

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

February 11, 2022

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

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

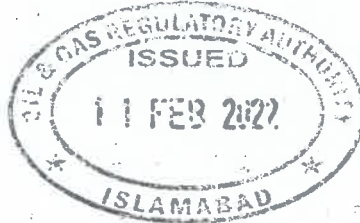
Subject: Determination of Re-Gasified Liquefied Natural Gas (RLNG) Weighted Average Sale Provisional Prices for the Month of January 2022.

Dear Sir,

Reference SNGPL's letter No. RA-LNG-039-22 dated 4-1-2022 regarding submission of monthly RLNG price data / computation.

2. In pursuance of the approval of the Authority and 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 2022 has been computed as attached at Annexure-A and Annexure- B.

Best Regards,



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

alc

- 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 2022 Annex: A

| Particulars | Unit | (SNGPL JANUARY 2022) | | | |
|---|-------------|----------------------|------------|--------------|------------|
| | | Transmission | | Distribution | |
| | | PSO | PLL | PSO | PLL |
| No. of Cargos | | 8 | 1 | 8 | 1 |
| Quantity Received | | 25,600,000 | 3,200,000 | 25,600,000 | 3,200,000 |
| Retainage PSO @ 0.72 % and PLL @ 0.5% | | 184,320 | 16,000 | 184,320 | 16,000 |
| Quantity Delivered at Terminal | MMBTU | 25,415,680 | 3,184,000 | 25,415,680 | 3,184,000 |
| Transmission Loss SNGPL @ 0.38% | | 96,580 | 12,099 | | |
| Distribution Loss: SNGPL @ 12.32% | | | | 3,131,212 | 392,269 |
| Total Loss including Retainage | | 280,900 | 28,099 | 3,315,532 | 408,269 |
| %age Losses | | 1.10% | 0.88% | 12.95% | 12.76% |
| Quantity available for Sale | | 25,319,100 | 3,171,901 | 22,284,468 | 2,791,731 |
| LNG Price (DES) | | 10.1028 | 9.6843 | 10.1028 | 9.6843 |
| PSO/ PLL other imports related costs | | 0.7203 | 0.6992 | 0.7203 | 0.6992 |
| PSO / PLL margin (@ 2.50%) | | 0.2526 | 0.2421 | 0.2526 | 0.2421 |
| Terminal Charges | | 0.3625 | 1.1493 | 0.3625 | 1.1493 |
| RLNG Cost | | 11.4382 | 11.7749 | 11.4382 | 11.7749 |
| Retainage volume adjustment | US \$/MMBTU | 0.0830 | 0.0592 | 0.0830 | 0.0592 |
| T & D volume adjustment | | 0.0439 | 0.0451 | 1.6188 | 1.6628 |
| LSA management fee | | 0.0250 | 0.0250 | 0.0250 | 0.0250 |
| Cost of supply -SNGPL | | 0.2395 | 0.2395 | 0.2395 | 0.2395 |
| Cost of supply -SSGCL | | 0.1213 | 0.1213 | 0.1213 | 0.1213 |
| Total RLNG price without GST | | 11.9508 | 12.2649 | 13.5257 | 13.8826 |
| Quantity available for Sale | MMBTU | 25,319,100 | 3,171,901 | 22,284,468 | 2,791,731 |
| Total cost of RLNG | US \$ | 302,584,232 | 38,902,967 | 301,413,671 | 38,756,418 |
| sum of Total RLNG cost (PSO & PLL) | US \$ | 341,487,199 | | 340,170,089 | |
| sum of quantity available for sale (PSO& PLL) | MMBTU | 28,491,001 | | 25,076,199 | |
| Weighted Average Sale Price without GST | US \$/MMBTU | 11.9858 | | 13.5655 | |

Notes:

| i. Calculation of LNG DES Price | PSO | | | PLL | | | | |
|---|------------|-----------|-----------|-----|---|--------|---|---|
| | 6 | 2 | 1 | 0 | 0 | 0 | 0 | 0 |
| No. of Cargoes | 6 | 2 | 1 | 0 | 0 | 0 | 0 | 0 |
| Quantity (No. MMBTU) | 19,200,000 | 6,400,000 | 3,200,000 | - | - | - | - | - |
| Bricem-Oct-21 | 83.7148 | 83.7148 | 83.7148 | - | - | - | - | - |
| Bricem-Nov-21 | 80.7886 | 80.7886 | 80.7886 | - | - | - | - | - |
| Bricem-Dec-21 | 74.8130 | 74.8130 | 74.8130 | - | - | - | - | - |
| Brent_m | 79.7721 | 79.7721 | 79.7721 | - | - | - | - | - |
| Slope | 13.37% | 10.20% | 12.1400% | - | - | - | - | - |
| CP = Slope x Brent_m | 10.6655 | 8.1368 | 9.6843 | - | - | - | - | - |
| Average DES USD / MMBTU | 10.0333 | | | | | 9.6843 | | |
| Port Charges (In the excess of limit borne by LNG supplier) | 0.0695 | | | | | 0.0000 | | |
| DES Price USD / MMBTU | 10.1028 | | | | | 9.6843 | | |

- ii. Average cost of supply for has been taken on provisional basis as per DERR-FY 2021-22
- iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy
- iv. UFG has been incorporated on provisional basis subject to adjustment upon actual @0.38% in respect of transmission and 12.32% in respect of distribution, in light of Honourable Lahore Court interim Order dated 24-12-2021 in Writ Petition No. 80733/2021.
- v. The figure of Retainage has been taken provisionally subject to adjustment upon actual.
- vi. 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 2022 Annex: B

| Particulars | Unit | (SSGC JANUARY 2022) | | | | | |
|--|--------------|---------------------|----------------|----------------|----------------|-----|--|
| | | Transmission | | | Distribution | | |
| | | PSO | PLL | PSO | PLL | PLL | |
| No. of Cargos | | 8 | 1 | 8 | 1 | 1 | |
| Quantity Received | | 25,600,000 | 3,200,000 | 25,600,000 | 3,200,000 | | |
| Retainage PSO @ 0.72 % and PLL @ 0.5% | | 184,320 | 16,000 | 184,320 | 16,000 | | |
| Quantity Delivered at Terminal | | 25,415,680 | 3,184,000 | 25,415,680 | 3,184,000 | | |
| Transmission Loss SSGCL @ 0.12% | | 30,499 | 3,821 | | | | |
| Distribution Loss: SSGCL @ 18.28% | | | | 4,645,986 | 582,035 | | |
| Total Loss including Retainage | | 214,819 | 19,821 | 4,830,306 | 598,035 | | |
| %age Losses | | 0.84% | 0.62% | 18.87% | 18.69% | | |
| Quantity available for Sale | | 25,385,181 | 3,180,179 | 20,769,694 | 2,601,965 | | |
| LNG Price (DES) | | 10.1028 | 9.6843 | 10.1028 | 9.6843 | | |
| PSO/ PLL other imports related costs | | 0.7203 | 0.6992 | 0.7203 | 0.6992 | | |
| PSO / PLL margin (@ 2.50%) | | 0.2526 | 0.2421 | 0.2526 | 0.2421 | | |
| Terminal Charges | | 0.3625 | 1.1493 | 0.3625 | 1.1493 | | |
| RLNG Cost | | 11.4382 | 11.7749 | 11.4382 | 11.7749 | | |
| Retainage volume adjustment | | 0.0830 | 0.0592 | 0.0830 | 0.0592 | | |
| T & D volume adjustment | | 0.0138 | 0.0142 | 2.5771 | 2.6471 | | |
| LSA management fee | | 0.0250 | 0.0250 | 0.0250 | 0.0250 | | |
| Cost of supply -SNGPL | | | | | | | |
| Cost of supply -SSGCL | | 0.1144 | 0.1144 | 0.1144 | 0.1144 | | |
| Total RLNG price without GST | | 11.6744 | 11.9876 | 14.2377 | 14.6205 | | |
| Quantity available for Sale | MMBTU | 25,385,181 | 3,180,179 | 20,769,694 | 2,601,965 | | |
| Total cost of RLNG | US \$ | 296,355,615 | 38,122,752 | 295,711,731 | 38,042,056 | | |
| sum of Total RLNG cost (PSO & PLL) | US \$ | 334,478,366 | | 333,753,787 | | | |
| sum of quantity available for sale (PSO& PLL) | MMBTU | 28,565,360 | | 23,371,658 | | | |
| Weighted Average Sale Price without GST | US \$/ MMBTU | 11.7092 | | 14.2803 | | | |

Notes:

| i. Calculation of LNG DES Price | PSO | | | PLL | | | | |
|--|----------------|-----------|-----------|---------|---|---------------|---|---|
| | 6 | 2 | 1 | 0 | 0 | 0 | 0 | 0 |
| No. of Cargoes | | | | | | | | |
| Quantity (No. MMBTU) | 19,200,000 | 6,400,000 | 3,200,000 | - | - | - | - | - |
| Bricem-Oct-21 | 74.8668 | 74.8668 | 83.7148 | - | - | - | - | - |
| Bricem-Nov-21 | 83.7148 | 83.7148 | 80.7886 | - | - | - | - | - |
| Bricem-Dec-21 | 80.7886 | 80.7886 | 74.8130 | - | - | - | - | - |
| Brent_m | 79.7901 | 79.7901 | 79.7721 | - | - | - | - | - |
| Slope | 13.37% | 10.20% | 12.1400% | 0.0000% | - | - | - | - |
| CP = Slope x Brent_m | 10.6679 | 8.1386 | 9.6843 | - | - | - | - | - |
| Average DES | 10.0333 | | | | | 9.6843 | | |
| Port Charges (in the excess of limit borne by LNG supplier) | 0.0695 | | | | | 0.0000 | | |
| DES Price USD/ MMBTU | 10.1028 | | | | | 9.6843 | | |

ii. Average cost of supply for has been taken on provisional basis as per DERR-2021-22.

iii. Weighted Average Sale Price has been worked out in light of the advice of the Ministry of Energy

UFG has been incorporated on provisional basis subject to adjustment upon actual @0.38% in respect of transmission and 12.32% in respect of distribution, in light of Honourable Lahore interim Court interim Order dated 24-12-2021 in Writ Petition No. 80733/2021.

iv. The figure of Retainage has been taken provisionally subject to adjustment upon actual.e finalized upon the actual results.

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.