Sui Southern Gas
Company Limited

SSGC

Ref : RA/21/17
Dated : 15 March 2016

The Registrar
Oil & Gas Regulatory Authority
ZTE Plaza near PIA Booking Office
Blue Area
Islamabad.

OIL & GAS REGULATORY AUTHORITY
16 MAR 2016
862
ISLAMABAD

Subject: **PETITION FOR ESTIMATED REVENUE REQUIREMENT FY 2016-17**

Dear Sir,
SSGC's Estimated Revenue Requirement (ERR) Petition for FY 2016-17 as required under Section 8(1) of OGRA Ordinance 2002 and Rule 4(2) of Natural Gas Tariff Rules 2002 is enclosed for the Authority's consideration and necessary approval. SSGC through its letter reference RA/21/17 dated 4 March 2016 has requested the Authority to extend the submission date of the Petition for Estimated Revenue Requirement for FY 2016-17 till 15 March 2016.

An increase of Rs. 6,800 million (Rs 17.42 per MMBTU) in SSGC's prescribed prices for FY 2016-17 has been estimated/ worked-out, in order to meet the projected revenue requirement for the year under review.

In the instant petition Meter Manufacturing Profit, Late Payment Surcharge and income from Sale of Condensate have been treated as non-operating incomes in line with Authority's principle decision taken in determination dated 24 September 2010 on the Company's Final Revenue Requirement for FY 2009-10. Similarly, the treatment of income from sale of LPG and NGL/gas condensate extracted from various fields' gases have been treated as non-operating incomes.

The gas demand and supply gap is continuously increasing in the country. To mitigate the gap GOP is working on various options as communicated through letter No. NG-(II)-16(I)/14-Misc-LNG dated 5 November 2014. As one of the solutions LNG Imports has been started. A brief on recent developments on LNG front along with the infrastructure requirement etc. are outlined in Annexure-D / Section D of the Petition.

The matter of RLNG pricing, is under review of the Authority Since the Company has filed review petition on 19 October 2015 seeking Authority's review on its determination dated: 7 October 2015. Authority is requested to consider the submissions made by the Company in the petition and during the Public Hearings held on 28 December 2015 and 4 January 2016 in Karachi and Lahore respectively and determine the revised RLNG price incorporating actual LSA charges including retainage as per the terms of LSA, cost of service, SSGC's administrative margin.

ED(Chair) ED(F&A) Analyst 17/3

SSGC House, Sir Shah Suleman Road, Gulshan-e-Iqbal, P.O. Box 17989 Karachi-75300
PABX Telephone : 9921000, Fax 92-21-99231550 Website : www.ssgc.com.pk

In its decision on estimated revenue requirement for FY 2015-16, OGRA not allowed the return on assets related to RLNG infrastructure advising to finance these assets from GIDC. However, the Ministry of Finance subsequently clarified that GIDC act allows the Federal Government to decide about the utilization of GIDC, hence FG has decided not to utilize GIDC for RLNG projects advising that its financing may be arranged through commercial banks as per earlier decision of ECC.

All the costs related to LNG/RLNG business (including the LSA and other charges) are to be ring-fenced and recovered from RLNG customers. Besides above as per the recent decision of ECC, financial cost incurred in creation of RLNG infrastructure has been allowed as admissible expense in the revenue requirement of the utility companies. Estimates for FY 2016-17 related to RLNG business are therefore outlined separately under attachment I of Annexure-D

The application form on the prescribed format is enclosed along-with the following supporting statements/ schedules:

Section-A:	Tariff working and Financial Statements
Section-B:	Supporting schedules to Financial Statements
Section-C:	Tariff workings, Financial Statements & Other Schedules (As per OGRA formats).
Section-D:	Project details / addition to the Fixed Operating Assets (Rate Base).
Section-E:	Details of Transmission & Distribution Cost.

The filing fee of Rs.1,000,000/ (Rupees one million only) is being paid through enclosed demand draft # 101594163 dated: 30 Nov 2015.

It is submitted that SSGC's various petitions are under consideration of the Authority, list of these Petitions is given in schedule-I.

We would therefore request the Authority to approve a price increase of Rs. 17.42 per MMBTU w.e.f. 1 July 2016 in SSGC's tariff for FY 2016-17, please

Yours faithfully,

Syed Fasihuddin Fawad
General Manager (RA)
(For Managing Director)

CC: **Mr. Shehzad Iqbal, Executive Director (Gas) OGRA**
Ms. Misbah Yaqub, Executive Director (Finance) OGRA

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0 2 MAR 2015

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S. WAJAHAT ALI Advocate

Muhammad Yaqoob Advocate NOTARY PUBLIC Karachi-Pakistan

Abu ... Moosa Memon NOTARY PUBLIC Advocate

SUB POWER OF ATTORNEY

Know all men by these presents that SUI SOUTHERN GAS COMPANY LIMITED, a Public Limited Company, incorporated under the Companies Ordinance, 1984, and having its registered office at ST.4/B, Block-14, Sir Shah Muhammad Suleman Road, Gulshan-e-Iqbal, Karachi, acting through its authorized representative, the Managing Director Mr. Khalid Rahman who is authorized vide General Power of Attorney Registered No. 42 Book No. IV Sub-Registrar dated [illegible].02.2015 2015 & M.F Roll No: 8885/9862 dated 18.02.2015 Gulshan-e-Iqbal Town Karachi do hereby nominate, constitute, appoint and ordain Mr. Syed Fasihuddin Fawad s/o Fazaluddin Syed , holding CNIC No.42000-0563370-5, General Manager (RA) of the Company (hereinafter called "the Attorney") with effect from 10 February 2015

to be the true and lawful Attorney of the Company, who is duly authorized to do, on behalf of the Company, in the matters pertaining to Oil & Gas Regulatory Authority ("OGRA") only, the following:

1 To represent the Company in all proceedings before OGRA.

2 To file and appear in proceedings, sign applications, petitions and other documents that may be required and to defend the Company's petition for its revenue requirements, tariff licensing and other ancillary matters before OGRA.

3 To sign and file intervention, requests, comments, affidavits, furnish undertaking and documents that may be required in the matter before the OGRA,

4 To do generally all acts and things, which are necessary or requisite or expedient to carry out the several acts, deeds and things aforesaid or incidental thereto, as provided and mandated through this power of attorney.

5 AND I declare that my Attorney shall be entitled to continue to act under this Power of Attorney and to exercise all the powers hereby conferred until this Power of Attorney is recalled by me by written notice sent by us and received by my Attorney and that although I may from time to time myself do or attend to or

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authorize others to do or attend to certain or all of the acts and matters in regard to which my Attorney is hereby authorized to act for us and on my behalf, no implication of total or partial revocation of the powers conferred on my Attorney shall thereby arise.

And the Company doth hereby agree to ratify and confirm all and whatsoever the said Attorney shall lawfully do or cause to be done by virtue of this Power-of-Attorney. It is also being declared that all acts, deeds and transactions of the Attorney shall, notwithstanding any prior revocation or cancellation of this Power-of-Attorney be valid and effectual, unless such revocation shall have been previously notified to the person or persons acting or dealing with the Attorney And I consent to and expressly authorize the registration hereof before the concerned Registrar of assurances.

IN WITNESS WHEREOF the Executants of this Power-of-Attorney have set his hands unto this document in the presence of following witnesses on this _____ day of ________ ____ and the common seal of Sui Southern Gas Company Limited is hereunto duly affixed.

MUHAMMAD YAQOOB ADVOCATE NOTARY PUBLIC Karachi-Pakistan

(EXECUTANT)
Khallid Rahman
Managing Director
Sui Southern Gas Company Ltd.

Khalid Rahman
Managing Director
Sui Southern Gas Co. Ltd.
Karachi.

Abu Talib Moosa Memon NOTARY PUBLIC Advocate

WITNESSES:

1. Syed Waqar-ul-Hasan
CNIC No. 42000-0425766-9

SUI SOUTHERN GAS CO. LTD. Karachi

2. Syed Ali Abbas
CNIC No. 42101-4102046-3

ATTESTED
MUHAMMAD YAQOOB
ADVOCATE & NOTARY PUBLIC
DISTT. EAST KARACHI-PAKISTAN

12 MAR 2015

ATTESTED
TRUE COPY
16 JAN 2016
ABU TALIB MOOSA MEMON
Advocate & Notary Public
Karachi-Pakistan

SUI SOUTHERN GAS COMPANY LIMITED
PETITION FOR ESTIMATED REVENUE REQUIREMENT
For FY 2016-17

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LIST OF CONTENTS

SCHEDULE - I

OIL AND GAS REGULATORY AUTHORITY
Application Form

Company Profile

<table>
<tr><td>1</td><td>Name of the Petitioner:</td><td>Sui Southern Gas Company Limited</td></tr>
<tr><td>2</td><td>Full address of the Petitioner:</td><td>Head Office: ST-4/B, Block 14, Sir Shah Suleman Road, Gulshan-e-Iqbal, Karachi - 75300.
PABX Tel: 021-99231500 Fax: 021-99231550</td></tr>
<tr><td>3</td><td>The grounds giving rise to petitioner's interest forming the basis of the petition:</td><td>The instant petition is mainly filed to meet the revenue shortfall for FY 2016-17 and to meet the requirement of section 8(1) of OGRA Ordinance read with Rule 4(2) of Natural Gas Tariff Rules 2002</td></tr>
<tr><td>4</td><td>Number & details of License:</td><td>Licence for Transmission, Distribution and Sale of Natural Gas Granted to Sui Southern Gas Company Limited # NG-001/2003.</td></tr>
<tr><td>5</td><td>State, in a concise manner, the grounds and facts forming the basis of the petition and the relief or determination sought from the Authority.</td><td>Our tariff working for FY 2016-17 reflects that an upward adjustment of Rs 17.42 per MMBTU in SSGC's prescribed price w.e.f. 1st July 2016 is required to adjust the shortfall in Co's revenues in gas operation as per licence condition # 5.2, prescribing 17% ROA and subsidy for LPG Air Mix Projects as per GoP directives.
<table>
<tr><td></td><td colspan="3">Rupees per MMBTU
(Yearly Average)</td></tr>
<tr><td></td><td>Determination ERR FY 2015-16 (18-12-2015)</td><td>Petition ERR FY 2016-17</td><td>Variance Inc / (Dec)</td></tr>
<tr><td>OPERATING REVENUES</td><td>461.00</td><td>425.98</td><td>(35.02)</td></tr>
<tr><td>OPERATING EXPENSES</td><td></td><td></td><td></td></tr>
<tr><td>Cost of gas sold</td><td>367.73</td><td>340.40</td><td>(27.33)</td></tr>
<tr><td>Adjustment for UFG above allowable limit</td><td>(35.53)</td><td>(1.92)</td><td>33.61</td></tr>
<tr><td>Other expenses</td><td>69.46</td><td>102.77</td><td>33.31</td></tr>
<tr><td></td><td>401.66</td><td>441.25</td><td>39.59</td></tr>
<tr><td>(Surplus)/Shortfall in Revenue Requirement in Gas Operation</td><td>(59.34)</td><td>15.27</td><td>74.61</td></tr>
<tr><td>Subsidy for LPG Air Mix Projects over & above Gas Operation</td><td>0.82</td><td>2.15</td><td>1.33</td></tr>
<tr><td>(Surplus) in Revenue Requirement</td><td>(58.52)</td><td>17.42</td><td>75.94</td></tr>
<tr><td>Shortfall related to prior years #</td><td>58.52</td><td>-</td><td>(58.52)</td></tr>
<tr><td>Shortfall in Revenue Requirement</td><td>0.00</td><td>17.42</td><td>17.42</td></tr>
</table></td></tr>
<tr><td>6</td><td>Summary of evidence giving brief particulars of the data, facts and evidence in support of the petition:</td><td>Statement showing head-wise Revenue Requirement is attached as per Annexure - A.</td></tr>
<tr><td>7</td><td>List of all other petitions filed by the petitioner which are pending before the Authority at the time of the filing of this petition and which directly and significantly affect this petition, including an explanation of any material effect the grant or denial of those petitions will have on those other petitions:</td><td>1. Motion for Review Petition for FY 2012-13 dated 03-12-2015 seeking an increase of Rs 3,234 million in the prescribed price of the Company w.e.f. July 1, 2012 filed U/R 16 of the NGTR 2002 against OGRA determination of Total Revenue Requirement dated 05-11-2015.
2. Motion for Review Petition for FY 2013-14 dated 07-12-2015 seeking an increase of Rs 14,644 million in the prescribed price of the Company w.e.f. July 1, 2013 filed U/R 16 of the NGTR 2002 against OGRA determination of Total Revenue Requirement dated 06-11-2015.
3. Motion for Review Petition for FY 2014-15 dated 23-12-2015 seeking an increase of Rs 27,032 million in the prescribed price of the Company w.e.f. July 1, 2014 filed U/R 16 of the NGTR 2002 against OGRA determination of Total Revenue Requirement dated 27-11-2015.
4. Motion for Review Petition for FY 2015-16 dated 18-12-2015 seeking an increase of Rs 21,470 million in the prescribed price of the Company w.e.f. July 1, 2015 filed U/R 16 of the NGTR 2002 against OGRA determination of Total Revenue Requirement dated 18-12-2015.</td></tr>
<tr><td>8</td><td>To be accompanied by details of the following market data
a) number and consumption details of consumers likely to be affected by the petition and,</td><td>
<table>
<tr><td>Category</td><td>Number of Consumers</td><td>MMMBTU</td><td></td></tr>
<tr><td>Domestic</td><td>2,885,891</td><td>86,992</td><td></td></tr>
<tr><td>Commercial</td><td>24,223</td><td>10,057</td><td></td></tr>
<tr><td>Industrial</td><td>4,216</td><td>293,266</td><td></td></tr>
<tr><td></td><td>2,914,330</td><td>390,315</td><td>MMMBTU</td></tr>
</table></td></tr>
<tr><td></td><td>b) if the petitioner is a licencee an estimate of the volume of natural gas to be transmitted, distributed or sold;</td><td>Transmitted 485,137 MMMBTU
Distributed and Gas Sold 390,315 MMMBTU</td></tr>
<tr><td></td><td>c) the petitioner's total annual peak day natural gas requirement;</td><td>1,775 MMCFD</td></tr>
<tr><td></td><td>d) the petitioner's forecast of yearly capital expenditure for five years including the year under evaluation.</td><td>As per Annexure - B</td></tr>
</table>

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Annexure - A.i

SUI SOUTHERN GAS COMPANY LIMITED

STATEMENT SHOWING ESTIMATED REVENUE REQUIREMENT

(Rupees in million)

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Sales volume (MMCF)	362,510	418,160	389,541	398,489	(19,671)	(4.7)	1
2	Energy Sale in MMMBTU	354,984	400,999	381,372	390,315	(10,684)	(2.7)	2
3	*(Rupees in million)*							3
4	OPERATING REVENUES							4
5	Gas Sales Revenue net of GDS	158,853	169,318	159,530	163,272	(6,046)	(3.6)	5
6	Sales of gas condensate (NGL)	2,768	1,816	459	477	(1,338)	(73.7)	6
7	Income from Sale of LPG	4,904	5,180	942	845	(4,334)	(83.7)	7
	Other revenues	2,462	8,545	1,670	1,671	(6,874)	(80.4)	8
9	Total operating revenues	168,988	184,859	162,601	166,266	(18,593)	(10.1)	9
10								10
11	OPERATING EXPENSES							11
12	Cost of gas sold	156,030	147,461	142,905	132,862	(14,599)	(9.9)	12
13	Adjustment for UFG above allowable limit	(10,282)	(14,246)	(488)	(750)	13,496	(94.7)	13
14	Transmission and distribution cost	13,618	13,268	19,283	19,892	6,624	49.9	14
15	Depreciation	4,727	5,317	4,932	6,213	896	16.8	15
16	Change in accounting policy (IAS-19) by IASB ✦	780	53	53	60	7	13.0	16
17	Contribution to WPPF / Other charges	1,389	1,225	256	372	(853)	(69.6)	17
18	Return to SSGCL (17% ROA)	7,871	7,983	9,469	13,578	5,595	70.1	18
19	Total operating expenses	174,132	161,061	176,411	172,227	11,166	6.9	19
-								20
21	(Surplus)/Shortfall in Gas Operations Revenue Requirement	5,143	(23,797)	13,810	5,961	29,758	(125.0)	21
22	Subsidy for LPG Air Mix Projects over & above gas operation	552	330	435	840	510	154.8	22
23	(Surplus)/Shortfall in Revenue Requirement	5,695	(23,468)	14,244	6,800	30,268	(129.0)	23
24	Shortfall related to prior years #	17,773	23,468	27,032	-	(23,468)	(100.0)	24
25	Total Shortfall in Revenue Requirement	23,468	-	41,276	6,800	6,800	-	25

Note:-

\# Shortfall related to prior years.

✦ International Accountig Standards Board (IASB).

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Annexure - A.ii

SUI SOUTHERN GAS COMPANY LIMITED

STATEMENT SHOWING ESTIMATED REVENUE REQUIREMENT

Rupees per MMBTU

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1								1
2	Energy Sale in MMMBTU	354,984	400,999	381,372	390,315	(10,684)	(2.7)	2
3								3
4	OPERATING REVENUES							4
5	Gas Sales Revenue net of GDS	447.50	** 422.24	** 418.31	** 418.31	(3.93)	(0.9)	5
6	Sales of gas condensate (NGL)	7.80	4.53	1.20	1.22	(3.31)	(73.1)	6
7	Income from Sale of LPG	13.82	12.92	2.47	2.17	(10.75)	(83.2)	7
8	Other revenues	6.94	21.31	4.38	4.28	(17.03)	(79.9)	8
9	Total operating revenues	476.06	461.00	426.36	425.98	(35.02)	(7.6)	9
10								10
11	OPERATING EXPENSES							11
12	Cost of gas sold	439.54	367.73	374.71	340.40	(27.33)	(7.4)	12
13	Adjustment for UFG above allowable limit	(28.97)	(35.53)	(1.28)	(1.92)	33.61	(94.6)	13
14	Transmission and distribution cost	38.36	33.09	50.56	50.96	17.87	54.0	14
15	Depreciation	13.32	13.26	12.93	15.92	2.66	20.1	15
16	Change in accounting policy (IAS-19) by IASB	2.20	0.13	0.14	0.15	0.02	15.4	16
17	Contribution to WPPF / Other charges	3.93	3.07	0.68	0.95	(2.12)	(69.0)	17
18	Return to SSGCL (17% ROA)	22.17	19.91	24.83	34.79	14.88	74.7	18
19	Total operating expenses	490.55	401.66	462.57	441.25	39.59	9.9	19
20								20
21	(Surplus)/Shortfall in Gas Operations Revenue Requirement	14.49	(59.34)	36.21	15.27	74.61	(125.7)	21
22	Subsidy for LPG Air Mix Projects over & above gas operation	1.55	0.82	1.14	2.15	1.33	162.2	22
23	(Surplus)/Shortfall in Revenue Requirement	16.04	(58.52)	37.35	17.42	75.94	(129.8)	23
24	Shortfall related to prior years #	50.07	58.52	70.88	-	(58.52)	(100.0)	24
25	Total Shortfall in Revenue Requirement	66.11	-	108.23	17.42	17.42	-	25

Note:- ** Prescribed prices as per Authority's determination OGRA-6-(2)-2(5)/2014 dated 18 December 2015.

\# Shortfall related to prior years.

✦ International Accountig Standards Board (IASB).

Annexure-B

SUI SOUTHERN GAS COMPANY LIMITED

FIVE YEAR CAPITAL EXPENDITURE PLAN

Rs million

S. NO.	DESCRIPTION	FY 2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21	TOTAL
		Actual	Rev. Estimates	Projected					FY 2015-16 to FY 2020-21
1	A) **TRANSMISSION NETWORK**								
2	A.1) **ONGOING PROJECTS**								
3	12" dia x 35 Km Sinjhoro Gas Field Integration Project	3.688				-	-	-	-
4	12" dia x 53 Km Mehar Gas Field Integration Project	35.251	145.910	42.837		-	-	-	188.747
5	8" dia x 85 Km pipeline from Jhal Magsi to Shori	(0.002)	30.000	1,151.424	-	-	-	-	1,181.424
6	6" Dia X 14 KM Nur/Bagla gas field	41.643		5.000		-	-	-	5.000
7	6" Dia X 22 Km Sajawal Gas Field Integration Project	42.200		3.00		-	-	-	3.000
8	16" dia ILBP Rehabilitation & Intelligent Pigging	(6.791)	20.710	23.546	86.744	-	-	-	131.000
9	12" dia x 344 Km QPL Rehabilitation and Intelligent Pigging			328.264		-	-	-	328.264
10	Construction of Sub-merge crossings	7.848	38.000	66.669		-	-	-	104.669
11	SSGC's Transmission Pipeline Right of Way (ROW)	0.272	-	150.872	275.177	-	562.288	-	988.337
12	Gasified LNG Mashal	(0.007)				-	-	-	-
13	SNG Project	(0.047)				-	-	-	-
14	Integration of Bobi Gas	0.083							-
15	Additional Gas from Naimat POD	17.025							-
16	Construction & Installation of Condensate Knockout Vessel on KPD line at HQ-3	(0.010)							-
17	Permanent Metering Set-up for POGC line at Naing	3.007							-
18	18" dia Badin Gas field pipeline Intelligent Pigging project (BGFIP)	18.326							-
19	24"dia x 33 Km Masu to Tando Adam transmission loopline project	34.774	506.000	111.844					617.844
20	Installation of Check Metering	(0.064)							-
	Others								
21	Revamp of Telecom at QPL	0.339							-
22	Radio network upgrade	338.580							-
23	Piping Setup at JJVL	22.584							-
24	12" dia x 64 Km Zarghun - Quetta pipeline	119.588				-	-	-	-
	NEW PROJECTS								
25	30" dia x 212 Km Pipeline from Shahdadpur to Malir (1st segment Hyderabad to Karachi 131KM)			7,879.477	6,692.090				14,571.567
26	Check Metering Facility at Shahdadpur for Gambat South Field Gas Measurement			344.360					344.360
27	24" dia x 31 Km loopline from Kathore to Surjani - High Pressure Trans. Line	-	665.671	763.171		-	-	-	1,428.842
28	**Sub-Total**	678.287	1,406.291	10,870.464	7,054.011	-	562.288	-	19,893.054

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SUI SOUTHERN GAS COMPANY LIMITED

FIVE YEAR CAPITAL EXPENDITURE PLAN

Annexure-B

Rs million

S. NO.	DESCRIPTION	FY 2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21	TOTAL
		Actual	Rev. Estimates	Projected					FY 2015-16 to FY 2020-21
29	A.2) RLNG TRANSMISSION PROJECTS								
30	42" dia x 14 Km loop between Nara - Sawan	82.390	2,056.090	95.821		-	-	-	2,151.911
31	42" dia x 82 Km loop between Nawabshah - Nara								-
32	42" dia x 129 Km - from Pakland to Hyderabad		21,616.920	13,288.158					34,905.078
33	42" dia x 131 Km - from Hyderabad to Nawabshah								-
34	24" dia x 21 Km interlink b/w Pakland to Khadeji	0.022	915.190	124.003					1,039.193
35	Re-Furbishment / Relocation / Revamp of Dadu Compressor	4.951	1,395.049						1,395.049
36	Nitrogen Injection Facility		-	10.000	5,390.000				5,400.000
37	Mixing Skid, Metering, Regulation setup at KDJ/Pakland	21.414	428.586	-					428.586
38	Tie-in and integration arrangement- from tie-in point 2 to Pakland	50.266	710.550	33.819					744.369
39	Telecom and SCADA network to monitor RLNG Injection		-	45.000					45.000
40	Compression at Nawabshah (30,000 HP)	-	5,703.010	2,536.425					8,239.435
41	**Sub-Total**	159.043	32,825.395	16,133.226	5,390.000	-	-	-	54,348.621
42	A.3) UNDER PLANNING PROJECTS - NORMAL								
43	SCADA System - Quetta Pipeline/ Sind SCADA Revamp	-	500.000						500.000
44	16" dia. x 9 km Re Route of Kotri Barrage Rs 191 million		67.140	124.014					191.154
45	16" dia. x 9 km Re Route of Sukkur Barrage Rs 256 million			-	256.000				256.000
46	18" dia. x 9 km Re Route of Kotri Barrage Rs 263 million			-	263.000				263.000
47	24" dia x 34 km loop-line between Shikarpur & Jacobabad	1.838	499.000	927.598					1,426.598
48	Rerouting of existing QPL 12" dia x 9Km (KM56 to KM65) and 12" dia x 14Km (KM84 to KM96)			549.988					549.988
49	Up-gradation and re-location of regulation on 18" & 20" IRBP at ACPL	-	76.170	24.923					101.093
50	**Sub-Total**	1.838	1,142.310	1,626.523	519.000	-	-	-	3,287.833
51	A.4) OTHERS-NORMAL								
52	Compressor Overhaul / Modification (other than RLNG)	1.041	-	1,701.000					1,701.000
53	**Sub-Total**	1.041	-	1,701.000	-	-	-	-	1,701.000
54	**Total - Transmission (A)**	**840.209**	**35,373.996**	**30,331.213**	**12,963.011**	**-**	**562.288**	**-**	**79,230.508**

SUI SOUTHERN GAS COMPANY LIMITED

FIVE YEAR CAPITAL EXPENDITURE PLAN

Annexure-B

Rs million

S. NO.	DESCRIPTION	FY 2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21	TOTAL
		Actual	Rev. Estimates	Projected					FY 2015-16 to FY 2020-21
55	**B) DISTRIBUTION NETWORK**								
56	**B.1) MAJOR PROJECTS - NORMAL**								
57	20" Dia X 7 Km Distribution Main from Desalination Plant DHA Phase VIII to Dolman Mall Clifton	-		315.553		-	-	-	315.553
	Miscellanous Projects								
58	16" dia x 5 Km Landhi Main and Landhi - Korangi Augmentation Main Loop		170.000						170.000
59	20" dia x 5 Km Landhi Main		139.000						139.000
60	12" dia x 26.5 Km Supply Main Tando Allahyar	-		378.300		-	-	-	378.300
61	8" dia x 14 Km Supply Main Sanghar		146.400						
62	**Sub-Total**	-	455.400	693.853	-	-	-	-	1,149.253
63	**B.2) GAS DISTRIBUTION SYSTEM:**								
64	Normal Expansion								-
65	New Towns/ Villages	5,210.774	9,991.618	9,563.661					19,555.279
66	UFG Reduction Program								-
67	**Sub-Total**	5,210.774	9,991.618	9,563.661	-	-	-	-	19,555.279
68	**Total - Distribution (B)**	**5,210.774**	**10,447.018**	**10,257.514**	**-**	**-**	**-**	**-**	**20,704.532**
69	**C) OTHERS**								
70	C.1) Construction Equipment (RLNG related)	0.011	186.400	1,000.000					1,186.400
71	C.1a) Construction Equipment	-	2,696.600	-					2,696.600
72	C.2) Other Capital Expenditure *	1,044.911	1,724.000	2,038.015	2,000.000	2,000.000	2,000.000		9,762.015
73	C.3) UFG Reduction Program - Others	-	363.000	464.950					827.950
74	**Total - Others (C)**	**1,044.922**	**4,970.000**	**3,502.965**	**2,000.000**	**2,000.000**	**2,000.000**	**-**	**14,472.965**

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Annexure-B

SUI SOUTHERN GAS COMPANY LIMITED

FIVE YEAR CAPITAL EXPENDITURE PLAN

Rs million

S. NO.	DESCRIPTION	FY 2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20	FY2020-21	TOTAL
		Actual	Rev. Estimates	Projected					FY 2015-16 to FY 2020-21
75	**D) LPG Air Mix Projects - Existing/New**								
76	D.1) Gawadar	127.833	26.770	2.850	-	-	-	-	29.620
77	D.2) Surab		0.750	3.250	-	-	-	-	4.000
78	D.3) Noshki		0.750	3.250	-	-	-	-	4.000
79	D.4) Kot Ghulam Muhammad		0.750	3.250	-	-	-	-	4.000
80	D.5) Awaran		441.000	0.360	-	-	-	-	441.360
81	D.6) Bela		465.000	0.160	-	-	-	-	465.160
82	D.7) Zhob, Qilla Saifullah, Loralai, Kharan, Musakhail, Qilla Abdullah, Keetch, Khuzdar	-		1,550.739	1,658.300	-	-	-	3,209.039
83	**Total - LPG Air Mix Projects (D)**	127.833	**935.020**	**1,563.859**	**1,658.300**	-	-	-	**4,157.179**
84	**GRAND TOTAL (A+B+C+D)**	**7,223.738**	**51,726.034**	**45,655.551**	**16,621.311**	**2,000.000**	**2,562.288**	-	**118,565.184**

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Annexure - C

SUI SOUTHERN GAS COMPANY LIMITED

PROPOSED PRESCRIBED PRICES

Rate Rs per MMBTU

CATEGORY OF CONSUMERS	For FY 2016-17 PRESCRIBED PRICES *effective from 01-07-2016*	Price Adjustment	PROPOSED PRESCRIBED PRICES *effective from 01-07-2016*
	as per DERR dated 18-12-2015		
DOMESTIC CONSUMERS			
a) Standalone meters;			
b) Religious places; Mosques, churches, temple, madrassas and hostels attached thereto:			
Upto 100 CM per month - All off-takes at flat rate of	422.24		422.24
Upto 300 CM per month - All off-takes at flat rate of	422.24		422.24
Over 300 CM per month - All off-takes at flat rate of	422.24		422.24
Minimum charges (Rs. per month)	148.50		148.50
c) HOSTELS & RESIDENTIAL COLONIES-BULK METERS			
All off-takes at flat rate of	422.24		422.24
Minimum charges (Rs. per month)	3,600.07		3,600.07
SPECIAL COMMERCIAL CONSUMERS (Roti Tandoors)			
Upto 100 CM per month - All off-takes at flat rate of	422.24		422.24
Upto 300 CM per month - All off-takes at flat rate of	422.24		422.24
All off-takes at flat rate of	422.24		422.24
Minimum charges (Rs. per month)	148.50		148.50
COMMERCIAL CONSUMERS	422.24	23.45	445.69
Minimum charges (Rs. per month)	4,200.07		4,200.07
ICE FACTORIES	422.24	23.45	445.69
Minimum charges (Rs. per month)	4,200.07		4,200.07
INDUSTRIAL CONSUMERS	422.24	23.45	445.69
Minimum charges (Rs. per month)	20,232.00		20,232.00
C.N.G STATIONS	422.24	23.45	445.69
Minimum charges (Rs. per month)	23,604.00		23,604.00
CAPTIVE POWERS	422.24	23.45	445.69
Minimum charges (Rs. per month)	20,232.00		20,232.00
CEMENT FACTORIES	422.24	23.45	445.69
Minimum charges (Rs. per month)	25,290.00		25,290.00
PAKISTAN STEEL	422.24	23.45	445.69
Minimum charges (Rs. per month)	20,232.00		20,232.00
FAUJI FERTILIZER BIN QASIM LIMITED			
Feed stock for fertilizer	422.24		422.24
Additional allocation	422.24		422.24
Power generation	422.24	23.45	445.69
EXISTING POWER STATIONS	422.24	23.45	445.69
Minimum charges (Rs. per month)	20,232.00		20,232.00
INDEPENDENT POWER PRODUCERS	422.24	23.45	445.69
Minimum charges (Rs. per month)	20,232.00		20,232.00

Note:-

- Upward adjustment of Rs 17.42 per MMBTU for FY 2016-17 has been re-worked at Rs 23.45 per MMBTU with the consideration that effect of price adjustment not to pass on to domestic, special commercial (roti tandoors) customers and feedstock of fertilizer industry.
- Minimum charges as per consumer price notifications dated 1 September 2015 issued by the Authority.

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ANNEXURE - D

BASIS & ASSUMPTIONS OF PETITION FOR ESTIMATED REVENUE REQUIREMENT (ERR) FOR FY 2016-17

A) Tariff

Projected gas Sales Revenue for FY 2016-17 is based on Consumers' prices as per notifications dated 31 August 2015 and 1 September 2015 whereas SSGC prescribed (Retainable) prices have been taken as per Annexure-B of OGRA Determination of Estimated Revenue Requirement of SSGCL for FY 2015-16 OGRA-6(2)-2(5)/2014 dated 18 December 2015.

B) Non-operating incomes

In line with OGRA principal decision under determination on Company's Final Revenue Requirement for FY 2009-10 dated 15 September 2010, and subsequent Stay Orders granted by High Court of Sindh in respect of FY 2010-11, FY 2011-12, FY 2012-13, FY 2013-14 and FY 2014-15 revenue from Meter Manufacturing Profit, Late Payment Surcharge and Sale of Condensate are treated as non-operating income in the instant petition.

Revenue from Sale of LPG / NGL:

SSGC is selling Liquefied Petroleum Gas (LPG) extracted from the Kunnar Pasakhi/ Bobi / Sinjhoro /Niamat Basal Field gases utilising the extraction facility of JJVL under an interim arrangement with JJVL to process and extract LPG and NGL from the gas being delivered from these Gas Fields. The charges taken for processing of LPG / NGL are US$ 235 per MT which is used in the estimates.

Consequent upon Honourable Supreme Court of Pakistan's decision dated 4 December 2013, similar interim arrangements as referred above have now been made for LPG/NGL extracted from Badin gas at JJVL.

Certain incomes which the Company derives from its operations over and above those for which it has been granted a license by OGRA cannot be counted as its "operating" or "regulated" income and therefore these incomes cannot be subjected to the tariff determination process. The license granted to SSGC is for "operations" in the areas of transmission, distribution and sale of natural gas and these are the total "regulated activities" for the purposes of the license.

It is stated that LPG is recognized as a fuel distinct from natural gas, both as per its chemical formula and as per the law. As a consequence of this, any income derived from LPG by SSGC cannot be treated as operating income by OGRA for the purposes of tariff determination. SSGC's above point of view has been endorsed by the Honorable Sindh High Court by suspending the relevant paragraphs of OGRA's decision on determination of FRR FY 2012-13 dated: 5 November 2015 and determination of FRR FY

2013-14 dated: 6 Nov 2015 wherein the Authority treated sale of LPG and NGL as operating income of the Company.

Notwithstanding to the fact that OGRA has so far not implemented the orders of the Hon'able High Court and SSGC was constrained to file applications for enforcement and execution of 20 Nov 2015 orders, keeping in view of such clear and self-speaking orders of the Hon'able Sindh High Court, the income from sale of LPG/NGL has been taken as non-operating income(s).

C) RLNG

On the initiatives of the GOP, the import of LNG is being made on a fast track basis. First LNG terminal has been operational since March 2015.

The project is basically divided into the following major components:

(i) LNG supply (ii) Re-gasification (iii) Gas distribution

An agreement between SSGCL & Engro Elengy Terminal Limited (EETL) has been signed on 30 April 2014 for storage and re-gasification of LNG. In the year1: 200 mmcfd gas would be received whereas in year 2-15, 400 mmcfd gas would be received. Initially 2/3rd and 1/3rd gas was allocated to SNGPL and SSGC but now it has been agreed that SNGPL will take the entire volume in year-1.

PSO will sell all of LNG to SNGPL. SSGC on behalf of SNGPL will receive, re-gasify and transport/swap RLNG to SNGPL system. Further details of the transaction are under finalization stage forming part of tripartite agreement between PSO, SSGC and SNGPL.

PSO is the main importer of LNG Cargoes designated by GoP, however Private parties in Fertilizer/CNG sector have also been allowed by GoP to import their cargoes through PSO. Pak Arab Fertilizer Limited (PFL) has so far imported 4 cargoes including the commissioning cargo. However, the invoicing issues to these parties remains to be settled e.g. PFL is the customer of SNGPL and the cargoes brought by it have been re-gasified by and to be charged by SSGC.

In the initial phase, SNGPL allocation is being delivered through swap of SSGC share of indigenous gas in lieu of RLNG. In phase-I of the RLNG project (in Year 2 of RLNG operations) 400 mmcfd gas is required to be delivered to SNGPL under swap arrangements. Accordingly, from July to December 2016; 24"-33km Tando Adam Massu loopline, 42"-20 km Nara Sawan segments and compression at Nawabshah is being used to transport volume from RLNG-1. Whereas in phase-II from January 2017; 42" dia-342km Pak Land ~ Sawan pipeline of 1.2 BCF capacity from Karachi to Sawan and additional compression has been planned to deliver RLNG directly from Karachi to SNGPL network at Sawan. SNGPL initiated expansion in their network beyond Sawan.

SSGC's Transmission department can handle a maximum capacity of Indigenous Gas SWAP of 400 mmcfd (conditions permitting) having average BTU of 970 targeted for swap.

In this way, the RLNG volume should be equivalent of energy (400 X 970 = 388,000).

The imported RLNG BTU value varies from 1010 to 1100 (based on historical data).

Similarly LNG volume for 1100 BTU LNG would be " 400 x 970 = 388,000 / 1100 = 352.7 mmcfd of RLNG"

The Authority has issued a LNG Price determination on 7 October 2015, which has been debated by all stake holders and review petitions have been filed by them. SSGC has also filed a review petition dated: 19 October 2015. Hearings by the Authority on these petitions were made in Karachi on 28 Dec 2015 and in Lahore on 4 Jan 2016. The final outcome of the same are awaited.

Submissions made by SSGC during the proceedings have been re-iterated as under:

- LSA charges on actual basis including charges due to under utilization of capacity, if any in the RLNG price retrospectively instead of allowing provisional levelised tariff of US$ 0.66 / MMBTU.
- Other LSA charges on actual basis in the RLNG price as and when incurred.
- Retainage based on applicable clause 20 of the LSA in the RLNG price.
- SSGC cost of Service with particular reference to section 6(2) (j) of OGRA Ordinance read with Rule 20(xx) of NGRA licensing Rules 2002.
- SSGC's administrative margin in the RLNG price in line with the approval of ECC.
- Need to devise mechanism for recovery of all charges under LSA from SNGPL and for private parties bringing their own cargoes e.g. Pak Arab Fertilizer (PFL).

The details of the Project with respect to technical/cost data, need analysis, etc. is given in Section D at D-1 of the instant petition.

In its decision on estimated revenue requirement for FY 2015-16 OGRA not allowed the return on assets related to RLNG infrastructure advising to finance these assets from GIDC. However Ministry of Finance subsequently clarified that GIDC act allows the Federal Government to decide about the utilization of GIDC hence FG has decided not to utilize GIDC for RLNG projects advising that its financing may be arranged through commercial banks as per earlier decision of ECC.

All the costs related to LNG/RLNG business (including the LSA and other charges) are to be ring-fenced and recovered from RLNG customers. Besides above as per the recent decision of ECC financial cost incurred in creation of RLNG infrastructure has been allowed as admissible expense in the revenue requirement of the utility companies. Estimates for FY 2016-17 related to RLNG business are therefore outlined separately under attachment I of Annexure-D.

D) Gas availability

SSGC will continue to operate as a going concern, buying natural gas in bulk from the exploration & production companies, transmitting it to consumption centres through its high pressure transmission system, and supplying to end users through its distribution network.

The gas availability from new/expected indigenous gas field during FY 2016-17 is mentioned below:

Gas Field (expected)	(MMCFD)	Starting Dates
Jhal Magsi	7.5	Jan – 17 (7.5 MMCFD)

The gas availability of 485,360 MMCF or 1,330 MMCFD for FY 2016-17 has been worked out considering take and pay and current trend of gas off takes from existing and new gas fields and it is envisaged that it will increase by 1.9% over current year estimates of 476,473 MMCF or 1,302 MMCFD and 11.6% increase over last year actual of 434,779 MMCF or 1,191 MMCFD.

E) Cost of Gas

The cost of gas purchased is based on projected wellhead gas prices effective July 2016 worked out on estimated average C&F price for crude oil at **US$ 33.67** per barrel and HSFO **US$ 158.11** per metric ton.

Actual monthly average rates of HSFO and Crude oil up to 7 March 2016 have been taken; 7 March 2016 prices have been used from 7 March 2016 onwards without any variation/escalation.

Rupee v/s US$ parity has been assumed at Rs. 109 & 111 for Jul.-Dec. 2016 and Jan-Jun 2017. It has been assumed that exchange rates will remain within above figures for payments therefore exchange gain/loss is not appearing in the petition. However, the Petition may be amended for any further fluctuation in the forex rates.

Projected weighted average cost of Gas has thus been worked out at Rs. 274.31 per MMBTU for FY 2016-17 as compared to cost of gas included in DERR estimates of Rs. 302.15 per MMBTU for FY 2015-16.

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F) Un-accounted For Gas (UFG)

In its determination dated 15 September 2009 on FRR for FY 2008-09 under paragraph 8.2.11 the Authority for the first time and subsequently in various determinations showed its intention to undertake a comprehensive impact assessment study of the UFG benchmarks introduced by it and change in the benchmark was intended to be considered on the completion of the said study.

In the Determination of Final Revenue Requirement (DFRR) for FY 2009-10 dated 15 September 2010 concurring to the submissions of SSGC, realizing the ground realities and considering the factors affecting UFG the Authority allowed UFG at 7%.

The Honourable High Court of Sindh granted stay on SSGC requests against OGRA determinations for ERR FY 2010-11, FY 2011-12, FY 2012-13, FY 2013-14 and FY 2014-15 and FRR FY 2012-13, FY 2013-14 and FY 2014-15 and directed OGRA to allow the same treatment for UFG in line with DFRR FY 2009-10 till court further orders and submission of the impact assessment study. Consequently, in its determinations on estimated and final revenue requirements the Authority allowed UFG benchmark at 7%. For FY 2014-15, in addition to the allowance of UFG Benchmark at 7%, the Honourable High Court of Sindh has suspended the determination of OGRA relating to UFG disallowance over and above the limits prescribed in Rule 20 of Natural Gas Tariff Rules 2002 i.e. Rs. 750 million.

The Authority previously appointed TMRC as their UFG consultants and rejected their report. We understand that OGRA is again in the process of hiring UFG consultants for UFG study to finalize the UFG targets keeping in view the applicable license conditions(s) under consultation with the stakeholders.

The final outcome on the UFG Benchmarks is still awaited. We understand that the Authority will decide the UFG benchmark in the light of all relevant factors which have been submitted before the Authority in earlier petitions/hearings; those were also considered and acknowledged by OGRA in its determination for Final Revenue Requirement for FY 2009-10.

The ECC approved Policy guidelines which were issued under Case No. ECC-154/25/2014 dated 20 Nov. 2014 in which following were allowed:

- Volume pilfered by non-consumers but detected and determined by the Companies in accordance with OGRA procedure as provided in Rule 30 of Natural Gas Licensing Rules, 2002.
- Volume consumed in law and order affected areas
- Impact of change in Bulk Retail Ratio on UFG using the base year as 2003-04.

Accordingly SSGC in its instant petition has claimed following items in relation to UFG:

- Pilfered volume detected against non-consumers (8,000 mmcf)
- Unbilled Pilfered volume in law & order affected areas (2,355 mmcf)
- Impact of change in Bulk-retail ratio on UFG (25,759 mmcf).

Since, no UFG targets for FY 2016-17 are available, we request the Authority to allow 7.63% UFG for FY 2016-17.

SSGC had been pleading with the Authority on the issue of fixing realistic Benchmarks. The Authority will be finalizing the UFG Benchmarks for FY 2016-17 in due course of time. We trust that for FY 2016-17 the benchmarks will be finalized strictly in the light of relevant provisions of OGRA Ordinance 2002, licensing and tariff rules and our submissions as given below:

The process of "benchmarking" has to be undertaken by the Authority under Rule 17 (1) (c) read with Condition 21 of the Petitioners' License. Rule 17 (1) (c) states:

> *"tariffs should include a mechanism to allow licensees a benefit from and penalties for failure to achieve, benchmarks set by the Authority through yardstick regulation for, inter-alia and without limiting the generality of such regulation, capacity utilization, operation and maintenance costs and unaccounted for natural gas;"*

The mechanism required to be put in place by the aforementioned Rule for setting benchmarks has been provided for in the SSGC's License, Condition 21.1 whereof states that:

> *"21.1. The Licensee shall take all possible steps to keep UFG within acceptable limits. The Authority for this purpose, **in consultation with Licensee and experts,** shall fix target of UFG for each financial year. The Authority may fix UFG target separately for each regulated activity."*

As per Condition 21.1, three steps are required to be taken before setting a UFG benchmark.

i) consultation with the Licensee
ii) consultation with experts, and
iii) annual determination of the benchmark.

The above license condition emphasises that benchmarks should be set after going through a consultative process not only with the licensee alone but also with experts, and the consultation should be meaningful. The condition also requires fixation of targets each year. One could easily

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understand that when the targets are determined for each year in consultation with the licensee and experts these would eventually reflect appropriate ground realities/circumstances under which the targets are determined.

As regards to penalization for not achieving the targets we would like to submit as under:

The OGRA Ordinance under Section 6 (2 (p) authorizes OGRA to (by Rules) fine for contravention of the Ordinance, rules, regulation, terms and conditions of the license and the decisions of the Authority.

Penalty as mentioned above has been specifically prescribed by OGRA in Rule 20 of the Natural Gas (Tariff) Rules 2002 which lays down that a maximum of Rs. 2 million per day for a continuing breach totalling Rs. 752 Million for a financial year may be imposed. Rule 20 is clearly all encompassing in that all violations of the statute, rules, regulations, license, as well as orders, determinations, instructions etc issued by the Authority, i.e. OGRA, are covered by it.

Notwithstanding to the above we understand that inability to meet benchmarks is not a deliberate violation of the decisions of the Authority etc, before making any disallowance / imposing penalty OGRA has to determine whether, and to what extent, should the Petitioner be penalized if the benchmark has not been met. Since the Rule envisages imposition of penalty, it is settled law that OGRA must: i. ask the licensee to show cause why penalty should not be imposed; ii. apply its mind to the arguments/response presented by the licensee; iii. determine whether there was any wilful or preventable default on part of the licensee; iv. determine whether there was violation of a law; v. use a standard of proof of "beyond reasonable doubt" (as penal provisions are quasi-criminal in nature); and vi. apply the principle of proportionality, it is submitted that to date OGRA has penalized the Company in respect to UFG losses by forcing to bear the cost of the UFG that is over and above the "benchmark" set by it, and the amounts so adjusted from revenue requirements are far more than the amount that has been prescribed for violation of statutory provisions.

In addition to it we would like to refer **Section 7 - Tariff** and **Section 8 – Pricing for retail consumers for natural gas** (reproduced below) of OGRA Ordinance:

Sec 7: The criteria for determination, approval, modification and revision of tariffs shall be prescribed in the rules and in the terms and conditions of each licence and shall, inter alia, include ---
provision of reasonable returns to attract investment of the quantitative and qualitative improvements of regulated activities

Sec 8: 6(h) "Total revenue requirement" means for each financial year, that total amount of revenue determined by the Authority for each licensee for natural gas **so as to ensure it achieves the rate of return provided in its licence for natural gas.**

The above provisions of the OGRA Ordinance obligates the Authority to safeguard the reasonable return (17% in case of SSGC) to the licensee, which is not the case here and historic disallowances in case of UFG only has heavily eroded this guaranteed return.

In view of the discussions and in the light of the legal provisions referred above, any disallowance/penalty imposed by OGRA for not meeting the UFG target over and above what has been prescribed in Rule 20 on Natural Gas Tariff Rules 2002 is unlawful and the same has been confirmed by Sindh High Court Stay Order dated: 17.7.14 against OGRA decision dated: 3 July 2014 on ERR FY 2014-15.

Relevant extracts from the interim relief granted by SHC are as under:

> "..Till next date of hearing, same interim orders as already passed for the years 2010-11, 2011-12, 2012-13 and 2013-14 in petitions bearing OGRA J.M.Nos. 01/2011, 02/2011, 01/2012 and 01/2013 are extended to the present Petitioner for the year 2014-15 **and the order to the extent of UFG disallowance passed by the Respondent No. 1, which is contrary to Rule 20 of the Natural Gas Tariff Rules, 2002, is suspended till next day of hearing".**

(Emphasis added)

The Authority has not yet implemented the above referred decision of the Honorable Sindh High Court in its determinations issued for FRR FY 2014-15 and the Company reserves the right to proceed further seeking legal course of action for implementation of the High Court's order.

The revenue requirement is therefore based on UFG of 7.63%, however, keeping in view of Rule 20 (I) of Natural Gas Tariff Rules 2002, the disallowance has been restricted to Rs. 750 million.

We would, therefore, request the Authority to allow SSGC's justified UFG claim in the instant Petition.

G) Operating costs:

i) HR cost Benchmark:

The HR benchmark (based on OGRA's in-house developed formula) implemented by the Authority vide its determination on ERR FY 2014-15 dated: 3 July 2014 has expired in FY 2014-15, however the same has been extended by the Authority on provisional basis for FY 2015-16. The Company requested estimated HR cost of Rs. 12,133, whereas OGRA allowed only Rs. 10,628 million (including IAS-19 provision of Rs. 468 million), by applying a revised formula as mentioned above based on Rolling base year taking immediately preceding year's bench mark cost as base cost, Cost of TA's made part of bench mark (earlier it was a pass through cost), all HR related costs including CBA, bonuses etc except IAS

19 provision have been made part of bench mark; Weight age for no. of customers, Network size and Sales volume has been changed from 60:20:20 to 65:10:25.

The revised formula grossly failed to cater SSGC's genuine needs for appropriate HR compensation. As a consequence Authority in its FRR Determinations for 3 years i.e. FY 2012-13, FY 2013-14 and FY 2014-15 had made a disallowance of Rs 893 million. This point has also been contested by the Company in its Motion for Review Petitions against Authority's said determinations.

The Company has been contesting with the Authority since long to allow benchmark cost based on rolling base year concept. In its revised formula the Authority finally in principle has accepted the rolling base year concept. Although last year's benchmark cost being treated as base year cost, the Authority has somewhat realized and compensated the need of rolling base year but the Company has been requesting that the last year's actual cost be made the base year's cost in order to meet the genuine HR demands.

Since introduction of HR benchmarks, the cost of Temporary Assignees had been treated as a pass through cost i.e. outside the benchmark formula since this factor is beyond the control of the Company.

In para no. 8.1.4 of its determination for Review of ERR FY 2005-06 dated: 19 October 2005 the Authority noted that the Company has argued that the cost of TAs inducted through Supreme Court Order be kept outside the scope of HR benchmark as this is a factor / financial impact of which is beyond the control of the company. The Authority acknowledged the same and allowed the cost of TA's outside HR benchmark.

Similarly, in its determination for ERR FY 2010-11 dated: 18 May 2010 para 9.3.34 to 9.3.36 the Authority has mentioned that the Company has claimed TA's cost for the said year (re-instated through Presidential Ordinance 2009) over and above the HR benchmark and has allowed the same subject to provision of quarterly reports by the Company which are being regularly submitted to the Authority. The arrears relating to TAs for previous periods have also been allowed over and above Benchmark cost in Authority's determination FRR FY 2009-10 dated: 24 Sep 2010. **Making TA's cost as a part of benchmark cost is a shift from the previously agreed position between Licensees and OGRA to the utter disadvantage of the Company.**

Allowance of 100% impact of CPI has also not been admitted though it is specifically mentioned previously that Statistical Bureau of Pakistan changed base year for calculation of Inflation Rate to 2007-08 otherwise inflation rate would have been much higher.

Therefore, keeping in view inflationary trends, increased average age per employee, rising medical cost of the company, reducing buying power of

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employees it is necessary to compensate the employees meeting the impact of inflationary trends.

Since there is no valid basis available to work out the benchmark cost for FY 2016-17; HR cost amounting Rs. 13,021 million (HR cost Rs. 8,723 million + IAS-19 Provision & TAs impact Rs. 4,298 million) has been claimed in the instant petition. This claimed estimated cost is only 8.7% increase per annum over and above the actual cost of Rs. 11,076 million for FY 2014-15.

Any revision in the HR cost based on new formula may be applied subsequently and adjusted in the revenue requirement petition.

ii) Gas Consumed Internally: Calculated on the basis of estimated volumes of gas internal consumption for FY 2016-17 valued at WACOG of indigenous gas at Rs. 274.31 per MMBTU.

iii) Provision for Doubtful Debts: The Company's estimates of Rs. 2,344 million have been claimed under this head being 1% provisioning under ECC Guideline dated: 20 Nov 2014.

iv) Other operating Costs: Other T&D cost estimates are primarily based on best estimates keeping in view the increase in prices owing to inflation, activity and rates. Provisions for extra-ordinary and unusual revenue expenditure and increase due to enhanced activity have also been incorporated.

H) Addition to Rate base / Physical Targets

During FY 2016-17 the Company plans to capitalize Rs. 74.3 billion (excluding LPG Airmix) which facilitates expansion in transmission system by 623 km and distribution network mains and services by 1,187 km This includes new towns and villages 185 Km and 34 Km for major distribution projects. Besides this rehabilitation of 1,213 Km has been envisaged for UFG control programme. Acquisition of other assets with the objective to meet growing demand of natural gas and maintain / improve quality of service in the franchise area has also been envisaged. Gas will be provided to about 104,367 new connections, thereby total no of customers are expected to be around 2.9 million.

UFG Control Programme

The company is no longer continuing with NGEP program under the World Bank because of various reasons and requested MPNR to advice EAD for intimating World Bank (copy enclosed). However, same activities will be continued by respective departments to control UFG.

The Board and Management are focusing to install bulk meters on all TBS/ PRS, create isolated segments and manage the small business units more effectively.

The segmentation guidelines have been developed for both regions South and North on same criteria and a comprehensive plan is being reviewed by Distribution Departments.

The target for rehabilitation of old leaking pipelines have been reduced because of previous progress on the approved schemes, dependent on road cutting approvals from local Government.

The Management realize the importance of Cathodic Protection as proactive approach in controlling UFG, new CP stations are being added in the system and its cost is also included under ERR.

Air Mix LPG Projects:
The concept of installation of Air Mix LPG project was found feasible in the remotely located areas where extension of gas transmission / distribution network is difficult and economically unviable. Owing to the directives / approvals of GOP four such projects have been executed in Gawader, Noshki, Kot Ghulam Muhammad and Surab.

Brief details of the proposed new LPG Air mix plants for FY 2016-17 are given in the table as under:

S.No.	LPG Air Mix Projects	Province	Cost Rs. Million	Expected Completion
(i)	Zhob	Balochistan	401	June 2017
(ii)	Qilla Saifullah		387	June 2017
(iii)	Loralai		401	June 2017
(iv)	Kharan		362	June 2017

Physical targets:

As a result of the addition in rate base, the company will be able to achieve the Physical targets as contained in Attachment-II.

Attachment - I

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SUI SOUTHERN GAS COMPANY LIMITED

Delivered RLNG - MMBTU 143,580,000

	Rs Million	*Rs per MMBTU*	*Reference*
LSA Capacity Charges	8,702.687	60.61	
LSA Utilization Charges	991.233	6.90	
Retainage	1,360.717	9.48	
Sub-total LSA related	11,054.637	76.99	
GIC	1,085.059	7.56	
Revenue Expenditure	62.000	0.43	Included in T&D cost at Table B-5.1
Depreciation	857.078	5.97	Included in Deprecition at Table B-6
Return on Assets	5,087.064	35.43	Included in Return at Table A-1
Sub-total included in Petition	6,006.142	41.83	
Financial charges for RLNG	3,181.525	22.16	As per decision of ECC, financial charges incurred on RLNG infrastructure to be recovered from RLNG customers.
Total	21,327.362	148.54	

Attachment II

PHYSICAL TARGETS FOR FY 2016-17

	FY 2015-16	FY 2016-17
	Determination	Petition
Transmission Network	83	623
Distribution Network		
a) Mains & Services - (Kms)		
Normal Expansion - Existing Areas		394
Augmentation/Reinforcement		204
Distribution Project - Major		34
Services expansion		370
Total Mains	793	1,002
New towns (villages)	31	185
	824	1,187
b) Rehabilitation Mains & Services		
Rehabilitation Mains/services	263	1,212
Total Mains & Services	263	1,212
c) New connections (Nos.)		
Industrial	50	32
Commercial	375	427
Domestic	118,000	103,908
	118,425	104,367
d) Gas Meter Production (Nos.)		
G-1.6	350,000	364,600
G-4	-	
Third Generation of G-4 (V-3 Project) Meter	500,000	624,000
Total	850,000	988,600
e) Gas Meter Sales (Nos.)		
SSGC (own consumption)	205,000	364,600
SNGPL	645,000	624,000
Others	15,000	-
	865,000	988,600

SUI SOUTHERN GAS COMPANY LIMITED
PETITION FOR ESTIMATED REVENUE REQUIREMENT
For FY 2016-17
INDEX - SECTION - A
Working for Tariff Adjustment & Financial Statements

Table # A-1

SUI SOUTHERN GAS COMPANY LIMITED

WORKING FOR TARIFF ADJUSTMENT REQUIRED

Rs Million

S.No.	DESCRIPTION	Petition ERR FY 2016-17	Table No	S.No.
1	1 Gas Sales volume in MMCF	398,489	B-2 1	1
2	Energy Sale in MMMBTU	390,315	B-2 5	2
3	2. A: Net operating revenue			3
4	Gross Sales - net of general sales tax	200,381 697	B-2 7	4
5	Less: Gas Development surcharge - at existing	37,109.580	B-3 1	5
6	Net Sales	163,272.117		6
7	Transportation income	67.552	B-7	7
7	Income from Sale of LPG	2,728.251	B-9 3	7
8	Meter rentals	749.937	B-9 1	8
9	Amortization of deferred credit	407 049	B-9 2	9
10	Sale of Gas Condensate (NGL)	1,414.160	B-9 3	10
11	Late payment Surcharge	1,150.742	B-9 4	11
12	Meter manufacturing plant profit	640.741	B-9 5	12
13	Other income	3,231.409	B-9 6	13
14	**Sub total**	10,389.841		14
15	**Total operating income "A"**	173,661.958		15
16	B: Less operating expenses			16
17	Cost of gas	132,861.859	B-1 4	17
18	Transmission and distribution cost	19,892.049	B-5	18
19	Depreciation	6,212.592	B-6	19
20	Financial charges	14,466.763	B-11	20
21	Other charges excluding W.P.P.F	186.000	B-10	21
22	**Total operating expenses "B"**	**173,619.263**		22
23	C: Profit / (Loss) before WPPF (A-B)	**42.695**		23
24	D: Less: Workers Profit Participation Fund	**2.135**		24
25	E: Add: Non-admissible expenditure	40.560		25
26	E.(i) Add: Financial charges of banks / others	5,785.863	B-11	26
27	Interest on delayed payment of gas producers bills	8,680.900	B-11	27
28	Non-operating / disallowed expenses			28
29	Adjustment for UFG above allowable li	750.000	B-4 1	29
30	Other expenses	111.000	B-10	30
31	E.(i) sub-total	15,327.763		31
32	E.(ii) Less: Non operating other income	379.162	B-9 6	32
33	Interest income from SNGPL	2,392.280	B-9 6	33
34	Interest income from SSGC LPG Pvt. L	13.227	B-9 6	34
35	Sale of Gas Condensate (NGL)	936.994	B-9 3	35
36	Late payment Surcharge	1,150.742	B-9 4	36
37	Meter manufacturing plant profit/(loss)	640.741	B-9 5	37
38	Income from Sale of LPG	1,882.811	B-9 3	38
39	E.(ii) sub-total	7,395.957		39
40	Net non-admissible expenditure E.(ii) - E.(i)	7,931.807		40
41	F: Operating profit / (Loss) (C - D + E)	7,972.367		41
42	3. Return required on Net Assets:			42
43	Net assets at beginning	52,560.781	B-12 2	43
44	Net assets at ending	119,837.193	B-12 2	44
45		172,397.974		45
46	Average Net Fixed Assets (i.a)	86,198.987		46
47	Less: Meter Manufacturing Plant and LPG Air Mix Project Assets			47
48	Net assets at beginning	871.531	B-12 2	48
49	Net assets at ending	2,312.479	B-12 2	49
50		3,184.010		50
51	Average Net Fixed Assets (i.b)	1,592.005		51
52				52
53	Average Net Fixed Assets related to Gas Activity (i)	84,606.982		53
54				54
55	Deferred Credit at beginning	4,940.588	B-9 2	55
56	Deferred Credit at ending	4,533.000	B-9 2	56
57		9,473.588		57
58	Average Deferred Credit (ii)	4,736.794		58
59				59
60	a) Average Net fixed assets after Deferred Credit (3.i - 3.ii)	79,870.188		60
61	b) Return required on Net Assets	17%		61
62	c) Amount of return required (3.a * 3.b)	13,577.932		62
63	**Additional Revenue Required for Gas Operation**			63
64	4. Shortfall / (Surplus) over return required (2.F - 3.c)	5,605.565		64
65	5. Gross-up for W.P.P.F @ 5% of (4.)	5,900.595		65
66	6. Increase in Prescribed Price - Rs per MMBTU	**15.12**		66
67				67
68	Subsidy for LPG Air Mix Projects over & above Gas Operation	839.639	B-13 2	68
69	Change in accounting policy (IAS-19) by IASB	60.000		69
70	**Shortfall / (Surplus) in Revenue Requirement**	**6,800.234**		70
71	Rupees per MMBTU (w.e.f. 1 July 2016)	**17.42**		71

Table # A-2

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SUI SOUTHERN GAS COMPANY LIMITED
PROJECTED PROFIT AND LOSS ACCOUNT

Rs Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	S.No.
1	Sales volume in MMCF	362,510	418,160	389,541	398,489	1
2	Energy Sale in MMMBTU	354,984	400,999	381,372	390,315	2
3						3
4	Gas sales net of sales tax	158,853.448	179,472.219	191,513.175	200,381.697	4
5	Gas development surcharge - at existing	(0.021)	10,154.404	31,983.189	37,109.580	5
6	Less : Price increase / (decrease)	23,467.897	-	41,276.075	6,800.234	6
7	Gas development surcharge after price adjustment	(23,467.918)	10,154.404	(9,292.885)	30,309.346	7
8	Gas development surcharge - deferral	# 17,773.000	23,467.897	27,031.787	-	8
	Change in accounting policy (IAS-19) by IASB	✦ 780.083	✦ 53.084	53.084	60.000	9
10	Cross Subsidy for Air Mix LPG Operation over & above Gas Operation	551.574	329.562	434.575	839.639	10
11	Gas development surcharge after adjustment	(4,363.261)	34,004.947	18,226.560	31,208.985	11
12	Net sales	163,216.709	145,467.273	173,286.615	169,172.712	12
13	Cost of gas	156,030.178	147,460.524	142,905.389	132,861.859	13
14	Gross Margin	**7,186.531**	**(1,993.251)**	**30,381.226**	**36,310.853**	14
15	Transmission and distribution costs	15,601.825	17,116.069	19,282.996	19,892.049	15
16	Depreciation	4,726.667	5,317.074	4,931.544	6,212.592	16
17		20,328.492	22,433.143	24,214.540	26,104.641	17
18	Meter rentals	700.078	731.314	724.398	749.937	18
19	Recognition of income against deferred credit	402.909	432.721	418.268	407.049	19
20	Operating profit	**(12,038.974)**	**(23,262.360)**	**7,309.352**	**11,363.199**	20
21	Sales of gas condensate (NGL)	2,961.855	1,815.524	913.374	1,414.160	21
	Late payment surcharge	1,087.537	6,138.475	1,118.399	1,150.742	22
23	Meter manufacturing plant profit	90.063	134.094	140.361	640.741	23
24	Air Mix LPG projects profit	116.083	47.039	185.630	392.711	24
25	Transportation income	-	62.025	65.341	67.552	25
26	Income from Sale of LPG	4,904.134	5,179.753	2,779.397	2,728.251	26
27	Other income	2,804.541	9,460.296	3,256.097	3,231.409	27
28		(74.761)	(425.155)	15,767.952	20,988.765	28
29	Other charges excluding (W.P.P.F.)	1,475.637	802.927	164.782	186.000	29
30	Workers Profit Participation Fund (W.P.P.F.)	(0.461)	1,158.436	183.930	297.165	30
31		(1,549.937)	(2,386.518)	15,419.240	20,505.600	31
32	Financial charges	9,714.523	11,960.943	11,738.944	14,466.763	32
33	**Profit before taxation**	**(11,264.460)**	**(14,347.460)**	**3,680.296**	**6,038.836**	33
34	Price adjustment required Rs.per MMBTU	**66.11**	-	**108.23**	**17.42**	34

Note:-
Shortfall related to prior years.
✦ International Accountig Standards Board (IASB).

Table # A-3

SUI SOUTHERN GAS COMPANY LIMITED
BALANCE SHEET

Rs Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	S.No.
1	**SHARE CAPITAL - Paid up**					1
2	Fully paid in cash	2,196	2,196	2,196	2,196	2
3	Bonus Shares Issued	6,613	6,613	6,613	6,613	3
4		8,809	8,809	8,809	8,809	4
5	Reserves	4,907	10,306	4,907	4,907	5
6	Unappropriated profit	26,514	40,175	(4,325)	(219)	6
7	Surplus on re-measurement of available for sale securities	240	123	240	268	7
8	Surplus on revaluation of fixed assets ✦	10,252	10,252	10,252	10,252	8
9		50,722	69,665	19,883	24,018	9
10	Long term financing	19,720	65,218	55,219	84,099	10
11	Deferred credit	5,317	4,941	5,179	4,533	11
12	Deferred tax liability	3,971	5,059	(790)	(885)	12
13	Long Term Deposits and Advance	16,099	12,078	17,578	18,240	13
14	**TOTAL:**	95,829	156,961	97,069	130,004	14
15	**Represented by:**					15
16	Fixed Assets-at cost	✦ 116,197	119,601	138,748	193,903	16
17	Less: Accumulated depreciation	53,649	58,278	58,400	65,401	17
18		62,548	61,324	80,347	128,502	18
19	Capital work in progress	9,946	60,887	37,691	9,045	19
20	Long term investment	1,282	1,136	1,282	1,282	20
21	Net investment in finance lease	473	803	390	307	21
22	Long term deposits and prepayments	8	5	10	9	22
23	Long term loans and advances	151	152	161	176	23
24		74,408	124,306	119,881	139,321	24
25	**Current assets**					25
26	Stores, spares and Stock-in-Trade	2,842	3,506	2,509	3,179	26
27	Current maturity of net investment in finance lease	110	119	110	119	27
28	Trade debts	111,920	116,052	123,600	125,894	28
29	Others receivables	122,966	81,052	59,864	57,080	29
30	Taxation - net recoverable			15,750	13,695	30
30	Cash and bank balances	984	898	898	987	30
31		238,822	201,627	202,731	200,954	31
32	**Current liabilities**					32
33	Current maturity of - long term financing	8,146	5,778	5,778	5,278	33
34	Short term borrowing	989	-	3,162	-	34
35	Creditors, accrued and other liabilities	208,093	163,194	216,603	204,993	35
36	Taxation - net payable	173	-	-	-	36
37		217,400	168,972	225,543	210,271	37
38						38
39	Working capital	21,422	32,655	(22,812)	(9,317)	39
40						40
41	**TOTAL:**	95,829	156,961	97,069	130,004	41

Note:- ✦ Includes Rs 10,252 million on account of revaluation of land.

Table # A-4

SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF RATIOS

Rs Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	S.No.
1	**DEBT EQUITY RATIO**					1
2	Share Capital - Paid up (Existing)	2,196	2,196	2,196	2,196	2
3	Bonus Shares Issued	6,613	6,613	6,613	6,613	3
4		8,809	8,809	8,809	8,809	4
5	Reserves	4,907	10,306	4,907	4,907	5
6	Unappropriated profit	26,514	40,175	(4,325)	(219)	6
7	Surplus on revaluation of investment	240	123	240	268	7
8		40,470	59,413	9,631	13,766	8
9	Long term loans/Lease & Redeemable Capital	27,866	70,996	60,997	89,376	9
10		68,336	130,409	70,628	103,142	10
11	Debt Equity Ratio	**41**	**54**	**86**	**87**	11
12		**59**	**46**	**14**	**13**	12
13	**RETURN ON NET FIXED ASSETS (Gas Operation)**					13
14	Average net fixed assets (A)	51,681	52,090	60,948	84,607	14
15	Less: Average deferred credit	5,383	5,129	5,248	4,737	15
16		46,298	46,961	55,700	79,870	16
17						17
18	Profit Before Tax	(11,264)	(14,347)	3,680	6,039	18
19	Less: Non-operating income (including LPG Air Mix)	(3,388)	(8,929)	(6,530)	(7,789)	19
20	Add: Financial charges	9,715	11,961	11,739	14,467	20
21	Non-operating expense including adjustment for UFG targets	12,809	19,298	580	861	21
22	(B)	7,871	7,983	9,469	13,578	22
23						23
24	Return on net fixed assets (B/A*100)	**17**	**17**	**17**	**17**	24
25	(After adjusting inadmissible expenditure)					25
26	**DEBT SERVICE COVERAGE**					26
27	Profit before tax	(11,264)	(14,347)	3,680	6,039	27
28	Less: Current tax	864	802	881	858	28
29		(12,129)	(15,150)	2,799	5,181	29
30						30
31	Add: Interest on long term loan	2,097	3,554	2,142	4,912	31
32	Depreciation	4,727	5,317	4,932	6,213	32
33	Provisions	1,694	1,398	2,582	2,720	33
34		(3,611)	(4,880)	12,455	19,026	34
35	Amount required to pay loan & int. instalment					35
36	Loan repayment	4,047	8,153	8,153	5,778	36
37	Interest on loans	2,097	3,554	2,142	4,912	37
38		6,144	11,707	10,295	10,690	38
39						39
40	Debt service ratio	**(0.59)**	**(0.42)**	**1.21**	**1.78**	40
41						41
42	**ACID-TEST RATIO/CURRENT RATIO**					42
43	Current assets (A)	238,822	201,627	202,731	200,954	43
44	Less: Stores and spares (B)	2,658	3,275	2,782	3,106	44
45	Quick or Liquid assets (C=A-B)	236,163	198,352	199,948	197,848	45
46						46
47	Current Liabilities (D)	217,400	168,972	225,543	210,271	47
48						48
49	**Acid Test Ratio (C/D)**	**1.1**	**1.2**	**0.9**	**0.9**	49
50	**Current Ratio (A/D)**	**1.1**	**1.2**	**0.9**	**1.0**	50

SUI SOUTHERN GAS COMPANY LIMITED
PETITION FOR ESTIMATED REVENUE REQUIREMENT
For FY 2016-17
INDEX - SECTION - B
Supporting Schedules to Financial Statements

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Table # B-1.1

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF FIELD WISE GAS PURCHASES

VOLUME IN MMCF

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Sui	37,236	37,332	36,832	38,814	1,482	4.0	1
2	Kandhkot	661	699	628	626	(73)	(10.4)	2
3	Badin Block	24,842	27,821	22,426	16,430	(11,391)	(40.9)	3
4	Kadanwari	30,492	20,130	16,924	11,875	(8,255)	(41.0)	4
5	Miano	21,891	18,300	26,696	21,455	3,155	17.2	5
6	Zamzama	25,636	22,970	18,370	12,775	(10,195)	(44.4)	6
7	Bhit	104,980	117,120	105,509	98,560	(18,560)	(15.8)	7
8	Mari	372	400	343	342	(58)	(14.6)	8
9	Sari / Hundi	579	366	583	365	(1)	(0.3)	9
10	Mazarani	1,663	1,282	1,336	914	(368)	(28.7)	10
11	Sawan	4,400	-	10,345	7,576	7,576	100.0	11
12	Khipro / Mirpurkhas Block	81,492	137,190	132,263	158,410	21,220	15.5	12
13	Zamzama - II	452	-	-	-	-	100.0	13
14	Zargoon	3,361	5,490	4,436	4,380	(1,110)	(20.2)	14
15	Sinjhoro	3,976	5,490	10,710	10,950	5,460	99.5	15
16	Bobi	3,635	3,660	1,212	730	(2,930)	(80.1)	16
17	Maher / Mubarak Block	10,095	10,248	6,448	6,205	(4,043)	(39.5)	17
18	Pasaki Deep & Kunnar Deep	43,499	43,920	42,585	44,895	975	2.2	18
19	Adam X-1 / Hala	3,333	2,928	5,360	4,746	1,818	62.1	19
20	Pakhro / Noorai Jagir	267	2,928	-	-	(2,928)	(100.0)	20
21	Haseeb	1,164	366	-	-	(366)	(100.0)	21
22	Hassan / SNGPL Towns - (Ghotki, Rustam, SherAli, Ubaro, etc.)	1,840	1,784	1,793	1,789	4	0.2	22
23	Latif	15,146	17,934	16,246	15,520	(2,414)	(13.5)	23
24	Jhal Magsi	-	1,365	-	1,358	(8)	(0.5)	24
25	Kirther (Rehman)-EWT	3,490	3,660	3,210	4,380	720	19.7	25
26	Nur Bagla fields	1,857	1,465	1,470	1,095	(370)	(25.3)	26
27	Lundali	44				-	100.0	27
28	Jakhro / Dachrapur / Gopang	4,112	1,464	2,624	2,191	727	49.7	28
29	Suleman		1,365	-	-	(1,365)	(100.0)	29
30	Gambat Block - Wafiq/Shahdad-(XI)	145	1,098	1,890	12,775	11,677	1,063.5	30
31	Sujawal	4,118	4,758	6,236	6,205	1,447	30.4	31
32		434,779	493,534	476,473	485,360	(8,173)	(1.7)	32

Table # B-1.2

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF FIELD WISE GAS PURCHASES

VOLUME IN MMCFD

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Sui	102.0	102.0	100.6	106.3	4.3	4.3	1
2	Kandhkot	1.8	1.9	1.7	1.7	(0.2)	(10.2)	2
3	Badin Block	68.1	76.0	61.3	45.0	(31.0)	(40.8)	3
4	Kadanwari	83.5	55.0	46.2	32.5	(22.5)	(40.8)	4
5	Miano	60.0	50.0	72.9	58.8	8.8	17.6	5
6	Zamzama	70.2	62.8	50.2	35.0	(27.8)	(44.2)	6
7	Bhit	287.6	320.0	288.3	270.0	(50.0)	(15.6)	7
8	Mari	1.0	1.1	0.9	0.9	(0.2)	(14.3)	8
9	Sari / Hundi	1.6	1.0	1.6	1.0	-	-	9
10	Mazarani	4.6	3.5	3.7	2.5	(1.0)	(28.5)	10
11	Sawan	12.1	-	28.3	20.8	20.8	100.0	11
12	Khipro / Mirpurkhas Block	223.3	374.8	361.4	434.0	59.2	15.8	12
13	Zamzama - II	1.2	-	-	-	-	100.0	13
14	Zargoon	9.2	15.0	12.1	12.0	(3.0)	(20.0)	14
15	Sinjhoro	10.9	15.0	29.3	30.0	15.0	100.0	15
16	Bobi	10.0	10.0	3.3	2.0	(8.0)	(80.0)	16
17	Maher / Mubarak Block	27.7	28.0	17.6	17.0	(11.0)	(39.3)	17
18	Pasaki Deep & Kunnar Deep	119.2	120.0	116.4	123.0	3.0	2.5	18
19	Adam X-1 / Hala	9.1	8.0	14.6	13.0	5.0	62.5	19
20	Pakhro / Noorai Jagir	0.7	8.0	-	-	(8.0)	(100.0)	20
21	Haseeb	3.2	1.0	-	-	(1.0)	(100.0)	21
22	Hassan / SNGPL Towns - (Ghotki, Rustam, SherAli, Ubaro, etc.)	5.0	4.9	4.9	4.9	0.0	0.5	22
23	Latif	41.5	49.0	44.4	42.5	(6.5)	(13.2)	23
24	Jhal Magsi	-	3.7	-	3.7	(0.0)	(0.3)	24
25	Kirther (Rehman)-EWT	9.6	10.0	8.8	12.0	2.0	20.0	25
26	Nur Bagla fields	5.1	4.0	4.0	3.0	(1.0)	(25.1)	26
27	Lundali	0.1	-	-	-	-	100.0	27
28	Jakhro / Dachrapur / Gopang	11.3	4.0	7.2	6.0	2.0	50.1	28
29	Suleman	-	3.7	-	-	(3.7)	(100.0)	29
30	Gambat Block - Wafiq/Shahdad-(XI)	0.4	3.0	5.2	35.0	32.0	1,066.7	30
31	Sujawal	11.3	13.0	17.0	17.0	4.0	30.8	31
32		1,191.2	1,348.5	1,301.8	1,329.8	(18.7)	(1.4)	32

Table # B-1.3

SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF FIELD WISE GAS PURCHASES

ENERGY IN MMMBTU

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Sui	36,892	36,996	36,500	38,465	1,469	4.0	1
2	Kandhkot	544	584	524	523	(61)	(10.4)	2
3	Badin Block	26,881	28,850	23,256	17,038	(11,812)	(40.9)	3
4	Kadanwari	30,234	19,969	16,788	11,780	(8,189)	(41.0)	4
5	Miano	21,716	18,154	26,482	21,283	3,130	17.2	5
6	Zamzama	20,510	18,376	14,696	10,220	(8,156)	(44.4)	6
7	Bhit	99,227	109,859	98,967	92,449	(17,409)	(15.8)	7
8	Mari	272	296	254	253	(43)	(14.6)	8
9	Sari / Hundi	502	320	510	319	(1)	(0.3)	9
10	Mazarani	1,691	1,300	1,355	927	(373)	(28.7)	10
11	Sawan	4,392	-	10,211	7,478	7,478	100.0	11
12	Khipro / Mirpurkhas Block	83,482	142,906	137,701	165,071	22,165	15.5	12
14	Zargoon	3,123	5,216	4,214	4,161	(1,055)	(20.2)	14
15	Sinjhoro	4,563	5,572	10,871	11,114	5,542	99.5	15
16	Bobi	4,210	4,209	1,394	840	(3,370)	(80.1)	16
17	Maher / Mubarak Block	11,050	9,736	6,126	5,895	(3,841)	(39.5)	17
18	Pasaki Deep & Kunnar Deep	45,502	45,896	44,501	46,915	1,019	2.2	18
19	Adam X-1 / Hala	3,342	3,446	6,308	5,586	2,140	62.1	19
20	Pakhro / Noorai Jagir	285	3,156	-	-	(3,156)	(100.0)	20
21	Haseeb	942	296	-	-	(296)	(100.0)	21
22	Hassan / SNGPL Towns - (Ghotki, Rustam, SherAli, Ubaro, etc.)	1,609	1,556	1,559	1,554	(1)	(0.1)	22
23	Latif	15,115	17,791	16,116	15,396	(2,395)	(13.5)	23
24	Jhal Magsi	-	1,275	-	1,268	(7)	(0.5)	24
25	Kirther (Rehman)-EWT	2,875	3,477	3,049	4,161	684	19.7	25
26	Nur Bagla fields	2,007	1,518	1,523	1,134	(383)	(25.3)	26
27	Lundali	34				-	100.0	27
28	Jakhro / Dachrapur / Gopang	3,969	1,517	2,718	2,270	753	49.7	28
30	Gambat Block - Wafiq/Shahdad-(XI)	151	1,138	1,958	13,235	12,097	1,063.5	30
31	Sujawal	4,067	4,449	5,830	5,802	1,353	30.4	31
32		429,548	488,845	473,412	485,137	(3,708)	(0.8)	32

Table # B-1.4

SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS PURCHASES

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1	Volume in MMCF							1
2	Gross Purchases	434,779	493,534	476,473	485,360	(8,173)	(1.7)	2
3	Less: Gas Consumed Internally - metered	825	821	795	794	(27)	(3.3)	3
4	Less: (Inc.)/Dec. Gas in pipeline	19				-	-	4
5	Less: loss due to sabotage activity / ruptures	137				-	-	5
6		433,799	492,713	475,678	484,566	(8,146)	(1.7)	6
7						-		7
8	Energy in MMMBTU					-		8
9	Gross Purchases	429,548	488,845	473,412	485,137	(3,708)	(0.8)	9
10	Less: Gas Consumed Internally - metered	817	810	786	783	(27)	(3.3)	10
11	Less: (Inc.)/Dec. Gas in pipeline	36				-	-	11
12	Less: loss due to sabotage activity / ruptures	136				-	-	12
13		428,559	488,035	472,627	484,354	(3,681)	(0.8)	13
14						-		14
15	Amount in Rupees Million					-		15
16	Gross Purchases	156,386.265	147,705.267	143,142.949	133,076.626	(14,628.641)	(9.9)	16
17	Less: Gas Consumed Internally - metered	297.338	244.743	237.559	214.768	(29.975)	(12.2)	17
18	Less: (Inc.)/Dec. Gas in pipeline	9.375	-	-	-	-	-	18
19	Less: loss due to sabotage activity / ruptures	49.373	-	-	-	-	-	19
20		156,030.178	147,460.524	142,905.389	132,861.859	(14,598.666)	(9.9)	20
21						-	-	21
22	Average Rate Rs per MMBTU	**364.07**	**302.15**	**302.36**	**274.31**	**(27.84)**	**(9.2)**	22
23	Indigenous Weighted Average Cost of Gas (Rs per MMBTU)	**365.90**	**302.15**	**302.36**	**274.31**	**(27.84)**	**(9.2)**	23

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS CONSUMED INTERNALLY AND LOSS DUE TO SABOTAGE ACTIVITIES / THIRD PARTY DAMAGES

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
1	**Energy in MMMBTU**						%	1
2	Compressor Fuel	666.703	662.900	637.556	634.831	(28.069)	(4)	2
3	LHF Badin	3.478	3.200	3.200	3.200		-	3
4	Domestic / other use	225.714	181.600	174.917	174.914	(6.686)	(4)	4
5	Transmission - total	895.895	847.700	815.673	812.945	(34.755)	(4)	5
6	Distribution - total	742.230	15.194	15.230	15.170	(0.024)	(0)	6
7	Total	1,638.125	862.894	830.903	828.115	(34.779)	(4)	7
8	Gas Consumed Internally - metered	816.864	810.000	785.673	782.945	(27.055)	(3)	8
9	Gas Consumed Internally - un-metered	36.766	52.894	45.230	45.170	(7.724)	(15)	9
10		853.630	862.894	830.903	828.115	(34.779)	(4)	10
11	Loss Due To Sabotage Activities	135.639	-	-	-		-	11
12	Third Party Damages - un-metered	648.856	442.146	443.188	442.292	0.146	0	12
13	Gross Gas Consumed Internally	1,638.125	1,305.040	1,274.091	1,270.407	(34.633)	(3)	13
14	Less: Non-Admissible (un-metered)	685.622	495.040	488.418	487.462	(7.578)	(2)	14
15	Net Gas Consumed Internally (metered)	952.503	810.000	785.673	782.945	(27.055)	(3)	15
16								16
17	**Average Rate - Rs per MMBTU**	364.00	302.15	302.3643	274.3072	(27.84)	(9)	17
18								18
19	**Cost of Gas Consumed Internally - Rs Million**							19
20	Compressor Fuel	242.680	200.296	192.774	174.139	(26.157)	(13)	20
21	LHF Badin	1.266	0.967	0.968	0.878	(0.089)	(9)	21
22	Domestic / other use	82.160	54.871	52.889	47.980	(6.890)	(13)	22
23	Transmission - total	326.106	256.134	246.630	222.997	(33.137)	(13)	23
24	Distribution - total	270.172	4.591	4.605	4.161	(0.430)	(9)	24
25	Total	596.278	260.725	251.236	227.158	(33.567)	(13)	25
26	Gas Consumed Internally - metered	297.338	244.743	237.559	214.768	(29.975)	(12)	26
27	Gas Consumed Internally - un-metered	13.383	15.982	13.676	12.390	(3.592)	(22)	27
28		310.721	260.725	251.236	227.158	(33.567)	(13)	28
29	Loss Due To Sabotage Activities	49.373					100	29
30	Third Party Damages - un-metered	236.184	133.595	134.004	121.324	(12.271)	(9)	30
31	Gross Gas Consumed Internally	596.278	394.320	385.240	348.482	(45.838)	(12)	31
32	Less: Non-Admissible (un-metered)	249.566	149.577	147.680	133.714	(15.863)	(11)	32
33	Net Gas Consumed Internally (metered)	346.711	244.743	237.559	214.768	(29.975)	(12)	33

Table # B-2.1

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS SALES

VOLUME IN MMCF

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1	POWER	72,926	74,084	92,283	99,068	24,984	33.7	1
2	HABIBULLAH COASTAL POWER	6,296	5,952	6,310	6,296	344	5.8	2
3	CEMENT	511	322	511	511	189	58.9	3
4	FERTILIZER - FEEDSTOCK	13,227	25,620	13,251	13,227	(12,393)	(48.4)	4
5	CNG STATIONS	29,098	25,595	29,248	29,782	4,187	16.4	5
6	CAPTIVE POWER	75,640	74,862	76,043	76,557	1,695	2.3	6
7	DHA DESALINATION PLANT	-	3,203	-	-	(3,203)	(100.0)	7
8	NOORIABAD POWER PLANT	-	7,320	2,440	7,300	(20)	(0.3)	8
9	NAUDERO RENTAL POWER	-	2,196	-	-	(2,196)	(100.0)	9
10	AL-TUWAIRQI STEEL	-	7,320	-	-	(7,320)	(100.0)	10
11	GENERAL INDUSTRIES	70,624	75,117	71,868	65,073	(10,044)	(13.4)	11
12	COMMERCIAL	10,287	10,709	10,297	10,491	(219)	(2.0)	12
13	DOMESTIC	83,901	105,862	87,289	90,184	(15,678)	(14.8)	13
14		362,510	418,160	389,541	398,489	(19,671)	(4.7)	14

Table # B-2.2

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS SALES

VOLUME IN MMCF

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	**(A) KARACHI**							1
2	**TOTAL INDUSTRIAL**	**206,459**	**235,062**	**204,989**	**210,639**	**(24,423)**	**(10.4)**	2
3	POWER - KESC	62,523	55,692	56,919	63,796	8,104	14.6	3
4	CEMENT	503	310	503	503	193	62.5	4
5	FERTILIZER - Feedstock	13,227	21,960	13,251	13,227	(8,733)	(39.8)	5
6	FERTILIZER - Additional	-	3,660	-	-	(3,660)	(100.0)	6
7	FERTILIZER - Power	4,037	5,490	4,046	4,037	(1,453)	(26.5)	7
8	PAK STEEL	7,623	8,440	1,187	1,095	(7,345)	(87.0)	8
9	CNG STATIONS	16,331	14,774	16,412	16,692	1,917	13.0	9
10	CAPTIVE POWER	48,194	50,905	48,531	49,004	(1,901)	(3.7)	10
11	DHA DESALINATION PLANT	-	3,203	-	-	(3,203)	(100.0)	11
12	NOORIABAD POWER PLANT	-	7,320	2,440	7,300	(20)	(0.3)	12
13	AL-TUWAIRQI STEEL	-	7,320	-	-	(7,320)	(100.0)	13
14	GENERAL INDUSTRIES	54,020	55,988	61,700	54,985	(1,003)	(1.8)	14
15						-		15
16	COMMERCIAL	**7,869**	**8,023**	**7,786**	**7,810**	**(214)**	**(2.7)**	16
17	DOMESTIC	**52,829**	**66,632**	**54,472**	**55,834**	**(10,798)**	**(16.2)**	17
18	**SUB TOTAL 'A'**	**267,157**	**309,717**	**267,248**	**274,283**	**(35,434)**	**(11.4)**	18
19						-		19
20	**(B) SINDH EXCLUDING KARACHI**					-		20
21	**TOTAL INDUSTRIAL**	**52,215**	**57,673**	**77,298**	**77,470**	**19,797**	**34.3**	21
22	POWER - WAPDA	8,711	16,836	33,672	33,580	16,744	99.5	22
23	Naudero Rental Power I	-	2,196	-	-	(2,196)	(100.0)	23
25	CEMENT	8	12	8	8	(4)	(33.5)	25
26	CNG STATIONS	11,402	9,755	11,464	11,664	1,909	19.6	26
27	CAPTIVE POWER	27,436	23,930	27,504	27,544	3,615	15.1	27
28	GENERAL INDUSTRIES	4,658	4,943	4,651	4,673	(270)	(5.5)	28
29						-		29
30	COMMERCIAL	**1,645**	**1,765**	**1,642**	**1,661**	**(104)**	**(5.9)**	30
31	DOMESTIC	**21,538**	**27,630**	**22,832**	**23,965**	**(3,665)**	**(13.3)**	31
32	**SUB TOTAL 'B'**	**75,398**	**87,067**	**101,773**	**103,095**	**16,028**	**18.4**	32
33						-		33
34	**(C) BALOCHISTAN**					-		34
35	**TOTAL INDUSTRIAL**	**9,648**	**8,855**	**9,667**	**9,705**	**851**	**9.6**	35
36	POWER - WAPDA	1,692	1,556	1,692	1,692	136	8.7	36
37	HABIBULLAH COASTAL POWER	6,296	5,952	6,310	6,296	344	5.8	37
38	CNG STATIONS	1,365	1,065	1,372	1,426	361	33.9	38
39	CAPTIVE POWER	10	27	9	9	(18)	(66.8)	39
40	GENERAL INDUSTRIES	285	255	283	282	28	10.8	40
41						-		41
42	COMMERCIAL	**772**	**921**	**869**	**1,020**	**99**	**10.8**	42
43	DOMESTIC	**9,534**	**11,600**	**9,985**	**10,385**	**(1,215)**	**(10.5)**	43
44	**SUB TOTAL 'C'**	**19,954**	**21,376**	**20,521**	**21,111**	**(265)**	**(1.2)**	44
45						-		45
46	**TOTAL SALES (A+B+C)**	**362,510**	**418,160**	**389,541**	**398,489**	**(19,671)**	**(4.7)**	46

Table # B-2.3

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS SALES

VOLUME IN MMCFD

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	POWER	199.8	202.4	252.1	271.4	69.0	34.1	1
2	HABIBULLAH COASTAL POWER	17.2	16.3	17.2	17.2	1.0	6.1	2
3	CEMENT	1.4	0.9	1.4	1.4	0.5	59.3	3
4	FERTILIZER - Feedstock	36.2	70.0	36.2	36.2	(33.8)	(48.2)	4
5	CNG STATIONS	79.7	69.9	79.9	81.6	11.7	16.7	5
6	CAPTIVE POWER	207.2	204.5	207.8	209.7	5.2	2.5	6
7	DHA DESALINATION PLANT	-	8.8	-	-	(8.8)	(100.0)	7
8	NOORIABAD POWER PLANT	-	20.0	6.7	20.0	-	-	8
9	NAUDERO RENTAL POWER	-	6.0	-	-	(6.0)	(100.0)	9
10	AL-TUWAIRQI STEEL	-	20.0	-	-	(20.0)	(100.0)	10
11	GENERAL INDUSTRIES	193.5	205.2	196.4	178.3	(27.0)	(13.1)	11
12	COMMERCIAL	28.2	29.3	28.1	28.7	(0.5)	(1.8)	12
13	DOMESTIC	229.9	289.2	238.5	247.1	(42.2)	(14.6)	13
14		993.2	1,142.5	1,064.3	1,091.7	(50.8)	(4.4)	14

Table # B-2.4

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS SALES

VOLUME IN MMCFD

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	**(A) KARACHI**							1
2	**TOTAL INDUSTRIAL**	**565.6**	**642.2**	**560.1**	**577.1**	**(65.2)**	**(10.1)**	2
3	POWER - KESC	171.3	152.2	155.5	174.8	22.6	14.9	3
4	CEMENT	1.4	0.8	1.4	1.4	0.5	62.9	4
5	FERTILIZER - Feedstock	36.2	60.0	36.2	36.2	(23.8)	(39.6)	5
6	FERTILIZER - Additional	-	10.0	-	-	(10.0)	(100.0)	6
7	FERTILIZER - Power	11.1	15.0	11.1	11.1	(3.9)	(26.3)	7
8	PAK STEEL	20.9	23.1	3.2	3.0	(20.1)	(87.0)	8
9	CNG STATIONS	44.7	40.4	44.8	45.7	5.4	13.3	9
10	CAPTIVE POWER	132.0	139.1	132.6	134.3	(4.8)	(3.5)	10
15	DHA DESALINATION PLANT	-	8.8	-	-	(8.8)	(100.0)	15
16	NOORIABAD POWER PLANT	-	20.0	6.7	20.0	-	-	16
17	AL-TUWAIRQI STEEL	-	20.0	-	-	(20.0)	(100.0)	17
18	GENERAL INDUSTRIES	148.0	153.0	168.6	150.6	(2.3)	(1.5)	18
19								19
20	COMMERCIAL	**21.6**	**21.9**	**21.3**	**21.4**	**(0.5)**	**(2.4)**	20
21	DOMESTIC	**144.7**	**182.1**	**148.8**	**153.0**	**(29.1)**	**(16.0)**	21
22	**SUB TOTAL 'A'**	**731.9**	**846.2**	**730.2**	**751.5**	**(94.8)**	**(11.2)**	22
23								23
24	**(B) SINDH EXCLUDING KARACHI**							24
25	**TOTAL INDUSTRIAL**	**143.1**	**157.6**	**211.2**	**212.2**	**54.7**	**34.7**	25
26	POWER	23.9	46.0	92.0	92.0	46.0	100.0	26
27	Naudero Rental Power I	-	6.0	-	-	(6.0)	(100.0)	27
29	CEMENT	0.0	0.0	0.0	0.0	(0.0)	(33.3)	29
30	CNG STATIONS	31.2	26.7	31.3	32.0	5.3	19.9	30
31	CAPTIVE POWER	75.2	65.4	75.1	75.5	10.1	15.4	31
36	GENERAL INDUSTRIES	12.8	13.5	12.7	12.8	(0.7)	(5.2)	36
37								37
38	COMMERCIAL	**4.5**	**4.8**	**4.5**	**4.5**	**(0.3)**	**(5.6)**	38
39	DOMESTIC	**59.0**	**75.5**	**62.4**	**65.7**	**(9.8)**	**(13.0)**	39
40	**SUB TOTAL 'B'**	**206.6**	**237.9**	**278.1**	**282.5**	**44.6**	**18.7**	40
41								41
42	**(C) BALOCHISTAN**							42
43	**TOTAL INDUSTRIAL**	**26.4**	**24.2**	**26.4**	**26.6**	**2.4**	**9.9**	43
44	POWER	4.6	4.3	4.6	4.6	0.4	9.0	44
45	HABIBULLAH COASTAL POWER	17.2	16.3	17.2	17.2	1.0	6.1	45
46	CNG STATIONS	3.7	2.9	3.7	3.9	1.0	34.3	46
47	CAPTIVE POWER	0.0	0.1	0.0	0.0	(0.0)	(66.7)	47
48	GENERAL INDUSTRIES	0.8	0.7	0.8	0.8	0.1	11.1	48
49								49
50	COMMERCIAL	**2.1**	**2.5**	**2.4**	**2.8**	**0.3**	**11.1**	50
51	DOMESTIC	**26.1**	**31.7**	**27.3**	**28.5**	**(3.2)**	**(10.2)**	51
52	**SUB TOTAL 'C'**	**54.7**	**58.4**	**56.1**	**57.8**	**(0.6)**	**(1.0)**	52
53								53
54	**TOTAL SALES (A+B+C)**	**993.2**	**1,142.5**	**1,064.3**	**1,091.7**	**(50.8)**	**(4.4)**	54

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS SALES

ENERGY IN MMMBTU

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1	POWER	73,307	72,903	92,447	99,285	26,382	36.2	1
2	HABIBULLAH COASTAL POWER	6,185	5,731	6,198	6,185	454	7.9	2
3	CEMENT	505	306	505	505	199	65.1	3
4	FERTILIZER - Feedstock	13,382	25,551	13,406	13,382	(12,170)	(47.6)	4
5	CNG STATIONS	28,238	24,363	28,384	28,903	4,539	18.6	5
6	CAPTIVE POWER	73,906	71,810	74,300	74,802	2,992	4.2	6
7	DHA DESALINATION PLANT	-	3,021	-	-	(3,021)	(100.0)	7
8	NOORIABAD POWER PLANT	-	6,905	2,356	7,048	144	2.1	8
9	NAUDERO RENTAL POWER	-	2,103	-	-	(2,103)	(100.0)	9
11	AL-TUWAIRQI STEEL	-	6,905	-	-	(6,905)	(100.0)	11
12	GENERAL INDUSTRIES	68,701	71,454	69,719	63,156	(8,298)	(11.6)	12
13	COMMERCIAL	9,854	10,031	9,868	10,057	26	0.3	13
14	DOMESTIC	80,906	99,917	84,187	86,992	(12,925)	(12.9)	14
15		354,984	400,999	381,372	390,315	(10,684)	(2.7)	15

Table # B-2.6

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS SALES

ENERGY IN MMMBTU

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	**(A) KARACHI**							1
2	**TOTAL INDUSTRIAL**	**203,312**	**226,208**	**201,482**	**207,223**	**(18,985)**	**(8.4)**	2
3	POWER - KESC	62,995	54,656	57,349	64,278	9,622	17.6	3
4	CEMENT	497	294	497	497	203	69.1	4
5	FERTILIZER - Feedstock	13,382	21,901	13,406	13,382	(8,519)	(38.9)	5
6	FERTILIZER - Additional	-	3,650	-	-	(3,650)	(100.0)	6
7	FERTILIZER - Power	4,084	5,472	4,093	4,084	(1,388)	(25.4)	7
8	PAK STEEL	7,576	8,119	1,180	1,088	(7,031)	(86.6)	8
9	CNG STATIONS	15,582	13,783	15,659	15,927	2,144	15.6	9
10	CAPTIVE POWER	47,040	48,693	47,368	47,830	(863)	(1.8)	10
11	DHA DESALINATION PLANT	-	3,021	-	-	(3,021)	(100.0)	11
12	NOORIABAD POWER PLANT	-	6,905	2,356	7,048	144	2.1	12
13	AL-TUWAIRQI STEEL	-	6,905	-	-	(6,905)	(100.0)	13
14	GENERAL INDUSTRIES	52,156	52,810	59,573	53,089	279	0.5	14
15						-		15
16	COMMERCIAL	**7,477**	**7,447**	**7,398**	**7,420**	**(28)**	**(0.4)**	16
17	DOMESTIC	**50,366**	**62,014**	**51,932**	**53,230**	**(8,784)**	**(14.2)**	17
18	**SUB TOTAL 'A'**	**261,156**	**295,670**	**260,811**	**267,873**	(27,797)	(9.4)	18
19						-		19
20	**(B) SINDH EXCLUDING KARACHI**					-		20
21	**TOTAL INDUSTRIAL**	**51,434**	**56,299**	**76,340**	**76,510**	**20,211**	**35.9**	21
22	POWER - WAPDA	8,650	16,737	33,437	33,345	16,608	99.2	22
23	Naudero Rental Power I	-	2,103	-	-	(2,103)	(100.0)	23
25	CEMENT	8	12	8	8	(4)	(31.7)	25
26	CNG STATIONS	11,314	9,549	11,375	11,574	2,025	21.2	26
27	CAPTIVE POWER	26,857	23,090	26,922	26,962	3,872	16.8	27
28	GENERAL INDUSTRIES	4,605	4,808	4,598	4,620	(188)	(3.9)	28
29						-		29
30	COMMERCIAL	**1,619**	**1,698**	**1,618**	**1,636**	**(62)**	**(3.7)**	30
31	DOMESTIC	**21,205**	**26,799**	**22,477**	**23,592**	**(3,207)**	**(12.0)**	31
32	**SUB TOTAL 'B'**	**74,258**	**84,797**	**100,435**	**101,738**	**16,941**	**20.0**	32
33						-		33
34	**(C) BALOCHISTAN**					-		34
35	**TOTAL INDUSTRIAL**	**9,477**	**8,544**	**9,495**	**9,533**	**989**	**11.6**	35
36	POWER	1,662	1,510	1,662	1,662	151	10.0	36
37	HABIBULLAH COASTAL POWER	6,185	5,731	6,198	6,185	454	7.9	37
38	CNG STATIONS	1,341	1,032	1,350	1,402	371	35.9	38
39	CAPTIVE POWER	10	27	10	10	(17)	(63.8)	39
40	GENERAL INDUSTRIES	280	245	275	275	30	12.2	40
41						-		41
42	COMMERCIAL	**758**	**885**	**852**	**1,001**	**116**	**13.1**	42
43	DOMESTIC	**9,335**	**11,103**	**9,778**	**10,170**	**(934)**	**(8.4)**	43
44	**SUB TOTAL 'C'**	**19,570**	**20,533**	**20,126**	**20,704**	**171**	**0.8**	44
45						-		45
46	**TOTAL SALES (A+B+C)**	**354,984**	**400,999**	**381,372**	**390,315**	**(10,684)**	**(2.7)**	46

SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS SALES

Rupees Million

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1	POWER	35,791.809	35,593.641	53,483.159	59,570.978	23,977.337	67.4	1
2	HABIBULLAH COASTAL POWER	3,019.495	2,797.954	3,574.530	3,710.744	912.790	32.6	2
3	CEMENT	375.638	227.253	378.313	378.813	151.560	66.7	3
4	FERTILIZER - Feedstock	1,651.230	2,952.764	2,491.291	2,676.359	(276.404)	(9.4)	4
5	CNG STATIONS	18,541.497	15,995.080	19,644.960	20,231.968	4,236.888	26.5	5
6	CAPTIVE POWER	42,343.841	41,167.049	44,235.022	44,881.012	3,713.963	9.0	6
7	DHA DESALINATION PLANT	0.593	1,474.814	-	-	(1,474.814)	(100.0)	7
8	NOORIABAD POWER PLANT	-	3,371.003	1,413.513	4,228.952	857.950	25.5	8
9	NAUDERO RENTAL POWER	0.198	1,026.651	-	-	(1,026.651)	(100.0)	9
10	AL-TUWAIRQI STEEL	0.767	3,371.003	-	-	(3,371.003)	(100.0)	10
11	GENERAL INDUSTRIES	33,623.799	34,885.902	40,497.837	37,893.742	3,007.840	8.6	11
12	COMMERCIAL	6,414.538	6,383.470	6,813.984	7,039.670	656.200	10.3	12
13	DOMESTIC	17,090.044	30,225.637	18,980.567	19,769.458	(10,456.178)	(34.6)	13
14	TOTAL SALES - net	158,853.448	179,472.219	191,513.175	200,381.697	20,909.478	11.7	14

SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS SALES

Rupees Million

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No
1	(A) KARACHI							1
2	**TOTAL INDUSTRIAL**	**101,195.242**	**107,454.947**	**114,087.139**	**120,648.196**	**13,193.249**	**12.3**	2
3	POWER - KESC	30,756.901	26,684.672	33,113.424	38,566.775	11,882.103	44.5	3
4	CEMENT	369.476	218.340	372.162	372.669	154.328	70.7	4
5	FERTILIZER - Feedstock	1,651.230	2,702.834	2,491.291	2,676.359	(26.475)	(1.0)	5
6	FERTILIZER - Additional	-	249.930	-	-	(249.930)	(100.0)	6
7	FERTILIZER - Power	1,994.019	2,671.485	2,377.257	2,450.508	(220.978)	(8.3)	7
8	PAK STEEL	3,698.823	3,963.971	667.485	652.948	(3,311.023)	(83.5)	8
9	CNG STATIONS	10,232.165	9,048.492	10,836.021	11,148.603	2,100.111	23.2	9
10	CAPTIVE POWER	26,956.097	27,914.840	28,202.130	28,697.954	783.115	2.8	10
11	DHA DESALINATION PLANT	0.593	1,474.814	-	-	(1,474.814)	(100.0)	11
12	NOORIABAD POWER PLANT	-	3,371.003	1,413.513	4,228.952	857.950	25.5	12
13	AL-TUWAIRQI STEEL	0.767	3,371.003	-	-	(3,371.003)	(100.0)	13
14	GENERAL INDUSTRIES	25,535.173	25,783.563	34,613.855	31,853.428	6,069.865	23.5	14
15								15
16	COMMERCIAL	**4,868.011**	**4,740.299**	**5,107.964**	**5,193.798**	**453.500**	**9.6**	16
17	DOMESTIC	**10,472.468**	**17,875.873**	**11,399.186**	**11,789.619**	**(6,086.254)**	**(34.0)**	17
18	**SUB TOTAL 'A'**	**116,535.720**	**130,071.118**	**130,594.289**	**137,631.613**	**7,560.495**	**5.8**	18
19								19
20	(B) SINDH EXCLUDING KARACHI							20
21	**TOTAL INDUSTRIAL**	**29,299.483**	**31,060.668**	**46,014.494**	**47,064.339**	**16,003.671**	**51.5**	21
22	POWER	4,223.541	8,171.511	19,428.906	20,007.172	11,835.661	144.8	22
23	Naudero Rental Power I	0.198	1,026.651	-	-	(1,026.651)	(100.0)	23
25	CEMENT	6.162	8.913	6.150	6.145	(2.768)	(31.1)	25
26	CNG STATIONS	7,428.703	6,269.280	7,874.623	8,101.670	1,832.389	29.2	26
27	CAPTIVE POWER	15,382.881	13,236.863	16,027.085	16,177.245	2,940.381	22.2	27
28	GENERAL INDUSTRIES	2,257.998	2,347.450	2,677.731	2,772.109	424.659	18.1	28
29								29
30	COMMERCIAL	**1,050.438**	**1,081.085**	**1,116.509**	**1,145.144**	**64.058**	**5.9**	30
31	DOMESTIC	**4,111.785**	**7,840.519**	**4,720.075**	**4,990.285**	**(2,850.234)**	**(36.4)**	31
32	**SUB TOTAL 'B'**	**34,461.706**	**39,982.272**	**51,851.078**	**53,199.768**	**13,217.496**	**33.1**	32
33								33
34	(C) BALOCHISTAN							34
35	**TOTAL INDUSTRIAL**	**4,854.141**	**4,347.498**	**5,616.992**	**5,860.033**	**1,512.535**	**34.8**	35
36	POWER	811.367	737.458	940.829	997.031	259.573	35.2	36
37	HABIBULLAH COASTAL POWER	3,019.495	2,797.954	3,574.530	3,710.744	912.790	32.6	37
38	CNG STATIONS	880.630	677.308	934.317	981.696	304.388	44.9	38
39	CAPTIVE POWER	4.863	15.345	5.807	5.813	(9.533)	(62.1)	39
40	GENERAL INDUSTRIES	137.787	119.432	161.508	164.749	45.317	37.9	40
41								41
42	COMMERCIAL	**496.089**	**562.086**	**589.511**	**700.728**	**138.642**	**24.7**	42
43	DOMESTIC	**2,505.791**	**4,509.245**	**2,861.306**	**2,989.555**	**(1,519.690)**	**(33.7)**	43
44	**SUB TOTAL 'C'**	**7,856.022**	**9,418.829**	**9,067.809**	**9,550.316**	**131.487**	**1.4**	44
45								45
46	**TOTAL SALES - net**	**158,853.448**	**179,472.219**	**191,513.175**	**200,381.697**	**20,909.478**	**14.0**	46

Table # B-3.1

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS DEVELOPMENT SURCHARGE

Rupees Million

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	POWER	-	4,810.897	14,448.129	17,648.895	12,837.998	266.9	1
2	HABIBULLAH COASTAL POWER	-	378.176	957.335	1,099.370	721.194	190.7	2
3	CEMENT	-	98.102	164.882	165.546	67.444	68.7	3
4	FERTILIZER - Feedstock	(0.021)	(7,836.087)	(3,169.443)	(2,973.970)	4,862.116	(62.0)	4
5	CNG STATIONS	-	5,707.865	7,660.070	8,028.045	2,320.180	40.6	5
6	CAPTIVE POWER	-	10,846.133	12,862.472	13,296.748	2,450.615	22.6	6
7	DHA DESALINATION PLANT	-	199.338	-	-	(199.338)	(100.0)	7
8	NOORIABAD POWER PLANT	-	455.630	418.777	1,252.898	797.267	175.0	8
9	NAUDERO RENTAL POWER	-	138.764	-	-	(138.764)	(100.0)	9
10	AL-TUWAIRQI STEEL	-	455.630	-	-	(455.630)	(100.0)	10
11	GENERAL INDUSTRIES	-	4,715.238	11,059.639	11,226.653	6,511.415	138.1	11
12	COMMERCIAL	-	2,148.077	2,647.490	2,793.341	645.264	30.0	12
13	DOMESTIC	-	(11,963.361)	(15,066.160)	(15,427.945)	(3,464.584)	29.0	13
14	TOTAL	(0.021)	10,154.404	31,983.189	37,109.580	26,955.176	265.5	14

Table # B-3.2

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SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS DEVELOPMENT SURCHARGE

Rupees Million

S.No.	CATEGORY	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	**(A) KARACHI**							1
2	**TOTAL INDUSTRIAL**	**(0.021)**	**11,940.910**	**29,013.568**	**33,150.410**	**21,209.500**	**177.6**	2
3	POWER - KESC	-	3,606.746	8,898.326	11,426.050	7,819.304	216.8	3
4	CEMENT	-	94.255	162.206	162.861	68.607	72.8	4
5	FERTILIZER - Feedstock	-	(6,544.752)	(3,169.443)	(2,973.970)	3,570.782	(54.6)	5
6	FERTILIZER - Additional	(0.021)	(1,291.335)	-	-	1,291.335	(100.0)	6
7	FERTILIZER - Power	-	361.082	649.077	726.004	364.921	101.1	7
8	PAK STEEL	-	535.777	169.377	193.447	(342.330)	(63.9)	8
9	CNG STATIONS	-	3,228.966	4,224.008	4,423.765	1,194.800	37.0	9
10	CAPTIVE POWER	-	7,354.621	8,201.328	8,502.247	1,147.626	15.6	10
11	DHA DESALINATION PLANT	-	199.338	-	-	(199.338)	(100.0)	11
12	NOORIABAD POWER PLANT	-	455.630	418.777	1,252.898	797.267	175.0	12
13	AL-TUWAIRQI STEEL	-	455.630	-	-	(455.630)	(100.0)	13
14	GENERAL INDUSTRIES	-	3,484.950	9,459.913	9,437.109	5,952.159	170.8	14
15			-	-	-	-		15
16	COMMERCIAL	-	**1,595.714**	**1,984.393**	**2,060.899**	**465.185**	**29.2**	16
17	DOMESTIC	-	**(8,309.075)**	**(9,489.604)**	**(9,629.964)**	**(1,320.889)**	**15.9**	17
18	**SUB TOTAL 'A'**	**(0.021)**	**5,227.549**	**21,508.357**	**25,581.346**	**20,353.797**	**389.4**	18
19						-		19
20	**(B) SINDH EXCLUDING KARACHI**					-		20
21	**TOTAL INDUSTRIAL**	-	**7,289.041**	**13,780.494**	**14,758.948**	**7,469.906**	**102.5**	21
22	POWER	-	1,104.475	5,310.618	5,927.458	4,822.983	436.7	22
23	Naudero Rental Power I	-	138.764	-	-	(138.764)	(100.0)	23
24	CEMENT	-	3.848	2.676	2.685	(1.162)	(30.2)	24
25	CNG STATIONS	-	2,237.201	3,071.671	3,214.743	977.542	43.7	25
26	CAPTIVE POWER	-	3,487.468	4,659.444	4,792.778	1,305.310	37.4	26
27	GENERAL INDUSTRIES	-	317.285	736.086	821.283	503.998	158.8	27
28			-	-	-	-		28
29	COMMERCIAL	-	**363.969**	**433.399**	**454.393**	**90.424**	**24.8**	29
30	DOMESTIC	-	**(3,475.263)**	**(4,468.908)**	**(4,658.563)**	**(1,183.300)**	**34.0**	30
31	**SUB TOTAL 'B'**	-	**4,177.747**	**9,744.985**	**10,554.778**	**6,377.031**	**152.6**	31
32						-		32
33	**(C) BALOCHISTAN**					-		33
34	**TOTAL INDUSTRIAL**	-	**739.736**	**1,607.797**	**1,834.826**	**1,095.089**	**148.0**	34
35	POWER	-	99.676	239.185	295.387	195.711	196.3	35
36	HABIBULLAH COASTAL POWER	-	378.176	957.335	1,099.370	721.194	190.7	36
37	CNG STATIONS	-	241.698	364.392	389.537	147.839	61.2	37
38	CAPTIVE POWER	-	4.043	1.700	1.722	(2.321)	(57.4)	38
39	GENERAL INDUSTRIES	-	16.143	45.186	48.810	32.667	202.4	39
40			-	-	-	-		40
41	COMMERCIAL	-	**188.394**	**229.699**	**278.049**	**89.655**	**47.6**	41
42	DOMESTIC	-	**(179.023)**	**(1,107.648)**	**(1,139.418)**	**(960.395)**	**536.5**	42
43	**SUB TOTAL 'C'**	-	**749.107**	**729.848**	**973.456**	**224.349**	**29.9**	43
44	**TOTAL**	**(0.021)**	**10,154.404**	**31,983.189**	**37,109.580**	**26,955.176**	**265.5**	44
			-	-	-			

Table # B-4.1

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SUI SOUTHERN GAS COMPANY LIMITED
UN-ACCOUNTED FOR GAS - FOR TARIFF WORKING

MMCF

S.No.	Description	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	S.No.
1	Gross Purchases	434,779	493,534	476,473	485,360	1
2						2
3	Gas Consumed Internally - metered	825	821	795	794	3
4	(Inc.)/Dec. Gas in pipeline	19	-	-	-	4
5	Loss due to sabotage activity / ruptures - unmetered	137	-	-	-	5
	Gas Consumed Internally - metered	981	821	795	794	6
7	Available for Sale	433,799	492,713	475,678	484,566	7
8						8
9	Gas Sales	362,510	418,160	389,541	398,489	9
10	Gas Delivered to SNGPL as per GOP decision under SWAP arrangement	1,086		9,825	8,273	10
11	Add: Bulk Retail Ratio	-	-	26,033	25,759	11
12	Add: Unbilled pilferred volume in law & order affected areas	1,766	-	2,300	2,355	12
13	Add: Pilfered volume detected against non-consumer	5,110	-	8,800	8,000	13
14	Add: Gas Shrinkage at - LPG / NGL(JJVL)	3,997	2,655	2,655	4,380	14
15	Add: Gas Shrinkage at - Condensate (LHF)	266	1,578	1,578	324	15
16		374,734	422,393	440,732	447,579	16
17						17
18	**Gas Unaccounted For**	**59,065**	**70,320**	**34,946**	**36,987**	18
19	**Gas Unaccounted For (%)**	**13.62%**	**14.27%**	**7.35%**	**7.63%**	19
20						20
21	Disallowed volumes - MMCF	28,697	48,148	1,648	3,067	21
22	Allowable Gas Unaccounted For	30,367	22,172	33,297	33,920	22
23		7.00%	4.50%	7.00%	7.00%	23
24	Disallowed volumes - MMMBTU	28,101	47,148	1,614	3,003	24
25	WACOG - Rs per MMBTU	365.90	302.15	302.36	274.31	25
26	Disallowed value over & above UFG targets - Rs Million	10,282	14,246	488	824	26
27					✦ **750**	27

Note:-

✦ Restricted at Rs 750 million as per rule 20 (1) of Natural Gas Tariff Rule 2002.

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Table # B-4.2

SUI SOUTHERN GAS COMPANY LIMITED
UN-ACCOUNTED FOR GAS

MMCF

S.No.	Description	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	S.No.
1	Gross Purchases	434,779	493,534	476,473	485,360	1
2						2
3	Gas Consumed Internally - metered	825	821	795	794	3
4	(Inc.)/Dec. Gas in pipeline	19	-	-	-	4
5	Loss due to sabotage activity / ruptures - unmetered	137	-	-	-	5
6	Damage by third party - unmetered	657	448	448	448	6
7	Gas Consumed Internally - unmetered	37	54	45	45	7
8		1,674	1,324	1,289	1,288	8
9	Available for Sale	433,105	492,210	475,184	484,073	9
10						10
11	Gas Sales	362,510	418,160	389,541	398,489	11
12	Additional Gas Delivered to SNGPL under SWAP arrangement to meet RLNG energy requirement	1,086	-	9,825	8,273	12
13	Add: Bulk Retail Ratio	24,305	26,025	26,033	25,759	13
14	Add: Unbilled pilferred volume in law & order affected areas	2,355	2,300	2,300	2,355	14
15	Add: Pilfered volume detected against non-consumer	10,420	8,800	8,800	8,000	15
16	Add: Gas Shrinkage at - LPG / NGL(JJVL)	3,997	2,655	2,655	4,380	16
17	Add: Gas Shrinkage at - Condensate (LHF)	266	1,578	1,578	324	17
18		404,938	459,518	440,732	447,579	18
19						19
20	Gas Unaccounted For	28,167	32,692	34,452	36,493	20
21	Gas Unaccounted For (%)	6.50%	6.64%	7.25%	7.54%	21

SUI SOUTHERN GAS COMPANY LIMITED
TRANSMISSION AND DISTRIBUTION COST

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1	**Salaries, wages, and benefits at benchmark**	**10,440.000**	**10,628.000**	**12,077.000**	**13,021.000**	**2,393.000**	**22.5**	1
2	**Gas consumed internally**	**297.338**	**244.743**	**237.559**	**214.768**	**(29.975)**	**(12.2)**	2
3	**Loss due sabotage activity**	**49.373**	-	-	-	-	-	3
4	**Other T&D Cost**							4
5	Stores, spares and supplies consumed	739.472	850.000	1,708.953	1,673.000	823.000	96.8	5
6	Material used on consumers installations	16.486	36.000	48.000	51.000	15.000	41.7	6
7	Electricity	183.864	212.000	207.873	232.000	20.000	9.4	7
8	Rent, rate & taxes	201.000	175.000	205.000	199.000	24.000	13.7	8
9	Traveling	109.216	118.000	169.399	175.181	57.181	48.5	9
10	Insurance	108.162	127.000	138.100	170.050	43.050	33.9	10
11	Postage & revenue stamps	75.648	87.000	114.000	110.000	23.000	26.4	11
12	Repairs & maintenance	1,420.164	1,034.000	2,136.000	2,208.000	1,174.000	113.5	12
13	Legal charges	61.287	61.000	94.000	81.000	20.000	32.8	13
14	Professional charges	30.735	28.000	76.000	52.000	24.000	85.7	14
15	License Fee to OGRA	152.000	102.000	92.914	166.843	64.843	63.6	15
16	Meter reading by contractors	58.933	65.000	82.000	75.000	10.000	15.4	16
17	Collecting agent commission	-	5.000	3.000	3.000	(2.000)	(40.0)	17
18	Security expenses	391.960	463.000	472.001	561.000	98.000	21.2	18
19	Gas bills collection charges	164.292	171.000	202.116	187.356	16.356	9.6	19
20	Gas bills stubs processing charges	13.479	18.000	22.371	22.765	4.765	26.5	20
21	Provision for doubtful debts	547.000	602.000	2,240.704	2,344.466	1,742.466	289.4	21
22	Advertisement	109.000	126.000	159.500	125.000	(1.000)	(0.8)	22
23	Others	131.414	150.000	233.000	262.790	112.790	75.2	23
25	**Sub-total other T&D cost**	**4,514.112**	**4,430.000**	**8,404.931**	**8,699.451**	**4,269.451**	**96.4**	25
26	**GROSS T&D COST**	**15,300.823**	**15,302.743**	**20,719.491**	**21,935.219**	**6,632.476**	**43.3**	26
27	Less: Recoveries / Allocations	1,668.449	1,677.182	1,782.000	1,959.000	281.818	16.8	27
28	**Net Transmission & Distribution Cost**	**13,632.374**	**13,625.561**	**18,937.491**	**19,976.219**	**6,350.658**	**46.6**	28
29	**Add: Project Cost**							29
30	SSGCL Share in ISGSL expenses	83.770	73.000	149.000	149.000	76.000	104.1	30
31	Revenue expenditure relating to LNG	46.719	42.000	529.000	62.000	20.000	47.6	31
32	**Sub-total project cost**	**130.489**	**115.000**	**678.000**	**211.000**	**96.000**	**83.5**	32
33	**Net Transmission & Distribution Cost including ISGSL / LNG Expenses**	**13,762.863**	**13,740.561**	**19,615.491**	**20,187.219**	**6,446.658**	**46.9**	33
34	**POLICY CHANGE PURSUANT TO APPLICATION OF IFRIC4**							34
35	Less:							35
36	# Recovery of service cost (gas transportation)	145.038	472.818	332.495	295.170	(177.648)	(37.6)	36
37	Total	**13,617.825**	**13,267.743**	**19,282.996**	**19,892.049**	**6,624.306**	**49.9**	37

Note:- # Treatment pursuant to IFRIC-4.

Table # B-6 60

SUI SOUTHERN GAS COMPANY LIMITED
SCHEDULE OF DEPRECIATION

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1	Building	94.746	104.066	97.664	109.674	5.607	5.4	1
2	Roads, pavements and related infrastuctures	32.967	39.940	32.796	36.568	(3.373)	(8.4)	2
3	Gas transmission pipelines	530.653	542.479	397.508	768.012	225.533	41.6	3
4	Compressors	34.018	83.091	38.990	169.452	86.360	103.9	4
5	Plant and Machinery	138.941	197.116	167.174	221.313	24.197	12.3	5
6	Gas distribution systems	3,618.032	3,857.628	3,812.551	4,239.996	382.367	9.9	6
7	Office Furniture, equipment & computer	119.227	174.745	120.451	233.604	58.859	33.7	7
8	Computer Software (Intangible)	61.331	67.164	41.240	50.275	(16.889)	(25.1)	8
9	LPG Air Mix Projects	55.256	62.478	60.657	134.351	71.873	115.0	9
10	Telecommunication system	56.505	71.711	61.739	71.871	0.160	0.2	10
11	Appliances, loose tools and equipments	30.778	74.891	42.539	73.988	(0.903)	(1.2)	11
12	Vehicles	140.421	215.435	195.996	268.245	52.810	24.5	12
13	Construction equipment	5.597	19.997	143.631	569.448	549.451	2,747.7	13
14	SCADA	36.536	39.742	38.747	78.300	38.558	97.0	14
15		4,955.008	5,550.485	5,251.683	7,025.096	1,474.611	26.6	15
16	Less: Meter Manufacturing Plant	20.231	26.246	24.256	31.891	5.645	21.5	16
17	LPG Air Mix Projects	55.256	62.478	60.657	134.351	71.873	115.0	17
18	Depreciation charge to capital projects	16.692	19.997	143.631	569.448	549.451	2,747.7	18
19		92.179	108.721	228.545	735.690	626.969	576.7	19
20		4,862.829	5,441.763	5,023.138	6,289.406	847.643	15.6	20
21	**POLICY CHANGE PURSUANT TO APPLICATION OF IFRIC4**							21
22	Less:							22
23	# Recovery of service cost (gas transportation)	110.162	124.689	91.594	76.814	(14.527)	(11.7)	23
24	Total	**4,752.667**	**5,317.074**	**4,931.544**	**6,212.592**	**(618.211)**	**(11.6)**	24

Note:- # Treatment pursuant to IFRIC-4.

Table # B-7

SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT OF GAS TRANSPORTATION INCOME

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
1							%	1
2	**40 KM Segment from Paish Bogi to Pirkoh to OGDC**							2
3	Operating Cost	-	41.264	-	-	(41.264)	(100.0)	3
4	Depreciation	-	8.635	-	-	(8.635)	(100.0)	4
5	Return	-	0.734	-	-	(0.734)	(100.0)	5
6	Total	-	✦ 50.632	-	-	(50.632)	(100.0)	6
7						-		7
8	**BHIT GAS PIPELINE**							8
9	Operating Cost	41.312	40.596	18.134	-	(40.596)	(100.0)	9
10	Depreciation	44.890	44.891	18.705	-	(44.891)	(100.0)	10
11	Return	65.417	64.872	27.956	-	(64.872)	(100.0)	11
12	Total	151.619	150.359	✦✦ 64.795	-	(150.359)	(100.0)	12
13						-		13
14	**ZAMZAMA REVERSE FLOW**							14
15	Operating Cost	78.877	289.198	232.443	218.223	(70.974)	(24.5)	15
16	Depreciation	60.928	60.928	60.928	60.928	-	-	16
17	Return	88.023	77.683	77.683	67.326	(10.357)	(13.3)	17
18	Total	227.828	427.809	371.054	346.478	(81.331)	(19.0)	18
19								19
20	**HASSAN GAS TRANSPORTATION**							20
21	Operating Cost	24.849	101.761	81.918	76.947	(24.814)	(24.4)	21
22	Depreciation	4.344	10.236	11.961	15.886	5.650	55.2	22
23	Return	2.366	2.610	2.757	1.017	(1.593)	(61.0)	23
24	Total	31.559	114.606	96.636	93.849	(20.757)	(18.1)	24
25						-		25
26	**ZARGHUN GAS PIPELINE**					-		26
27	Pipeline Rental Income #	-	62.025	65.341	67.552	5.527	8.9	27
28								28
29	**TOTAL TRANSPORTATION INCOME**							29
30	Operating Cost	145.038	472.818	332.495	295.170	(177.648)	(37.6)	30
31	Depreciation	110.162	124.689	91.594	76.814	(47.875)	(38.4)	31
32	Return	155.806	145.899	108.396	68.343	(77.556)	(53.2)	32
33	Add: Pipeline Rental Income	-	62.025	65.341	67.552	5.527	8.9	33
34	Total	**411.006**	**805.432**	**597.825**	**507.879**	**(297.552)**	**(36.9)**	34
35								35
36	**POLICY CHANGE PURSUANT TO APPLICATION OF IFRIC4**							36
37	Less and Transfer to:							37
38	Transmission & Distribution Cost	145.038	472.818	332.495	295.170	(177.648)	(37.6)	38
39	Depreciation	110.162	124.689	91.594	76.814	(47.875)	(38.4)	39
40	Return as financial income	155.806	145.899	108.396	68.343	(77.556)	(53.2)	40
41		411.006	743.406	532.485	440.327	(303.079)	(40.8)	41
42	Operating Income Transportation	-	**62.025**	**65.341**	**67.552**	**5.527**	**8.9**	42

Note:- ✦ Agreement with ODGCL has been expired on 30 June 2013.

✦✦ Agreement with ENI has been expired on 30 November 2015.

\# Zarghun gas pipeline rental income Rs 64.871 million for FY 2014-15 as per invoce raised by the Company and intimate the Authority vide our letter RA/26/15 dated 06 November 2015. However Authority not considered the income in its determination dated 18 December 2015.

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Table # B-8

SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT SHOWING REVENUE FROM JJVL

S.No.	DESCRIPTION	Determination ERR FY 2014-15 (3-7-2014) & (6-8-2014)	✦ Determination FRR FY 2014-15 (27-11-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	S.No.
1	**COST OF SHRINKAGE**					1
2	MMCF	2,446				2
3	MMCFD	6.70				3
4	MMMBTU	5,999				4
5	Cost of Shrinkage - Rupees Million	**2,649.656**				5
6						6
7	**TRANSPORTATION CHARGES**					7
8	Total volume for transportation	5,999				8
9	Rate - US$ per MMBTU	0.0630				9
10	Exchange Rate - 1 US$ = Pak Rs	115.00				10
11	Transportation Income - Rupees Million	**43.464**				11
12						12
13	**ROYALTY**					13
14	MMMBTU	37,387				14
15	Rate - US$ per MMBTU	0.8165				15
16	Exchange Rate - 1 US$ = Pak Rs	115.00				16
17	Royalty - Rupees Million	**3,510.714**				17
18						18
19	**REVENUE FROM JJVL**	**6,203.834**	**N/A**	**N/A**	**N/A**	19

Note:- ✦ As per Supreme Court of Pakistan's decision dated 4 December 2013 on CP No.5 of 2011 the implementation agreement has been declared void. Income from sale of LPG extracted from Badin field is reflected under Table # B-9.3.

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Table # B-9.1

SUI SOUTHERN GAS COMPANY LIMITED
METER RENTAL

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Domestic	640.012	666.192	663.618	688.404	22.212	3.3	1
2	Commercial	28.283	32.909	28.752	29.267	(3.641)	(11.1)	2
3	Industrial	31.784	32.213	32.028	32.266	0.052	0.2	3
4		700.078	731.314	724.398	749.937	18.623	2.5	4

Table # B-9.2

SUI SOUTHERN GAS COMPANY LIMITED
DEFERRED CREDIT

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
1							%	1
2	Opening as at 01st July	5,448.847	5,316.940	5,316.940	4,940.588	(376.353)	(7.1)	2
3								3
4	Addition during the year	297.996	56.368	307.204	26.456	(29.912)	(53.1)	4
5		5,746.843	5,373.308	5,624.144	4,967.044	(406.265)	(7.6)	5
6	<u>Amortization of Deferred Credit</u>							6
7	Amortization as on 30th June	423.595	429.902	429.902	432.721	2.818	0.7	7
8	On addition @ 5%	6.308	2.818	15.360	1.323	(1.496)	(53.1)	8
9		429.902	432.721	445.263	434.044	1.323	0.3	9
10	Closing as at 30th June	5,316.940	4,940.588	5,178.882	4,533.000	(407.588)	(8.2)	10

Note:- ✦ Gross amortization of deferred credit.

Amortization of deferred credit related to :

	Determination FRR FY 2014-15	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17
Gas Activity	402.909	418.268	407.049
LPG Air Mix Projects	26.993	26.994	26.994
Total	429.902	445.263	434.044

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Table # B-9.3

SUI SOUTHERN GAS COMPANY LIMITED
STATEMENT SHOWING REVENUE - LPG/CONDENSATE/NGL

Rupees Million

S.No.		DESCRIPTION		Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1										1
2		**REVENUE FROM SALES OF LPG**								2
3		Sale of LPG	*	7,969.781	8,452.140	6,299.438	6,613.200	(1,838.940)	(21.8)	3
4		Processing charges	@	3,065.647	3,272.387	3,520.040	3,884.950	612.563	18.7	4
5		NET INCOME FROM LPG		4,904.134	5,179.753	2,779.397	2,728.251	(2,451.503)	(47.3)	5
6	Less:	Shrinkage Cost		1,039.557	1,016.188	941.973	845.439	(170.749)	(16.8)	6
7		**NET NON-OPERATING INCOME FROM LPG**		**3,864.577**	**4,163.565**	**1,837.424**	**1,882.811**	**(2,280.754)**	**(54.8)**	7
8										8
9		**REVENUE FROM SALES OF CONDENSATE (NGL)**								9
10		Sales of Condensate (NGL)	**	4,030.637	2,961.134	2,145.683	3,047.739	86.605	2.9	10
11		Processing charges	@	1,068.782	1,145.611	1,232.309	1,633.579	487.968	42.6	11
12		NET INCOME FROM NGL		2,961.855	1,815.524	913.374	1,414.160	(401.363)	(22.1)	12
	Less:	Shrinkage Cost / Others		509.518	387.507	459.215	477.166	89.660	23.1	13
14		**NET NON-OPERATING INCOME FROM NGL**		**2,452.337**	**1,428.017**	**454.159**	**936.994**	**(491.023)**	**(34.4)**	14
15										15
16		Gross Income from Sale of LPG/NGL/Condensate		12,000.418	11,413.274	8,445.121	9,660.939	(1,752.335)	(15.4)	16
17		Processing charges / etc.		4,134.429	4,417.998	4,752.350	5,518.529	1,100.531	24.9	17
18		Income from Sale of LPG / NGL		7,865.989	6,995.277	3,692.771	4,142.411	(2,852.866)	(40.8)	18
19	Less:	Shrinkage Cost / Others		1,549.075	1,403.695	1,401.189	1,322.605	(81.089)	(5.8)	19
20		**NET NON-OPERATING INCOME FROM LPG & NGL**		**6,316.914**	**5,591.582**	**2,291.583**	**2,819.805**	**(2,771.777)**	**(49.6)**	20

Note:-
* Calculated based on LPG price announced by SSGC for November 2015 of Rs 44,000 per M.ton.
** Sale of Condensate priced at Senipah $45.94 per barrel November 2015), while NGL is based on Senipah price less 15.9%.
@ Processing charges of US$ 235 per M.ton.

Table # B-9.4

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SUI SOUTHERN GAS COMPANY LIMITED
LATE PAYMENT SURCHARGE

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Domestic Consumers	738.209	728.816	765.437	794.026	65.210	8.9	1
2	Commercial Consumers	106.361	97.861	108.124	110.064	12.203	12.5	2
3	Industrial Consumers	242.966	5,311.797	244.839	246.652	(5,065.145)	(95.4)	3
4	Total	1,087.537	6,138.475	1,118.399	1,150.742	(4,987.732)	(81.3)	4

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Table # B-9.5

SUI SOUTHERN GAS COMPANY LIMITED
METER MANUFACTURING PROFIT / (LOSS)

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
1	**BOTH METERS**						%	1
2	NO.OF METERS PRODUCED	614,680	850,000	850,000	988,600	138,600	16.3	2
3								3
	SNGPL	366,600	645,000	645,000	544,000	(101,000)	(15.7)	4
5	OTHERS	1,940	15,000	15,000	8,000	(7,000)	(46.7)	5
6	TOTAL OUTSIDE SALE	368,540	660,000	660,000	552,000	(108,000)	(16.4)	6
7	COMPANY'S CONSUMPTION	293,339	205,000	205,000	436,600	231,600	113.0	7
8	TOTAL SALE (NOS.)	661,879	865,000	865,000	988,600	123,600	14.3	8
9								9
10								10
11	COMPANY'S CONSUMPTION	848.184	598.805	598.805	1,090.756	491.951	82.2	11
12	OUTSIDE SALE	1,224.323	2,179.201	2,179.201	2,595.760	416.559	19.1	12
13	NET SALES	2,072.508	2,778.006	2,778.006	3,686.516	908.510	32.7	13
14	OPENING STOCK	144.113	13.636	14.761	14.761	1.125	8.3	14
15	MATERIAL CONSUMED	1,305.625	2,098.560	2,098.560	2,351.557	252.997	12.1	15
16	LABOUR & OVERHEADS	529.740	514.829	514.829	668.505	153.676	29.8	16
17	DEPRECIATION	20.222	30.524	18.820	31.891	1.367	4.5	17
18	AVAILABLE FOR SALE	1,999.700	2,657.549	2,646.970	3,066.714	409.165	15.4	18
19	LESS CLOSING STOCK	(14.761)	(13.636)	(14.761)	(14.761)	(1.125)	8.3	19
20	COST OF SALES	1,984.939	2,643.913	2,632.209	3,051.953	408.040	15.4	20
21	OPERATING PROFIT	87.569	134.094	145.797	634.563	500.469	373.2	21
22	Add: OTHER INCOME	2.494	-	-	6.178	6.178	-	22
23	TOTAL PROFIT	90.063	134.094	145.797	640.741	506.647	377.8	23

Table # B-9.6

SUI SOUTHERN GAS COMPANY LIMITED
OTHER INCOME

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16	%	S.No.
1	Profit/Interest on term deposits	240.047	204.073	204.073	231.740	27.667	13.6	1
2	Interest income on loan to related party	149.189	162.460	162.460	132.259	(30.201)	(18.6)	2
3	Interest on staff loans	-	0.078	0.078	0.028	(0.050)	(64.1)	3
4	Interest income from KESC / WAPDA	105.348	7,133.000	-	-	(7,133.000)	(100.0)	4
5	Interest income from JJVL	252.342	214.225	-	-	(214.225)	(100.0)	5
6	Interest income from SNGPL	1,024.711	1,137.547	2,392.280	2,392.280	1,254.733	110.3	6
7	Interest income from SSGC LPG Pvt. Ltd.	14.920	17.088	17.088	13.227	(3.861)	(22.6)	7
8	Recoveries from consumers	71.627	56.572	56.572	68.995	12.423	22.0	8
9	Profit on sale of fixed assets	28.912		-	-	-	-	9
10	Dividend Income	0.356	4.321	4.321	1.971	(2.350)	(54.4)	10
11	Liquidated damages recovered	17.790	17.344	17.344	14.933	(2.411)	(13.9)	11
12	Income from sale of tender documents	5.775	2.612	2.612	3.725	1.113	42.6	12
13	Advertising income	5.420	5.507	5.507	5.697	0.190	3.5	13
14	Income from net investment in finance lease	155.806	145.899	108.396	68.343	(77.556)	(53.2)	14
15	Income from new service connection	490.610	340.215	266.011	279.817	(60.398)	(17.8)	15
16	Income from Pipeline Construction	210.142	-				-	16
17	Others	31.545	19.355	19.355	18.394	(0.961)	(5.0)	17
18	TOTAL	**2,804.541**	**9,460.296**	**3,256.097**	**3,231.409**	**(6,228.887)**	**(65.8)**	18
19	**NON-OPERATING INCOME**					-		19
20	Profit/Interest on term deposits	240.047	204.073	204.073	231.740	27.667	13.6	20
22	Interest on staff loans	-	0.078	0.078	0.028	(0.050)	(64.1)	22
23	Interest income from KESC / WAPDA	105.348	7,133.000	-	-	(7,133.000)	(100.0)	23
24	Interest income from JJVL	252.342	214.225	-	-	(214.225)	(100.0)	24
25	Interest income from SNGPL	1,024.711	1,137.547	2,392.280	2,392.280	1,254.733	110.3	25
26	Interest income from SSGC LPG Pvt. Ltd.	14.920	17.088	17.088	13.227	(3.861)	(22.6)	26
27	Interest on short term loan to subsidiary	149.189	162.460	162.460	132.259	(30.201)	(18.6)	27
30	Advertising income	-	-	5.507	5.697	5.697	-	30
31	Dividend Income	0.356	4.321	4.321	1.971	(2.350)	(54.4)	31
33	Liquidated damages recovered - 50%	8.895	8.672	8.672	7.467	(1.206)	(13.9)	33
34	Income from Pipeline Construction - 50%	105.071	-	-	-	-	-	34
36	TOTAL	1,900.879	8,881.464	2,794.479	2,784.668	(6,096.796)	(68.6)	36
37	NET OF NON-OPERATING INCOME	**903.662**	**578.832**	**461.618**	**446.740**	**(132.092)**	**(22.8)**	37

Table # B-10

SUI SOUTHERN GAS COMPANY LIMITED
OTHER CHARGES

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Profit before tax & other charges	(74.761)	(425.155)	15,767.952	20,988.765	21,413.920	(5,036.7)	1
2	Less: Air Mix LPG projects profit	116.083	47.039	185.630	392.711	345.672	734.9	2
3	Profit before tax & other charges	(190.844)	(472.194)	15,582.322	20,596.054	21,068.248	(4,461.8)	3
4	Less:					-		4
5	Financial charges	9,714.523	11,960.943	11,738.944	14,466.763	2,505.821	21.0	5
6	Sports club expenses	50.013	91.510	63.582	75.000	(16.510)	(18.0)	6
7	Corporate social responsibility	62.526	110.400	81.200	91.000	(19.400)	(17.6)	7
8	Exchange loss on payment of gas purchases	1,311.679				-	-	8
9	Provision against impaired stores & spares / for slow moving obsolete stores	34.191				-	-	9
10	Provision against impaired financial income	-	581.017			(581.017)	(100.0)	10
11	Other / auditors' fees	17.226	20.000	20.000	20.000	-	-	11
12		11,190.159	12,763.870	11,903.726	14,652.763	1,888.894	14.8	12
13	Sub-total operating profit	(11,381.003)	(13,236.064)	3,678.596	5,943.290	19,179.354	(144.9)	13
14	Add: Interest on WPF					-	-	14
15		(11,381.003)	(13,236.064)	3,678.596	5,943.290	19,179.354	(144.9)	15
16	WPPF	(0.461)	1,158.436	183.930	297.165	(861.271)	(74.3)	16
17	Add: Other / auditors' fees	1,475.637	802.927	164.782	186.000	(616.927)	(76.8)	17
18	Total Other Charges	1,475.176	1,961.363	348.712	483.165	(1,478.198)	(75.4)	18
19	Less: Non-admissible					-		19
20	Sports club expenses	(50.013)	(91.510)	(63.582)	(75.000)	16.510	(18.0)	20
21	Corporate social responsibility	(36.479)	(63.800)	(28.700)	(36.000)	27.800	(43.6)	21
22	Provision against impaired financial income	-	(581.017)	-	-	581.017	(100.0)	22
23	Sub-total non-admissible	(86.493)	(736.327)	(92.282)	(111.000)	625.327	(84.9)	23
24	Net Other Charges	1,388.683	1,225.036	256.430	372.165	(852.871)	(69.6)	24

Table # B-11

SUI SOUTHERN GAS COMPANY LIMITED
FINANCIAL CHARGES

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Foreign Currency Loans	2.865	-	-	-	-	-	1
2	Consumer Financing	1.848	8.000	8.000	8.000	-	-	2
3	Credit Allocation / New Loans		2,095.750	803.192	4,485.675	2,389.925	114.0	3
4	Short term borrowing	53.763	260.000	316.667	316.667	56.667	21.8	4
5	Local Bank Loans	2,216.473	1,803.313	1,409.882	929.651	(873.662)	(48.4)	5
6	Government of Sindh Loans	229.937	209.780	209.780	183.600	(26.180)	(12.5)	6
7	Gross Financial Charges	2,504.887	4,376.843	2,747.520	5,923.592	1,546.750	35.3	7
8								8
9	LESS: INTEREST CAPITALIZED	351.977	554.921	280.586	686.586	131.665	23.7	9
10								10
11	ADD: INTEREST ON OTHER CHARGES							11
13	Consumer Deposits	278.093	180.923	217.809	217.417	36.494	20.2	13
14	Interest on delayed payment of gas producers bills	7,089.712	7,874.510	8,680.900	8,680.900	806.390	10.2	14
15	Others	193.807	83.588	373.300	331.440	247.852	296.5	15
16		7,561.613	8,139.021	9,272.009	9,229.757	1,090.736	13.4	16
17	TOTAL FINANCIAL CHARGES	9,714.523	11,960.943	11,738.944	14,466.763	2,505.821	21.0	17

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Table # B-12.1

SUI SOUTHERN GAS COMPANY LIMITED
ADDITION TO FIXED AND INTANGIBLE ASSETS

Rupees Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	Variance Inc./(Dec.) Petition FY 2016-17 over Determination ERR FY 2015-16		S.No.
							%	
1	Land	-	13.000	137.700	4.200	(8.800)	(67.7)	1
2	Buildings	114.663	130.000	138.850	278.095	148.095	113.9	2
3	Roads, pavements and related infrastuctures	-	5.000	-	150.872	145.872	2,917.4	3
4	Gas Transmission Pipeline	228.976	205.000	5,729.580	48,840.857	48,635.857	23,724.8	4
5	Compressors	-	-	1,400.000	9,940.440	9,940.440	-	5
6	Plant and machinery	251.630	280.000	655.600	642.025	362.025	129.3	6
7	Gas distribution system and related facilities & equipments	4,948.572	3,415.000	10,447.018	10,257.514	6,842.514	200.4	7
8	Furniture, equipment including computers & allied equipments	134.145	200.000	309.240	598.466	398.466	199.2	8
9	Computer Software (Intangible)	8.343	35.000	50.000	161.803	126.803	362.3	9
10	LPG Air Mix Projects	(0.917)	6.480	935.020	1,563.860	1,557.380		10
11	Telecommunication system	146.014	91.000	109.000	65.225	(25.775)	(28.3)	11
12	Appls., loose tools & equipt.	23.898	50.000	122.500	131.481	81.481	163.0	12
13	Vehicles	222.305	324.000	563.300	621.670	297.670	91.9	13
14	Construction equipment & vehicles	0.011	80.000	2,883.000	1,000.000	920.000	1,150.0	14
15	SCADA	-	-	500.000	45.000	45.000	-	15
16	TOTAL	6,077.640	4,834.480	23,980.808	74,301.508	69,467.028	1,436.9	16

Table : B-12.1.1

LPG Air Mix Projects

Capitalisation FY 2016-17

Rs Million

	Zhob	Qila Saif ullah	Loralai	Kharan	Awaran	Bela	Gwadar	Kot G.Mohd.	Noshki	Surab	Total
GDS	89.505	76.084	89.749	51.401			-				306.740
Building	60.000	60.000	60.000	60.000							240.000
P&M	245.000	245.000	245.000	245.000							980.000
Vehicles	6.000	6.000	6.000	6.000							24.000
Office Equip	-	-	-	-	0.160	0.160	0.050	0.050	0.050	0.050	0.520
Tools	-	-	-	-	0.200	-	2.800	3.200	3.200	3.200	12.600
Total	**400.505**	**387.084**	**400.749**	**362.401**	**0.360**	**0.160**	**2.850**	**3.250**	**3.250**	**3.250**	1,563.860

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Table # B-12.2

Sui Southern Gas Company L ited

Schedule of Fixed and Intangible Assets at Cost / WDV - For ROA

Rupees Million

S.No	DESCRIPTION	Determination FRR FY 2014-15: Determination FRR FY 2013-14 (06-11-2015)	Determination FRR FY 2014-15: Addition	Determination FRR FY 2014-15: Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16: Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16: Addition	Determination ERR FY 2015-16: Determination ERR FY 2015-16 (18-12-2015)	FY 2015-16 Revised Estimates: Determination FRR FY 2014-15 (27-11-2015)	FY 2015-16 Revised Estimates: Addition	FY 2015-16 Revised Estimates: FY 2015-16 Revised Estimates	FY 2016-17 PETITION: Determination ERR FY 2015-16 (18-12-2015)	FY 2016-17 PETITION: Addition	FY 2016-17 PETITION: FY 2016-17 PETITION	S No
1	**OVERALL**													1
2	COST	101,047.513	5,480.260	106,527.773	106,527.773	4,834.480	111,362.253	106,527.773	23,980.808	130,508.581	111,362.253	74,301.508	185,663.761	2
3	DEP	48,903.210	4,745.594	53,648.804	53,648.804	5,152.668	58,801.472	53,648.804	5,251.683	58,900.487	58,801.472	7,025.096	65,826.568	3
4	WDV	52,144.303		52,878.969	52,878.969		52,560.781	52,878.969		71,608.094	52,560.781		119,837.193	4
5														5
6	**LPG Air Mix Assets**													6
7	COST	927.172	(0.917)	926.255	926.255	6.480	932.735	926.255	935.020	1,861.275	932.735	1,563.860	2,496.595	7
8	DEP	216.244	55.256	271.500	271.500	55.328	326.828	271.500	60.657	332.157	326.828	134.351	461.179	8
9	WDV	710.928		654.755	654.755		605.907	654.755		1,529.118	605.907		2,035.416	9
10														10
11	**Meter Manufacturing Plant**													11
12	COST	427.901	63.332	491.233	491.233	122.310	613.543	491.233	93.070	584.303	613.543	43.330	656.873	12
13	DEP	302.116	19.557	321.673	321.673	26.246	347.919	321.673	24.256	345.929	347.919	31.891	379.810	13
14	WDV	125.785		169.560	169.560		265.624	169.560		238.374	265.624		277.063	14
15														15
16	**Assets related to LPG Air Mix and Meter Manufacturing Plant**													16
17	COST	1,355.073		1,417.488	1,417.488		1,546.278	1,417.488		2,445.578	1,546.278		3,153.468	17
18	DEP	518.360		593.173	593.173		674.747	593.173		678.086	674.747		840.989	18
19	WDV	836.713		824.315	824.315		871.531	824.315		1,767.492	871.531		2,312.479	19
20														20
21	**Fixed assets related to gas activity**													21
22	COST	99,692.440		105,110.285	105,110.285		109,815.975	105,110.285		128,063.003	109,815.975		182,510.293	22
23	DEP	48,384.850		53,055.631	53,055.631		58,126.724	53,055.631		58,222.400	58,126.724		64,985.579	23
24	WDV	51,307.590		52,054.654	52,054.654		51,689.251	52,054.654		69,840.603	51,689.251		117,524.714	24
25	**OVERALL**													25
26	Net assets at beginning			52,144.303			52,878.969			52,878.969			52,560.781	26
27	Net assets at ending			52,878.969			52,560.781			71,608.094			119,837.193	27
28				105,023.272			105,439.750			124,487.063			172,397.974	28
29	Average net fixed assets			52,511.636			52,719.875			62,243.532			86,198.987	29
30														30
31	**Assets related to LPG Air Mix and Meter Manufacturing Plant**													31
32	Net assets at beginning			836.713			654.755			824.315			871.531	32
33	Net assets at ending			824.315			605.907			1,767.492			2,312.479	33
34				1,661.028			1,260.662			2,591.807			3,184.010	34
35	Average net fixed assets			830.514			630.331			1,295.903			1,592.005	35
36														36
37	Net assets at beginning			51,307.590			52,224.214			52,054.654			51,689.251	37
38	Net assets at ending			52,054.654			51,954.874			69,840.603			117,524.714	38
39				103,362.244			104,179.088			121,895.257			169,213.964	39
40	Average net fixed assets related to gas activity			51,681.122			52,089.544			60,947.628			84,606.982	40
41														41

Table # B-12.2

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Sui Southern Gas Company Limited

Activity-wise Average Net Fixed Assets and Return Required

		Average net fixed assets related to gas activity		Average Assets of Meter Manufacturing Plant		Average Assets of LPG Air Mix Projects		Overall Average Assets		Treated Non-Gas Activity			Average Net Fixed Assets related to Gas Activity		Average Deferred Credit	Average net fixed assets after Deferred Credit	Return required on Net Assets
										MMP	LPG	Total					
Determination FRR																	
FY 2013-14	(06-																
11-2015)	Opening Bal.		51,308		126		711		52,144	126	711	837	51,308				
COST		5,418		63		(1)		5,480									
DEP		4,671		20		55		4,746									
Net addition in WDV			747		44		(56)		735								
Determination FRR																	
FY 2014-15																	
(27-11-2015)	Closing Bal.		**52,055**		**170**		**655**		**52,879**	**170**	**655**	**824**	**52,055**	**51,681**	**5,383**	**46,298**	**7,871**
																	-
Determination FRR																	
FY 2014-15	(27-																
11-2015)	Opening Bal.		52,055		170		655		52,879	-	655	655	52,224				
COST		4,706		122		6		4,834									
DEP		5,071		26		55		5,153									
Net addition in WDV			(365)		96		(49)		(318)								
Determination ERR																	
FY 2015-16																	
(18-12-2015)	Closing Bal.		**51,689**		**266**		**606**		**52,561**	-	**606**	**606**	**51,955**	**52,090**	**5,129**	**46,961**	**7,983**
																	-
Determination FRR																	
FY 2014-15	(27-																
11-2015)	Opening Bal.		52,055		170		655		52,879	170	655	824	52,055				
COST		22,953		93		935		23,981									
DEP		5,167		24		61		5,252									
Net addition in WDV			17,786		69		874		18,729								
FY 2015-16																	
Revised Estimates	Closing Bal.		**69,841**		**238**		**1,529**		**71,608**	**238**	**1,529**	**1,767**	**69,841**	**60,948**	**5,248**	**55,700**	**9,469**
																	-
Determination ERR																	
FY 2015-16	(18-																
12-2015)	Opening Bal.		51,689		266		606		52,561	266	606	872	51,689				
COST		72,694		43		1,564		74,302									
DEP		6,859		32		134		7,025									
Net addition in WDV			65,835		11		1,430		67,276								
FY 2016-17																	
PETITION	Closing Bal.		**117,525**		**277**		**2,035**		**119,837**	**277**	**2,035**	**2,312**	**117,525**	**84,607**	**4,737**	**79,870**	**13,578**
																	-

Table # B-12.3

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Table # B-13.1

SUI SOUTHERN GAS COMPANY LIMITED
AIR MIX LPG PROJECTS
PROFIT AND LOSS ACCOUNT

Rs Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	S.No.
1	Gross Sales	24.005	42.715	49.600	87.775	1
2	GST	3.488	6.206	7.207	12.754	2
3	Sales net of GST	20.517	36.508	42.394	75.021	3
4	Subsidy	551.574	329.562	434.575	839.640	4
5	Net Sales Revenue & Subsidy	572.091	366.070	476.968	914.661	5
6	Cost of Gas	369.513	225.888	186.518	323.270	6
7	Gross Profit	202.578	140.183	290.451	591.391	7
8	Operating Cost	59.829	70.589	66.455	119.263	8
9	Depreciation	55.255	54.455	60.657	134.351	9
10	Meter Rent	(0.866)	(0.893)	(0.956)	(1.545)	10
11	Late Payment Surcharge	(0.728)	(0.548)	(0.810)	(1.374)	11
12	Amortisation of deferred credit / other income	(26.994)	(32.935)	(30.296)	(60.838)	12
13		86.495	90.668	95.052	189.856	13
14	Profit before WPPF	116.083	49.515	195.399	401.535	14
15	WPPF	-	2.476	9.769	8.824	15
16	**Profit Before Tax**	**116.083**	**47.039**	**185.630**	**392.711**	16

Table # B-13.2

SUI SOUTHERN GAS COMPANY LIMITED
AIR MIX LPG PROJECTS

WORKING FOR SUBSIDY

Rs Million

S.No.	DESCRIPTION	Determination FRR FY 2014-15 (27-11-2015)	Determination ERR FY 2015-16 (18-12-2015)	Revised Estimates ERR FY 2015-16	Petition ERR FY 2016-17	S.No.
1	Gross Sales	24.005	42.715	49.600	87.775	1
2	GST	3.488	6.206	7.207	12.754	2
3	Sales net of GST	20.517	36.508	42.394	75.021	3
4	Cost of Gas	369.513	225.888	186.518	323.270	4
5	Gross Profit	(348.996)	(189.380)	(144.124)	(248.249)	5
6	Operating Cost	59.829	70.589	66.455	119.263	6
7	Depreciation	55.255	54.455	60.657	134.351	7
8	Meter Rent	(0.866)	(0.893)	(0.956)	(1.545)	8
9	Late Payment Surcharge	(0.728)	(0.548)	(0.810)	(1.374)	9
10	Amortisation of deferred credit / other income	(26.994)	(32.935)	(30.296)	(60.838)	10
11	Total Operating Cost	86.495	90.668	95.052	189.856	11
12	Shortfall in Revenue	(435.491)	(280.047)	(239.176)	(438.105)	12
13						13
14	**Revenue Requirement**					14
15	Annual Natural Gas Sales Volume-mmbtu	354,984	400,999	381,372	390,315	15
16						16
17	Shortfall-LPG Normal Operations	435.491	280.047	239.176	438.105	17
18	17% Return on Assets	116.083	47.039	185.629	381.458	18
19	WPPF	-	2.476	9.770	20.077	19
20	**Total Shortfall**	**551.574**	**329.562**	**434.575**	**839.640**	20
21	Price Increase per MMBTU	1.55	0.82	1.14	2.15	21