

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 November 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 November, 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 NOVEMBER 2020: Annex: A

Particulars	Unit	(SNGPL NOVEMBER 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 @ 0.723%		126,720	115,626	126,720	115,626
Quantity Delivered at Terminal		19,073,280	15,884,374	19,073,280	15,884,374
Transmission Loss SNGPL @ 0.38% and SSGC @ 0.12%		72,478	60,361		
Distribution Loss: SNGPL @ 6.3% and SSGC @ 6.3%				1,201,617	1,000,716
Total Loss including Retainage		199,198	175,986	1,328,337	1,116,341
%age Losses		1.04%	1.10%	6.92%	6.98%
Quantity available for Sale		19,000,802	15,824,014	17,871,663	14,883,659
LNG Price (DES)		5.8267	5.6416	5.8267	5.6416
PSO/ PLL other imports related costs		0.4615	0.4493	0.4615	0.4493
PSO / PLL margin (@ 2.50%)		0.1457	0.1410	0.1457	0.1410
Terminal Charges		0.4012	0.4504	0.4012	0.4504
RLNG Cost		6.8350	6.6823	6.8350	6.6823
Retainage volume adjustment		0.0454	0.0486	0.0454	0.0486
T & D volume adjustment		0.0263	0.0257	0.0263	0.0257
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2617	0.2617	0.2617	0.2617
Cost of supply -SSGCL		0.1011	0.1011	0.1011	0.1011
Total RLNG price without GST		7.2945	7.1444	7.7308	7.5713
Quantity available for Sale	MMBTU	19,000,802	15,824,014	17,871,663	14,883,659
Total cost of RLNG	US \$	138,602,102	113,053,365	138,162,966	112,688,911
sum of Total RLNG cost (PSO & PLL)	US \$	251,655,468		250,851,876	
sum of quantity available for sale (PSO & PLL)	MMBTU	34,824,815		32,755,322	
Weighted Average Sale Price without GST	US \$/MMBTU	7.2263		7.6584	

Notes:

i. Calculation of LNG DES Price	PSO	PLL			
		6	2	1	1
No. of Cargoes	6	2	1	1	1
Quantity (No. MMBTU)	19,200,000	6,400,000	3,200,000	3,200,000	3,200,000
Bricem-August-20	45.0562	45.0562	45.0562	45.0562	45.0562
Bricem-September-20	41.9350	41.9350	41.9350	41.9350	41.9350
Bricem-October-20	41.5459	41.5459	41.5459	41.5459	41.5459
Brent_m	42.8457	42.8457	42.8457	42.8457	42.8457
Slope	13.3700%	11.9500%	14.2277%	13.8699%	13.8377%
CP = Slope x Brent_m	5.7285	5.1201	6.0960	5.9427	5.9289
Average DES	5.7285		5.6416		
Port Charges (in the excess of limit borne by LNG supplier)	0.0982				
DES Price	5.8267		5.6416		

- 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: NOVEMBER 2020 Annex: B

Particulars	Unit	(SSGC NOVEMBER 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 @ 0.723%					
Quantity Delivered at Terminal	MMBTU	126,720	115,626	126,720	115,626
Transmission Loss SNGPL @ 0.38% and SSGC @ 0.12%		19,073,280	15,884,374	19,073,280	15,884,374
Distribution Loss: SNGPL @ 6.3% and SSGC @ 6.3%		22,888	19,061		
Total Loss including Retainage				1,201,617	1,000,716
%age Losses		149,608	134,687	1,328,337	1,116,341
Quantity available for Sale		0.78%	0.84%	6.92%	6.98%
LNG Price (DES)		19,050,392	15,865,313	17,871,663	14,883,659
PSO/ PLL other imports related costs		5.8267	5.6416	5.8267	5.6416
PSO / PLL margin (@ 2.50%)		0.4615	0.4493	0.4615	0.4493
Terminal Charges		0.1457	0.1410	0.1457	0.1410
RLNG Cost		0.4012	0.4504	0.4012	0.4504
Retainage volume adjustment		6.8350	6.6823	6.8350	6.6823
T & D volume adjustment		0.0454	0.0486	0.0454	0.0486
LSA management fee (SSGC/PLTL)		0.0083	0.0081	0.4626	0.4526
Cost of supply -SNGPL		0.0250	0.0250	0.0250	0.0250
Cost of supply -SSGCL					
Total RLNG price without GST		0.1011	0.1011	0.1011	0.1011
Quantity available for Sale		7.0148	6.8651	7.4691	7.3096
Total cost of RLNG	MMBTU	19,050,392	15,865,313	17,871,663	14,883,659
sum of Total RLNG cost (PSO & PLL)	US \$	133,634,690	108,917,244	133,485,241	108,793,857
sum of quantity available for sale (PSO & PLL)	MMBTU	242,551,934		242,279,098	
		34,915,705		32,755,322	
Weighted Average Sale Price without GST	US \$ / MMBTU	6.9468		7.3966	

Notes:

i. Calculation of LNG DES Price					
No. of Cargoes	PSO		PLL		
	6	2	1	1	1
Quantity (No. MMBTU)	19,200,000	6,400,000	3,200,000	3,200,000	3,200,000
Bricem-August-20	45.0562	45.0562	45.0562	45.0562	45.0562
Bricem-September-20	41.9350	41.9350	41.9350	41.9350	41.9350
Bricem-October-20	41.5459	41.5459	41.5459	41.5459	41.5459
Brent_m	42.8457	42.8457	42.8457	42.8457	42.8457
Slope	13.3700%	11.9500%	14.2277%	13.8699%	13.8377%
CP = Slope x Brent_m	5.7285	5.1201	6.0960	5.9427	5.9289
Average DES	5.7285		5.6416		
Port Charges (in the excess of limit borne by LNG supplier)	0.0982				
DES Price	5.8267		5.6416		

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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.