

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

November 11, 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 August 2020.

Dear Sir,

Reference emails of PLL and PSO on the above subject.

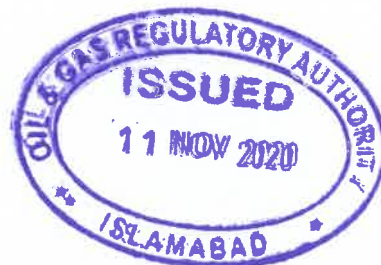
2. In accordance with the Federal Government decision regarding "RLNG Allocation, Pricing and Associated Matters" and advice from Ministry of Energy regarding weighted average sale price dated January 22, 2018, RLNG Weighted Average Sale prices for the month of August, 2020 has been computed as attached 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 AUGUST 2020: **Annex: A**

Particulars	Unit	(SNGPL AUGUST 2020)			
		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 @ 0.66 % and PLL @ 0.754%		126,720	120,710	126,720	120,710
Quantity Delivered at Terminal		19,073,280	15,879,290	19,073,280	15,879,290
Transmission Loss SNGPL @ 0.38% and SSGC @ 0.12%		72,478	60,341		
Distribution Loss: SNGPL @ 6.3% and SSGC @ 6.3%				1,201,617	1,000,395
Total Loss including Retainage		199,198	181,051	1,328,337	1,121,105
%age Losses		1.04%	1.13%	6.92%	7.01%
Quantity available for Sale		19,000,802	15,818,949	17,871,663	14,878,895
LNG Price (DES)		5.2925	3.9859	5.2925	3.9859
PSO/ PLL other imports related costs		0.4234	0.2329	0.4234	0.2329
PSO / PLL margin (@ 2.50%)		0.1323	0.0996	0.1323	0.0996
Terminal Charges		0.4125	0.4651	0.4125	0.4651
RLNG Cost		6.2607	4.7835	6.2607	4.7835
Retainage volume adjustment		0.0416	0.0364	0.0416	0.0364
T & D volume adjustment		0.0240	0.0183	0.0240	0.0183
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2504	0.2504	0.2504	0.2504
Cost of supply -SSGCL		0.0968	0.0968	0.0968	0.0968
Total RLNG price without GST		6.6985	5.2104	7.0982	5.5161
Quantity available for Sale	MMBTU	19,000,802	15,818,949	17,871,663	14,878,895
Total cost of RLNG	US \$	127,276,392	82,423,733	126,856,192	82,074,113
sum of Total RLNG cost (PSO & PLL)	US \$	209,700,125		208,930,305	
sum of quantity available for sale (PSO& PLL)	MMBTU	34,819,751		32,750,559	
Weighted Average Sale Price without GST	US \$/MMBTU	6.0224		6.3794	

Notes:

i. Calculation of LNG DES Price	PSO		PLL		
	6	1	1	2	1
No. of Cargoes	6	1	1	2	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	6,400,000	3,200,000
Bricem-May-20	32.5314	32.5314	32.5314	32.5314	32.5314
Bricem-June-20	40.7782	40.7782	40.7782	40.7782	40.7782
Bricem-July-20	43.2317	43.2317	43.2317	43.2317	43.2317
Brent_m	38.8471	38.8471	38.8471	38.8471	38.8471
Slope	13.3700%	5.7395%	9.3421%	11.9500%	11.6247%
CP = Slope x Brent_m	5.1939	2.2296	3.6291	4.6422	4.5159
Average DES	5.1939		3.9318		
Port Charges (in the excess of limit borne by LNG supplier)	0.0986		0.0541		
DES Price	5.2925		3.9859		

- 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
- 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 2019-20 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: AUGUST 2020 Annex: B

Particulars	Unit	(SSGC AUGUST 2020)					
		Transmission			Distribution		
		PSO	PLL	PSO	PLL	PLL	
No. of Cargos		6	5	6	5	5	
Quantity Received		19,200,000	16,000,000	19,200,000	16,000,000		
Retainage PSO @ 0.66 % and PLL @ 0.754%							
Quantity Delivered at Terminal	MMBTU	126,720	120,710	126,720	120,710		
Transmission Loss SNGPL @ 0.38% and SSGC @ 0.12%		19,073,280	15,879,290	19,073,280	15,879,290		
Distribution Loss: SNGPL @ 6.3% and SSGC @ 6.3%		22,888	19,055				
Total Loss including Retainage				1,201,617	1,000,395		
%age Losses		149,608	139,765	1,328,337	1,121,105		
Quantity available for Sale		0.78%	0.87%	6.92%	7.01%		
LNG Price (DES)		19,050,392	15,860,235	17,871,663	14,878,895		
PSO/ PLL other imports related costs		5.2925	3.9859	5.2925	3.9859		
PSO / PLL margin (@ 2.50%)		0.4234	0.2329	0.4234	0.2329		
Terminal Charges		0.1323	0.0996	0.1323	0.0996		
RLNG Cost		0.4125	0.4651	0.4125	0.4651		
Retainage volume adjustment		6.2607	4.7835	6.2607	4.7835		
T & D volume adjustment	US \$ /MMBTU	0.0416	0.0364	0.0416	0.0364		
LSA management fee (SSGC/PLTL)		0.0076	0.0058	0.4237	0.3240		
Cost of supply -SNGPL		0.0250	0.0250	0.0250	0.0250		
Cost of supply -SSGCL							
Total RLNG price without GST		0.0968	0.0968	0.0968	0.0968		
Quantity available for Sale	MMBTU	6.4317	4.9475	6.8478	5.2657		
Total cost of RLNG	US \$	19,050,392	15,860,235	17,871,663	14,878,895		
sum of Total RLNG cost (PSO & PLL)	US \$	122,526,407	78,469,196	122,381,576	78,348,438		
sum of quantity available for sale (PSO& PLL)	MMBTU		200,995,603		200,730,014		
Weighted Average Sale Price without GST	US \$/ MMBTU		34,910,627		32,750,559		
			5.7574		6.1291		

Notes:

i. Calculation of LNG DES Price	PSO					PLL				
	6	1	1	2	1	6	1	1	2	1
No. of Cargoes	6	1	1	2	1	6	1	1	2	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	6,400,000	3,200,000	19,200,000	3,200,000	3,200,000	6,400,000	3,200,000
Bricem-May-20	32.5314	32.5314	32.5314	32.5314	32.5314	32.5314	32.5314	32.5314	32.5314	32.5314
Bricem-June-20	40.7782	40.7782	40.7782	40.7782	40.7782	40.7782	40.7782	40.7782	40.7782	40.7782
Bricem-July-20	43.2317	43.2317	43.2317	43.2317	43.2317	43.2317	43.2317	43.2317	43.2317	43.2317
Brent_m	38.8471	38.8471	38.8471	38.8471	38.8471	38.8471	38.8471	38.8471	38.8471	38.8471
Slope	13.3700%	5.7395%	9.3421%	11.9500%	11.6247%	13.3700%	5.7395%	9.3421%	11.9500%	11.6247%
CP = Slope x Brent_m	5.1939	2.2296	3.6291	4.6422	4.5159	5.1939	2.2296	3.6291	4.6422	4.5159
Average DES	5.1939					5.1939				
Port Charges (in the excess of limit borne by LNG supplier)	0.0986					0.0986				
DES Price	5.2925					5.2925				

- 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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