

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

March 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 (revised).


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 (revised) 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 2022 (Revised) 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		25,415,680	3,184,000	25,415,680	3,184,000
Transmission Loss SNGPL @ 0.28%		71,164	8,915		
Distribution Loss: SNGPL @ 8.49%				2,157,791	270,322
Total Loss including Retainage		255,484	24,915	2,342,111	286,322
%age Losses		1.00%	0.78%	9.15%	8.95%
Quantity available for Sale		25,344,516	3,175,085	23,257,889	2,913,678
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		0.0323	0.0332	1.0688	1.0979
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		11.9392	12.2530	12.9757	13.3177
Quantity available for Sale	MMBTU	25,344,516	3,175,085	23,257,889	2,913,678
Total cost of RLNG	US \$	302,593,974	38,904,235	301,788,054	38,803,422
sum of Total RLNG cost (PSO & PLL)	US \$	341,498,208		340,591,477	
sum of quantity available for sale (PSO & PLL)	MMBTU	28,519,601		26,171,567	
Weighted Average Sale Price without GST	US \$/MMBTU	11.9742		13.0138	

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 RERR-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 @0.28% in respect of transmission and 8.49% 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 (Revised) 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 @ 0.05%		12,708	1,592				
Distribution Loss: SSGCL @ 17.25%				4,384,205	549,240		
Total Loss including Retainage		197,028	17,592	4,568,525	565,240		
%age Losses		0.77%	0.55%	17.85%	17.66%		
Quantity available for Sale		25,402,972	3,182,408	21,031,475	2,634,760		
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		0.0057	0.0059	2.4016	2.4669		
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		11.6663	11.9793	14.0622	14.4403		
Quantity available for Sale	MMBTU	25,402,972	3,182,408	21,031,475	2,634,760		
Total cost of RLNG	US \$	296,357,549	38,123,056	295,747,862	38,046,754		
sum of Total RLNG cost (PSO & PLL)	US \$		334,480,605		333,794,617		
sum of quantity available for sale (PSO& PLL)	MMBTU		28,585,380		23,666,235		
Weighted Average Sale Price without GST	US \$/ MMBTU		11.7011		14.1043		

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	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%	0.0000%	-	-	-	-
CP = Slope x Brent_m	10.6655	8.1368	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 has been taken on provisional basis as per RERR-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 @0.05% in respect of transmission and 17.25% in respect of distribution, in light of Honourable Lahore interim 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.e finalized upon the actual results.
- 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.