

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

December 06, 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 December 2019.

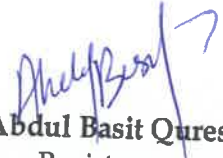
Dear Sir,



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 December, 2019 has been computed as attached at 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 WEIGHTED AVERAGE RLNG PRICE FOR SNGPL: DECEMBER 2019 **Annex: A**

Particulars	Unit	SNGPL (December-2019)			
		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 @ 0.589 and PLL @ 0.805		113,088	77,261	113,088	77,261
Quantity Delivered at Terminal		19,086,912	9,522,739	19,086,912	9,522,739
Transmission Loss: (SNGPL 0.38%) & (SSGCL -0.74%)		72,530	36,186		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)				2,080,473	1,037,979
Total Loss including Retainage		185,618	113,447	2,193,561	1,115,239
%age Losses		0.97%	1.18%	11.42%	11.62%
Quantity available for Sale		19,014,382	9,486,553	17,006,439	8,484,761
LNG Price (DES)		8.3246	6.8868	8.3246	6.8868
PSO/ PLL other imports related actual costs		0.6210	0.5736	0.6210	0.5736
PSO / PLL margin (@ 2.50%)		0.2081	0.1722	0.2081	0.1722
Terminal Charges		0.4125	0.7692	0.4125	0.7692
RLNG Cost		9.5662	8.4017	9.5662	8.4017
Retainage volume adjustment		0.0567	0.0682	0.0567	0.0682
T & D volume adjustment		0.0367	0.0323	1.1772	1.0361
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2973	0.2973	0.2973	0.2973
Cost of supply -SSGCL		0.1432	0.1432	0.1432	0.1432
Total RLNG price without GST		10.1251	8.9677	11.2656	9.9715
Quantity available for Sale	MMBTU	19,014,382	9,486,553	17,006,439	8,484,761
Total cost of RLNG	US \$	192,522,168	85,072,977	191,587,423	84,606,164
sum of Total RLNG cost (PSO & PLL)	US \$	277,595,145		276,193,587	
sum of quantity available for sale (PSO& PLL)	MMBTU	28,500,935		25,491,199	
Weighted Average Sale Price without GST	US \$/MMBTU	9.7399		10.8349	

Notes:

i. Calculation of LNG DES Price	PSO		PLL	
	6	1	1	1
No. of Cargoes	6	1	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	3,200,000
Bricem-September-19	62.2143	62.2143	62.2143	62.2143
Bricem-October-19	59.6057	59.6057	59.6057	59.6057
Bricem-November-19	62.6171	62.6171	62.6171	62.6171
Brent_m	61.4790	61.4790	61.4790	61.4790
Slope	13.3700%	10.6124%	10.8630%	11.9500%
CP = Slope x Brent_m	8.2197	6.5244	6.6785	7.3467
Average DES	8.2197		6.8499	
Port Charges (In the excess of limit borne by LNG supplier)	0.1049		0.0369	
DES Price	8.3246		6.8868	

- 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: DECEMBER 2019 Annex: B

Particulars	Unit	SSGC (December-2019)			
		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 @ 0.589 and PLL @ 0.805		113,088	77,261	113,088	77,261
Quantity Delivered at Terminal	MMBTU	19,086,912	9,522,739	19,086,912	9,522,739
Transmission Loss: (SNGPL 0.38%) & (SSGCL -0.74%)		(141,243)	(70,468)		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)			-	2,536,651	1,265,572
Total Loss including Retainage		(28,155)	6,792	2,649,739	1,342,833
%age Losses		-0.15%	0.07%	13.80%	13.99%
Quantity available for Sale		19,228,155	9,593,208	16,550,261	8,257,167
LNG Price (DES)		8.3246	6.8868	8.3246	6.8868
PSO/ PLL other imports related actual costs		0.6210	0.5736	0.6210	0.5736
PSO / PLL margin (@ 2.50%)		0.2081	0.1722	0.2081	0.1722
Terminal Charges		0.4125	0.7692	0.4125	0.7692
RLNG Cost		9.5662	8.4017	9.5662	8.4017
Retainage volume adjustment	US \$ /MMBTU	0.0567	0.0682	0.0567	0.0682
T & D volume adjustment		(0.0707)	(0.0623)	1.4749	1.2981
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1432	0.1432	0.1432	0.1432
Total RLNG price without GST		9.7204	8.5758	11.2660	9.9362
Quantity available for Sale	MMBTU	19,228,155	9,593,208	16,550,261	8,257,167
Total cost of RLNG	US \$	186,905,359	82,269,851	186,455,245	82,045,228
sum of Total RLNG cost (PSO & PLL)	US \$	269,175,210		268,500,472	
sum of quantity available for sale (PSO & PLL)	MMBTU	28,821,363		24,807,429	
Weighted Average Sale Price without GST	US \$ / MMBTU	9.3394		10.8234	

Notes:

i. Calculation of LNG DES Price	PSO		PLL	
	6	1	1	1
No. of Cargoes	6	1	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	3,200,000
Bricem-September-19	62.2143	62.2143	62.2143	62.2143
Bricem-October-19	59.6057	59.6057	59.6057	59.6057
Bricem-November-19	62.6171	62.6171	62.6171	62.6171
Brent_m	61.4790	61.4790	61.4790	61.4790
Slope	13.3700%	10.6124%	10.8630%	11.9500%
CP = Slope x Brent_m	8.2197	6.5244	6.6785	7.3467
Average DES	8.2197		6.8499	
Port Charges (In the excess of limit borne by LNG supplier)	0.1049		0.0369	
DES Price	8.3246		6.8868	

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.