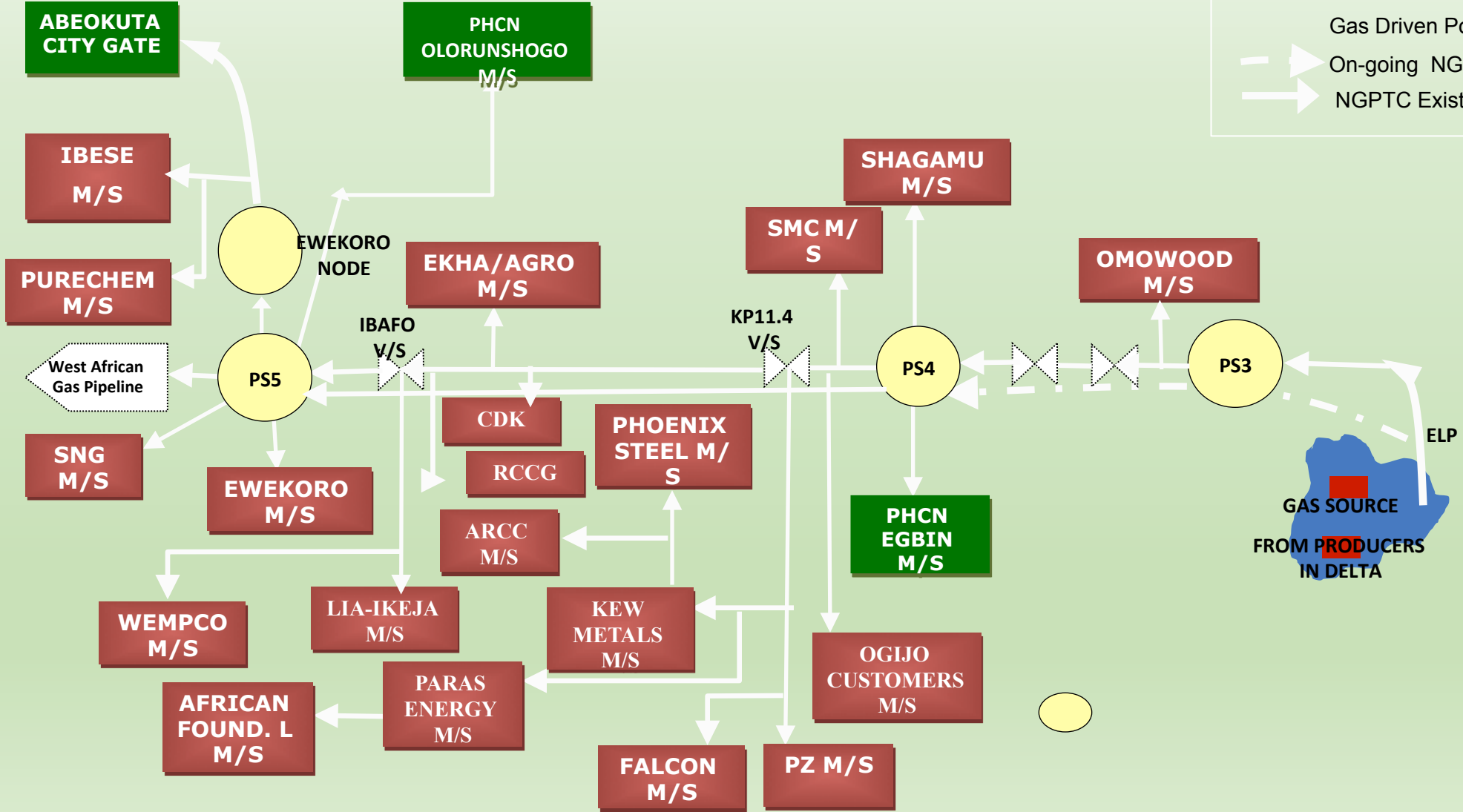


Back-Up

NGMC STATIONS IN LAGOS PIPELINE SYSTEM

LEGEND

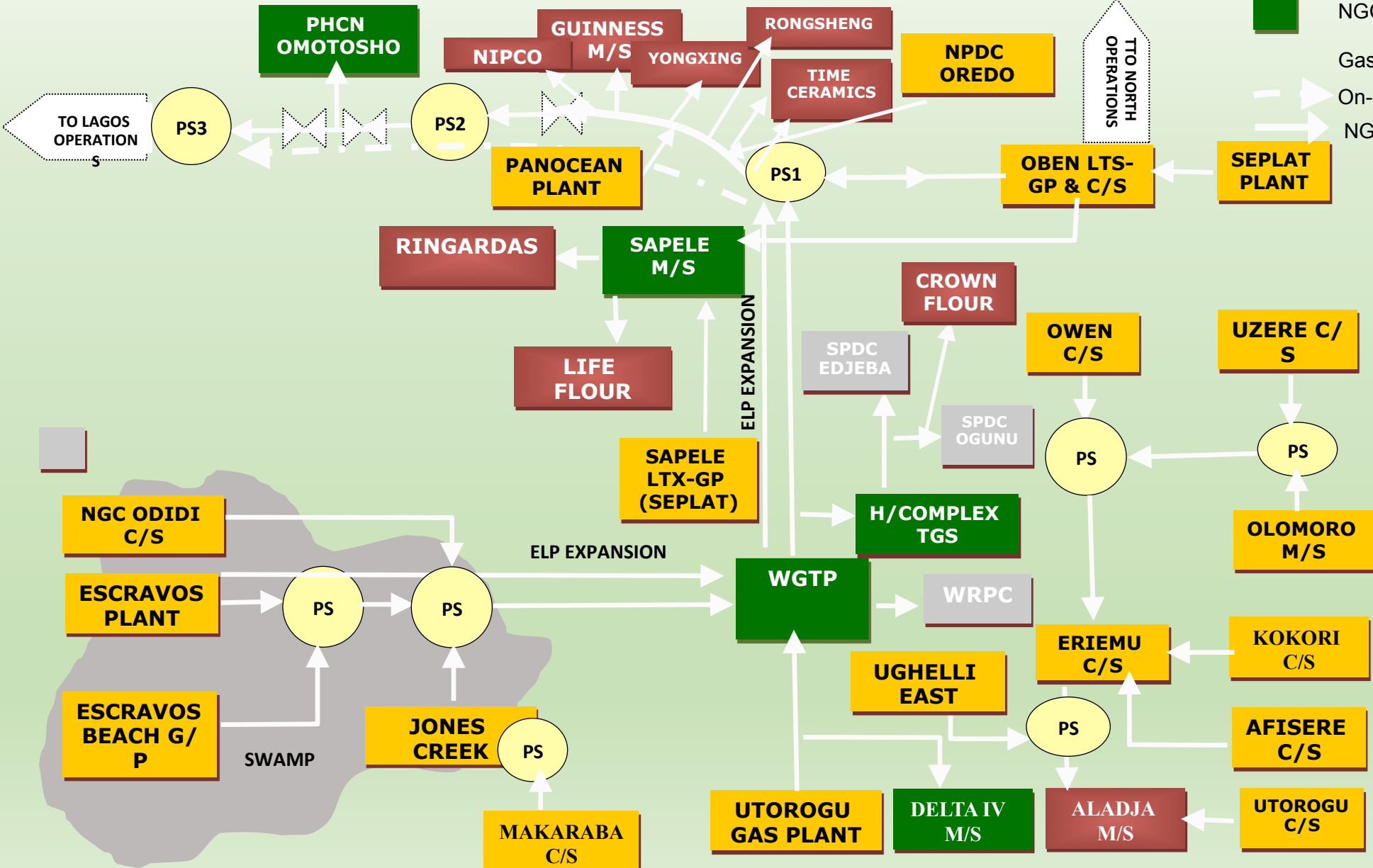
- NGMC Stations
- NGC Stations
- Gas Driven Power Plant
- On-going NGPTC Pipeline
- NGPTC Existing Pipeline



NGMC STATIONS IN DELTA PIPELINE SYSTEM

LEGEND

- NGMC Stations
- NGC Stations
- Gas Driven Power Plant
- On-going NGPTC Pipeline
- NGPTC Existing Pipeline



TO LAGOS OPERATION

TTO NORTH OPERATIONS

ELP EXPANSION

ELP EXPANSION

SWAMP

NGMC STATIONS IN NORTHERN PIPELINE SYSTEM

LEGEND

- NGMC Stations
- Gas producing plants
- PIGGING STATIONS
- On-going Pipeline
- Existing Pipeline

