




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

December 14, 2018

Managing Director
Pakistan State Oil Limited,
PSO House, Khayaban-e-Iqbal,
Clifton, Karachi.

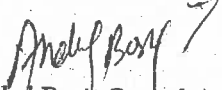
Managing Director
Pakistan LNG Limited,
Petroleum House, G-5,
Islamabad.

Subject: Determination of Re-gasified Liquefied Natural Gas (RLNG) Weighted Average Sale Provisional Price for the Month of December 2018.

Dear Sir, 
Reference emails of PLL and PSO dated December 10, 2018 & December 11, 2018 on the above subject.

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

Best Regards,


(Abdul Basit Qureshi)
Registrar
For and behalf of Authority

- 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 for the month of December, 2018

Particulars	Unit	SNGPL (December-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%				1,537,819	513,020
Total Loss including Retainage		180,206	54,959	1,681,819	555,900
%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)		10.1594	8.7877	10.1594	8.7877
PSO/ PLL other imports related actual costs		0.1470	0.1360	0.1470	0.1360
PSO / PLL margin		0.2540	0.2197	0.2540	0.2197
Terminal Charges		0.4507	1.0326	0.4507	1.0326
RLNG Cost		11.0111	10.1760	11.0111	10.1760
Retainage volume adjustment		0.0832	0.0686	0.0832	0.0686
T & D volume adjustment		0.0211	0.0195	0.9739	0.8994
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.4367	0.4367	0.4367	0.4367
Total RLNG price without GST		11.5771	10.7258	12.5299	11.6057
Quantity available for Sale	MMBTU	19,019,794	6,345,041	17,518,181	5,844,100
Total cost of RLNG	US \$/MMBTU	220,194,052	68,055,646	219,501,054	67,824,876
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	288,249,698		287,325,930	
sum of quantity available for sale (PSO& PLL)	MMBTU	25,364,835		23,362,281	
Weighted Average Sale Price without GST	US \$/MMBTU	11.3641		12.2987	

Notes:

i. Calculation of LNG DES Price	PSO	PLL
Cargoes	6	2
Quantity (No. MMBTU)	19,200,000	6,400,000
Brice_m3 September, 2018	79.1100	79.1100
Brice_m2 October, 2018	80.6109	80.6109
Brice_m1 November, 2018	65.9832	65.9832
Brent_m	75.2347	75.2347
Slope	13.37%	11.6247%
CP = Slope x Brent_m	10.0589	8.7458
Port Charges (in the excess of limit borne by LNG supplier)	0.1005	0.0419
Total DES	10.1594	8.7877

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2018-19.
- 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.

Computation of RLNG Provisional Price for the month of December, 2018

		SSGC (December-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%		-	-	2,532,542	844,861
Total Loss including Retainage		2,986	(4,163)	2,676,542	887,741
%age Losses		0.02%	-0.07%	13.94%	13.87%
Quantity available for Sale		19,197,014	6,404,163	16,523,458	5,512,259
LNG Price (DES)		10.1594	8.7877	10.1594	8.7877
PSO/ PLL other imports related actual costs		0.1470	0.1360	0.1470	0.1360
PSO / PLL margin		0.2540	0.2197	0.2540	0.2197
Terminal Charges		0.4507	1.0326	0.4507	1.0326
RLNG Cost		11.0111	10.1760	11.0111	10.1760
Retainage volume adjustment		0.0832	0.0686	0.0832	0.0686
T & D volume adjustment		(0.0815)	(0.0752)	1.7004	1.5702
LSA management fee		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.1379	0.1379	0.1379	0.1379
Total RLNG price without GST		11.1757	10.3323	12.9576	11.9777
Quantity available for Sale	MMBTU	19,197,014	6,404,163	16,523,458	5,512,259
Total cost of RLNG	US \$/MMBTU	214,540,074	66,169,730	214,104,354	66,024,182
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	280,709,804		280,128,536	
sum of quantity available for sale (PSO & PLL)	MMBTU	25,601,177		22,035,716	
Weighted Average Sale Price without GST	US \$/MMBTU	10.9647		12.7125	

Notes:

i. Calculation of LNG DES Price	PSO	PLL
Cargoes	6	2
Quantity (No. MMBTU)	19,200,000	6,400,000
Brice_m3 September, 2018	79.1100	79.1100
Brice_m2 October, 2018	80.6109	80.6109
Brice_m1 November, 2018	65.9832	65.9832
Brent_m	75.2347	75.2347
Slope	13.37%	11.6247%
CP = Slope x Brent_m	10.0589	8.7458
Port Charges (in the excess of limit borne by LNG supplier)	0.1005	0.0419
Total DES	10.1594	8.7877

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2018-19.
- 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.