

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

October 9, 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 October 2018.

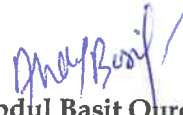
Dear Sir,



Reference emails of PSO and PLL dated October 02, 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 October, 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.

Particulars	Unit	SNGPL (October-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)		10.2537	8.8824	10.2537	8.8824
PSO/ PLL other imports related actual costs		0.2011	0.1383	0.2011	0.1383
PSO / PLL margin		0.2563	0.2221	0.2563	0.2221
Terminal Charges		0.4400	1.1842	0.4400	1.1842
RLNG Cost		11.1511	10.4270	11.1511	10.4270
Retainage volume adjustment		0.0843	0.0703	0.0843	0.0703
T & D volume adjustment		0.0214	0.0200	0.9863	0.9215
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		11.7748	11.0353	12.7397	11.9368
Quantity available for Sale	MMBTU	19,019,794	6,345,041	17,518,181	5,844,100
Total cost of RLNG	US \$/MMBTU	223,954,266	70,019,436	223,176,368	69,759,858
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	293,973,702		292,936,226	
sum of quantity available for sale (PSO & PLL)	MMBTU	25,364,835		23,362,281	
Weighted Average Sale Price without GST	US \$/MMBTU	11.5898		12.5389	

Notes:

i. Calculation of LNG DES Price	PSO	PLL
Cargoes	6	2
Quantity (No. MMBTU)	19,200,000	6,400,000
Brice_m3 July, 2018	74.9500	74.9500
Brice_m2 August, 2018	73.8513	73.8513
Brice_m1 September, 2018	79.1100	79.1100
Brent_m	75.9704	75.9704
Slope	13.37%	11.6247%
CP = Slope x Brent_m	10.1572	8.8313
Port Charges (in the excess of limit borne by LNG supplier)	0.0965	0.05110
Total DES	10.2537	8.8824

- 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 October, 2018

		SSGC (October-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)		10.2537	8.8824	10.2537	8.8824
PSO/ PLL other imports related actual costs		0.2011	0.1383	0.2011	0.1383
PSO / PLL margin		0.2563	0.2221	0.2563	0.2221
Terminal Charges		0.4400	1.1842	0.4400	1.1842
RLNG Cost		11.1511	10.4270	11.1511	10.4270
Retainage volume adjustment		0.0843	0.0703	0.0843	0.0703
T & D volume adjustment		(0.0826)	(0.0771)	1.7220	1.6090
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		11.3335	10.6009	13.1381	12.2870
Quantity available for Sale	MMBTU	19,197,014	6,404,163	16,523,458	5,512,259
Total cost of RLNG	US \$/MMBTU	217,569,363	67,889,888	217,086,838	67,729,123
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	285,459,251		284,815,962	
sum of quantity available for sale (PSO& PLL)	MMBTU	25,601,177		22,035,716	
Weighted Average Sale Price without GST	US \$/MMBTU	11.1502		12.9252	

Notes:

	PSO	PLL
i. Calculation of LNG DES Price		
Cargoes	6	2
Quantity (No. MMBTU)	19,200,000	6,400,000
Brice_m3 July, 2018	74.9500	74.9500
Brice_m2 August, 2018	73.8513	73.8513
Brice_m1 September, 2018	79.1100	79.1100
Brent_m	75.9704	75.9704
Slope	13.37%	11.6247%
CP = Slope x Brent_m	10.1572	8.8313
Port Charges (in the excess of limit borne by LNG supplier)	0.0965	0.0511
Total DES	10.2537	8.8824

- 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.