

No. OGRA-10-11(8)/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 July 2019.

Dear Sir, السلام علیکم

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

Best Regards,


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

6/c

- 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.
3. Finance Department OGRA.



COMPUTATION OF WEIGHTED AVERAGE RLNG PRICE FOR SNGPL: JULY 2019

Annex: A

Particulars	Unit	SNGPL (JULY-2019)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	5	6	5
Quantity Received		19,200,000	16,000,000	19,200,000	16,000,000
Retainage (PSO @0.731% & PLL 0.699%)		140,352	111,840	140,352	111,840
Quantity Delivered at Terminal		19,059,648	15,888,160	19,059,648	15,888,160
Transmission Loss: (SNGPL 0.19%) & (SSGCL -0.74%)		72,427	60,375		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)				2,077,502	1,731,809
Total Loss including Retainage		212,779	172,215	2,217,854	1,843,649
%age Losses		1.11%	1.08%	11.55%	11.52%
Quantity available for Sale		18,987,221	15,827,785	16,982,146	14,156,351
LNG Price (DES)		9.2202	7.3636	9.2202	7.3636
PSO/ PLL other imports related actual costs		0.6738	0.5569	0.6738	0.5569
PSO / PLL margin (@ 2.50%)		0.2305	0.1841	0.2305	0.1841
Terminal Charges		0.4125	0.4841	0.4125	0.4841
RLNG Cost		10.5369	8.5887	10.5369	8.5887
Retainage volume adjustment		0.0776	0.0605	0.0776	0.0605
T & D volume adjustment		0.0405	0.0330	1.2985	1.0581
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2831	0.2831	0.2831	0.2831
Cost of supply -SSGCL		0.1364	0.1364	0.1364	0.1364
Total RLNG price without GST		11.0995	9.1267	12.3575	10.1518
Quantity available for Sale	MMBTU	18,987,221	15,827,785	16,982,146	14,156,351
Total cost of RLNG	US \$	210,749,197	144,456,064	209,857,351	143,712,993
sum of Total RLNG cost (PSO & PLL)	US \$	355,205,261		353,570,344	
sum of quantity available for sale (PSO& PLL)	MMBTU	34,815,006		31,138,497	
Weighted Average Sale Price without GST	US \$/MMBTU	10.2026		11.3548	

Notes:

i. Calculation of LNG DES Price	PSO	PLL	PLL
No. of Cargoes	6	4	1
Quantity (No. MMBTU)	19,200,000	12,800,000	3,200,000
Brice_m3 April, 2019	71.5933	71.5933	71.5933
Brice_m3 May, 2019	70.1943	70.1943	70.1943
Brice_m1 June, 2019	62.9475	62.9475	62.9475
Brent_m	68.2451	68.2451	68.2451
Slope	13.37%	11.6247%	7.1263%
CP = Slope x Brent_m	9.1244	7.9333	4.8634
Average DES	9.1244	7.3193	
Port Charges (in the excess of limit borne by LNG supplier)	0.0958	0.0443	
DES Price	9.2202	7.3636	

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2019-20.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy
- iv. The figure of Retainage & UFG have been taken on provisional basis. The same shall be finalized upon the actual results, as per ECC policy guidelines. The provisional UFG in case of SNGPL is based on the FRR FY 2017-18.
- 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 WEIGHTED AVERAGE RLNG PRICE FOR SSGC: JULY 2019 Annex: B

Particulars	Unit	SSGC (JULY-2019)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	5	6	6
Quantity Received		19,200,000	16,000,000	19,200,000	16,000,000
Retainage (PSO @0.731% & PLL 0.699%)		140,352	111,840	140,352	111,840
Quantity Delivered at Terminal		19,059,648	15,888,160	19,059,648	15,888,160
Transmission Loss: (SNGPL 0.19%) & (SSGCL -0.74%)		(141,041)	(117,572)		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)			-	2,533,027	2,111,536
Total Loss including Retainage		(689)	(5,732)	2,673,379	2,223,376
%age Losses		0.00%	-0.04%	13.92%	13.90%
Quantity available for Sale		19,200,689	16,005,732	16,526,621	13,776,624
LNG Price (DES)		9.2202	7.3636	9.2202	7.3636
PSO/ PLL other imports related actual costs		0.6738	0.5569	0.6738	0.5569
PSO / PLL margin (@ 2.50%)		0.2305	0.1841	0.2305	0.1841
Terminal Charges		0.4125	0.4841	0.4125	0.4841
RLNG Cost		10.5369	8.5887	10.5369	8.5887
Retainage volume adjustment		0.0776	0.0605	0.0776	0.0605
T & D volume adjustment		(0.0780)	(0.0636)	1.6269	1.3256
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1364	0.1364	0.1364	0.1364
Total RLNG price without GST		10.6979	8.7470	12.4028	10.1362
Quantity available for Sale	MMBTU	19,200,689	16,005,732	16,526,621	13,776,624
Total cost of RLNG	US \$	205,407,055	140,002,767	204,976,372	139,643,150
sum of Total RLNG cost (PSO & PLL)	US \$	345,409,822		344,619,522	
sum of quantity available for sale (PSO& PLL)	MMBTU	35,206,422		30,303,244	
Weighted Average Sale Price without GST	US \$/ MMBTU	9.8110		11.3724	

Notes:

i. Calculation of LNG DES Price			
	PSO	PLL	PLL
No. of Cargoes	6	4	1
Quantity (No. MMBTU)	19,200,000	12,800,000	3,200,000
Brice_m3 April, 2019	71.5933	71.5933	71.5933
Brice_m3 May, 2019	70.1943	70.1943	70.1943
Brice_m1 June, 2019	62.9475	62.9475	62.9475
Brent_m	68.2451	68.2451	68.2451
Slope	13.37%	11.6247%	7.1263%
CP = Slope x Brent_m	9.1244	7.9333	4.8634
Average DES	9.1244	7.3193	
Port Charges (in the excess of limit borne by LNG supplier)	0.0958	0.0443	
DES Price	9.2202	7.3636	

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2019-20.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy
- iv. The figure of Retainage & UFG have been taken on provisional basis. The same shall be finalized upon the actual results, as per ECC policy guidelines. The provisional UFG in case of SSGCL is based on the FRR FY 2016-17.
- 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.