

No. OGRA-10-11(8)/2019

October 09, 2019

Managing Director
Pakistan State Oil Limited,
PSO House, Khayaban-e-Iqbal,
Clifton, Karachi.

Managing Director
Pakistan LNG Limited,
Petroleum House, G-5,
Islamabad.

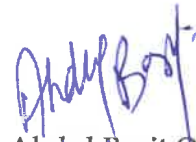
Subject: Determination of Re-gasified Liquefied Natural Gas (RLNG) Weighted Average Sale Provisional Price for the Month of October 2019.

Dear Sir,

Reference emails of PLL and PSO on the above subject.

2. In accordance with the Federal Government decision regarding "RLNG Allocation, Pricing and Associated Matters" and advice from Ministry of Energy regarding weighted average sale price dated January 22, 2018, RLNG Weighted Average Sale prices for the month of October, 2019 has been computed attached as Annexure- A and Annexure- B.

Best Regards,



(Dr. Abdul Basit Qureshi)

Registrar
For and behalf of Authority

- Cc to: 1. Managing Director, SSGCL, St-4-B, Block 14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi.
2. Managing Director, SNGPL, 21-Kashmir Road, Gas House, Lahore.

COMPUTATION OF WEIGHTED AVERAGE RLNG PRICE FOR SNGPL: October 2019 Annex: A

SNGPL

Particulars	Unit	SNGPL (October-2019)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	3	6	3
Quantity Received		19,200,000	9,600,000	19,200,000	9,600,000
Retainage (PSO @0.750% & PLL 0.6397%)		144,000	61,408	144,000	61,408
Quantity Delivered at Terminal		19,056,000	9,538,592	19,056,000	9,538,592
Transmission Loss: (SNGPL 0.38%) & (SSGCL -0.74%)		72,413	36,247		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)				2,077,104	1,039,707
Total Loss including Retainage		216,413	97,655	2,221,104	1,101,115
%age Losses		1.13%	1.02%	11.57%	11.47%
Quantity available for Sale		18,983,587	9,502,345	16,978,896	8,498,885
LNG Price (DES)		8.3834	6.5762	8.3834	6.5762
PSO/ PLL other imports related actual costs		0.6243	0.5083	0.6243	0.5083
PSO / PLL margin (@ 2.50%)		0.2096	0.1644	0.2096	0.1644
Terminal Charges		0.4012	0.7447	0.4012	0.7447
RLNG Cost		9.6185	7.9936	9.6185	7.9936
Retainage volume adjustment		0.0727	0.0515	0.0727	0.0515
T & D volume adjustment		0.0370	0.0306	1.1855	0.9841
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2953	0.2953	0.2953	0.2953
Cost of supply -SSGCL		0.1423	0.1423	0.1423	0.1423
Total RLNG price without GST		10.1908	8.5383	11.3393	9.4918
Quantity available for Sale	MMBTU	18,983,587	9,502,345	16,978,896	8,498,885
Total cost of RLNG	US \$	193,457,373	81,133,790	192,528,288	80,669,645
sum of Total RLNG cost (PSO & PLL)	US \$	274,591,163		273,197,933	
sum of quantity available for sale (PSO & PLL)	MMBTU	28,485,933		25,477,781	
Weighted Average Sale Price without GST	US \$/MMBTU	9.6395		10.7230	

Notes:

i. Calculation of LNG DES Price	PSO	PLL	PLL
No. of Cargoes	6	2	1
Quantity (No. MMBTU)	19,200,000	6,400,000	3,200,000
Bricem-1 July-19	64.2096	64.2096	64.2096
Bricem-1 August-19	59.4482	59.4482	59.4482
Bricem-1 September-19	62.2143	62.2143	62.2143
Brent_m	61.9573	61.9573	61.9573
Slope	13.3700%	11.6247%	8.3919%
CP = Slope x Brent_m	8.2837	7.2024	5.1994
Average DES	8.2837	6.5347	
Port Charges (in the excess of limit borne by LNG supplier)	0.0997	0.0415	
DES Price	8.3834	6.5762	

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2019-20.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy
- iv. The figure of Retainage & UFG have been taken on provisional basis. The same shall be finalized upon the actual results, as per ECC policy guidelines. The provisional UFG in case of SNGPL is based on the FRR FY 2017-18.
- v. The above prices have been computed on the basis of data provided by M/s PSO & M/s PLL. The parties (SNGPL, SSGCL, PSO & PLL) shall scrutinize the same on the basis of evidences before making payments as per their mutual agreements.

COMPUTATION OF WEIGHTED AVERAGE RLNG PRICE FOR SSGC: October 2019 Annex: B

SSGCL

Particulars	Unit	SSGC (October-2019)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	3	6	3
Quantity Received		19,200,000	9,600,000	19,200,000	9,600,000
Retainage (PSO @0.750% & PLL 0.6397%)		144,000	61,408	144,000	61,408
Quantity Delivered at Terminal		19,056,000	9,538,592	19,056,000	9,538,592
Transmission Loss: (SNGPL 0.38%) & (SSGCL -0.74%)		(141,014)	(70,586)		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)			-	2,532,542	1,267,679
Total Loss including Retainage		2,986	(9,178)	2,676,542	1,329,087
%age Losses		0.02%	-0.10%	13.94%	13.84%
Quantity available for Sale		19,197,014	9,609,178	16,523,458	8,270,913
LNG Price (DES)		8.3834	6.5762	8.3834	6.5762
PSO/ PLL other imports related actual costs		0.6243	0.5083	0.6243	0.5083
PSO / PLL margin (@ 2.50%)		0.2096	0.1644	0.2096	0.1644
Terminal Charges		0.4012	0.7447	0.4012	0.7447
RLNG Cost		9.6185	7.9936	9.6185	7.9936
Retainage volume adjustment		0.0727	0.0515	0.0727	0.0515
T & D volume adjustment		(0.0712)	(0.0591)	1.4853	1.2330
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1423	0.1423	0.1423	0.1423
Total RLNG price without GST		9.7873	8.1533	11.3438	9.4454
Quantity available for Sale	MMBTU	19,197,014	9,609,178	16,523,458	8,270,913
Total cost of RLNG	US \$	187,886,939	78,346,421	187,438,798	78,122,009
sum of Total RLNG cost (PSO & PLL)	US \$	266,233,360		265,560,807	
sum of quantity available for sale (PSO & PLL)	MMBTU	28,806,192		24,794,371	
Weighted Average Sale Price without GST	US \$/ MMBTU	9.2422		10.7105	

Notes:

i. Calculation of LNG DES Price			
	PSO	PLL	PLL
No. of Cargoes	6	2	1
Quantity (No. MMBTU)	19,200,000	6,400,000	3,200,000
Bricem-1 July-19	64.2096	64.2096	64.2096
Bricem-1 August-19	59.4482	59.4482	59.4482
Bricem-1 September-19	62.2143	62.2143	62.2143
Brent_m	61.9573	61.9573	61.9573
Slope	0.1337	0.1162	0.0839
CP = Slope x Brent_m	8.2837	7.2024	5.1994
Average DES	8.2837	6.5347	
Port Charges (in the excess of limit borne by LNG supplier)	0.0997	0.0415	
DES Price	8.3834	6.5762	

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2019-20.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy
- iv. The figure of Retainage & UFG have been taken on provisional basis. The same shall be finalized upon the actual results, as per ECC policy guidelines. The provisional UFG in case of SSGCL is based on the FRR FY 2016-17.
- v. The above prices have been computed on the basis of data provided by M/s PSO & M/s PLL. The parties (SNGPL, SSGCL, PSO & PLL) shall scrutinize the same on the basis of evidences before making payments as per their mutual agreements.