

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

January 8, 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 January 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 January 2021 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 JANUARY 2021

Annex: A

Particulars	Unit	(SNGPL January 2021)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	5	6	5
Quantity Received		<b>19,200,000</b>	<b>14,285,714</b>	<b>19,200,000</b>	<b>14,285,714</b>
Retainage PSO @ 0.66 % and PLL @ 0.76%		126,720	108,637	126,720	108,637
Quantity Delivered at Terminal		19,073,280	14,177,077	19,073,280	14,177,077
Transmission Loss SNGPL @ 0.38%		72,478	53,873		
Distribution Loss: SNGPL @ 6.3%				1,201,617	893,156
Total Loss including Retainage		199,198	162,510	1,328,337	1,001,793
%age Losses		1.04%	1.14%	6.92%	7.01%
Quantity available for Sale		<b>19,000,802</b>	<b>14,123,204</b>	<b>17,871,663</b>	<b>13,283,921</b>
LNG Price (DES)		6.1691	7.2368	6.1691	7.2368
PSO/ PLL other imports related costs		0.4846	0.5513	0.4846	0.5513
PSO / PLL margin (@ 2.50%)		0.1542	0.1809	0.1542	0.1809
Terminal Charges		0.4125	0.5198	0.4125	0.5198
<b>RLNG Cost</b>		<b>7.2204</b>	<b>8.4889</b>	<b>7.2204</b>	<b>8.4889</b>
Retainage volume adjustment	US \$/MMBTU	0.0480	0.0650	0.0480	0.0650
T & D volume adjustment		0.0277	0.0327	0.4887	0.5752
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2629	0.2629	0.2629	0.2629
Cost of supply -SSGCL		0.1016	0.1016	0.1016	0.1016
<b>Total RLNG price without GST</b>		<b>7.6856</b>	<b>8.9761</b>	<b>8.1466</b>	<b>9.5186</b>
Quantity available for Sale	MMBTU	19,000,802	14,123,204	17,871,663	13,283,921
Total cost of RLNG	US \$	146,032,628	126,770,596	145,593,356	126,443,677
sum of Total RLNG cost (PSO & PLL)	US \$	272,803,224		272,037,033	
sum of quantity available for sale (PSO& PLL)	MMBTU	33,124,005		31,155,584	
<b>Weighted Average Sale Price without GST</b>	US \$/MMBTU	<b>8.2358</b>		<b>8.7316</b>	

Notes:

i. Calculation of LNG DES Price	PSO	PLL				
		1	1	1	1	1
No. of Cargoes	6					
Quantity (No. MMBTU)	<b>19,200,000</b>	<b>1,485,714</b>	<b>3,200,000</b>	<b>3,200,000</b>	<b>3,200,000</b>	<b>3,200,000</b>
Bricem-Oct-20	41.5459	41.5459	41.5459	41.5459	41.5459	41.5459
Bricem-Nov-20	43.9938	43.9938	43.9938	43.9938	43.9938	43.9938
Bricem-Dec-20	50.2314	50.2314	50.2314	50.2314	50.2314	50.2314
Brent_m	45.2570	45.2570	45.2570	45.2570	45.2570	45.2570
Slope	13.3700%	11.9500%	15.8761%	17.3203%	17.3207%	15.3209%
CP = Slope x Brent_m	6.0509	5.4082	7.1850	7.8386	7.8388	6.9338
<b>Average DES</b>	<b>6.0509</b>			<b>7.2368</b>		
Port Charges (in the excess of limit borne by LNG supplier)	0.1182			<b>0.0000</b>		
<b>DES Price</b>	<b>6.1691</b>			<b>7.2368</b>		

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: JANUARY 2021 Annex: B

Particulars	Unit	(SSGC January 2021)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	5	6	5
Quantity Received		19,200,000	14,285,714	19,200,000	14,285,714
Retainage PSO @ 0.66 % and PLL @ 0.76%		126,720	108,637	126,720	108,637
Quantity Delivered at Terminal		19,073,280	14,177,077	19,073,280	14,177,077
Transmission Loss SSGCL @ 0.12%		22,888	17,012		
Distribution Loss: SSGCL @ 6.3%			-	1,201,617	893,156
Total Loss including Retainage		149,608	125,650	1,328,337	1,001,793
%age Losses		0.78%	0.88%	6.92%	7.01%
Quantity available for Sale		19,050,392	14,160,064	17,871,663	13,283,921
LNG Price (DES)		6.1691	7.2368	6.1691	7.2368
PSO/ PLL other imports related costs		0.4846	0.5513	0.4846	0.5513
PSO / PLL margin (@ 2.50%)		0.1542	0.1809	0.1542	0.1809
Terminal Charges		0.4125	0.5198	0.4125	0.5198
<b>RLNG Cost</b>		<b>7.2204</b>	<b>8.4889</b>	<b>7.2204</b>	<b>8.4889</b>
Retainage volume adjustment	US \$ /MMBTU	0.0480	0.0650	0.0480	0.0650
T & D volume adjustment		0.0087	0.0103	0.4887	0.5752
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1016	0.1016	0.1016	0.1016
<b>Total RLNG price without GST</b>		<b>7.4037</b>	<b>8.6908</b>	<b>7.8837</b>	<b>9.2557</b>
Quantity available for Sale	MMBTU	19,050,392	14,160,064	17,871,663	13,283,921
Total cost of RLNG	US \$	141,043,388	123,061,591	140,894,832	122,951,334
sum of Total RLNG cost (PSO & PLL)	US \$	264,104,979		263,846,167	
sum of quantity available for sale (PSO& PLL)	MMBTU	33,210,456		31,155,584	
<b>Weighted Average Sale Price without GST</b>	US \$/ MMBTU	<b>7.9525</b>		<b>8.4687</b>	

Notes:

i. Calculation of LNG DES Price	PSO	PLL				
No. of Cargoes	6	1	1	1	1	1
Quantity (No. MMBTU)	19,200,000	1,485,714	3,200,000	3,200,000	3,200,000	3,200,000
Bricem-Oct-20	41.5459	41.5459	41.5459	41.5459	41.5459	41.5459
Bricem-Nov-20	43.9938	43.9938	43.9938	43.9938	43.9938	43.9938
Bricem-Dec-20	50.2314	50.2314	50.2314	50.2314	50.2314	50.2314
Brent_m	45.2570	45.2570	45.2570	45.2570	45.2570	45.2570
Slope	13.3700%	11.9500%	15.8761%	17.3203%	17.3207%	15.3209%
CP = Slope x Brent_m	6.0509	5.4082	7.1850	7.8386	7.8388	6.9338
<b>Average DES</b>	<b>6.0509</b>	<b>7.2368</b>				
Port Charges (in the excess of limit borne by LNG supplier)	<b>0.1182</b>	<b>0.0000</b>				
<b>DES Price</b>	<b>6.1691</b>	<b>7.2368</b>				

- 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.