

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

February 4, 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 February 2021.

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

Best Regards,




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

o/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.

COMPUTATION OF WEIGHTED AVERAGE RLNG PRICE FOR SNGPL FEBRUARY 2021

Annex: A

Particulars	Unit	(SNGPL February 2021)			
		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 @ 0.6 % and PLL @ 0.778%		115,200	74,692	115,200	74,692
Quantity Delivered at Terminal		19,084,800	9,525,308	19,084,800	9,525,308
Transmission Loss SNGPL @ 0.38%		72,522	36,196		
Distribution Loss: SNGPL @ 6.3%				1,202,342	600,094
Total Loss including Retainage		187,722	110,888	1,317,542	674,786
%age Losses		0.98%	1.16%	6.86%	7.03%
Quantity available for Sale		19,012,278	9,489,112	17,882,458	8,925,214
LNG Price (DES)		6.7773	8.5366	6.7773	8.5366
PSO/ PLL other imports related costs		0.5234	0.6337	0.5234	0.6337
PSO / PLL margin (@ 2.50%)		0.1694	0.2134	0.1694	0.2134
Terminal Charges		0.3786	0.6956	0.3786	0.6956
RLNG Cost		7.8487	10.0793	7.8487	10.0793
Retainage volume adjustment		0.0474	0.0790	0.0474	0.0790
T & D volume adjustment		0.0301	0.0388	0.5309	0.6830
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2621	0.2621	0.2621	0.2621
Cost of supply -SSGCL		0.1012	0.1012	0.1012	0.1012
Total RLNG price without GST		8.3145	10.5854	8.8153	11.2296
Quantity available for Sale	MMBTU	19,012,278	9,489,112	17,882,458	8,925,214
Total cost of RLNG	US \$	158,078,377	100,446,120	157,639,975	100,226,650
sum of Total RLNG cost (PSO & PLL)	US \$	258,524,497		257,866,624	
sum of quantity available for sale (PSO& PLL)	MMBTU	28,501,390		26,807,671	
Weighted Average Sale Price without GST	US \$/MMBTU	9.0706		9.6191	

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-Nov-20	43.9938	43.9938	43.9938	43.9938
Bricem-Dec-20	50.2314	50.2314	50.2314	50.2314
Bricem-Jan-21	55.2795	55.2795	55.2795	55.2795
Brent_m	49.8349	49.8349	49.8349	49.8349
Slope	13.3700%	11.6247%	23.4331%	16.3312%
CP = Slope x Brent_m	6.6629	5.7932	11.6779	8.1386
Average DES	6.6629		8.5366	
Port Charges (in the excess of limit borne by LNG supplier)	0.1144		0.0000	
DES Price	6.7773		8.5366	

- 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 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: FEBRUARY 2021 Annex: B

Particulars	Unit	(SSGC February 2021)			
		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 @ 0.6 % and PLL @ 0.778%		115,200	74,692	115,200	74,692
Quantity Delivered at Terminal	MMBTU	19,084,800	9,525,308	19,084,800	9,525,308
Transmission Loss SSGCL @ 0.12%		22,902	11,430		
Distribution Loss: SSGCL @ 6.3%			-	1,202,342	600,094
Total Loss including Retainage		138,102	86,122	1,317,542	674,786
%age Losses		0.72%	0.90%	6.86%	7.03%
Quantity available for Sale		19,061,898	9,513,878	17,882,458	8,925,214
LNG Price (DES)	US \$ /MMBTU	6.7773	8.5366	6.7773	8.5366
PSO/ PLL other imports related costs		0.5234	0.6337	0.5234	0.6337
PSO / PLL margin (@ 2.50%)		0.1694	0.2134	0.1694	0.2134
Terminal Charges		0.3786	0.6956	0.3786	0.6956
RLNG Cost		7.8487	10.0793	7.8487	10.0793
Retainage volume adjustment		0.0474	0.0790	0.0474	0.0790
T & D volume adjustment		0.0095	0.0122	0.5309	0.6830
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1012	0.1012	0.1012	0.1012
Total RLNG price without GST		8.0318	10.2967	8.5532	10.9675
Quantity available for Sale	MMBTU	19,061,898	9,513,878	17,882,458	8,925,214
Total cost of RLNG	US \$	153,101,354	97,961,620	152,952,236	97,887,351
sum of Total RLNG cost (PSO & PLL)	US \$	251,062,974		250,839,588	
sum of quantity available for sale (PSO & PLL)	MMBTU	28,575,776		26,807,671	
Weighted Average Sale Price without GST	US \$/ MMBTU	8.7859		9.3570	

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-Nov-20	43.9938	43.9938	43.9938	43.9938
Bricem-Dec-20	50.2314	50.2314	50.2314	50.2314
Bricem-Jan-21	55.2795	55.2795	55.2795	55.2795
Brent_m	49.8349	49.8349	49.8349	49.8349
Slope	13.3700%	11.6247%	23.4331%	16.3312%
CP = Slope x Brent_m	6.6629	5.7932	11.6779	8.1386
Average DES	6.6629		8.5366	
Port Charges (In the excess of limit borne by LNG supplier)	0.1144		0.0000	
DES Price	6.7773		8.5366	

- 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 SSGCL.
- 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.