

No. OGRA-10-11(8)/2019

January 13, 2020

Managing Director
Pakistan State Oil Limited,
PSO House, Khayaban-e-Iqbal,
Clifton, Karachi.

Managing Director
Pakistan LNG Limited,
Petroleum House, G-5,
Islamabad.

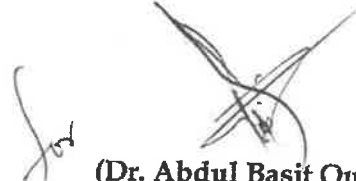
Subject: Determination of Re-gasified Liquefied Natural Gas (RLNG) Weighted Average Sale Provisional Price for the Month of January 2020.

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 January, 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 JANUARY 2020: Annex: A

Particulars	Unit	SNGPL (January 2020)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	4	6	4
Quantity Received		19,200,000	12,800,000	19,200,000	12,800,000
Retainage % PSO @ 0.66 and PLL @ 0.77		126,720	98,536	126,720	98,536
Quantity Delivered at Terminal	MMBTU	19,073,280	12,701,464	19,073,280	12,701,464
Transmission Loss: (SNGPL 0.38% & (SSGCL -0.74%)		72,478	48,266		
T & D Loss: (SNGPL 10.90% & (SSGCL 13.29%)				2,078,988	1,384,460
Total Loss including Retainage		199,198	146,802	2,205,708	1,482,996
%age Losses		1.04%	1.15%	11.49%	11.59%
Quantity available for Sale		19,000,802	12,653,198	16,994,292	11,317,004
LNG Price (DES)	US \$/MMBTU	8.4480	6.3672	8.4480	6.3672
PSO/ PLL other imports related actual costs		0.6292	0.4956	0.6292	0.4956
PSO / PLL margin (@ 2.50%)		0.2112	0.1592	0.2112	0.1592
Terminal Charges		0.4125	0.5791	0.4125	0.5791
RLNG Cost		9.7009	7.6011	9.7009	7.6011
Retainage volume adjustment		0.0645	0.0590	0.0645	0.0590
T & D volume adjustment		0.0372	0.0292	1.1946	0.9371
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2981	0.2981	0.2981	0.2981
Cost of supply -SSGCL		0.1436	0.1436	0.1436	0.1436
Total RLNG price without GST		10.2693	8.1560	11.4267	9.0639
Quantity available for Sale	MMBTU	19,000,802	12,653,198	16,994,292	11,317,004
Total cost of RLNG	US \$	195,124,118	103,200,022	194,187,955	102,576,675
sum of Total RLNG cost (PSO & PLL)	US \$	298,324,140		296,764,629	
sum of quantity available for sale (PSO & PLL)	MMBTU	31,654,000		28,311,297	
Weighted Average Sale Price without GST	US \$/MMBTU	9.4245		10.4822	

Notes:

i. Calculation of LNG DES Price	PSO		PLL		
	6	1	1	1	1
No. of Cargoes	6	1	1	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Bricem-October-19	59.6057	59.6057	59.6057	59.6057	59.6057
Bricem-November-19	62.6171	62.6171	62.6171	62.6171	62.6171
Bricem-December-19	65.0895	65.0895	65.0895	65.0895	65.0895
Brent_m	62.4374	62.4374	62.4374	62.4374	62.4374
Slope	13.3700%	11.9500%	9.4887%	9.5887%	9.5386%
CP = Slope x Brent_m	8.3479	7.4613	5.9245	5.9869	5.9557
Average DES	8.3479		6.3321		
Port Charges (in the excess of limit borne by LNG supplier)	0.1001		0.0351		
DES Price	8.4480		6.3672		

ii. Average cost of supply for has been taken on provisional basis as per DERR-2019-20.

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. The provisional UFG in case of SNGPL is based on the FRR FY 2017-18.

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 2020 Annex: B

Particulars	Unit	SSGC (January 2020)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	4	6	4
Quantity Received		19,200,000	12,800,000	19,200,000	12,800,000
Retainage % PSO @ 0.66 and PLL @ 0.77		126,720	98,536	126,720	98,536
Quantity Delivered at Terminal		19,073,280	12,701,464	19,073,280	12,701,464
Transmission Loss: (SNGPL 0.38%) & (SSGCL -0.74%)		(141,142)	(93,991)		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)			-	2,534,839	1,688,025
Total Loss including Retainage		(14,422)	4,546	2,661,559	1,786,561
%age Losses		-0.08%	0.04%	13.86%	13.96%
Quantity available for Sale		19,214,422	12,795,454	16,538,441	11,013,439
LNG Price (DES)		8.4480	6.3672	8.4480	6.3672
PSO/ PLL other imports related actual costs		0.6292	0.4956	0.6292	0.4956
PSO / PLL margin (@ 2.50%)		0.2112	0.1592	0.2112	0.1592
Terminal Charges		0.4125	0.5791	0.4125	0.5791
RLNG Cost		9.7009	7.6011	9.7009	7.6011
Retainage volume adjustment		0.0645	0.0590	0.0645	0.0590
T & D volume adjustment		(0.0718)	(0.0563)	1.4967	1.1740
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1436	0.1436	0.1436	0.1436
Total RLNG price without GST		9.8622	7.7724	11.4307	9.0027
Quantity available for Sale	MMBTU	19,214,422	12,795,454	16,538,441	11,013,439
Total cost of RLNG	US \$	189,496,475	99,451,935	189,045,959	99,151,157
sum of Total RLNG cost (PSO & PLL)	US \$	288,948,410		288,197,115	
sum of quantity available for sale (PSO& PLL)	MMBTU	32,009,877		27,551,880	
Weighted Average Sale Price without GST	US \$ / MMBTU	9.0269		10.4602	

Notes:

i. Calculation of LNG DES Price	PSO		PLL		
	6	1	1	1	1
No. of Cargoes	6	1	1	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	3,200,000	3,200,000
Bricem-October-19	59.6057	59.6057	59.6057	59.6057	59.6057
Bricem-November-19	62.6171	62.6171	62.6171	62.6171	62.6171
Bricem-December-19	65.0895	65.0895	65.0895	65.0895	65.0895
Brent_m	62.4374	62.4374	62.4374	62.4374	62.4374
Slope	13.3700%	11.9500%	9.4887%	9.5887%	9.5386%
CP = Slope x Brent_m	8.3479	7.4613	5.9245	5.9869	5.9557
Average DES	8.3479	6.3321			
Port Charges (in the excess of limit borne by LNG supplier)	0.1001	0.0351			
DES Price	8.4480	6.3672			

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2019-20.
- 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. The provisional UFG in case of SSGCL is based on the FRR FY 2016-17.
- 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.