

# **OIL AND GAS REGULATORY AUTHORITY**

Plot #54, Fazal-e-Haq Road, Near PIA Building, Blue Area, Islamabad, Pakistan.

## **PRESS RELEASE**

**Islamabad, December 31, 2011.** Federal Government, in pursuance of ECC decision of October 06, 2010, has deregulated the ex-refinery/ex-depot prices of Motor Spirit, HOBC, LDO and Jet fuels (JP-1, JP-4 & JP-8) w.e.f June 01, 2011. Per the ECC decision, refineries/Oil Marketing Companies (OMCs) will fix / announce ex-refinery / ex-depot prices of above mentioned POL products.

The Oil and Gas Regulatory Authority (OGRA) will, however, continue to compute /notify ex-refinery prices of HSD and Kerosene including ex-depot prices of Kerosene Oil and E-10 Gasoline on monthly basis, on Federal Government given formula & Petroleum Levy.

The ex-depot prices of Kerosene Oil and E-10 Gasoline, effective **January 01, 2012** will be as follows:-

*Rs/Litre*

Product	Existing Price	Price w.e.f January 01, 2012	Difference inc/(dec)	%age
Kerosene Oil	89.24	89.24	-	0.0%
E-10 Gasoline	85.39	87.05	1.66	1.9%

The maximum ex-depot prices for various POL products, computed by PSO, per Federal Government approved formula, effective January 01, 2012, are reproduced below for information.

*Rs/Litre*

Product	Existing Price	Revised w.e.f Jan 01, 2012	Difference inc/(dec)	%age
MS	87.89	89.54	1.65	1.9%
HOBC	106.78	111.91	5.13	4.8%
LDO	86.78	86.78	-	0.0%
HSD	98.82	98.82	-	0.0%

The above revision has been approved by Federal Government owing to changes in international POL prices and exchange rate which are tabulated below.

Base Product C&F Comparison	Unit	Effec Dec 01,2011	Effec Jan 01,2012	Difference Inc/(dec)	%age
Naphtha	\$ / MT	870.51	889.74	19.23	2.2%
HSFO	\$ / MT	700.91	681.01	(19.90)	-2.8%
Kerosene Oil	\$ / BBL	128.72	123.52	(5.20)	-4.0%
Gas Oil	\$ / BBL	128.39	123.92	(4.46)	-3.5%
Gasoline 95 RON	\$ / BBL	113.39	112.66	(0.73)	-0.6%
Exchange rate	Rs	86.88	89.30	2.42	2.8%

Furthermore, Federal Government has also increased Petroleum Levy (PL), in case of MS, Kerosene, LDO and HSD to mitigate its budgetary constraint.

*Rs/Litre*

	Effec Dec 01,2011	Effec Jan 01,2012	Difference Inc/(dec)
Motor Gasoline	9.94	10.00	0.06
HOBC	7.62	7.62	-
Kerosene Oil	3.83	4.82	0.99
LDO	2.33	2.72	0.39
HSD	5.09	5.18	0.09

It is highlighted that OGRA had strongly recommended to the Federal Government that HSD price must be decreased in line with international trend and MS price should be kept unchanged through adjustment in PL.

Detailed computations are available at OGRA's website ([www.ogra.org.pk](http://www.ogra.org.pk)).