

آئل اینڈ گیس
ریگولیٹری اتھارٹی



Oil & Gas
Regulatory Authority

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

November 11, 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 November 2019.

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 prices for the month of November, 2019 has been computed attached as Annexure- A and Annexure- B.

Best Regards,

Abdul Basit Qureshi
(Dr. Abdul Basit Qureshi)
Registrar
For and behalf of Authority

olc

- 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.



SNGPL

COMPUTATION OF WEIGHTED AVERAGE RLNG PRICE FOR SNGPL: November 2019 Annex: A

Particulars	Unit	SNGPL (November-2019)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	2	6	2
Quantity Received		19,200,000	6,400,000	19,200,000	6,400,000
Retainage % PSO @ 0.59 and PLL @ 1.23		113,088	79,003	113,088	79,003
Quantity Delivered at Terminal		19,086,912	6,320,997	19,086,912	6,320,997
Transmission Loss: (SNGPL 0.38%) & (SSGCL -0.74%)		72,530	24,020		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)					
Total Loss Including Retainage				2,080,473	688,989
%age Losses		185,618	103,023	2,193,561	767,992
Quantity available for Sale		0.97%	1.61%	11.42%	12.00%
LNG Price (DES)		19,014,382	6,296,977	17,006,439	5,632,008
PSO/ PLL other Imports related actual costs		8.1772	7.0643	8.1772	7.0643
PSO / PLL margin (@ 2.50%)		0.6115	0.5403	0.6115	0.5403
Terminal Charges		0.2044	0.1766	0.2044	0.1766
RLNG Cost		0.4012	1.1125	0.4012	1.1125
Retainage volume adjustment		9.3943	8.8937	9.3943	8.8937
T & D volume adjustment		0.0557	0.1112	0.0557	0.1112
LSA management fee (SSGC/PLTL)		0.0360	0.0343	1.1560	1.1016
Cost of supply -SNGPL		0.0250	0.0250	0.0250	0.0250
Cost of supply -SSGCL		0.2964	0.2964	0.2964	0.2964
Total RLNG price without GST		0.1428	0.1428	0.1428	0.1428
Quantity available for Sale		9.9502	9.5034	11.0702	10.5707
Total cost of RLNG	MMBTU	19,014,382	6,296,977	17,006,439	5,632,008
sum of Total RLNG cost (PSO & PLL)	US \$	189,197,735	59,842,808	188,265,422	59,534,373
sum of quantity available for sale (PSO & PLL)	US \$	249,040,543		247,799,796	
Weighted Average Sale Price without GST	MMBTU	25,311,359		22,638,447	
	US \$/MMBTU	9.8391		10.9460	

Notes:

i. Calculation of LNG DES Price

	PSO	PLL
No. of Cargoes	6	2
Quantity (No. MMBTU)	19,200,000	6,400,000
Bricem-1 August-19	59.4482	59.4482
Bricem-1 September-19	62.2143	62.2143
Bricem-1 October-19	59.6057	59.6057
Brent_m	60.4227	60.4227
Slope	13.3700%	11.6247%
CP = Slope x Brent_m	8.0785	7.0240
Average DES	8.0785	7.0240
Port Charges (in the excess of limit borne by LNG supplier)	0.0987	0.0403
DES Price	8.1772	7.0643

- 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.

SSGCL

COMPUTATION OF WEIGHTED AVERAGE RLNG PRICE FOR SSGC: November 2019 Annex: B

Particulars	Unit	SSGC (November-2019)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		6	2	6	2
Quantity Received		19,200,000	6,400,000	19,200,000	6,400,000
Retainage % PSO @ 0.59 and PLL @ 1.23		113,088	79,003	113,088	79,003
Quantity Delivered at Terminal	MMBTU	19,086,912	6,320,997	19,086,912	6,320,997
Transmission Loss: (SNGPL 0.38%) & (SSGCL -0.74%)		(141,243)	(46,775)		
T & D Loss: (SNGPL 10.90%) & (SSGCL 13.29%)				2,536,651	840,061
Total Loss including Retainage		(28,155)	32,227	2,649,739	919,063
%age Losses		-0.15%	0.50%	13.80%	14.36%
Quantity available for Sale		19,228,155	6,367,773	16,550,261	5,480,937
LNG Price (DES)		8.1772	7.0643	8.1772	7.0643
PSO/ PLL other imports related actual costs		0.6115	0.5403	0.6115	0.5403
PSO / PLL margin (@ 2.50%)		0.2044	0.1766	0.2044	0.1766
Terminal Charges		0.4012	1.1125	0.4012	1.1125
RLNG Cost		9.3943	8.8937	9.3943	8.8937
Retainage volume adjustment	US \$ /MMBTU	0.0557	0.1112	0.0557	0.1112
T & D volume adjustment		(0.0695)	(0.0662)	1.4484	1.3801
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1428	0.1428	0.1428	0.1428
Total RLNG price without GST		9.5483	9.1065	11.0662	10.5528
Quantity available for Sale	MMBTU	19,228,155	6,367,773	16,550,261	5,480,937
Total cost of RLNG	US \$	183,596,194	57,988,235	183,148,503	57,839,327
sum of Total RLNG cost (PSO & PLL)	US \$	241,584,429		240,987,830	
sum of quantity available for sale (PSO & PLL)	MMBTU	25,595,928		22,031,198	
Weighted Average Sale Price without GST	US \$ / MMBTU	9.4384		10.9385	

Notes:

i. Calculation of LNG DES Price		PSO	PLL
No. of Cargoes		6	2
Quantity (No. MMBTU)		19,200,000	6,400,000
Bricem-1 August-19		59.4482	59.4482
Bricem-1 September-19		62.2143	62.2143
Bricem-1 October-19		59.6057	59.6057
Brent_m		60.4227	60.4227
Slope		0.1337	0.1162
CP = Slope x Brent_m		8.0785	7.0240
Average DES		8.0785	7.0240
Port Charges (in the excess of limit borne by LNG supplier)		0.0987	0.0403
DES Price		8.1772	7.0643

- 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.