

No. OGRA-10-11(8)/2017

February 9, 2018

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 Price for the Month of February, 2018.

Dear Sir,

Reference emails of PSO dated February 8, 2018 and PLL dated February 2, 2018 on the above subject.


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

Regards,



o/c

Yours truly,


(Abdul Basit Qureshi)
Registrar

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 RLNG Provisional Price

Particulars	Unit	SNGPL (Feb-2018)			
		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 @0.75% & PLL 0.67%)		144,000	63,936	144,000	63,936
Quantity Delivered at Terminal		19,056,000	9,536,064	19,056,000	9,536,064
Transmission Loss: 0.19%		36,206	18,119	-	-
T & D Loss: 8.07%				1,537,819	769,560
Total Loss including Retainage		180,206	82,055	1,681,819	833,496
%age Losses		0.94%	0.85%	8.76%	8.68%
Quantity available for Sale	MMBTU	19,019,794	9,517,945	17,518,181	8,766,504
LNG Price (DES)		8.8396	8.5291	8.8396	8.5291
PSO/ PLL other imports related actual costs		0.2505	0.1420	0.2505	0.1420
PSO / PLL margin		0.2210	0.2132	0.2210	0.2132
Terminal Charges		0.4400	0.6956	0.4400	0.6956
RLNG Cost	US \$/MMBTU	9.7511	9.5799	9.7511	9.5799
Retainage volume adjustment		0.0737	0.0642	0.0737	0.0642
T & D volume adjustment		0.0187	0.0184	0.8624	0.8466
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.6544	0.6544	0.6544	0.6544
Total RLNG price without GST		10.5229	10.3419	11.3666	11.1701
Quantity available for Sale	MMBTU	19,019,794	9,517,945	17,518,181	8,766,504
Total cost of RLNG	US \$/MMBTU	200,143,091	98,433,493	199,121,882	97,922,586
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	298,576,584		297,044,469	
sum of quantity available for sale (PSO & PLL)	MMBTU	28,537,739		26,284,684	
Weighted Average Sale Price without GST	US \$/MMBTU	10.4625		11.3010	

Notes:

i. Calculation of LNG DES Price	PSO	PLL
Brice_m3 November, 2017	62.8232	62.8232
Brice_m2 December, 2017	64.0640	64.0640
Brice_m1 January, 2018	69.0714	69.0714
Brent_m	65.3195	65.3195
CPm=13.37% (PSO) of Brent_m (PSO), 12.99% for PLL	8.7332	8.4873
Port Charges (in the excess of limit borne by LNG supplier)	0.1064	0.0418
Total DES	8.8396	8.5291

- ii. Average cost of supply for has been taken on provisional basis as per FRR-2016-17.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy Retainage has been taken on provisional basis subject to final outcome of the audit as required under the Service
- iv. Agreements.
- 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 RLNG Provisional Price

		SSGC (Feb-18)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
		6	3	6	3
No. of Cargos					
Quantity Received		19,200,000	9,600,000	19,200,000	9,600,000
Retainage (PSO @0.75% & PLL 0.67%)		144,000	63,936	144,000	63,936
Quantity Delivered at Terminal		19,056,000	9,536,064	19,056,000	9,536,064
Transmission Loss: -0.74%		(141,014)	(70,567)	-	-
T & D Loss: 13.29%		-	-	2,532,542	1,267,343
Total Loss including Retainage		2,986	(6,631)	2,676,542	1,331,279
%age Losses		0.02%	0.85%	8.76%	8.68%
Quantity available for Sale	MMBTU	19,197,014	9,606,631	16,523,458	8,268,721
LNG Price (DES)		8.8396	8.5291	8.8396	8.5291
PSO/ PLL other imports related actual costs		0.2505	0.1420	0.2505	0.1420
PSO / PLL margin		0.2210	0.2132	0.2210	0.2132
Terminal Charges		0.4400	0.6956	0.4400	0.6956
RLNG Cost	US \$/MMBTU	9.7511	9.5799	9.7511	9.5799
Retainage volume adjustment		0.0737	0.0642	0.0737	0.0642
T & D volume adjustment		(0.0722)	(0.0708)	1.5058	1.4782
LSA management fee		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.2314	0.2314	0.2314	0.2314
Total RLNG price without GST		10.0090	9.8297	11.5870	11.3787
Quantity available for Sale	MMBTU	19,197,014	9,606,631	16,523,458	8,268,721
Total cost of RLNG	US \$/MMBTU	192,142,008	94,429,844	191,456,520	94,086,905
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	286,571,852		285,543,425	
sum of quantity available for sale (PSO & PLL)	MMBTU	28,803,645		24,792,179	
Weighted Average Sale Price without GST	US \$/MMBTU	9.9492		11.5175	

Notes:

i. Calculation of LNG DES Price	PSO	PLL
Brice_m3 November, 2017	62.8232	62.8232
Brice_m2 December, 2017	64.0640	64.0640
Brice_m1 January, 2018	69.0714	69.0714
Brent_m	65.3195	65.3195
CPm=13.37% of Brent_m (PSO), 12.99% for PLL	8.7332	8.4873
Port Charges (in the excess of limit borne by LNG supplier)	0.1064	0.0418
Total DES	8.8396	8.5291

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