



Oil and Gas Regulatory Authority

# GUIDE BOOK FOR GRANT OF LICENSES IN CNG SECTOR

# **GUIDE BOOK**

## **CNG SECTOR**

CNG sector is regulated under OGRA ordinance 2002, CNG (Production and Marketing) Rules 2002 and Policies of the Federal Government in vogue.

## **CATEGORY OF LICENSES**

- New CNG Licence
- Renewal of Existing CNG Marketing Licence

1/1

# CHECKLIST

## New CNG Licence

The Federal Government has imposed ban on the issue on new CNG Licences i.e. for establishment of CNG Station since February 2008. The existing CNG Marketing Licences earlier granted for a fifteen years are however renewable under Rule 7 of Rules ibid for a year of five years.

## Renewal of Existing CNG Marketing Licence

### **CHECKLIST**

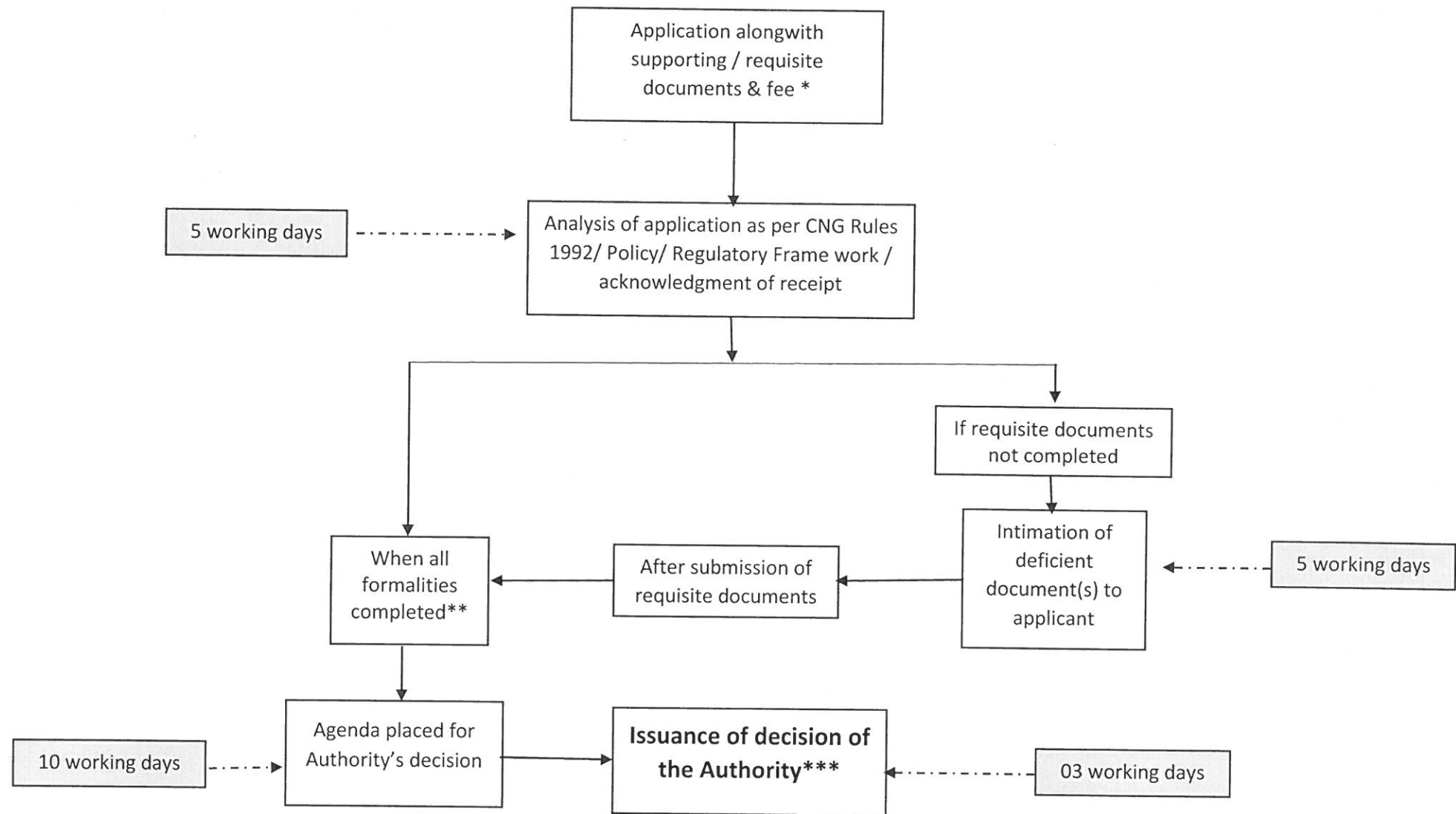
- Formal request on letter head of the concerned CNG Station duly signed by the authorized signatory.
- License Renewal Fee of Rs.25,000/- (Rupees twenty-five thousand only) in favour of OGRA in the form of Pay Order / Bank Draft.
- Attested copy of valid/ renewed Explosive License on "Form-B" issued by the Department of Explosives, Ministry of Industries, Govt. of Pakistan.
- NOC from concerned Oil Marketing Company, if applicable.
- An Undertaking on legal paper w.r.t litigation free site.
- Re-confirmation letter w.r.t. issuance of Explosive Licence from Chief Inspector of Explosives to the applicant/ licensee.

### **Note:-**

- (i) *Conformance to the CNG Rules 1992/ Standard code of practice being ensured through Third Party Inspectors report;*
- (ii) *Clearance of any pending annual inspection fee or penalty, as applicable.*
- (iii) The specimen/formats of the supportive documents against the check list can be obtained from the Help Desk of OGRA

24

**Flow Chart**  
 Showing Procedure Involved in Granting  
 Renewal/ extension of CNG (Production and Marketing) License under CNG (Production and Marketing) Rules 1992



Note:

Federal Government has imposed ban on grant of new CNG License since February 2008

\* Explosive license on Form B, NOC from OMC, Undertaking, renewal fee Rs. 25,000/-

\*\*Formalities include re-confirmation of explosive license by Chief Inspector of Explosive

\*\*\* Subject to completion of quorum of Authority

<b><u>SR.</u></b>	<b><u>QUESTIONES</u></b>	<b><u>ANSWERS</u></b>
1.	What are the applicable Rules for CNG Sector?	Pakistan CNG (Production & Marketing) Rules, 1992.
2.	What are the relevant rules for renewal in CNG Marketing License?	Rule 7(ii) and Rule 7(iii) of CNG Production & Marketing) Rules, 1992.
3.	What is the exact time period defined in CNG Rules, 1992 to apply for renewal in CNG Marketing Licence	Ninety (90) day before expiry of CNG Marketing License.
4.	If any license applies before expiry of its marketing license but not before 90 days, does it qualifies for renewal of its CNG Marketing License?	Yes but subject to payment of Rs. 50,000/- penalty and upon completion of other applicable formalities.
5.	If any licensee applies after expiry of its Marketing License, does it qualify for renewal in its Marketing License ?	Yes but subject to payment of Rs. 100,000/- penalty and upon completion of other applicable formalities.
6.	What is the fee for renewal of CNG Marketing License?	The fee for renewal of every CNG Marketing License is Rs. 25000/-.
7.	What is mode of payment for submission of penalty / fees in OGRA .	Demand Draft or Pay Order in favor of OGRA and payable at Islamabad.
8.	Whether Form-B, is required for renewal in Marketing License.	Yes, valid/ renewed Form-B is required for renewal of CNG Marketing Licence beside other applicable formalities.
9.	Whether documents submitted to OGRA for renewal in license needs to be attested?	Yes, documents needs to be attested from Class-1 Gazetted Officer or from Notry Public.
10.	Whether annual inspections fees of any CNG Station intending to renew its CNG Marketing Licence needs to be clear?	Yes, their should be no pending inspection fees/dues against the CNG Station intending to renew its CNG Marketing Licence.

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11.	Whether CNG station needs to be in compliance with the provision of CNG Rules, 1992 to acquire renewal in its CNG Marketing License.	Yes and the same is ascertain through third party inspection report of the concerned CNG Station.
12.	Whether NOC from concerned Oil Marketing Company is required for renewal in CNG Marketing License.	Yes but only for the case, if Petrol Pump is established on the premises of the concerned CNG Station.
13.	Whether licenses needs to submit affidavit to the effect that there is no change in the physical location of CNG Station to acquire renewal in its CNG Marketing License.	Yes and as per OGRA's prescribed format which interalia includes confirmation to the effect that there is no change in the physical location of CNG Station.
14.	Whether there should be no court case pending in any Court of Law which restricts OGRA from renewal in CNG Marketing License.	Yes and the same is established through the prescribed affidavit submitted by the licensee.
15.	Whether confirmation letter is required from Explosive Department for renewal in CNG Marketing Licence.	Yes, confirmation letter from Explosive Department to the effect that Form-B is granted after completion of applicable formalities/safety rules is required before renewal of CNG Marketing Licence.
16.	Why renewal of every CNG Marketing Licence is mandatory.	Operation of any CNG station without having a valid CNG Marketing License is violation of Rule-3 of CNG Rules, 1992. Therefore, it is mandatory to have valid CNG Marketing License for operation of any CNG Station.
17.	Whether request regarding renewal in CNG Marketing Licence needs to be submitted on proper letter head of concerned CNG Station.	Yes, request for renewal in CNG Marketing Licence needs to be submitted on letter head of the concerned CNG Station.

NA

18.	Whether formal request for renewal in CNG Marketing Licence needs to be signed through authorized signatory.	Yes formal request regarding renewal in CNG Marketing Licence needs to be signed by authorized signatory of the concerned CNG Station.
19	Does renewal in CNG Marketing Licence requires permission from the competent Authority.	Yes, every CNG Marketing Licence is renewed with the approval of the Authority but subject to completion of applicable formalities.
20	What is estimated time required for renewal of CNG Marketing Licence after completion of all applicable formalities.	10-15 days and subject to completion of Authority's quorum.
21	For how long every CNG Marketing Licence can be renewed after its expiry, as per requirements of CNG Rules, 1992.	Every CNG Marketing Licence can be renewed for a period of five (05) years from the date of its expiry.
22	Does CNG Marketing Licence of every CNG Station can be extended twice or more?	Yes CNG Marketing Licence of any CNG Station can be renewed twice or more but for a maximum period of five years from its expiry.

3A