



OIL & GAS REGULATORY AUTHORITY

GUIDE BOOK FOR GRANT OF LICENCES 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.

CATEGORIES OF LICENCES

- New CNG Licence (RLNG Basis)
- Renewal Of Existing CNG Marketing Licence

CHECKLIST

A: NEW CNG LICENCE

- Filled Application Form (complete in all respect) in prescribed format.
- Licence fee in form of Pay order/Bank Draft of Rs. 25,000/- in favour of OGRA, Islamabad, payable at any bank in Islamabad (In Original)
- Third party inspector (TPI) Site Verification Charges in form of Pay order/Bank Draft of Rs. 20,000/- in favour of OGRA, Islamabad, payable at any bank in Islamabad (In Original)
- Proof of Registration of the Company/Firm (Registered Company under Company's Act)/Partnership Deed.
- Proof of site acquisition.
- Financial Competence certificate of the Bank stating therein that applicant is financially sound to establish CNG Station.
- Partnership deed in case of Partnership/AOP, along with copies of CNIC of all partners.
- Attested Copy(s) of N.I.C of the applicant(s).
- NOC from concerned Gas Company regarding sale of RLNG only, as per attached format.
- NOC (In original) from the concerned Oil Marketing Company (OMC) (In case CNG Station is being constructed on an OMC outlet)
- Undertaking on the Affidavit (in original as per attached format) inter-alia covering that: -
 - Site is litigation free.
 - Application is only for RLNG based CNG and the applicant / licensee cannot claim for its conversion to indigenous gas.
 - Proposed CNG Station / any new works /CNG Refuelling station shall not be located / constructed in any residential area. Area of operation shall be clear of any residential area whether inhabited or not by a minimum distance of 100 feet distance on either side from such building or area. At the time of verification of works, TPI will verify it and any recommendation of TPI will be complied with.
- CVs of Technical Staff to be deputed.
- Feasibility report

(B) CHECK LIST FOR RENEWAL IN CNG MERKETING LICENCE:

(i)	Affidavit / Undertaking as per prescribed format regarding renewal in CNG Marketing Licence duly signed by the Authorized Signatory/partners, issued by the notary public;	<input type="checkbox"/>				
(ii)	Rs.25,000/- as renewal fee of CNG Production & Marketing licence in the form of pay order/bank draft in the favor of OGRA payable at Islamabad; Bank Name: _____ Amount _____ DD/Pay order no: _____ Date: _____	<input type="checkbox"/>				
(iii)	Attested copy of valid Explosive Licence (Form-B) with respect to your CNG Station granted by Department of Explosive;	<input type="checkbox"/>				
(iv)	NOC in original from Oil Marketing Company regarding renewal in your CNG Marketing Licence OR; attested copy of valid lease agreement signed between Oil Marketing Company and your CNG Station while clearly mentioning its execution date, validity date, expiry date & exact site address (if applicable) ;	<input type="checkbox"/>				
(v)	Applicable penalty as per schedule given below:- <table border="1" data-bbox="328 932 1308 1075"><tr><td>If formalities are completed before 3 months of expiry of Licence</td><td>If formalities are completed before expiry of licence but not before 3 months</td></tr><tr><td>Not applicable</td><td>Rs.50,000/-</td></tr></table> (if applicable) Bank Name: _____ Amount: _____ DD/Pay order no: _____ Date: _____	If formalities are completed before 3 months of expiry of Licence	If formalities are completed before expiry of licence but not before 3 months	Not applicable	Rs.50,000/-	<input type="checkbox"/>
If formalities are completed before 3 months of expiry of Licence	If formalities are completed before expiry of licence but not before 3 months					
Not applicable	Rs.50,000/-					
(vi)	Attach evidence of Annual Inspection Fee for current year;	<input type="checkbox"/>				
(vii)	Attach latest TPI proforma duly signed by 3 rd party inspector (if any); <u>Note:</u> <u>This application shall only be considered if CNG Station is declared in compliance with the CNG Rules 1992</u>	<input type="checkbox"/>				

I hereby **affirm/certify** that:-

- All information/documents submitted with this application are correct/true in all respect;
- Requisite formalities as indicated in the above checklist (i.e. B (i) to (viii)) have been fulfilled. In case any formality(ies) is missing/not completed, this application may be returned without consideration and I shall not have any objection on this act of OGRA;

FREQUETLY ASKED QUESTION

SR.	QUESTIONES	ANSWERS
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 paymentof Rs. 50,000/- penalty and upon completion of otherapplicable 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 ofevery 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 OGRAand 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 orfrom 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.
11.	Whether CNG station needs	Yes and the same is ascertain

	to be in compliance with the provision of CNG Rules, 1992 to acquire renewal in its CNG Marketing License.	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 licensees need 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 inter alia 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 License.	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 License.
16.	Why renewal of every CNG Marketing License 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 License needs to be submitted on proper letter head of concerned CNG Station.	Yes, request for renewal in CNG Marketing License needs to be submitted on letter head of the concerned CNG Station.
18.	Whether formal request for renewal in CNG Marketing License needs to be signed through authorized signatory.	Yes formal request regarding renewal in CNG Marketing License 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.