

**FAQs FOR GRANT OF LICENCE FOR DIFFERENT REGULATED
ACTIVITIES PERTAIN TO NATURAL GAS, RE-GASIFIED LIQUEFIED
NATURAL GAS (RLNG), FLARED GASES AND LIQUIFIED NATURAL
GAS (LNG)**

Q-1 What type of Licences can be applied for the Regulated activities of Natural Gas, RLNG, Flared Gas and LNG ?

A. Regulated activities for which a licence is required are given in Schedule-I of Natural Gas Regulatory Authority (Licencing) Rules, 2002, LNG Rules, 2007 and Flared Gas Guidelines, 2016.

Q-2. Which law / rules shall govern to obtain such type of licences ?

A. OGRA Ordinance, 2002, Natural Gas Regulatory Authority (Licencing) Rules, 2002, Oil & Gas Regulatory Authority (Liquefied Natural Gas) Rules, 2007 (“LNG Rules”), LNG Policy, 2016 and Flared Gas Guidelines, 2016.

Q-3. Who can apply for a Licence and to whom the application can be submitted ?

A. Any company incorporated inside or outside Pakistan may submit an application to the Authority for obtaining a licence to undertake a regulated activity, by filing it with Registrar, OGRA.

Q-4 Whether an application can be filed through online on OGRA’s website?

A. No, application shall be filed specifically as the format given in Schedule-I of the relevant rules.

Q-5 Initially, what documents are required for filing such applications ?

A. The applicant may submit the documents/information as stipulated in Rule 4 of Natural Gas Regulatory Authority (Licencing) Rules, 2002 and LNG Rules, 2007.

Q-6 Which departments of OGRA are involved to process these applications ?

A. The concerned departments are Gas, Finance, Registrar and LNG Departments to process the Licence cases.

Q-7 Whether the interested/affected person/parties/general public is involved in the process of granting such licences ?

A. Yes, all the interested/affected person/parties/general public are invited through Public Notice to file comments/objections and interventions in the leading National / Local newspapers (in Urdu and English) throughout Pakistan in compliance of Rule 6(c) of Natural Gas Regulatory Authority (Licencing) Rules, 2002.

Q-8 What is an intervention request and how it is dealt / entertained under relevant rules ?

A. The complete mechanism to entertain and process the intervention request is given under Rule 7 of Natural Gas Regulatory Authority (Licencing) Rules, 2002 and LNG Rules, 2007.

Q-9 Whether opportunity of hearing is granted before issuance of a licence ?

a) Who conducts the Hearing ?

b) Where these hearings are held ?

A. Yes, after examination of the application, if the Authority deems appropriate holds Pre-Admission hearing and admits the petition. Thereafter the Authority holds a Public Hearing in compliance of Rule 10 of Natural Gas Tariff Rules, 2002.

a) If the quorum of the Authority under section 4(1) of OGRA Ordinance, 2002 is complete i.e. Chairman and two Members, then the Authority conducts hearing(s).

b) The hearings are usually conducted in four provincial capitals with respect to Revenue Requirement cases, however regarding Natural Gas and RLNG cases, the hearings are conducted at appropriate concerned city of Pakistan.

Q-10 How much time period is required to process & finalize such applications ?

A. If all the documentation as well as quorum of the Authority is complete, the case is finalized within one hundred and eighty days.

Q-11 Who is the final Authority which grants such licences after completion of the entire process as per Rules ?

A. The Authority (Chairman and two Members u/s 4(1) of OGRA Ordinance, 2002) has exclusive power to grant licences. However, vide Section 10(2) of OGRA Ordinance, 2002, the power of the Authority to grant licence for transportation, filling or marketing of LPG,LNG or CNG may only be delegated to a Member of the Authority. If such delegation is not made then the full Authority may grant these licences.

Q-12 Is there any fee to be paid alongwith application to get licence or such fee is refundable ?

A. Yes, the fees stipulated in each category of Licence as mentioned in Schedule-II of the relevant Rules are payable to OGRA at the time of filing such application.

Yes, such fee is only refundable if the application is withdrawn by the applicant before its admission by the Authority.

Q-13 How the fee can be paid alongwith application i.e. Cash or Demand Draft be made?

A. The fee is payable in the form of Demand Draft alongwith the application in favour of Oil and Gas Regulatory Authority.

Q-14 What is the period of validity for such licences ?

A. Validity of the licences is stipulated in Rule 3 of the relevant rules.

Q-15 Can a Licence be transferred to any other person / party ?

A. No, the licence can only be transferred to any other party after written approval of the Authority.

Q-16 Is there any other fee required to be paid by the licensee other than at the time of filing an application and under which law ?

A. Yes, the licensee is required to pay fees as mentioned in Rule 29 of LNG Rules, 2007 and NGRA (Licencing) Rules, 2002 and as specified in Schedule-II of these rules, as and when required.

Q-17 What type of remedy is available against the decision of OGRA Authority and under which law ?

A. A remedy of filing a Review is given in Section 13 of OGRA Ordinance, 2002, Rule 15(4) of NGRA (Licencing) Rules, 2002 and LNG Rules, 2007.

Q-18 Whether the applicant is provided an opportunity to present its case in OGRA before finalization of its application ?

A. Yes, if the applicant desires so, an opportunity of presentation is extended in order to facilitate the applicant upon its written request.

Q-19 Who will take the presentation from the applicant ?

A. Concerned Department or concerned Member of the Authority may take the presentation from the applicant.

Q-20 Whether the Authority can reject a licence application without providing an opportunity of hearing ?

A. No, as per Rule 5(3) of NGRA (Licencing), Rules, 2002 and LNG Rules, 2007, the Authority shall not pass an order refusing admission without giving the applicant an opportunity of being heard or making written representation.