

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

May 7, 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 May 2021.


Dear Sir,



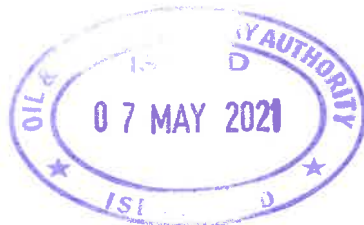
Reference emails of PLL and PSO on the above subject.

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 May 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 MAY 2021 Annex: A

Particulars	Unit	(SNGPL May 2021)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		7	6	7	6
Quantity Received		22,400,000	19,200,000	22,400,000	19,200,000
Retainage PSO @ 0.6 % and PLL @ 0.5%		134,400	96,000	134,400	96,000
Quantity Delivered at Terminal		22,265,600	19,104,000	22,265,600	19,104,000
Transmission Loss SNGPL @ 0.38%		84,609	72,595		
Distribution Loss: SNGPL @ 6.3%				1,402,733	1,203,552
Total Loss including Retainage		219,009	168,595	1,537,133	1,299,552
%age Losses		0.98%	0.88%	6.86%	6.77%
Quantity available for Sale		22,180,991	19,031,405	20,862,867	17,900,448
LNG Price (DES)		8.7893	7.0549	8.7893	7.0549
PSO/ PLL other imports related costs		0.6544	0.5436	0.6544	0.5436
PSO / PLL margin (@ 2.50%)		0.2197	0.1764	0.2197	0.1764
Terminal Charges		0.3625	0.3891	0.3625	0.3891
RLNG Cost		10.0259	8.1639	10.0259	8.1639
Retainage volume adjustment		0.0605	0.0410	0.0605	0.0410
T & D volume adjustment		0.0385	0.0313	0.6782	0.5517
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL		0.2835	0.2835	0.2835	0.2835
Cost of supply -SSGCL		0.1069	0.1069	0.1069	0.1069
Total RLNG price without GST		10.5403	8.6516	11.1800	9.1720
Quantity available for Sale	MMBTU	22,180,991	19,031,405	20,862,867	17,900,448
Total cost of RLNG	US \$	233,795,062	164,652,758	233,247,576	164,183,526
sum of Total RLNG cost (PSO & PLL)	US \$	398,447,820		397,431,101	
sum of quantity available for sale (PSO & PLL)	MMBTU	41,212,396		38,763,315	
Weighted Average Sale Price without GST	US \$/MMBTU	9.6682		10.2528	

Notes:

i. Calculation of LNG DES Price	PSO		PLL				
	6	1	1	1	2	1	1
No. of Cargoes	6	1	1	1	2	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	3,200,000	6,400,000	3,200,000	3,200,000
Bricem-Feb-21	62.1960	62.1960	62.1960	62.1960	-	-	-
Bricem-Mar-21	65.6674	65.6674	65.6674	65.6674	-	-	-
Bricem-Apr-21	65.3052	65.3052	65.3052	65.3052	-	-	-
Brent_m	64.3895	64.3895	64.3895	64.3895	-	-	-
Slope	13.3700%	14.5201%	11.6247%	11.9500%	-	-	-
CP = Slope x Brent_m	8.6089	9.3494	7.4851	7.6945	6.7000	6.8250	6.9250
Average DES USD / MMBTU	8.7147				7.0549		
Port Charges (in the excess of limit borne by LNG supplier)	0.0746				0.0000		
DES Price USD / MMBTU	8.7893				7.0549		

- 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: MAY 2021 Annex: B

Particulars	Unit	(SSGC May 2021)			
		Transmission		Distribution	
		PSO	PLL	PSO	PLL
No. of Cargos		7	6	7	6
Quantity Received		22,400,000	19,200,000	22,400,000	19,200,000
Retainage PSO @ 0.6 % and PLL @ 0.5%		134,400	96,000	134,400	96,000
Quantity Delivered at Terminal		22,265,600	19,104,000	22,265,600	19,104,000
Transmission Loss SSGCL @ 0.12%		26,719	22,925		
Distribution Loss: SSGCL @ 6.3%			-	1,402,733	1,203,552
Total Loss including Retainage		161,119	118,925	1,537,133	1,299,552
%age Losses		0.72%	0.62%	6.86%	6.77%
Quantity available for Sale		22,238,881	19,081,075	20,862,867	17,900,448
LNG Price (DES)		8.7893	7.0549	8.7893	7.0549
PSO/ PLL other imports related costs		0.6544	0.5436	0.6544	0.5436
PSO / PLL margin (@ 2.50%)		0.2197	0.1764	0.2197	0.1764
Terminal Charges		0.3625	0.3891	0.3625	0.3891
RLNG Cost		10.0259	8.1639	10.0259	8.1639
Retainage volume adjustment		0.0605	0.0410	0.0605	0.0410
T & D volume adjustment		0.0121	0.0099	0.6782	0.5517
LSA management fee (SSGC/PLTL)		0.0250	0.0250	0.0250	0.0250
Cost of supply -SNGPL					
Cost of supply -SSGCL		0.1069	0.1069	0.1069	0.1069
Total RLNG price without GST		10.2304	8.3467	10.8965	8.8885
Quantity available for Sale	MMBTU	22,238,881	19,081,075	20,862,867	17,900,448
Total cost of RLNG	US \$	227,512,651	159,264,668	227,332,232	159,108,749
sum of Total RLNG cost (PSO & PLL)	US \$	386,777,319		386,440,981	
sum of quantity available for sale (PSO & PLL)	MMBTU	41,319,956		38,763,315	
Weighted Average Sale Price without GST	US \$/ MMBTU	9.3605		9.9692	

Notes:

i. Calculation of LNG DES Price	PSO				PLL		
	6	1	1	1	2	1	1
No. of Cargoes	6	1	1	1	2	1	1
Quantity (No. MMBTU)	19,200,000	3,200,000	3,200,000	3,200,000	6,400,000	3,200,000	3,200,000
Bricem-Feb-21	62.1960	62.1960	62.1960	62.1960	-	-	-
Bricem-Mar-21	65.6674	65.6674	65.6674	65.6674	-	-	-
Bricem-Apr-21	65.3052	65.3052	65.3052	65.3052	-	-	-
Brent_m	64.3895	64.3895	64.3895	64.3895	-	-	-
Slope	13.3700%	14.5201%	11.6247%	11.9500%	-	-	-
CP = Slope x Brent_m	8.6089	9.3494	7.4851	7.6945	6.7000	6.8250	6.9250
Average DES	8.7147				7.0549		
Port Charges (in the excess of limit borne by LNG supplier)	0.0746				0.0000		
DES Price USD/ MMBTU	8.7893				7.0549		

- 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.