



(آئل اینڈ گیس ریگولیٹری اتھارٹی) OIL & GAS REGULATORY AUTHORITY
"SAY NO TO CORRUPTION"

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

March 2, 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 March, 2018.

Dear Sir,

اسلام علیہ السلام

Reference emails of PSO dated February 26, 2018 and PLL dated February 23, 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 March, 2018 have been computed and attached as **Annexure- A** and **Annexure- B**.

Best Regards,

Abdul Basit Qureshi
(Abdul Basit Qureshi)
Registrar
(For & behalf of the Authority)

CC to:

Managing Director, SSGCL,
St-4-B, Block 14, Sir Shah Suleman Road,
Gulshan-e- Iqbal, **Karachi.**

Managing Director, SNGPL,
21-Kashmir Road, Gas House,
Lahore.



Computation of RLNG Provisional Price March 2018

Particulars	Unit	SNGPL (March-2018)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	4	6	4
Quantity Received		19,200,000	12,800,000	19,200,000	12,800,000
Retainage (PSO @0.75% & PLL 0.67%)		144,000	85,760	144,000	85,760
Quantity Delivered at Terminal		19,056,000	12,714,240	19,056,000	12,714,240
Transmission Loss: 0.19%		36,206	24,157	-	-
T & D Loss: 8.07%				1,537,819	1,026,039
Total Loss including Retainage		180,206	109,917	1,681,819	1,111,799
%age Losses		0.94%	0.86%	8.76%	8.69%
Quantity available for Sale		19,019,794	12,690,083	17,518,181	11,688,201
LNG Price (DES)		8.9537	8.5717	8.9537	8.5717
PSO/ PLL other imports related actual costs		0.2881	0.1409	0.2881	0.1409
PSO / PLL margin		0.2238	0.2143	0.2238	0.2143
Terminal Charges		0.4400	0.5791	0.4400	0.5791
RLNG Cost		9.9056	9.5060	9.9056	9.5060
Retainage volume adjustment		0.0749	0.0641	0.0749	0.0641
T & D volume adjustment		0.0190	0.0182	0.8761	0.8401
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.6543	0.6543	0.6543	0.6543
Total RLNG price without GST		10.6788	10.2676	11.5359	11.0895
Quantity available for Sale	MMBTU	19,019,794	12,690,083	17,518,181	11,688,201
Total cost of RLNG	US \$	203,107,963	130,296,290	202,087,422	129,615,929
sum of Total RLNG cost (PSO & PLL)	US \$	333,404,253		331,703,351	
sum of quantity available for sale (PSO & PLL)	MMBTU	31,709,877		29,206,382	
Weighted Average Sale Price without GST	US \$/MMBTU	10.5142		11.3572	

Notes:

i. Calculation of LNG DES Price	PSO	PLL
Brice_m3 December, 2017	64.0640	64.0640
Brice_m2 January, 2018	69.0714	69.0714
Brice_m1 February, 2018 (from 01/02/2018 to 26/02/2018)	65.6778	65.6778
Brent_m	66.2710	66.2710
CPm=13.37% (PSO) of Brent_m (PSO), 12.87705% for PLL	8.8604	8.5337
Port Charges (in the excess of limit borne by LNG supplier)	0.0933	0.0380
Total DES	8.9537	8.5717

- 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
- iv. Retainage has been taken on provisional basis subject to final outcome of the audit as required under the Service 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 March 2018

		SSGC (March-18)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	4	6	4
Quantity Received					
Retainage (PSO @0.75% & PLL 0.67%)		19,200,000	12,800,000	19,200,000	12,800,000
Quantity Delivered at Terminal		144,000	85,760	144,000	85,760
Transmission Loss: -0.74%		19,056,000	12,714,240	19,056,000	12,714,240
T & D Loss: 13.29%		(141,014)	(94,085)	-	-
Total Loss including Retainage		-	-	2,532,542	1,689,722
%age Losses		2,986	(8,325)	2,676,542	1,775,482
Quantity available for Sale		0.02%	-0.07%	13.94%	13.87%
LNG Price (DES)		19,197,014	12,808,325	16,523,458	11,024,518
PSO/ PLL other imports related actual costs		8.9537	8.5717	8.9537	8.5717
PSO / PLL margin		0.2881	0.1409	0.2881	0.1409
Terminal Charges		0.2238	0.2143	0.2238	0.2143
RLNG Cost		0.4400	0.5791	0.4400	0.5791
Retainage volume adjustment		9.9056	9.5060	9.9056	9.5060
T & D volume adjustment		0.0749	0.0641	0.0749	0.0641
LSA management fee		(0.0734)	(0.0703)	1.5297	1.4668
Cost of supply		0.0250	0.0250	0.0250	0.0250
Total RLNG price without GST		0.2313	0.2313	0.2313	0.2313
Quantity available for Sale		10.1634	9.7561	11.7665	11.2932
Total cost of RLNG	MMBTU	19,197,014	12,808,325	16,523,458	11,024,518
sum of Total RLNG cost (PSO & PLL)	US \$	195,107,156	124,959,450	194,423,453	124,502,207
sum of quantity available for sale (PSO& PLL)	US \$	320,066,605		318,925,660	
	MMBTU	32,005,340		27,547,975	
Weighted Average Sale Price without GST	US \$/MMBTU	10.0004		11.5771	

Notes:

i. Calculation of LNG DES Price

	PSO	PLL
Brice_m3 December, 2017	64.0640	64.0640
Brice_m2 January, 2018	69.0714	69.0714
Brice_m1 February, 2018 (from 01/02/2018 to 26/02/2018)	65.6778	65.6778
Brent_m	66.2710	66.2710
CPm=13.37% (PSO) of Brent_m (PSO), 12.87705% for PLL	8.8604	8.5337
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- ii. Average cost of supply has been taken on provisional basis as per FRR-2016-17.
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- 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.