



No. OGRA-10-11(8)/2018

May 25, 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 Revised Re-gasified Liquefied Natural Gas (RLNG)  
Weighted Average Sale Price for the Month of May 2018.

Dear Sir,

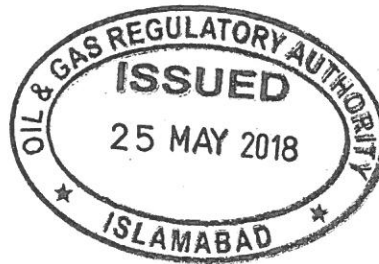
اسلام علیہ

Reference letter of Ministry of Energy (Petroleum Division) dated 22/05/2018  
on the above subject.

2. Ministry of Energy (Petroleum division) vide its letter 22/05/2018 has clarified  
that terminal charges (capacity and utilization charges) be determined as per actual.  
Moreover, ECC has also decided during its meeting dated 24-05-2018 that all charges under  
the OSA including but not limited to capacity charges and utilization charges are to be  
computed at actual.

3. In view of the above, the RLNG prices effective May 1, 2018, have been revised  
accordingly, and are attached as Annexure- A and Annexure- B.

Regards,



Yours truly,

*Abdul Basit Qureshi*  
(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.

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putation of Revised RLNG Provisional Price May 2018

		SSGC ( May-18)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	2	6	2
Quantity Received		19,200,000	6,400,000	19,200,000	6,400,000
Retainage (PSO @0.75% & PLL 0.67%)		144,000	42,880	144,000	42,880
Quantity Delivered at Terminal		19,056,000	6,357,120	19,056,000	6,357,120
Transmission Loss: -0.74%		(141,014)	(47,043)		
T & D Loss: 13.29%					
Total Loss including Retainage					
%age Losses		2.986	(4.163)	2.582,542	844,361
Quantity available for Sale		0.02%	0.07%	13.94%	88.74%
LNG Price (DES)		19,197,014	6,404,163	16,523,458	5,512,259
PSO/ PLL other imports related actual costs		9.2039	7.9481	9.2039	7.9481
PSO / PLL margin		0.2927	0.1336	0.2927	0.1336
Terminal Charges		0.2301	0.1987	0.2301	0.1987
RLNG Cost		0.4400	1.1671	0.4400	1.1671
Retainage volume adjustment		10.1667	9.4475	10.1667	9.4475
T & D volume adjustment		0.0768	0.0637	0.0768	0.0637
LSA management fee		(0.0752)	(0.0698)	1.5700	1.4578
Cost of supply		0.0250	0.0250	0.0250	0.0250
Total RLNG price without GST		0.2454	0.2454	0.2454	0.2454
Quantity available for Sale		10.4387	9.7118	12.0839	11.2394
Total cost of RLNG	MMBTU	19,197,014	6,404,163	16,523,458	5,512,259
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	200,391,990	62,195,785	199,667,909	61,954,342
sum of quantity available for sale (PSO& PLL)	US \$/MMBTU	262,587,775		261,622,250	
Weighted Average Sale Price without GST	US \$/MMBTU	25,601,177		22,035,716	
Notes:	US \$/MMBTU	10.2569		11.8726	

i. Calculation of LNG DES Price

	PSO	PLL
Brice_m3 February, 2018	65.6780	65.6780
Brice_m2 March, 2018	66.6752	66.6752
Brice_m1 April, 2018	71.7395	71.7395
Brent_m	68.0309	68.0309
CPm=13.37% (PSO) of Brent_m (PSO), 12.87705% for PLL	9.0957	7.9084
Port Charges (in the excess of limit borne by LNG supplier)	0.1082	0.0397
Total DES	9.2039	7.9481

- 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 incase of PLL has been taken at 0.67% and in respect of PSO, it has been determined at 0.75%. Retainage has been taken on provisional basis subject to final outcome of the audit.
- 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.

Calculation of Revised RLNG Provisional Price May 2018

Particulars	Unit	SNGPL (May-2018)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	2	6	2
Quantity Received		19,200,000	6,400,000	19,200,000	6,400,000
Retainage (PSO @0.75% & PLL 0.67%)		144,000	42,880	144,000	42,880
Quantity Delivered at Terminal		19,056,000	6,357,120	19,056,000	6,357,120
Transmission Loss: 0.19%		36,206	12,079	-	-
T & D Loss: 8.07%		-	-	-	-
Total Loss including Retainage		180,206	54,959	1,537,819	513,020
%age Losses		0.94%	0.86%	8.76%	8.69%
Quantity available for Sale		19,019,794	6,345,041	17,518,181	5,844,100
LNG Price (DES)		9.2039	7.9481	9.2039	7.9481
PSO/ PLL other imports related actual costs		0.2927	0.1336	0.2927	0.1336
PSO / PLL margin		0.2301	0.1987	0.2301	0.1987
Terminal Charges		0.4400	1.1671	0.4400	1.1671
RLNG Cost		10.1667	9.4475	10.1667	9.4475
Retainage volume adjustment		0.0768	0.0637	0.0768	0.0637
T & D volume adjustment		0.0195	0.0181	0.8992	0.8350
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.6983	0.6983	0.6983	0.6983
Total RLNG price without GST		10.9863	10.2526	11.8660	11.0695
Quantity available for Sale	MMBTU	19,019,794	6,345,041	17,518,181	5,844,100
Total cost of RLNG	US \$/MMBTU	208,957,158	65,052,968	207,871,282	64,691,081
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	274,010,126		272,562,363	
sum of quantity available for sale (PSO& PLL)	MMBTU	25,364,835		23,362,281	
Weighted Average Sale Price without GST	US \$/MMBTU	10.8028		11.6668	

Notes:

1. Calculation of LNG DES Price

	PSO	PLL
Brice_m3 February, 2018	65.6780	65.6780
Brice_m2 March, 2018	66.6752	66.6752
Brice_m1 April, 2018	71.7395	71.7395
Brent_m	68.0309	68.0309
Cpm=13.37% (PSO) of Brent_m (PSO), 11.6247% for PLL	9.0957	7.9084
Port Charges (in the excess of limit borne by LNG supplier)	0.1082	0.0397
Total DES	9.2039	7.9481

- Average cost of supply 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 incase of PLL has been taken at 0.67% and in respect of PSO, it has been determined at 0.75%. Retainage has been taken on provisional basis subject to final outcome of the audit.
- 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.