

PUBLIC HEARING NOTICE

TO CONSIDER SUI NORTHERN GAS PIPELINES LIMITED (SNGPL)'S REQUEST FOR REVIEW OF ITS ESTIMATED REVENUE REQUIREMENT/PREScribed PRICES FOR F.Y. 2018-19

Sui Northern Gas Pipelines Limited (the Petitioner) filed a Review Petition before the Authority under Section 8 (2) of the Oil and Gas Regulatory Authority Ordinance, 2002, read with Rule 4 (3) of the Natural Gas Tariff Rules, 2002, on October 16 2018 for Determination of its Revised Estimated Revenue Requirements / prescribed prices for FY 2018-19 and requested the Authority that an average increase of Rs.210.37 per MMBTU in prescribed price of its normal business of natural gas operation w.e.f. July 01, 2018. The petitioner filed amended petition received on 06th November, 2018 after incorporation of Rs. 850 million on account of segregation of Transmission network for operational ease and Flexibility. Subsequently, the Petitioner further amended its petition vide its letter received in OGRA on November 9, 2018 after incorporating the estimated expenditure on account of (i) augmentation / bifurcation of Gas Network in Lahore City Phase-1 amounting to Rs. 3,424 million (ii) low gas pressure in Bahawalpur and Lodhran-System Augmentation amounting to Rs.1,931 million. On November 12, 2018, the petitioner has filed another amended petition incorporating the revenue and capital cost of KMI implementation plan. The Petitioner has worked out a shortfall of Rs. 91,370 million in the revenue requirement and has requested the Authority to allow an average increase of Rs. 215.31 per MMBTU in its normal business of natural gas operation w.e.f. July 01, 2018 for F.Y 2018-19.

The breakup of projected prescribed price is provided below:

PARTICULARS	Rs./MMBTU
	The Petition
Volume (BBTU)	424,371
Cost of gas	519.88
UFG disallowance	(23.50)
Operating Cost	87.68
Depreciation	50.05
Return on Assets	52.90
Other Operating Income	(28.76)
Cumulative previous years Shortfall (staggered in 4 years)	69.15
Average Prescribed Price	727.48
Current Average Prescribed Price	512.17
Increase in Average Prescribed Price	215.31

Besides above, the petitioner has estimated increase in average Prescribed Price for LNG Business at Rs.103.47 per MMBTU and for LPG business Rs.4,295.41 per MMBTU.

Oil & Gas Regulatory Authority invites all interested/affected persons including gas consumers and general public to furnish their comments, suggestions and intervention requests. All correspondence in this connection may be addressed to Registrar, OGRA and should contain the names and addresses of applicant.

All interveners must indicate the manner in which they are likely to be affected by determination of the Authority in this case. Intervention request should be accompanied by an affidavit verifying the contents of the intervention, intervention fee of Rs.500/- (demand draft in favour of OGRA) and authority letter if representing an organization.

Copy of the petition can be obtained on payment of prescribed charges of Rs.2/- per page from the office of Registrar, OGRA, Islamabad. For any information required from the Petitioner, please contact:

Mr. Liaqat Ali,
Chief Officer (RA),
Sui Northern Gas Pipelines Limited,
21-Kashmir Road, Lahore.
Phone No: 042-99201306
Fax: 042-99204424

OGRA has decided to hold a Public Hearing in the subject case according to the date, time and venue mentioned below:

Date : December 10, 2018 (Monday)
Time : 10:00 a.m.
Venue : Pearl Continental Hotel, Lahore

All parties to the proceedings, stakeholders, general public and interested / affected persons are hereby informed of the above proceedings.

Registrar,
Oil & Gas Regulatory Authority,
54-Fazal-e-Haq Road, Blue Area, Islamabad.
Phone:051-9244296, 051-9244090-98 (Ext-157)
Fax: 051-9244310
Web Site: www.ogra.org.pk

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