

آئل اینڈ گیس
ریگولیٹری اتھارٹی



Oil & Gas
Regulatory Authority

No. OGRA-10-11(8)/2021

July 7, 2021

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 2021.

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 price for the month of July 2021 has been computed as attached at Annexure-A and Annexure- B.

Best Regards,



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

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- 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 JULY 2021 Annex: A

Particulars	Unit	(SNGPL JULY 2021)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargoes		5	6	5	6
Quantity Received		16,000,000	19,200,000	16,000,000	19,200,000
Retainage PSO @ 0.6 % and PLL @ 0.5%		96,000	96,000	96,000	96,000
Quantity Delivered at Terminal		15,904,000	19,104,000	15,904,000	19,104,000
Transmission Loss SNGPL @ 0.38%		60,435	72,595		
Distribution Loss: SNGPL @ 6.3%				1,001,952	1,203,552
Total Loss including Retainage		156,435	168,595	1,097,952	1,299,552
%age Losses		0.98%	0.88%	6.86%	6.77%
Quantity available for Sale		15,843,565	19,031,405	14,902,048	17,900,448
LNG Price (DES)		9.9710	10.4445	9.9710	10.4445
PSO/ PLL other imports related costs		0.7201	0.7575	0.7201	0.7575
PSO / PLL margin (@ 2.50%)		0.2493	0.2611	0.2493	0.2611
Terminal Charges		0.4824	0.3891	0.4824	0.3891
RLNG Cost		11.4228	11.8522	11.4228	11.8522
Retainage volume adjustment		0.0690	0.0596	0.0690	0.0596
T & D volume adjustment		0.0438	0.0454	0.7726	0.8009
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2773	0.2773	0.2773	0.2773
Cost of supply -SSGCL		0.1046	0.1046	0.1046	0.1046
Total RLNG price without GST		11.9425	12.3641	12.6713	13.1196
Quantity available for Sale	MMBTU	15,843,565	19,031,405	14,902,048	17,900,448
Total cost of RLNG	US \$	189,212,416	235,306,021	188,828,926	234,846,556
sum of Total RLNG cost (PSO & PLL)	US \$	424,518,437		423,675,483	
sum of quantity available for sale (PSO & PLL)	MMBTU	34,874,970		32,802,496	
Weighted Average Sale Price without GST	US \$/MMBTU	12.1726		12.9160	

Notes:

i. Calculation of LNG DES Price

No. of Cargoes	PSO		PLL					
	4	1	1	1	1	1	1	1
Quantity (No. MMBTU)	12,800,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Bricem-Apr-21	65.3052	65.3052	65.3052	65.3052	-	-	-	-
Bricem-May-21	68.2657	68.2657	68.2657	68.2657	-	-	-	-
Bricem-Jun-21	73.3850	73.3850	73.3850	73.3850	-	-	-	-
Brent_m	68.9853	68.9853	68.9853	68.9853	-	-	-	-
Slope	13.3700%	18.3791%	11.6247%	11.9500%	-	-	-	-
CP = Slope x Brent_m	9.2233	12.6789	8.0193	8.2437	11.9700	13.4500	10.6900	10.2937
Average DES USD/ MMBTU	9.9144		10.4445					
Port Charges (in the excess of limit borne by LNG supplier)	0.0566		0.0000					
DES Price USD/ MMBTU	9.9710		10.4445					

- ii. Average cost of supply for has been taken on provisional basis as per DERR-FY 2020-21.
- 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. UFG allowed in DERR 2020-21 has been taken on provisional basis as FRR petition for the same year has not yet been submitted by SNGPL.
- 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: JUNE 2021 Annex: B

Particulars	Unit	(SSGC JULY 2021)					
		Transmission			Distribution		
		PSO	PLL		PSO	PLL	
No. of Cargos		5	6		5	6	
Quantity Received		16,000,000	19,200,000		16,000,000	19,200,000	
Retainage PSO @ 0.6 % and PLL @ 0.5%		96,000	96,000		96,000	96,000	
Quantity Delivered at Terminal		15,904,000	19,104,000		15,904,000	19,104,000	
Transmission Loss SSGCL @ 0.12%		19,085	22,925				
Distribution Loss: SSGCL @ 6.3%					1,001,952	1,203,552	
Total Loss including Retainage		115,085	118,925		1,097,952	1,299,552	
%age Losses		0.72%	0.62%		6.86%	6.77%	
Quantity available for Sale		15,884,915	19,081,075		14,902,048	17,900,448	
LNG Price (DES)		9.9710	10.4445		9.9710	10.4445	
PSO/ PLL other imports related costs		0.7201	0.7575		0.7201	0.7575	
PSO / PLL margin (@ 2.50%)		0.2493	0.2611		0.2493	0.2611	
Terminal Charges		0.4824	0.3891		0.4824	0.3891	
RLNG Cost		11.4228	11.8522		11.4228	11.8522	
Retainge volume adjustment		0.0690	0.0596		0.0690	0.0596	
T & D volume adjustment		0.0138	0.0143		0.0138	0.0143	
LSA management fee (SSGC/PLTL)		0.0250	0.0250		0.0250	0.0250	
Cost of supply -SNGPL							
Cost of supply -SSGCL		0.1046	0.1046		0.1046	0.1046	
Total RLNG price without GST		11.6352	12.0557		12.3940	12.8423	
Quantity available for Sale	MMBTU	15,884,915	19,081,075		14,902,048	17,900,448	
Total cost of RLNG	US \$	184,824,165	230,035,547		184,695,983	229,882,762	
sum of Total RLNG cost (PSO & PLL)	US \$	414,859,712			414,578,745		
sum of quantity available for sale (PSO & PLL)	MMBTU	34,965,990			32,802,496		
Weighted Average Sale Price without GST	US \$ / MMBTU	11.8647			12.6386		

Notes:

i. Calculation of LNG DES Price	PSO				PLL			
	4	1	1	1	1	1	1	1
No. of Cargoes								
Quantity (No. MMBTU)	12,800,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Bricem-Apr-21	65.3052	65.3052	65.3052	65.3052	-	-	-	-
Bricem-May-21	68.2657	68.2657	68.2657	68.2657	-	-	-	-
Bricem-Jun-21	73.3850	73.3850	73.3850	73.3850	-	-	-	-
Brent_m	68.9853	68.9853	68.9853	68.9853	-	-	-	-
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Average DES	9.9144				10.4445			
Port Charges (in the excess of limit borne by LNG supplier)	0.0566				0.0000			
DES Price USD / MMBTU	9.9710				10.4445			

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2020-21.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy
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- 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.