



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

September 12, 2018

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

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

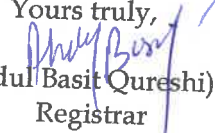
Subject: Determination of Re-gasified Liquefied Natural Gas (RLNG) Weighted Average Sale Provisional Price for the Month of September 2018.

Dear Sir,

Reference emails of PSO dated September 05, 2018 and PLL dated September 07, 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 September, 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 for the month of September, 2018

Particulars	Unit	SNGPL (September-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)		10.1151	8.6784	10.1151	8.6784
PSO/ PLL other imports related actual costs		0.2885	0.1366	0.2885	0.1366
PSO / PLL margin		0.2529	0.2170	0.2529	0.2170
Terminal Charges		0.4400	0.7672	0.4400	0.7672
RLNG Cost		11.0965	9.7992	11.0965	9.7992
Retainage volume adjustment		0.0839	0.0661	0.0839	0.0661
T & D volume adjustment		0.0212	0.0188	0.9814	0.8660
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.4930	0.4930	0.4930	0.4930
Total RLNG price without GST		11.7196	10.4021	12.6798	11.2493
Quantity available for Sale	MMBTU	19,019,794	9,517,562	17,518,181	8,766,151
Total cost of RLNG	US \$/MMBTU	222,904,373	99,002,634	222,127,029	98,613,058
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	321,907,007		320,740,087	
sum of quantity available for sale (PSO & PLL)	MMBTU	28,537,356		26,284,331	
Weighted Average Sale Price without GST	US \$/MMBTU	11.2802		12.2027	

Notes:

i. **Calculation of LNG DES Price**

Cargoes	PSO	PLL	
		1	2
Quantity (No. MMBTU)	6	1	2
Quantity (No. MMBTU)	19,200,000	3,200,000	6,400,000
Brice_m3 June, 2018	75.9314	75.9314	75.9314
Brice_m2 July, 2018	74.9500	74.9500	74.9500
Brice_m1 August, 2018	73.8513	73.8513	73.8513
Brent_m	74.9109	74.9109	74.9109
Slope	13.37%	11.3014%	11.6247%
CP = Slope x Brent_m	10.0156	8.4660	8.7082
Average DES of PLL		8.6275	
Port Charges (in the excess of limit borne by LNG supplier)	0.0995	0.05090	
Total DES	10.1151	8.6784	

- 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 September, 2018

		SSGC (September-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)		10.1151	8.6784	10.1151	8.6784
PSO/ PLL other imports related actual costs		0.2885	0.1366	0.2885	0.1366
PSO / PLL margin		0.2529	0.2170	0.2529	0.2170
Terminal Charges		0.4400	0.7672	0.4400	0.7672
RLNG Cost		11.0965	9.7992	11.0965	9.7992
Retainage volume adjustment		0.0839	0.0661	0.0839	0.0661
T & D volume adjustment		(0.0822)	(0.0725)	1.7136	1.5120
LSA management fee		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.1557	0.1557	0.1557	0.1557
Total RLNG price without GST		11.2789	9.9735	13.0747	11.5580
Quantity available for Sale		19,197,014	9,606,244	16,523,458	8,268,388
Total cost of RLNG		216,521,206	95,807,875	216,039,251	95,566,030
sum of Total RLNG cost (PSO & PLL)		312,329,081		311,605,281	
sum of quantity available for sale (PSO& PLL)		28,803,258		24,791,846	
Weighted Average Sale Price without GST		10.8435		12.5689	

Notes:

i. **Calculation of LNG DES Price**

	PSO	PLL	
	6	1	2
Cargoes	6	1	2
Quantity (No. MMBTU)	19,200,000	3,200,000	6,400,000
Brice_m3 June, 2018	75.9314	75.9314	75.9314
Brice_m2 July, 2018	74.9500	74.9500	74.9500
Brice_m1 August, 2018	73.8513	73.8513	73.8513
Brent_m	74.9109	74.9109	74.9109
Slope	13.37%	11.3014%	11.6247%
CP = Slope x Brent_m	10.0156	8.4660	8.7082
Average DES of PLL		8.62750	
Port Charges (in the excess of limit borne by LNG supplier)	0.0995	0.05090	
Total DES	10.1151	8.67840	

- 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.