

OIL & GAS REGULATORY AUTHORITY

EXPRESSION OF INTEREST (EOI)

EOI FOR HIRING OF SERVICES OF THIRD PARTY INSPECTOR (TPI) FOR CHECKING QUALITY / SPECIFICATIONS OF LPG IMPORTED THROUGH BORDER AREAS (TAFTAN) / IMPORT TERMINALS AND OF INDIGENOUS LPG PRODUCED AT PRODUCTION FACILITIES / REFINERIES

The Oil and Gas Regulatory Authority (OGRA) is regulating the LPG sector of Pakistan as per LPG (Production & Distribution) Rules, 2001. The Authority is empowered under the said Rules to appoint third party inspectors for inspection of LPG facilities for ensuring compliance of requisite standards including quality / specifications of LPG. OGRA intends to appoint third-party inspector (TPI) for checking of quality / specifications of LPG imported through border areas (Taftan) / import terminals and of indigenous LPG produced at production facilities / refineries. For ease of checking, the third Party Inspector may establish LPG testing laboratory at border area of Taftan since the import through the said border area is a continuous process. Applicant firms / companies having relevant experience in similar assignments in LPG, Oil and Gas sector meeting the conditions mentioned in the TOR may apply.

2. Scope of work, TORs for Third Party Inspectors and evaluation criteria can be obtained from the OGRA website www.ogra.org.pk and PPRA website www.ppra.org.pk. The interested parties meeting the laid down criteria including the companies/firms already working with OGRA as third party inspectors may apply.
3. The bidders should submit a single package containing two separate sealed envelopes. One envelope should contain the Technical Proposals and the other envelope should contain the Financial Proposal. The envelopes should be marked as "TECHNICAL PROPOSAL" and "FINANCIAL PROPOSAL." The Financial Bid should contain a lump sum figure in Pak rupees, inclusive of all charges. Conditional bids will not be accepted. The successful bidder shall also submit a performance guarantee equivalent to 10% of the total amount anticipated to be generated by the activity under reference.
4. The Technical Proposals will be opened for evaluation in the presence of the bidders, or their authorized representatives on 3rd July 2019 at 1100 Hrs. The financial proposals of the bidders whose technical proposals are accepted will be opened in the presence of the bidders on a date and time to be communicated to them in advance.
5. OGRA reserves the right to accept any or reject all offers keeping in view the provisions of Public Procurement Rules, 2004.
6. Expression of interest must be delivered to the address below by 3rd July 2019 at 1030 Hrs.

LPG/LNG Department
Oil & Gas Regulatory Authority
54-B, Fazal-e-Haq Road, Blue Area, Islamabad
Phone: 051-9244376
051-9244090-8

OIL AND GAS REGULATORY AUTHORITY

Terms of Reference

EOI FOR HIRING OF SERVICES OF THIRD PARTY INSPECTOR (TPI) FOR CHECKING QUALITY / SPECIFICATIONS OF LPG IMPORTED THROUGH BORDER AREAS (TAFTAN) / IMPORT TERMINALS AND OF INDIGENOUS LPG PRODUCED AT PRODUCTION FACILITIES / REFINERIES

1. BACKGROUND

The government of Pakistan has established the Oil and Gas Regulatory Authority (OGRA) pursuant to the OGRA Ordinance-2002. OGRA is empowered to regulate the LPG Sector under the OGRA Ordinance 2002 and LPG (Production & Distribution) Rules, 2001 with effect from 15th March, 2003. Since then OGRA has been regulating the sector in accordance with the said Rules and the policies of the Federal Government.

Around 58% of the LPG consumed is met with Local Production in Pakistan, whereas the rest is imported i.e. through LPG terminal or border area mainly Taftan. Refineries, Gas Producing Fields and Imports are three main sources of LPG supply in the Country.

To ensure that LPG imported and produced in Pakistan is in compliance with the specification stipulated in the LPG (Production & Distribution) Rules 2001, the Authority intends to hire services of a third-party inspector (TPI) for checking of quality / specifications of LPG imported through border areas (Taftan) / import terminals and of indigenous LPG produced at production facilities / refineries in the larger public interest. For ease of checking, the third Party Inspector may establish LPG testing laboratory at border area of Taftan since LPG import through the said border area is a continuous process. In this regard OGRA has invited Expression of Interest through leading newspapers of the country.

2. OBJECTIVE

- i. Checking quality / specifications of LPG produced at LPG production facilities / refineries.
- ii. Checking quality / specification of LPG imported through LPG import Terminals.
- iii. Checking quality / specification of LPG imported through border area (Taftan).

3. TASKS

The third-party inspector will have to perform the following tasks:

- (i) **Checking specification of LPG produced at LPG production facilities / refineries:**

- a. To carry out the checking of LPG quality / specification produced at LPG production facilities / refineries on monthly basis or as directed by the Authority from time to time in accordance with the standards specified in LPG (Production & Distribution) Rules 2001.
- b. Checking report mentioning each parameter and with clear recommendations of compliance with OGRA specified standards or otherwise is required to be submitted to OGRA within 15 days from the date of checking.
- c. The report shall include but not limited to following parameters:
 - Name of Production facility / Refinery.
 - Location of Production facility / Refinery.
 - Quantity of LPG produced during the month.
 - Value of LPG produced during the month.
 - Information from producer / refinery regarding disposal of LPG during the specified period.
 - Results mentioning each parameter as per OGRA specified standards.
 - Conclusion.

(ii) Checking specification of LPG Imported through LPG import Terminals.

- a. To carry out the checking of LPG specification of each parcel / ship imported through LPG Terminals in accordance with the standards specified in LPG (Production & Distribution) Rules 2001.
- b. Checking report mentioning each parameter and with clear recommendations of compliance with OGRA specified standards or otherwise is required to be submitted to OGRA within 15 days from the date of checking.
- c. The report shall include but not limited to following parameters:
 - Name of Vessel.
 - Name of importer.
 - Berthing Date.
 - Offload Completion Date.
 - Quantity imported.
 - Value of LPG.
 - Lifting dates with details.
 - Pertinent information from terminal regarding disposal of LPG.
 - Results mentioning each parameter as per OGRA specified standards.
 - Conclusion.

(iii) Checking specification of LPG Imported through border area (Taftan).

- a. To carry out the checking of LPG quality and specification of each bowser of LPG imported through Border Area (Taftan) in accordance with the standards specified in LPG (Production & Distribution) Rules 2001.
- b. Checking report mentioning each parameter and with clear recommendations of compliance with OGRA specified standards or otherwise is required to be submitted to OGRA within 15 days from the date of checking.
- c. The Third-Party Inspector may establish a Laboratory at Taftan for ease of checking since it will be a major and regular activity.
- d. Coordination with the concerned agencies such as custom collectorate etc. for assistance.
- e. The report shall include but not limited to following parameters:
 - Company Name.
 - Bowser No. / Details regarding bowser approved by CIE or otherwise, safety compliance of the bowser, driver having valid license or otherwise and compliance of maximum tonnage of bowser as approved by OGRA.
 - Quantity of LPG imported.
 - Value of LPG imported.
 - Date of arrival of Bowser at border.
 - Pertinent information regarding disposal of LPG / destination of the bowser.
 - Results mentioning each parameter as per OGRA specified standards.
 - Conclusion.

4. TECHNICAL AND FINANCIAL QUALIFICATION OF THE THIRD PARTY INSPECTOR:

- i. Have qualified manpower in carrying out such tests and have relevant equipment / facility to conduct the task under reference.
- ii. Have the financial and technical strength to establish LPG testing facility at Taftan border for the purpose of checking of LPG quality imported through border area in accordance with the standards prescribed in LPG (Production & Distribution) Rules 2001.
- iii. Have national or international accreditation / certification for carrying out the task under reference.
- iv. Have not been black listed locally or internationally on any account (An affidavit to this effect shall be required).
- v. Should be able to perform the assigned jobs/ tasks throughout the country.
- vi. Should be able to provide performance guarantee as indicated in the EOI.

5. DELIVERABLES

Third party inspector to submit detailed report to the Authority for the tasks assigned to it, within the time period specified.

6. FEE

A single fee, per sample checking required to carry out the above mentioned activities, shall be submitted (inclusive of all taxes and in all respect) by the interested third party inspector which shall be recovered from the concerned party in advance by OGRA.

7. PERFORMANCE GUARANTEE:

As per Rule 39 of PPRA Rules, the successful bidder shall also submit a performance guarantee equivalent to 10% of the total amount anticipated to be generated by the activity under reference.

8. DURATION OF THE CONTRACT:

The duration of the contract shall be for a period of three years.

EVALUATION CRITERIA

EVALUATION CRITERIA FOR HIRING OF SERVICES OF THIRD PARTY INSPECTOR (TPI) FOR CHECKING QUALITY / SPECIFICATIONS OF LPG IMPORTED THROUGH BORDER AREAS (TAFTAN) / IMPORT TERMINALS AND OF INDIGENOUS LPG PRODUCED AT PRODUCTION FACILITIES / REFINERIES

<u>Description</u>	<u>Points</u>
<p>1. Experience</p> <p>1.1 Organizational structure and number of years in the business</p> <p>1.2 Areas of expertise</p>	<p>10 Points</p> <p>General experience in petroleum / gas sector = 5 Points Experience in LPG sector = 5 Points</p>
<p>2. Specific and Relevant Experience</p> <p>2.1 Total work experience and competency in undertaking jobs relating to similar assignments with supporting documents.</p> <p>2.2 Experience of work with similar agencies, and in similar conditions.</p> <p>2.3 Experience as Lead firm</p>	<p>40 Points</p> <p>20 Points 10 Points 10 Points</p>
<p>3. Sampling / Testing procedure & Equipment</p> <p>3.1. Detail procedure of LPG sampling / testing as per standard mentioned in TOR's along with equipment details</p>	<p>20 Points</p> <p>Sampling/ testing Procedure = 10 points Equipment Details = 10 points</p>
<p>4. Key staff to be deployed on the assignment on permanent basis having relevant experience</p> <p>4.1 Qualification</p> <p>4.2 Experience</p>	<p>20 Points</p> <p>10 Points 10 Points</p>
<p>5. Financial strength of the firm / Audited accounts</p> <p>5.1 Financial strength supported by cash flow statements</p>	<p>10 Points</p> <p>10 Points</p>
TOTAL:	100 Points

Note: Minimum qualification marks = 70

The Authority may call the interested Third party inspector to give a detailed presentation on their proposal.