

OGRA urged to approve two LNG re-gasification terminals at PQ

Islamabad - In a public hearing organised by Oil and Gas Regulatory Authority (Ogra) on petitions for grant of licences for construction and establishment of two LNG re-gasification terminals at Port Qasim Karachi, all the stakeholders have supported the issuance of licences and unanimously asked the authority to expedite the process of grant of licences to private investors.

Oil and Gas Regulatory Authority (Ogra) on Monday held public hearing on petitions for grant of licences for construction and establishment of an LNG re-gasification terminal including all allied facilities at Port Qasim, Karachi. The hearing was presided over by Chairman Ogra, Masroor Khan, was attended by Member Gas Muhammad Arif, Member Oil Zainulabideen Qureshi and a number of large consumer groups like cement producers, CNG station operators, power companies and textile industry.

Two petitioners Tabeer Energy Private Limited (TEPL) and M/s Energas Terminal Private Limited (ETPL) applied under Ogra (LNG) Rules, 2007 for grant of licence. The petitioners have sought licence as LNG Developers which shall purchase LNG supplies, re-gasify the same through its LNG Terminal and supply RLNG to the domestic market and own use.

The petitioners have required construction licence from Ogra before taking final investment decisions (FIDs) on setting up of LNG terminals at designated sites as all other regulatory processes have already been completed. The licence would allow the developers to set up terminals, purchase LNG supplies, re-gasify it through proposed LNG Terminals and supply RLNG to the domestic market and use themselves in their sister companies.

Both applicants said they had their own customers in the private sector and would arrange LNG imports without any liability to the government by utilising the pipeline network of gas utilities. Both parties declined to share the name of manufacturers of Floating Storage and Regasification Unit (FSRU) saying this could hamper their business plans.

Saad Qazi the representative of Tabeer said that the company was targeting to make their terminal operational in 24 months, based on the issuance of construction licence. Qazi said the project will take little longer because the company will also have to construct a 24 kilometres pipeline including 19-km offshore pipeline from Chan Bundo Island where the terminal will be put up.

The terminal will have tie-in facility with Sui Southern Gas Pipeline network at Port Qasim. It will have 750-1000 million cubic feet per day (mmcf) capacity for which Mitsubishi led consortium had their own gas customers including a spare portion for other private customers. He said about 500 mmcf RLNG would be supplied to Northern and almost equivalent to Southern parts of the country.

He said the talks were in progress with SSGCL and SNGPL for gas transportation agreement. He said that company had MoU with world-class terminal providers and also signed MoU with SNGPL and had understanding with SSGCL to operate in gas sector.

The company said, Tabeer's terminal would be the first fully integrated terminal where LNG import, re-gasifications and sales would be handled by the company itself and provide massive savings in foreign exchange to the government without any off-take guarantees. Regasified liquefied natural gas would be transported to the customers

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using the new North-South Pipeline being undertaken by the government in collaboration with Russia.

The representative of the Energas, Ansar Khan said his company had secured the licence, land allocation and related regulatory approvals for setting up of LNG terminal of its own in 2022 and provide cheaper fuel to its partner group companies who were holding their multiple business projects to unreliable energy supplies. They include Lucky Group, Younas Brothers, Sapphire Group and Halmore and so on who did not get gas supply and had to rely on furnace oil to meet export orders and domestic production. He said his would-be the third FSRU but the first wholly private sector owned project that would strengthen the LNG supply chain in the country as the existing two terminals had 600mmcfcd each capacity contracted to the government. He said the country's existing terminals capacity utilisation was the highest in the world having no downstream storage that could have serious supply problems in case of any outage or problem.

The participants representing business groups from cement, transport and textile sectors said the applicants should be allowed new terminals to induct additional RLNG in to system and unlock a number of projects waiting in the sideline due to gas shortages.

All the stakeholders unanimously asked the authority to expedite the process of grant of licences to private investors. They argued that it was imperative to meet the future energy demand of the country that private sector should be encourage to import and supply LNG to various sector of economy.

<https://nation.com.pk/20-Apr-2021/ogra-urged-to-approve-two-lng-re-gasification-terminals-at-pq>

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OGRA hears petitions seeking licences for LNG terminals

Oil and Gas Regulatory Authority (OGRA) on Monday held a virtual public hearing on petitions seeking licences for construction and establishment of Liquefied Natural Gas (LNG) re-gasification terminals including all allied facilities at Port Qasim, Karachi. The hearing was conducted by OGRA chairman Masroor Khan via video-link in Karachi. The authority's Members Gas, Oil and senior officials were also present on the occasion, a news release said. Two petitioners Tabeer Energy Private Limited (TEPL) and Energas Terminal Private Limited (ETPL) had applied under OGRA (LNG) Rules, 2007 for grant of license. The companies wanted to get licenses as LNG Developers for purchase of LNG, re-gasify it through own terminals and supply the commodity to domestic market and fulfill their own requirements. During the hearing, all the stakeholders unanimously asked the authority to expedite the process of grant of licences to private investors.

<https://dailytimes.com.pk/747553/ogra-hears-petitions-seeking-licences-for-lng-terminals/>

Stakeholders urge Ogra to grant construction licences for LNG terminals

ISLAMABAD: Participants at a public hearing overwhelmingly supported the cases of two separate firms for grant of construction licences at the earliest to help reduce energy costs and gas shortage that currently stood at about three billion cubic feet per day (BCFD).

The hearing presided over by Ogra Chairman Masroor Khan was attended by Member Gas Muhammad Arif, Member Oil Zainulabideen Qureshi and a number of large consumer groups like cement producers, CNG station operators, power companies and textile industry.

It took up two separate petitions for grant of licence for construction and establishment of LNG re-gasification terminals including all allied facilities at Port Qasim, Karachi. Petitioners Tabeer Energy Private Ltd (TEPL) and Energas Terminal Private Ltd (ETPL) applied under Ogra (LNG) Rules 2007 for grant of licence.

The petitioners have required construction licences for Ogra before taking final investment decisions (FIDs) on setting up of LNG terminals at designated sites as all other regulatory processes have already been completed.

The licence would allow the developers to set up terminals, purchase LNG supplies, re-gasify it through proposed LNG terminals and supply RLNG to the domestic market and use themselves in their sister companies.

Both applicants said they had their own customers in the private sector and would arrange LNG imports without any liability to the government by utilising the pipeline network of gas utilities. Both parties declined to share the name of manufacturers of Floating Storage and Regasification Unit (FSRU) saying this could hamper their business plans.

Tabeer representative Saad Qazi said the company was targeting to make their terminal operational in 24 months after the FID is made based on the issuance of construction licence.

He said the project will take little longer because the company will also have to construct a 24km pipeline including 19km offshore pipeline from Chan Bundo Island where the terminal will be put up.

The terminal will have tie-in facility with Sui Southern Gas Pipeline network at Port Qasim. It will have 750-1,000 million cubic feet per day (mmcf) capacity for which Mitsubishi led consortium had their own gas customers including a spare portion for other private customers. He said about 500 mmcf RLNG would be supplied to Northern and almost equivalent to Southern parts of the country.

He said the talks were in progress with SSGCL and SNGPL for gas transportation agreement.

He said that company had MoU with world-class terminal providers and also signed MoU with SNGPL and had understanding with SSGCL to operate in gas sector.

Energas's Ansar Khan said his company had secured the licence, land allocation and related regulatory approvals for setting up of LNG terminal of its own in 2022 and provide cheaper fuel to its partner group companies who were holding their multiple business projects to unreliable energy supplies.

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They include Lucky Group, Younas Brothers, Sapphire Group and Halmore and so on who did not get gas supply and had to rely on furnace oil to meet export orders and domestic production.

A number of business groups from cement, transport and textile sectors said the two applicants should be allowed new terminals to induct additional RLNG into the system and unlock a number of projects waiting in the sideline due to gas shortages.

While the CNG station owners welcomed the private sector LNG terminals to reduce costs but asked the regulator to ensure the new terminals also had some spare capacity for private consumers outside their business groups to avoid creation of private sector monopolies like public sector monopolies of two gas utilities.

“All the stakeholders unanimously asked the authority to expedite the process of grant of licences to private investors”, said the Ogra in its concluding statement, adding it was imperative to meet the future energy demand of the country that private sector should be encouraged to import and supply LNG to various sector of economy.

<https://www.dawn.com/news/1619260/stakeholders-urge-ogra-to-grant-construction-licences-for-lng-terminals>

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Govt to amend OGRA Ordinance

The government has decided to establish an appellate tribunal by amending the Oil and Gas Regulatory Authority (Ogra) Ordinance 2002 in order to give provinces representation in dealing with disputes in the oil and gas sector.

The tribunal will comprise members from provinces, will work as a court and will have powers as vested in such a court under the Code of Civil Procedure.

It will have powers to enforce the attendance of any person and examine him on oath, and compel the production of documents.

It will issue orders for the examination of documents and witnesses. No other court shall issue injunction, make any order or entertain any proceedings in respect of any matter to which the jurisdiction of appellate tribunal extends.

In relation to any decision of the authority concerning a regulated activity, the appellate tribunal will be able to direct the authority to refrain from doing anything not permitted by law to do or to do anything the authority is required by law to do or declare that the act or proceedings by the authority has been done or taken without lawful authority and is of no legal effect.

Sources told The Express Tribune that provinces, especially Sindh, had pressed the federal government to give them representation in Ogra following the model of National Electric Power Regulatory Authority (Nepra).

In Nepra, the provinces have due representation but there is no representation of provinces in the oil and gas regulator - Ogra.

Following the demand of provinces, the government has decided to establish an appellate tribunal that will comprise members from all provinces to deal with affairs of the oil and gas sector.

The government will introduce a bill in parliament to approve the Ogra (Amendment) Act 2021.

The federal government will, by notification in the official gazette, establish the appellate tribunal for the purpose of exercising powers vested to the tribunal under this ordinance.

Composition of tribunal

The tribunal will consist of a chairperson, member (technical), member (finance), member (legal) to be appointed by the federal government and four other members representing the four provinces to be nominated by the respective provinces.

The federal government will appoint the chairperson and other members of the tribunal from amongst persons of eminence in the oil and natural gas industry, finance and law with at least 20 years of experience.

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No chairperson or member shall be removed from office unless the federal government, after holding an inquiry by a committee constituted for the purpose and in accordance with such procedure as may be prescribed in this regard, is satisfied that such person ought on such ground or grounds to be removed.

Decisions, orders and quorum

Decisions of the appellate tribunal will be taken by the majority of members present and voting, and in the event of equality of votes, the chairperson or in his absence, the person presiding will have a second or casting vote.

Secondly, all orders and decisions of the appellate tribunal shall be authenticated by the registrar or any other officer of the authority duly authorised by the chairperson.

Thirdly, if there are less than five members of the appellate tribunal, the presence of four members serving shall constitute a quorum. Any decision taken in a meeting where the quorum is present will constitute a valid and enforceable decision. If the position of a member becomes vacant, the federal government shall fill the vacancy in the appellate tribunal within a period of three months from the date such vacancy occurs.

Appellate procedures

Any person aggrieved by a decision or order of the authority under Section 13 may, within 30 days of the decision or order, prefer an appeal to the appellate tribunal in the prescribed manner and the appellate tribunal will decide such appeal within three months after the filing of the appeal.

The decision of the appellate tribunal will be in writing, detailing the issues raised in the appeal and the arguments adopted by the appellant and the authority, as the case may be.

“The tribunal shall also provide reasons for reaching its decision with reference to every case in which, on application under sub-section (2), the appellate tribunal has made an interim order shall be disposed of by the appellate tribunal on merits within six months from the day on which it is made, unless the appellate tribunal is prevented from doing so for sufficient grounds to be recorded.”

<https://tribune.com.pk/story/2295638/govt-to-amend-ogra-ordinance>
