



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

April 3, 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 April 2018.

Dear Sir,

Reference emails of PSO dated March 29, 2018 and PLL dated March 29, 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 April, 2018 has been computed attached as Annexure- A and Annexure- B.

Regards,

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 April 2018

Particulars	Unit	SNGPL (April-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	64,320	144,000	64,320
Quantity Delivered at Terminal		19,056,000	9,535,680	19,056,000	9,535,680
Transmission Loss: 0.19%		36,206	18,118	-	-
T & D Loss: 8.07%				1,537,819	769,529
Total Loss including Retainage		180,206	82,438	1,681,819	833,849
%age Losses		0.94%	0.86%	8.76%	8.69%
Quantity available for Sale		19,019,794	9,517,562	17,518,181	8,766,151
LNG Price (DES)		9.0642	7.8398	9.0642	7.8398
PSO/ PLL other imports related actual costs		0.2809	0.1242	0.2809	0.1242
PSO / PLL margin		0.2266	0.1960	0.2266	0.1960
Terminal Charges		0.4400	0.7753	0.4400	0.7753
RLNG Cost		10.0117	8.9353	10.0117	8.9353
Retainage volume adjustment		0.0757	0.0603	0.0757	0.0603
T & D volume adjustment		0.0192	0.0171	0.8855	0.7896
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.6987	0.6987	0.6987	0.6987
Total RLNG price without GST		10.8302	9.7364	11.6965	10.5089
Quantity available for Sale	MMBTU	19,019,794	9,517,562	17,518,181	8,766,151
Total cost of RLNG	US \$	205,988,863	92,666,357	204,902,041	92,122,199
sum of Total RLNG cost (PSO & PLL)	US \$	298,655,220		297,024,240	
sum of quantity available for sale (PSO& PLL)	MMBTU	28,537,356		26,284,331	
Weighted Average Sale Price without GST	US \$/MMBTU	10.4654		11.3004	

Notes:

Calculation of LNG DES Price	PSO	PLL
Brice_m3 January, 2018	69.0714	69.0714
Brice_m2 February, 2018	65.6780	65.6780
Brice_m1 March, 2018 (from 01/03/2018-to 28/03/2018)	66.5420	66.5420
Brent_m	67.0971	67.0971
CPm=13.37% (PSO) of Brent_m (PSO), 11.6247% for PLL	8.9709	7.7998
Port Charges (in the excess of limit borne by LNG supplier)	0.0933	0.0400
Total DES	9.0642	7.8398

Average cost of supply for has been taken on provisional basis as per DERR-2017-18.

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 Agreements.

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 April 2018

		SSGC (April-18)			
		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	64,320	144,000	64,320
Quantity Delivered at Terminal		19,056,000	9,535,680	19,056,000	9,535,680
Transmission Loss: -0.74%		(141,014)	(70,564)	-	-
T & D Loss: 13.29%		-	-	2,532,542	1,267,292
Total Loss including Retainage		2,986	(6,244)	2,676,542	1,331,612
%age Losses		0.02%	-0.07%	13.94%	13.87%
Quantity available for Sale		19,197,014	9,606,244	16,523,458	8,268,388
LNG Price (DES)		9.0642	7.8398	9.0642	7.8398
PSO/ PLL other imports related actual costs		0.2809	0.1242	0.2809	0.1242
PSO / PLL margin		0.2266	0.1960	0.2266	0.1960
Terminal Charges		0.4400	0.7753	0.4400	0.7753
RLNG Cost		10.0117	8.9353	10.0117	8.9353
Retainage volume adjustment		0.0757	0.0603	0.0757	0.0603
T & D volume adjustment		(0.0741)	(0.0661)	1.5461	1.3787
LSA management fee		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.2455	0.2455	0.2455	0.2455
Total RLNG price without GST		10.2838	9.2000	11.9040	10.6448
Quantity available for Sale	MMBTU	19,197,014	9,606,244	16,523,458	8,268,388
Total cost of RLNG	US \$	197,418,118	88,377,546	196,695,120	88,015,425
sum of Total RLNG cost (PSO & PLL)	US \$	285,795,664		284,710,545	
sum of quantity available for sale (PSO& PLL)	MMBTU	28,803,258		24,791,846	
Weighted Average Sale Price without GST	US \$/MMBTU	9.9223		11.4840	

Notes:

i. Calculation of LNG DES Price	PSO	PLL
Brice_m3 January, 2018	69.0714	69.0714
Brice_m2 February, 2018	65.6780	65.6780
Brice_m1 March, 2018 (from 01/03/2018 to 28/03/2018)	66.5420	66.5420
Brent_m	67.0971	67.0971
CPm=13.37% (PSO) of Brent_m (PSO), 11.6247% for PLL	8.9709	7.7998
Port Charges (in the excess of limit borne by LNG supplier)	0.0933	0.0400
Total DES	9.0642	7.8398

- ii. Average cost of supply has been taken on provisional basis as per DERR-2017-18.
- 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.