

No. OGRA-10-11(8)/2020

May 07, 2020

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 May 2020.

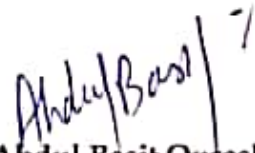
Dear Sir,

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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 May, 2020 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 MAY 2020: Annex: A

Particulars	Unit	SNGPL (MAY 2020)			
		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 @ 0.66 and PLL @ 1.028		126,720	65,778	126,720	65,778
Quantity Delivered at Terminal		19,073,280	6,334,222	19,073,280	6,334,222
Transmission Loss: (SNGPL 0.38% & (SSGCL -1.27%)		72,478	24,070		
T & D Loss: (SNGPL 10.90%) & (SSGCL 17.11%)				2,078,988	690,430
Total Loss including Retainage		199,198	89,848	2,205,708	756,208
%age Losses		1.04%	1.40%	11.49%	11.82%
Quantity available for Sale		19,000,802	6,310,152	16,994,292	5,643,792
LNG Price (DES)		5.2722	4.5994	5.2722	4.5994
PSO/ PLL other imports related actual costs		0.4260	0.3803	0.4260	0.3803
PSO / PLL margin (@ 2.50%)		0.1318	0.1150	0.1318	0.1150
Terminal Charges		0.4125	1.1493	0.4125	1.1493
RLNG Cost		6.2425	6.2440	6.2425	6.2440
Retainage volume adjustment	US \$/MMBTU	0.0415	0.0648	0.0415	0.0648
T & D volume adjustment		0.0239	0.0241	0.0239	0.0241
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2874	0.2874	0.2874	0.2874
Cost of supply -SSGCL		0.1385	0.1385	0.1385	0.1385
Total RLNG price without GST		6.7588	6.7838	7.5036	7.5315
Quantity available for Sale	MMBTU	19,000,802	6,310,152	16,994,292	5,643,792
Total cost of RLNG	US \$	128,422,129	42,806,849	127,517,937	42,506,254
sum of Total RLNG cost (PSO & PLL)	US \$	171,228,978		170,024,190	
sum of quantity available for sale (PSO& PLL)	MMBTU	25,310,954		22,638,084	
Weighted Average Sale Price without GST	US \$/MMBTU	6.7650		7.5105	

Notes:

i. Calculation of LNG DES Price	PSO	PLL	
No. of Cargoes	6	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000
Bricem-February-20	55.4350	55.4350	55.4350
Bricem-March-20	33.8932	33.8932	33.8932
Bricem-April-20	26.6890	26.6890	26.6890
Brent_m	38.6724	38.6724	38.6724
Slope	13.3700%	11.6247%	11.9500%
CP = Slope x Brent_m	5.1705	4.4956	4.6214
Average DES	5.1705	4.5585	
Port Charges (in the excess of limit borne by LNG supplier)	0.1017	0.0409	
DES Price	5.2722	4.5994	

- 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: MAY 2020 Annex: B

Particulars	Unit	SSGC (MAY 2020)				
		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 @ 0.66 and PLL @ 1.028		126,720	65,778	126,720	65,778	
Quantity Delivered at Terminal	MMBTU	19,073,280	6,334,222	19,073,280	6,334,222	
Transmission Loss. (SNGPL 0.38%) & (SSGCL -0.74%)		(242,231)	(80,445)			
T & D Loss. (SNGPL 10.90%) & (SSGCL 17.11%)				3,263,438	1,083,785	
Total Loss including Retainage		(115,511)	(14,667)	3,390,158	1,149,563	
%age Losses		-0.60%	-0.23%	17.66%	17.96%	
Quantity available for Sale		19,315,511	6,414,667	15,809,842	5,250,437	
LNG Price (DES)			5.2722	4.5994	5.2722	4.5994
PSO/ PLL other imports related actual costs			0.4260	0.3803	0.4260	0.3803
PSO / PLL margin (@ 2.50%)			0.1318	0.1150	0.1318	0.1150
Terminal Charges			0.4125	1.1493	0.4125	1.1493
RLNG Cost		6.2425	6.2440	6.2425	6.2440	
Retainage volume adjustment	US \$ /MMBTU					
T & D volume adjustment		0.0415	0.0648	0.0415	0.0648	
LSA management fee (SSGC/PLTL)		(0.0788)	(0.0791)	1.2971	1.3023	
Cost of supply -SNGPL		0.0250	0.0250	0.0250	0.0250	
Cost of supply -SSGCL						
Total RLNG price without GST		0.1385	0.1385	0.1385	0.1385	
Quantity available for Sale		6.3687	6.3932	7.7446	7.7746	
Total cost of RLNG		MMBTU	19,315,511	6,414,667	15,809,842	5,250,437
sum of Total RLNG cost (PSO & PLL)		US \$	123,014,693	41,010,287	122,440,901	40,820,078
sum of quantity available for sale (PSO & PLL)		US \$	164,024,980		163,260,979	
	MMBTU	25,730,178		21,060,279		
Weighted Average Sale Price without GST	US \$/ MMBTU	6.3748		7.7521		

Notes:

i. Calculation of LNG DES Price

No. of Cargoes	PSO		PLL	
	6	1	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	3,200,000
Bricem-February-20	55.4350	55.4350	55.4350	55.4350
Bricem-March-20	33.8932	33.8932	33.8932	33.8932
Bricem-April-20	26.6890	26.6890	26.6890	26.6890
Brent_m	38.6724	38.6724	38.6724	38.6724
Slope	13.3700%	11.6247%	11.9500%	11.9500%
CP = Slope x Brent_m	5.1705	4.4956	4.6214	4.6214
Average DES	5.1705	4.4956	4.6214	4.6214
Port Charges (in the excess of limit borne by LNG supplier)	0.1017		0.0409	
DES Price	5.2722		4.5994	

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2019-20.
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- 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 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.