

PLL's Response to Bidders' Queries – Tender no. PLL/IMP/LNGT56

SR NO	QUERIES	PLL RESPONSE
1.	Will Pakistan LNG Ltd be able issue a Standby Letter of Credit (SBLC) directly through/with confirmation through a first class international bank with a minimum rating of A- or equivalent from a reputable international credit rating agency (Standard and Poor, Moody's or Fitch).	PLL will issue a Standby Letter of Credit (SBLC) from a Scheduled Bank with a long-term credit rating of at least AA from PACRA/JCR-VIS or equivalent from a reputable international credit rating agency, as per clause 14(a)(i) of the Confirmation Notice. PLL may issue an SBLC through United Bank Limited. Bidders may seek confirmation of SBLC through the following banks: i- JP Morgan ii- Citi Bank iii- Deutsche Bank
2.	Eligibility Criteria (Supplier to provide information and documentary evidence of access to at least 1 MTPA of LNG from 2023-2028): Can the evidence be in the form of a supporting letter from an LNG supplier/producer which states the supply of 1.0 MTPA of LNG from 2023-2028.	Yes, evidence may be in the form of a supporting letter from an LNG supplier/producer. The letter must state that supply of at least 1.0 MTPA of LNG from 2023 to 2028 is available to the relevant entity for delivery to Pakistan under this tender.
3.	Regarding Page 23 of the Bid Document, Eligibility Criteria: Does a Bidder need to demonstrate that the Bidder is one of the following: Producer OR Supplier OR Equity Owner over the last 2 years? Could you please clarify what will be sufficient for the Bidder to prove that the Bidder is a Supplier?	The following documents may be submitted to proof that the Bidder is a Supplier: i- Copy of Bill of Ladings ii- Copy of Final Discharge Reports iii- Any other document evidencing LNG cargo delivery
4.	Regarding Payment Security: Could you please advise if the Buyer can make full or partial pre-payments for the cargoes to be supplied? Otherwise, Can Buyer provide Standard Bank Letter of Credit from International high-rated Bank?	Payment shall be made as per clause 11 of the Confirmation Notice. Full or partial pre-payment shall not be made. Standby Letter of Credit shall be issued from a Scheduled Bank with a long-term credit rating of at least AA from PACRA/JCR-VIS or equivalent from a reputable international credit rating agency, as per clause 14(a)(i) of the Confirmation Notice.
5.	Regarding LNG Spec: Can the Buyer accept wider LNG Spec for the tendered Medium Term LNG Supply Contract (for example LNG with higher Gross Heating Value and higher Ethane content than the mentioned limit in the MSPA)?	No changes in the LNG Specs are allowed.
6.	Are you open to accepting other indices different to Brent, such as TTF?	No change is contemplated. Only Brent linked offers shall be accepted.
7.	Regarding the Duration, are you open to accepting shorter periods than the 5 or 6 year proposal?	No change is contemplated. It will be PLL's prerogative to award the LNG Cargoes under either; a) Both Delivery Periods i.e., Delivery Period-1 and Delivery Period-2 (6 Years); OR b) Only Delivery Period-2 (5 Years).

SR NO	QUERIES	PLL RESPONSE
8.	Will the rate of Demurrage (USD 30,000) be updated considering the current market situation?	The rate of demurrage shall remain USD 30,000.
9.	would PLL consider an offer for fewer than 60 cargoes?	No, offer under this tender must be for 72 cargoes (1 cargo per month for a period of 6 years)
10.	would PLL consider any offer which is only for delivery period 2?	No, offer under this tender must be for both delivery periods i.e., Delivery Period 1: January 2023 to December 2023, and Delivery Period 2: January 2024 to December 2028. Any offer which is only for Delivery Period 2 shall be non-compliant and shall be disqualified.
11.	would you consider extending period 1 until end 2024?	The Delivery Period 1 shall end in December 2023. However, if PLL decides to change the Delivery Period, the same shall be notified through an advertisement and revised Bid Document.
12.	offer is requested to remain open for a number of days. Are you considering to limit this period?	No change is contemplated. Offers must remain open for acceptance from 14 September 2022 to 6 October 2022, 2300 hours Pakistan time.
13.	which is the volume flexibility (DQT/UQT) acceptable for PLL?	Please refer to clause 4.2 of the Confirmation Notice for provision of Deferred Quantity.
14.	would you be open to consider a non-brent index for the first contract years and Brent from 2025 onwards or would this be regarded as a non-compliant bid?	No change is contemplated. Only Brent linked offers shall be accepted for both Delivery Periods. In case of non-brent offer, the bid shall be regarded as non-compliant.
15.	Would PLL consider nomination of an LNG ship that may not be currently compatible with terminal but subject to SSCS could be considered.	Yes. Please refer to clause 1 and clause 2 of the Confirmation Notice for SSCS.
16.	Would PLL consider any flexibility on current cargo size of 140kcm+/-2% and 3.20Tbtu is that fixed or any flexibility operationally on that?	Cargo size under this tender is 140,000 m ³ +/- 2%. However, if PLL decides to change the cargo size, the same shall be notified through an advertisement and revised Bid Document.
17.	May you accept larger cargo size?	Cargo size under this tender is 140,000 m ³ +/- 2%. However, if PLL decides to change the cargo size, the same shall be notified through an advertisement and revised Bid Document.
18.	Can PLL provide sovereign guaranty from Ministry of Finance (MOF) for the tenure of term contract?	PLL will issue a Standby Letter of Credit (SBLC) from a Scheduled Bank with a long-term credit rating of at least AA from PACRA/JCR-VIS or equivalent from a reputable international credit rating agency, as per clause 14(a)(i) of the Confirmation Notice. Sovereign guaranty from Ministry of Finance shall not be provided.
19.	Interpretation of provision 3(d) of the Confirmation Notice which covers the possibility of deliveries outside Pakistan: in case there is no mutual agreement by the parties on the modalities to deliver the cargo abroad, the volumes would be delivered in Pakistan without any further obligation for the Seller?	In case the Buyer requests for diversion to any other discharge port outside Pakistan and if the operational modalities in relation to such diversion are not agreed between the Parties, the LNG Cargo(es) shall be delivered in Pakistan without any further obligation for the Seller

* * *