

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

June 12, 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 June 2019.

Dear Sir,

Reference emails of PLL and PSO dated June 03, 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 June, 2019 has been computed attached as Annexure- A and Annexure- B.

Best Regards,



(Dr. Abdul Basit Qureshi)  
Registrar  
For and behalf of Authority

etc

- 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 June, 2019

Annex-A-SNGPL

Particulars	Unit	SNGPL (June-2019)			
		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: 0.38%		72,413	72,471	-	-
T & D Loss: 10.9%				2,082,821	2,084,500
Total Loss including Retainage		216,413	201,111	2,226,821	2,213,140
%age Losses		1.13%	1.05%	11.60%	11.53%
Quantity available for Sale		18,983,587	18,998,889	16,973,179	16,986,860
LNG Price (DES)		9.4061	7.7372	9.4061	7.7372
PSO/ PLL other imports related actual costs		0.1368	0.1219	0.1368	0.1219
PSO / PLL margin		0.2352	0.1934	0.2352	0.1934
Terminal Charges		0.4012	0.3922	0.4012	0.3922
<b>RLNG Cost</b>		<b>10.1793</b>	<b>8.4447</b>	<b>10.1793</b>	<b>8.4447</b>
Retainage volume adjustment		0.0769	0.0570	0.0769	0.0570
T & D volume adjustment		0.0391	0.0324	1.2586	1.0432
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.4619	0.4619	0.4619	0.4619
<b>Total RLNG price without GST</b>		<b>10.7822</b>	<b>9.0210</b>	<b>12.0017</b>	<b>10.0318</b>
Quantity available for Sale	MMBTU	18,983,587	18,998,889	16,973,179	16,986,860
Total cost of RLNG	US \$/MMBTU	204,684,834	171,388,976	203,706,856	170,408,786
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	376,073,810		374,115,642	
sum of quantity available for sale (PSO& PLL)	MMBTU	37,982,476		33,960,040	
<b>Weighted Average Sale Price without GST</b>	US \$/MMBTU	<b>9.9012</b>		<b>11.0163</b>	

Notes:

i. Calculation of LNG DES Price

Cargoes	PSO	PLL	PLL	PLL
Quantity (No. MMBTU)	6	4	1	1
Brice_m3 Febuary, 2019	19,200,000	12,800,000	3,200,000	3,200,000
Brice_m3 March, 2019	66.9890	66.9890	66.9890	66.9890
Brice_m1 April, 2019	71.5933	71.5933	71.5933	71.5933
Brent_m	70.1943	70.1943	70.1943	70.1943
Slope	69.5922	69.5922	69.5922	69.5922
CP = Slope x Brent_m	13.37%	11.6247%	9.9387%	9.9201%
<b>Average DES</b>	<b>9.3045</b>	<b>8.0899</b>	<b>6.9166</b>	<b>6.9036</b>
Port Charges (in the excess of limit borne by LNG supplier)			7.6966	
<b>DES Price</b>	<b>0.1016</b>		<b>0.0406</b>	
	<b>9.4061</b>		<b>7.7372</b>	

- ii. Average cost of supply for has been taken on provisional basis as per RERR-2019-20.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy
- iv. Retainage in case 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 June, 2019

Annex-B-SSGCL

		SSGC (June-19)			
		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)		9.4061	7.7372	9.4061	7.7372
PSO/ PLL other imports related actual costs		0.1368	0.1219	0.1368	0.1219
PSO / PLL margin		0.2352	0.1934	0.2352	0.1934
Terminal Charges		0.4012	0.3922	0.4012	0.3922
<b>RLNG Cost</b>		<b>10.1793</b>	<b>8.4447</b>	<b>10.1793</b>	<b>8.4447</b>
Retainage volume adjustment		0.0769	0.0570	0.0769	0.0570
T & D volume adjustment		(0.0753)	(0.0625)	1.5720	1.3030
LSA management fee		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.1152	0.1152	0.1152	0.1152
<b>Total RLNG price without GST</b>		<b>10.3211</b>	<b>8.5794</b>	<b>11.9684</b>	<b>9.9449</b>
Quantity available for Sale	MMBTU	19,197,014	19,212,488	16,523,458	16,536,776
Total cost of RLNG	US \$/MMBTU	198,134,305	164,831,620	197,759,350	164,456,586
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	362,965,925		362,215,936	
sum of quantity available for sale (PSO& PLL)	MMBTU	38,409,502		33,060,234	
<b>Weighted Average Sale Price without GST</b>	US \$/MMBTU	<b>9.4499</b>		<b>10.9562</b>	

Notes:

i. **Calculation of LNG DES Price**

	PSO	PLL	PLL	PLL
Cargoes	6	4	1	1
Quantity (No. MMBTU)	19,200,000	12,800,000	3,200,000	3,200,000
Brice_m3 February, 2019	66.9890	66.9890	66.9890	66.9890
Brice_m3 March, 2019	71.5933	71.5933	71.5933	71.5933
Brice_m1 April, 2019	70.1943	70.1943	70.1943	70.1943
Brent_m	69.5922	69.5922	69.5922	69.5922
Slope	13.37%	11.6247%	9.9387%	9.9201%
CP = Slope x Brent_m	9.3045	8.0899	6.9166	6.9036
<b>Average DES</b>			<b>7.6966</b>	
Port Charges (in the excess of limit borne by LNG supplier)	0.1016		0.0406	
<b>DES Price</b>	<b>9.4061</b>		<b>7.7372</b>	

- ii. Average cost of supply for has been taken on provisional basis as per RERR-2019-20.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy
- iv. Retainage in case 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.