



✓ Copy for Registrar Office  
(آئل اینڈ گیس ریگولیٹری اتھارٹی) OIL & GAS REGULATORY AUTHORITY  
"SAY NO TO CORRUPTION"

OGRA-10-11(8)/2015  
December 22, 2016

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

Subject: Determination of Re-gasified Liquefied Natural Gas (RLNG) Provisional Price for the Month of November, 2016

Dear Sir,

Reference PSO letter no. OGRA/LNG/31116 dated November 03, 2016, on the above subject whereby provisional price for the month of November 2016 has been computed.

2. In accordance with the Federal Govt. decision regarding "RLNG Allocation, Pricing and Associated Matters", the RLNG provisional price for the month of November, 2016 shall be "US \$ 8.6333/MMBTU" as per computation enclosed.

3. Further the reference SNGPL letter no. RA-LNG-040-16 dated October 25, 2016, has raised certain regarding the pricing in respect of Retainage, T&D losses etc. in this regard it is highlighted that these issues have already been address in RLNG price determination dated October 7, 2016.

Yours truly,



o/c

*Abdul Basit Qureshi*  
Abdul Basit Qureshi  
Registrar  
For and on behalf of the Authority

C.c:

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 RLNG Provisional Price

US\$/MMBTU

Particulars		Nov-16	Reference Note:
No of Cargos		4	
Quantity Received (MMBtu)		12,800,000	
i	LNG Price (DES)	6.6753	1
ii	PSO's other imports related actual costs	0.0431	2
iii	PSO margin	0.1669	3
iv	Terminal Charges	0.6234	4
v	SSGCL Margin for LSA Management	0.0250	5
vi	Retainage (0.75% of DES Price)	0.0501	6
vii	Transmission losses (0.17% of DES Price)	0.0113	7
viii	Cost of Supply	0.4234	8
A	Total RLNG Price on transmission network (i-viii)	8.0185	
B	Distribution Losses (9.21% of DES Price)	0.6148	9
(A+B)	Total RLNG Price on Distribution network	8.6333	

Ref. Note:

- 1 **Calculation of LNG DES Price**  

Brice_m August, 2016	47.15260870
Brice_m September, 2016	47.29181818
Brice_m October, 2016	51.40238095
Brent_m	48.6156
CPm=13.37% of Brent_m	6.4999
Port Charges (in the excess of limit borne by LNG supplier)	0.1754
<b>Total DES</b>	<b>6.6753</b>
- 2 PSO Import Related Actual Cost, as projected by PSO on the basis of actual June 2016.
- 3 PSO margin has been determined @ 2.5% of DES price in accordance with ECC decision dated 14.6.2016.
- 4 Terminal Charges has been taken on provisional basis i.e. terminal tariff of June, 2016 @ 95% CAF.
- 5 SSGCL Margin for LSA Management @0.025 \$ / MMBTU as per ECC decision dated 14-6-2016
- 6 Retainage has been determined @ 0.75% of DES, provisionally subject to audit by the third party.
- 7 Transmission losses has been determined at 0.5% of DES. The same shall be finalized after issuance of FRR FY 2015-16.
- 8 Distribution losses have been determined at 10.23% . The same shall be finalized after issuance of FRR FY 2015-16.
- 9 Average cost of supply for FY 2015-16 has been taken on provisional basis which shall be finalized after FRR FY 2016-17
- 10 The above prices have been computed on the basis of data provided by M/s PSO. The parties shall scrutinize the same on the basis of evidences before making payments as per their mutual agreements.