



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

March 04, 2019

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 March 2019.

Dear Sir,

Reference emails of PLL and PSO dated February 26, 2019 & February 28, 2019 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 March, 2019 has been computed attached as Annexure- A and Annexure- B.

Best Regards,

(Dr. 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 March, 2019

Particulars	Unit	SNGPL (March-2019)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	4	6	4
Quantity Received		19,200,000	12,800,000	19,200,000	12,800,000
Retainage (PSO @0.75% & PLL 0.67%)		144,000	85,760	144,000	85,760
Quantity Delivered at Terminal		19,056,000	12,714,240	19,056,000	12,714,240
Transmission Loss: 0.38%		72,413	48,314	-	-
T & D Loss: 10.79%				2,056,142	1,371,866
Total Loss including Retainage		216,413	134,074	2,200,142	1,457,626
%age Losses		1.13%	1.05%	11.46%	11.39%
Quantity available for Sale		18,983,587	12,665,926	16,999,858	11,342,374
LNG Price (DES)		8.2311	7.4255	8.2311	7.4255
PSO/ PLL other imports related actual costs		0.1247	0.1177	0.1247	0.1177
PSO / PLL margin		0.2058	0.1856	0.2058	0.1856
Terminal Charges		0.4012	0.5435	0.4012	0.5435
RLNG Cost		8.9628	8.2723	8.9628	8.2723
Retainage volume adjustment		0.0677	0.0558	0.0677	0.0558
T & D volume adjustment		0.0345	0.0318	1.0923	1.0073
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.4715	0.4715	0.4715	0.4715
Total RLNG price without GST		9.5615	8.8564	10.6193	9.8319
Quantity available for Sale	MMBTU	18,983,587	12,665,926	16,999,858	11,342,374
Total cost of RLNG	US \$/MMBTU	181,511,569	112,174,506	180,526,588	111,517,082
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	293,686,075		292,043,670	
sum of quantity available for sale (PSO & PLL)	MMBTU	31,649,513		28,342,231	
Weighted Average Sale Price without GST	US \$/MMBTU	9.2793		10.3042	

Notes:

i. Calculation of LNG DES Price

	PSO	PLL	PLL	PLL
Cargoes	6	1	2	1
Quantity (No. MMBTU)	19,200,000	3,200,000	6,400,000	3,200,000
Brice_m3 December, 2018	57.7250	57.7250	57.7250	57.7250
Brice_m2 January, 2019	60.1932	60.1932	60.1932	60.1932
Brice_m3 February, 2019	64.3474	64.3474	64.3474	64.3474
Brent_m	60.7552	60.7552	60.7552	60.7552
Slope	13.37%	12.8211%	11.6247%	12.5933%
CP = Slope x Brent_m	8.1230	7.7895	7.0626	7.6511
Average DES			7.3915	
Port Charges (in the excess of limit borne by LNG supplier)	0.1081		0.0340	
DES Price	8.2311		7.4255	

- ii. Average cost of supply for has been taken on provisional basis as per RERR-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 March, 2019

		SSGC (March-19)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	4	6	4
Quantity Received		19,200,000	12,800,000	19,200,000	12,800,000
Retainage (PSO @0.75% & PLL 0.67%)		144,000	85,760	144,000	85,760
Quantity Delivered at Terminal		19,056,000	12,714,240	19,056,000	12,714,240
Transmission Loss: -0.74%		(141,014)	(94,085)	-	-
T & D Loss: 13.29%		-	-	2,532,542	1,689,722
Total Loss including Retainage		2,986	(8,325)	2,676,542	1,775,482
%age Losses		0.02%	-0.07%	13.94%	13.87%
Quantity available for Sale		19,197,014	12,808,325	16,523,458	11,024,518
LNG Price (DES)		8.2311	7.4255	8.2311	7.4255
PSO/ PLL other imports related actual costs		0.1247	0.1177	0.1247	0.1177
PSO / PLL margin		0.2058	0.1856	0.2058	0.1856
Terminal Charges		0.4012	0.5435	0.4012	0.5435
RLNG Cost		8.9628	8.2723	8.9628	8.2723
Retainage volume adjustment		0.0677	0.0558	0.0677	0.0558
T & D volume adjustment		(0.0663)	(0.0612)	1.3841	1.2764
LSA management fee		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.1389	0.1389	0.1389	0.1389
Total RLNG price without GST		9.1281	8.4308	10.5785	9.7684
Quantity available for Sale	MMBTU	19,197,014	12,808,325	16,523,458	11,024,518
Total cost of RLNG	US \$/MMBTU	175,232,267	107,984,430	174,793,396	107,691,897
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	283,216,697		282,485,293	
sum of quantity available for sale (PSO& PLL)	MMBTU	32,005,340		27,547,975	
Weighted Average Sale Price without GST	US \$/MMBTU	8.8490		10.2543	

Notes:

i. Calculation of LNG DES Price	PSO	PLL	PLL	PLL
Cargoes	6	1	2	1
Quantity (No. MMBTU)	19,200,000	3,200,000	6,400,000	3,200,000
Brice_m3 December, 2018	57.7250	57.7250	57.7250	57.7250
Brice_m2 January, 2019	60.1932	60.1932	60.1932	60.1932
Brice_m3 February, 2019	64.3474	64.3474	64.3474	64.3474
Brent_m	60.7552	60.7552	60.7552	60.7552
Slope	13.37%	12.8211%	11.6247%	12.5933%
CP = Slope x Brent_m	8.1230	7.7895	7.0626	7.6511
Average DES			7.3915	
Port Charges (in the excess of limit borne by LNG supplier)	0.1081		0.034	
DES Price	8.2311		7.4255	

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