

No. OGRA-10-11(8)/2018

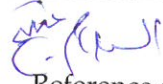
January 07, 2019

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 2019.


Dear Sir,



Reference emails of PLL and PSO dated January 03, 2019 & January 04, 2019 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, 2019 has been computed attached as Annexure- A and Annexure- B.

Best Regards,


(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 RLNG Provisional Price for the month of January, 2018

		SSGC (January-19)			
		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 @0.75% & PLL 0.67%)		144,000	85,760	144,000	85,760
Quantity Delivered at Terminal		19,056,000	12,714,240	19,056,000	12,714,240
Transmission Loss: -0.74%		(141,014)	(94,085)	-	-
T & D Loss: 13.29%		-	-	2,532,542	1,689,722
Total Loss including Retainage		2,986	(8,325)	2,676,542	1,775,482
%age Losses		0.02%	-0.07%	13.94%	13.87%
Quantity available for Sale		19,197,014	12,808,325	16,523,458	11,024,518
LNG Price (DES)		9.2109	8.4176	9.2109	8.4176
PSO/ PLL other imports related actual costs		0.1364	0.1303	0.1364	0.1303
PSO / PLL margin		0.2303	0.2104	0.2303	0.2104
Terminal Charges		0.4507	0.3217	0.4507	0.3217
RLNG Cost		10.0283	9.0800	10.0283	9.0800
Retainage volume adjustment		0.0758	0.0612	0.0758	0.0612
T & D volume adjustment		(0.0742)	(0.0671)	1.5486	1.4011
LSA management fee		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.1393	0.1393	0.1393	0.1393
Total RLNG price without GST		10.1942	9.2384	11.8170	10.7066
Quantity available for Sale	MMBTU	19,197,014	12,808,325	16,523,458	11,024,518
Total cost of RLNG	US \$/MMBTU	195,698,204	118,328,433	195,257,698	118,035,099
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	314,026,637		313,292,798	
sum of quantity available for sale (PSO& PLL)	MMBTU	32,005,340		27,547,975	
Weighted Average Sale Price without GST	US \$/MMBTU	9.8117		11.3726	

Notes:

i. Calculation of LNG DES Price

	PSO	PLL	PLL
Cargoes	6	3	1
Quantity (No. MMBTU)	19,200,000	9,600,000	3,200,000
Brice_m3 September, 2018	80.6109	80.6109	80.6109
Brice_m2 October, 2018	65.9832	65.9832	65.9832
Brice_m1 November, 2018	57.7250	57.7250	57.7250
Brent_m	68.1064	68.1064	68.1064
Slope	13.37%	11.6247%	14.4000%
CP = Slope x Brent_m	9.1058	7.9172	9.8073
Average DES		8.3897	
Port Charges (in the excess of limit borne by LNG supplier)	0.1051	0.0279	
DES Price	9.2109	8.4176	

- ii. Average cost of supply for has been taken on provisional basis as per DERR-2018-19.
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy.
- iv. Retainage incase of PLL has been taken at 0.67% and in respect of PSO, it has been determined at 0.75%. Retainage has been taken on provisional basis subject to final outcome of the audit.
- 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 RLNG Provisional Price for the month of January, 2019

Particulars	Unit	SNGPL (January-2019)			
		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 @0.75% & PLL 0.67%)		144,000	85,760	144,000	85,760
Quantity Delivered at Terminal	MMBTU	19,056,000	12,714,240	19,056,000	12,714,240
Transmission Loss: 0.19%		36,206	24,157	-	-
T & D Loss: 8.07%				1,537,819	1,026,039
Total Loss including Retainage		180,206	109,917	1,681,819	1,111,799
%age Losses		0.94%	0.86%	8.76%	8.69%
Quantity available for Sale		19,019,794	12,690,083	17,518,181	11,688,201
LNG Price (DES)	US \$/MMBTU	9.2109	8.4176	9.2109	8.4176
PSO/ PLL other imports related actual costs		0.1364	0.1303	0.1364	0.1303
PSO / PLL margin		0.2303	0.2104	0.2303	0.2104
Terminal Charges		0.4507	0.3217	0.4507	0.3217
RLNG Cost		10.0283	9.0800	10.0283	9.0800
Retainage volume adjustment		0.0758	0.0612	0.0758	0.0612
T & D volume adjustment		0.0192	0.0174	0.8870	0.8025
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply		0.4411	0.4411	0.4411	0.4411
Total RLNG price without GST			10.5894	9.6247	11.4572
Quantity available for Sale	MMBTU	19,019,794	12,690,083	17,518,181	11,688,201
Total cost of RLNG	US \$/MMBTU	201,408,202	122,138,241	200,709,301	121,671,833
sum of Total RLNG cost (PSO & PLL)	US \$/MMBTU	323,546,444		322,381,134	
sum of quantity available for sale (PSO& PLL)	MMBTU	31,709,877		29,206,382	
Weighted Average Sale Price without GST	US \$/MMBTU	10.2033		11.0380	

Notes:

i. Calculation of LNG DES Price	PSO	PLL	PLL
Cargoes	6	3	1
Quantity (No. MMBTU)	19,200,000	9,600,000	3,200,000
Brice_m3 September, 2018	80.6109	80.6109	80.6109
Brice_m2 October, 2018	65.9832	65.9832	65.9832
Brice_m1 November, 2018	57.7250	57.7250	57.7250
Brent_m	68.1064	68.1064	68.1064
Slope	13.37%	11.6247%	14.4000%
CP = Slope x Brent_m	9.1058	7.9172	9.8073
Average DES		8.3897	
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