

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

March 5, 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 March 2021.

Dear Sir,


السلام علیکم

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 March 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 MARCH 2021 **Annex: A**

Particulars	Unit	(SNGPL March 2021)			
		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 @ 0.6 % and PLL @ 0.735%		115,200	117,596	115,200	117,596
Quantity Delivered at Terminal		19,084,800	15,882,404	19,084,800	15,882,404
Transmission Loss SNGPL @ 0.38%		72,522	60,353		
Distribution Loss: SNGPL @ 6.3%				1,202,342	1,000,591
Total Loss including Retainage		187,722	177,949	1,317,542	1,118,187
%age Losses		0.98%	1.11%	6.86%	6.99%
Quantity available for Sale		19,012,278	15,822,051	17,882,458	14,881,813
LNG Price (DES)		7.5872	7.1037	7.5872	7.1037
PSO/ PLL other imports related costs		0.5762	0.5446	0.5762	0.5446
PSO / PLL margin (@ 2.50%)		0.1897	0.1776	0.1897	0.1776
Terminal Charges		0.4125	0.4651	0.4125	0.4651
RLNG Cost		8.7655	8.2910	8.7655	8.2910
Retainage volume adjustment	US \$/MMBTU	0.0529	0.0614	0.0529	0.0614
T & D volume adjustment		0.0336	0.0318	0.5929	0.5616
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2760	0.2760	0.2760	0.2760
Cost of supply -SSGCL		0.1041	0.1041	0.1041	0.1041
Total RLNG price without GST		9.2571	8.7893	9.8164	9.3191
Quantity available for Sale	MMBTU	19,012,278	15,822,051	17,882,458	14,881,813
Total cost of RLNG	US \$	175,998,884	139,064,403	175,541,665	138,684,771
sum of Total RLNG cost (PSO & PLL)	US \$	315,063,286		314,226,436	
sum of quantity available for sale (PSO& PLL)	MMBTU	34,834,329		32,764,270	
Weighted Average Sale Price without GST	US \$/MMBTU	9.0446		9.5905	

Notes:

i. Calculation of LNG DES Price	PSO	PLL			
		1	2	1	1
No. of Cargoes	6	1	2	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	6,400,000	3,200,000	3,200,000
Bricem-Dec-20	50.2314	50.2314	50.2314	50.2314	50.2314
Bricem-Jan-21	55.2795	55.2795	55.2795	55.2795	55.2795
Bricem-Feb-21	62.1960	62.1960	62.1960	62.1960	62.1960
Brent_m	55.9023	55.9023	55.9023	55.9023	55.9023
Slope	13.3700%	11.9500%	13.6157%	12.7310%	11.6247%
CP = Slope x Brent_m	7.4741	6.6803	7.6115	7.1169	6.4985
Average DES USD/ MMBTU	7.4741	7.1037			
Port Charges (in the excess of limit borne by LNG supplier)	0.1131	-			
DES Price USD/ MMBTU	7.5872	7.1037			

- 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: MARCH 2021 Annex: B

Particulars	Unit	(SSGC March 2021)			
		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 @ 0.6 % and PLL @ 0.735%		115,200	117,596	115,200	117,596
Quantity Delivered at Terminal		19,084,800	15,882,404	19,084,800	15,882,404
Transmission Loss SSGCL @ 0.12%		22,902	19,059		
Distribution Loss: SSGCL @ 6.3%			-	1,202,342	1,000,591
Total Loss including Retainage		138,102	136,655	1,317,542	1,118,187
%age Losses		0.72%	0.85%	6.86%	6.99%
Quantity available for Sale		19,061,898	15,863,345	17,882,458	14,881,813
LNG Price (DES)		7.5872	7.1037	7.5872	7.1037
PSO/ PLL other imports related costs		0.5762	0.5446	0.5762	0.5446
PSO / PLL margin (@ 2.50%)		0.1897	0.1776	0.1897	0.1776
Terminal Charges		0.4125	0.4651	0.4125	0.4651
RLNG Cost		8.7655	8.2910	8.7655	8.2910
Retainage volume adjustment	US \$ /MMBTU	0.0529	0.0614	0.0529	0.0614
T & D volume adjustment		0.0106	0.0100	0.5929	0.5616
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1041	0.1041	0.1041	0.1041
Total RLNG price without GST		8.9581	8.4915	9.5404	9.0431
Quantity available for Sale	MMBTU	19,061,898	15,863,345	17,882,458	14,881,813
Total cost of RLNG	US \$	170,758,391	134,703,245	170,605,798	134,577,391
sum of Total RLNG cost (PSO & PLL)	US \$	305,461,636		305,183,189	
sum of quantity available for sale (PSO & PLL)	MMBTU	34,925,243		32,764,270	
Weighted Average Sale Price without GST	US \$/ MMBTU	8.7462		9.3145	

Notes:

i. Calculation of LNG DES Price	PSO	PLL			
		1	2	1	1
No. of Cargoes	6	1	2	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	6,400,000	3,200,000	3,200,000
Bricem-Dec-20	50.2314	50.2314	50.2314	50.2314	50.2314
Bricem-Jan-21	55.2795	55.2795	55.2795	55.2795	55.2795
Bricem-Feb-21	62.1960	62.1960	62.1960	62.1960	62.1960
Brent_m	55.9023	55.9023	55.9023	55.9023	55.9023
Slope	13.3700%	11.9500%	13.6157%	12.7310%	11.6247%
CP = Slope x Brent_m	7.4741	6.6803	7.6115	7.1169	6.4985
Average DES	7.4741	7.1037			
Port Charges (In the excess of limit borne by LNG supplier)	0.1131	-			
DES Price	7.5872	7.1037			

- 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.