

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

June 06, 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 June 2018.

Dear Sir,

اسلام علیہ السلام

Reference emails of PSO dated June 04, 2018 and PLL dated June 04, 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 June, 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.

Annexure A

Computation of Revised RLNG Provisional Price for the month of June, 2018

		SSGC (June-18)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	6	6	6
Quantity Received		19,200,000	19,200,000	19,200,000	19,200,000
Retainage (PSO @0.75% & PLL 0.67%)		144,000	128,640	144,000	128,640
Quantity Delivered at Terminal		19,056,000	19,071,360	19,056,000	19,071,360
Transmission Loss: -0.74%		(141,014)	(141,128)	-	-
T & D Loss: 13.29%		-	-	2,532,542	2,534,584
Total Loss including Retainage		2,986	(12,488)	2,676,542	2,663,224
%age Losses		0.02%	-0.07%	13.94%	13.87%
Quantity available for Sale		19,197,014	19,212,488	16,523,458	16,536,776
LNG Price (DES)		9.6980	8.9557	9.6980	8.9557
PSO/ PLL other imports related actual costs		0.3049	0.1454	0.3049	0.1454
PSO / PLL margin		0.2424	0.2239	0.2424	0.2239
Terminal Charges		0.4400	0.3887	0.4400	0.3887
RLNG Cost		10.6853	9.7138	10.6853	9.7138
Retainage volume adjustment		0.0807	0.0655	0.0807	0.0655
T & D volume adjustment		(0.0790)	(0.0718)	1.6502	1.4989
LSA management fee		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.2454	0.2454	0.2454	0.2454
Total RLNG price without GST		10.9574	9.9779	12.6866	11.5486
Quantity available for Sale	MMBTU	19,197,014	19,212,488	16,523,458	16,536,776
Total cost of RLNG	US \$/MMBTU	210,349,366	191,699,522	209,625,841	190,975,957
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	402,048,887		400,601,798	
sum of quantity available for sale (PSO& PLL)	MMBTU	38,409,502		33,060,234	
Weighted Average Sale Price without GST	US \$/MMBTU	10.4674		12.1173	

Notes:

i. Calculation of LNG DES Price				
	PSO	PLL		
Cargoes	6	1	1	4
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	12,800,000
Brice_m3 March, 2018	66.6752	66.6752	66.6752	66.6752
Brice_m2 April, 2018	71.7395	71.7395	71.7395	71.7395
Brice_m1 May, 2018	77.0052	77.0052	77.0052	77.0052
Brent_m	71.8066	71.8066	71.8066	71.8066
Slope	13.37%	14.6934%	13.2701%	11.6247%
CP = Slope x Brent_m	9.6006	10.5508	9.5288	8.3473
Average DES of PLL		8.91147		
Port Charges (in the excess of limit borne by LNG supplier)	0.0974	0.04428		
Total DES	9.6980	8.9557		

- ii. Average cost of supply for 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 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.
- 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.

Annexure "B"

Computation of Revised RLNG Provisional Price for the month of June, 2018

Particulars	Unit	SNGPL (June-2018)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	6	6	6
Quantity Received		19,200,000	19,200,000	19,200,000	19,200,000
Retainage (PSO @0.75% & PLL 0.67%)		144,000	128,640	144,000	128,640
Quantity Delivered at Terminal		19,056,000	19,071,360	19,056,000	19,071,360
Transmission Loss: 0.19%		36,206	36,236	-	-
T & D Loss: 8.07%				1,537,819	1,539,059
Total Loss including Retainage		180,206	164,876	1,681,819	1,667,699
%age Losses		0.94%	0.86%	8.76%	8.69%
Quantity available for Sale		19,019,794	19,035,124	17,518,181	17,532,301
LNG Price (DES)		9.6980	8.9557	9.6980	8.9557
PSO/ PLL other imports related actual costs		0.3049	0.1454	0.3049	0.1454
PSO / PLL margin		0.2424	0.2239	0.2424	0.2239
Terminal Charges		0.4400	0.3887	0.4400	0.3887
RLNG Cost		10.6853	9.7138	10.6853	9.7138
Retainage volume adjustment		0.0807	0.0655	0.0807	0.0655
T & D volume adjustment		0.0205	0.0186	0.0205	0.0186
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.6982	0.6982	0.6982	0.6982
Total RLNG price without GST		11.5097	10.5211	12.4343	11.3610
Quantity available for Sale	MMBTU	19,019,794	19,035,124	17,518,181	17,532,301
Total cost of RLNG	US \$/MMBTU	218,912,118	200,270,956	217,825,541	199,184,943
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	419,183,075		417,010,484	
sum of quantity available for sale (PSO & PLL)	MMBTU	38,054,918		35,050,482	
Weighted Average Sale Price without GST	US \$/MMBTU	11.0152		11.8974	

Notes:

i. Calculation of LNG DES Price	PSO	PLL		
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Brice_m3 March, 2018	66.6752	66.6752	66.6752	66.6752
Brice_m2 April, 2018	71.7395	71.7395	71.7395	71.7395
Brice_m1 May, 2018	77.0052	77.0052	77.0052	77.0052
Brent_m	71.8066	71.8066	71.8066	71.8066
Slope	13.37%	14.6934%	13.2701%	11.6247%
CP = Slope x Brent_m	9.6006	10.5508	9.5288	8.3473
Average DES of PLL		8.91147		
Port Charges (in the excess of limit borne by LNG supplier)	0.0974	0.04428		
Total DES	9.6980	8.9557		

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