

# OGRA — NEWS BRIEF

A daily news brief brought to you by Corporate and Media Affairs Department

**April 8, 2021**

## **OGRA hikes LNG prices by Rs24 per mmbtu**

The Oil and Gas Regulatory Authority (OGRA) has announced a revision in the imported LNG prices, on Wednesday which have been hiked to \$0.17 for the Sui Northern system along with \$0.16 for the Southern.

For the month of April, Sui Northern Gas Pipelines Limited (SNGPL) shall sell the imported gas against \$9.763 per unit, according to the notification while for the Sui Southern Gas Company, the per unit rates will be \$9.477 from now on.

The previous rates were \$9.59/unit and \$9.31/unit for SNGPL and SSGC respectively for the month of March.

The Lahore High Court (LHC) on Wednesday directed the authorities concerned to ensure the sale of sugar at Rs80/kg in the holy month of Ramadan.

A bench of Lahore High Court (LHC) on Wednesday heard sugar mills petition challenging the government's order of fixing the ex-mill sugar price at Rs80.

Justice Shahid Jamil Khan heard the case.

It is pertinent to be stated here that the LHC ordered authorities to ensure the availability of 155,000 tonnes of sugar in Ramadan.

<https://nation.com.pk/07-Apr-2021/ogra-hikes-lng-prices-by-rs24-per-mmbtu>

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## OGRA directs OMCs to maintain 20-day stocks of petrol, HSD

ISLAMABAD - Oil and Gas Regulatory Authority (OGRA) has issued afresh directives to the Oil Marketing Companies (OMC) to maintain 20-day stocks of petrol and HSD as the available stocks are only enough for less than 14 days.

The OGRA has directed OMCs to build up their stocks of petrol and diesel up to minimum 20 days, said spokesman OGRA here.

All the Oil Marketing Companies to build up their stocks of petrol and diesel owing to the start of harvesting season in the country, the spokesman said.

Currently the OMCs have the stocks available for 14 days. The OGRA spokesman, however rejected the impression that there was any shortage of petrol or HSD saying that adequate oil stock was available in the country.

“However, keeping in view the harvesting season, OMCs are advised to maintain and top up their stocks just as a precautionary measure to cater the demand of harvesting which is a routine practice.”

The oil marketing companies are required to maintain oil stocks for 20 days in line with their licence conditions. It seems that the OMCs didn't learn anything from the previous year oil crises and are still not maintaining the required fuel stocks.

<https://nation.com.pk/08-Apr-2021/ogra-directs-omcs-to-maintain-20-day-stocks-of-petrol-hsd>

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## **Petrol and diesel: OMCs directed to build up stocks**

ISLAMABAD: The Oil and Gas Regulatory Authority (OGRA), on Wednesday, directed the Oil Marketing Companies (OMCs) to build up their stocks of petrol and diesel as per law ahead of harvesting season in the country.

The regulator directed all the OMCs to build up their stocks of petrol and diesel upto minimum 20 days owing to the start of harvesting season in the country.

Adequate oil stock is available in the country; however, keeping in view the harvesting season, OMCs are advised to maintain and top up their stocks just as a precautionary measure to cater the demand of harvesting, which is a routine practice.

High demand for motor gasoline and high-speed diesel has been witnessed since April 1, 2020, which is due to the progressing harvesting season across the country.

Petroleum and lubricant sales already clocked in at 1.49 million tons in March 2021, depicting a growth of 44 percent on year-on-year basis, which is expected to increase further due to harvesting season of wheat.

Pakistan imports 70 percent of its crude oil from Saudi Arabia, while the rest is sourced from Abu Dhabi, UAE.

<https://www.brecorder.com/news/40082202/petrol-and-diesel-omcs-directed-to-build-up-stocks>

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## **Motor gasoline transportation: ECC asks Ogra to revise MFM, KMK tariffs**

ISLAMABAD: The Economic Coordination Committee (ECC) of the Cabinet has directed Oil and Gas Regulatory Authority (Ogra) to revise tariffs of Mahmoodkot-Faisalabad- Machike (MFM) and Karachi Mehmoodkot (KMK) for motor gasoline transportation, official sources told Business Recorder. Sharing details, sources said Pak-Arab Refinery Limited (PARCO) was incorporated in 1974, which is 60:40 joint venture between the Government of Pakistan and the Emirate of Abu Dhabi. The company has grown with the passage of time through its major development/infrastructure projects including a 120,000 BPD refinery, a cross-country pipeline network of 2,000 KM, oil marketing with Total of France, largest LPG marketing company in Pakistan and a substantial network of oil storages in the country.

In 1986, a Memorandum of Understanding (MoU) was signed between the Government of Pakistan and Abu Dhabi, which proposed to undertake a joint refinery project at Multan comprising a crude oil pipeline from Karachi to the refinery. Subsequently, PARCO refinery was commissioned in 2000. The MoU provided the basis for tariff determination relating to Karachi-Mehmoodkot (KMK) crude oil pipeline linked with 85% of the prevalent railway tariff, in force adjustable.

Currently, entire up-country demand of diesel is being transported from Karachi to Sheikhpura through PAPCO's White Oil Pipeline (WOP) from Karachi to Mehmoodkot and PARCO's Mehmoodkot Faisalabad-Machike (MFM) pipelines. PARCO and PAPCO (a subsidiary of PARCO and operator of the WOP) are pursuing a project for converting the two pipelines from the present single product (diesel) to multiproduct (diesel & gasoline) with an investment of around \$ 194 million.

Physical works have been completed and commissioning of the project is expected as soon as tariff is decided. WOP was developed commercially and its tariff was determined independently.

Oil & Gas Regulatory Authority (Ogra) has determined the tariff on this pipeline if gasoline is to be moved from Karachi to Mehmoodkot. This amount is \$ 17.7/MT for a distance of 786 km. There is no tariff for moving gasoline from Mehmoodkot to Machike.

MFM pipeline was commissioned by PARCO in 1997 for transportation of diesel for the Oil Marketing Companies (OMCs). The tariff for transportation of diesel through MFM was approved in 1994 by the Cabinet Committee on Energy (CCoE) in line with the basis of 85% of the prevalent railway tariff, as provided in the MoU between the two Governments.

The current tariff for KMK and MFM pipelines was last notified by the Federal Government effective from April 2000 and May 2002, respectively. Petroleum Division and PARCO have time and again approached Ogra for revision in the tariff for the two pipelines, as per the earlier policy guidelines of the Government (i.e., the MoU of 1986 and the decision of Cabinet Committee on Energy of 1994), as the railway tariff has been frequently and substantially revised from time to time.

However, Ogra argues that the documents do not allow the revision in tariff and has denied the tariff revision for about two decades. As a consequence, the tariff notified for diesel for MFM pipeline does not support new investment needed for the dualization.

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Presently, gasoline is being transported from Karachi to Machike through road tankers. In order to enable PARCO to transport gasoline through the MFM pipeline, a transportation tariff needs to be notified in line with the terms of the MOU before commencement of the multi-product movement. PARCO's board of directors has, therefore, decided to initiate approval of the gasoline tariff for MFM pipeline at 85% of the railway tariff through the ECC/Cabinet as per the MoU.

The sources said, in accordance with Section 23 (3) of the Ogra Ordinance 2002, construction and operation of any pipeline for oil, is a regulated activity, which requires a specific licence from OGRA. Section 7 of the Ogra Ordinance requires the Authority to determine or to approve tariff for regulated activities subject to policy guidelines.

Ogra has commented that the opinion of Law Division may be sought on the understanding of the MoU signed between the Government of Pakistan and the Emirates of Abu Dhabi in which the basis for tariff determination was linked with 85% of the prevalent railway tariff. Law Division may therefore clarify as to whether the prevalent tariff of the year 1994 is to be taken as a basis or the prevalent tariff for the subsequent years has to be made the basis for calculation. Law Division has opined that the MoU signed is still in force and provides a mechanism for determination of tariff. The legal queries referred to Law Division are related to agreed terms of the MoU and require a policy decision to be taken by the Petroleum Division and Ogra as for the price applicable today. No legal question is said to be involved in the matter.

The Federal Government's policy guidelines on this matter already exist in Cabinet Committee on Energy's (CCoE's) decision referred in the Annex-II and the ECC's decision of February 26 2013, which requires, in clear terms, that transportation tariff should be approved on the basis of the railway tariff. Accordingly, in view of the provisions of the MoU and earlier policy guidelines issued by the CCoE/ECC, the Petroleum Division proposed gasoline tariff for the MFM pipeline may be approved at 85% of the prevalent railway tariff - existing road tariff, Mahmoodkot-Faisalabad, Rs 2,268/ MT, Mahmoodkot-Machike, Rs 3,031/MT. Current Railway Tariff for Mahmoodkot-Faisalabad, Rs 2,155/MT and Mahmoodkot-Machike Rs 2,620/MT. Petroleum Division proposed MFM pipeline tariff (85% of Railway tariff) for Mahmoodkot-Faisalabad at Rs 1,832/MT and Mahmoodkot-Machike at Rs 2,227/MT. The ECC has also proposed that Ogra may also be directed to consider revising the tariff for both KMK and MFM pipelines for crude oil and diesel oil transportation respectively (which has not been revised for two decades), in line with the provisions of the Ogra Ordinance 2002, the MOU signed by the Government of Pakistan and legal advice rendered by the Law and Justice Division. However, assuming the approval is granted Ogra may decide on the suitability of full increase on the MFM pipeline. The proposed pipeline tariff for transportation of gasoline through the MFM is likely to lead to a saving of Rs 2.4 billion annually in the freight pool, which will be passed on to the end consumers. There may also be forex savings due to reduction in diesel consumption by road tankers since the country is a net importer of diesel. It will improve transportation reliability and efficiency with a reduction in the detrimental impact on road infrastructure and the environment.

<https://www.brecorder.com/news/40082214>

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## LNG provisional prices increased for April

ISLAMABAD: The Oil and Gas Regulatory Authority (Ogra), on Wednesday, increased the LNG provisional prices for consumers of both gas utility companies for the month of April.

The regulator increased the prices of LNG for gas consumers of the Sui Northern Gas Company Limited (SNGPL) by \$0.1733 per mmbtu and the Sui Southern Gas Company Limited (SSGCL) by \$0.1634 per mmbtu as compared with prices of LNG for March.

The distribution price of LNG for the SNGPL is fixed \$9.7638 per mmbtu for April which was \$9.5905 per mmbtu in March.

For the consumers of the SSGCL, the price of LNG is \$9.4779 per mmbtu which recorded \$9.3145 per mmbtu in March.

Twelve LNG cargoes were imported by the Pakistan State Oil (PSO) and the Pakistan LNG Ltd (PLL) for the month of April.

The PSO imported LNG cargo at \$8.2723 per DES price per mmbtu under long-term Qatar agreement and PLL spot purchased LNG at \$6.8343 Des per mmbtu.

In latest development, the PLL on March 22 invited bids for delivery of eight cargoes for April-May-June period and set the deadline of March 30 PLL reduced the time between bid evaluation and award of the contracts.

The PLL had also asked the bidders to offer their bids in fixed dollar price instead of slope linked to Brent crude price.

The Federal Cabinet had granted partial exemption to the PLL from Rule-35 of the Public Procurement Regulatory Authority (PPRA) rules by relaxing the period between announcement of evaluation report and award of tenders for spot cargoes.

More than half of Pakistan's total LNG imports are based on long-term contracts, while the rest of the required quantities are met through spot tenders.

<https://www.brecorder.com/news/40082205/lng-provisional-prices-increased-for-april>

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## **OGRA revises RLNG price with slight upward adjustment**

ISLAMABAD: Oil and Gas Regulatory Authority (OGRA) Wednesday notified the revised price of Re-gasified Liquefied Natural Gas (RLNG) on networks of the SSGC and SNGPL for the current month with a slight upward adjustment.

According to a notification, the authority has fixed the price of imported RLNG at \$9.4779 per Million British Thermal Unit (MMBTU) on the system of Sui Southern Gas Company (SSGC) for the month of April, which was \$9.3145 during the last month.

Similarly, the sale price of per MMBTU RLNG would be \$9.7638 on the SNGPL system during the current month, which was being sold at \$9.5905 in March.

<https://www.brecorder.com/news/40082048/ogra-revises-rlng-price-with-slight-upward-adjustment>

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## اوگرا کی پیٹرول اور ڈیزل کم از کم 20 دن کا مجوزہ ذخیرہ برقرار رکھنے کی ہدایت

اسلام آباد (نمائندہ جنگ) اوگرا نے اوایم سی کو ہدایت کی ہے کہ وہ پیٹرول اور ڈیزل کے اپنے کم از کم 20 دن کے مجوزہ ذخیرہ کو برقرار رکھیں آئل اینڈ گیس ریگولیٹری اتھارٹی نے ملک میں کٹائی کا سیزن شروع ہونے سے پہلے تمام آئل مارکیٹنگ کمپنیوں کو پیٹرول اور ڈیزل کے اپنے اسٹاک برقرار رکھنے کی ہدایت کی ہے تاکہ تیل کا مناسب ذخیرہ دستیاب رہے اور معمول کے مطابق کٹائی کی مانگ کو پورا کرنے کیلئے تیل کے سٹاک کی موجودگی یقینی بنائی جاسکے۔

<https://jang.com.pk/news/908801>

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پیٹرول اور ڈیزل کے اسٹاک کو کم از کم 20 دن کے مجوزہ ذخیرہ کو برقرار رکھیں، اوگرا کی اوایم سی کو ہدایت اسلام آباد (اُردو پوائنٹ اخبار تازہ ترین - آن لائن - 07 اپریل 2021ء) آئل اینڈ گیس ریگولیٹری اتھارٹی نے ملک میں کٹائی کا سیزن شروع ہونے سے پہلے تمام آئل مارکیٹنگ کمپنیوں کو پیٹرول اور ڈیزل کے اپنے اسٹاک برقرار رکھنے کی ہدایت کی ہے۔ یہ بات قابل ذکر ہے کہ ملک میں تیل کا مناسب ذخیرہ دستیاب ہے لیکن فصلوں کی کٹائی کے موسم کو مد نظر رکھتے ہوئے، آئل مارکیٹنگ کمپنیوں کو پابند کیا جاتا ہے کہ وہ اپنے اسٹاک کو برقرار رکھیں اور معمول کے مطابق کٹائی کی مانگ کو پورا کرنے کے لئے تیل کے سٹاک کی موجودگی کو یقینی بنائیں۔

اوگرا کی جانب سے تمام آئل مارکیٹنگ کمپنیوں کو ہدایت کی گئی ہے کہ وہ بیس دن کا پیٹرولیم کا ذخیرہ برقرار رکھیں۔ کٹائی کا سیزن شروع ہونے سے پہلے تمام آئل مارکیٹنگ کمپنیوں کو اپنا اسٹاک برقرار رکھنا لازمی ہے۔ تیل کے سٹاک کی موجودگی کو یقینی بنائیں۔

<https://www.urdupoint.com/daily/livenews/2021-04-07/news-2776104.html>

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## اوگرا کی مارکیٹنگ کمپنیوں کو پیٹرول اور ڈیزل سٹاک برقرار رکھنے کی ہدایت

اسلام آباد (واقع نگار خصوصی) اوگرا نے آئل مارکیٹنگ کمپنیوں (اوایم سی) کو ہدایت کی ہے کہ وہ پیٹرول اور ڈیزل کے اپنے سٹاک کو کم از کم 20 دن کے مجوزہ ذخیرہ کو برقرار رکھیں۔ ترجمان کے مطابق یہاں بتانا ضروری ہے کہ ملک میں تیل کا مناسب ذخیرہ دستیاب ہے لیکن فصلوں کی کٹائی کے موسم کو مد نظر رکھتے ہوئے، آئل مارکیٹنگ کمپنیوں کو پابند کیا جاتا ہے کہ وہ اپنے سٹاک کو برقرار رکھیں۔

<https://www.nawaiwaqt.com.pk/E-Paper/islamabad/2021-04-08/page-1/detail-34>

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## ہوشیار، ملک میں ایک بار پھر پٹرول بحران کا خدشہ پیدا ہو گیا

اسلام آباد: ملک میں ایک بار پھر پٹرول بحران کا خدشہ پیدا ہو گیا ہے، اوگرانے آئل مارکیٹنگ کمپنیوں کو ایک وارننگ لیٹر جاری کر دیا۔ تفصیلات کے مطابق آئل اینڈ گیس ریگولیٹری اتھارٹی (اوگرا) نے پٹرولیم مصنوعات کا ذخیرہ لائسنس شرائط کے مطابق نہ رکھنے پر آئل مارکیٹنگ کمپنیوں کو وارننگ جاری کر دی ہے۔

اوگر احکام نے کہا ہے کہ تمام کمپنیاں 20 روز کا پٹرول ذخیرہ رکھنے کی پابند ہیں، ذخیرہ 20 روز کا نہ ہو تو کارروائی کی جائے گی، اس لیے آئل مارکیٹنگ کمپنیاں اپنا ذخیرہ لائسنس شرائط کے مطابق رکھیں۔

اوگر اذرائع نے کہا ہے کہ پٹرول کا 2 لاکھ 97 ہزار 882 میٹرک ٹن کا ذخیرہ موجود ہے، جو کہ 12 روز کی ملکی ضروریات کو پورا کر سکتا ہے، جب کہ اس وقت ڈیزل کا 17 روز کا ذخیرہ موجود ہے، جو 3 لاکھ 64 ہزار میٹرک ٹن اسٹاک پر مشتمل ہے۔

یاد رہے کہ 26 مارچ کو وفاقی کابینہ کی ہدایت پر پٹرولیم ڈویژن نے آئل مارکیٹنگ کمپنیوں کے فرانزک آڈٹ کا فیصلہ کیا تھا، آڈٹ سے جون 2020 میں پٹرولیم بحران میں ملوث کمپنیوں کا پتا چلے گا، آڈٹ سے یہ معلوم ہو جائے گا کہ کون سی کمپنیوں نے پٹرول کی ذخیرہ اندوزی کی، اور کس نے کتنا پیسہ بنایا۔

گزشتہ سال جون میں پٹرول بحران سے قومی خزانے کو اربوں روپے کا نقصان ہوا تھا، جس پر وزیراعظم نے ندیم باہر کو معاون خصوصی برائے پٹرولیم کا قلم دان چھوڑنے کی ہدایت کر دی تھی۔

<https://urdu.arynews.tv/petrol-crises-in-pakistan/>

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## پٹرول پھر ”غائب“ ہونے والا ہے ؟

اسلام آباد: ملک میں ایک بار پھر پٹرول بحران کا خدشہ پیدا ہو گیا، اوگرانے آئل مارکیٹنگ کمپنیوں کو ایک وارننگ لیٹر جاری کر دیا۔ نجی ٹی وی کے مطابق آئل اینڈ گیس ریگولیٹری اتھارٹی (اوگرا) نے پٹرولیم مصنوعات کا ذخیرہ لائسنس شرائط کے مطابق نہ رکھنے پر آئل مارکیٹنگ کمپنیوں کو وارننگ جاری کر دی ہے۔

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گزشتہ سال جون میں پٹرول بحران سے قومی خزانے کو اربوں روپے کا نقصان ہوا تھا، جس پر وزیراعظم نے ندیم بابر کو معاون خصوصی برائے پٹرولیم کا قلم دان چھوڑنے کی ہدایت کر دی تھی۔

<https://www.dailyaaj.com.pk/news/44625>

## اوگرا کی کٹائی کا سیزن شروع ہونے سے پہلے پٹرول اور ڈیزل کا سٹاک برقرار رکھنے کی ہدایت

اسلام آباد (خصوصی نیوز رپورٹر) آئل اینڈ گیس ریگولیٹری اتھارٹی نے ملک میں کٹائی کا سیزن شروع ہونے سے پہلے تمام آئل مارکیٹنگ کمپنیوں کو پٹرول اور ڈیزل کے اپنے سٹاک برقرار رکھنے کی ہدایت کی ہے۔ ملک میں تیل کا مناسب ذخیرہ دستیاب ہے لیکن فصلوں کی کٹائی کے موسم کو مد نظر رکھتے ہوئے، آئل مارکیٹنگ کمپنیوں کو پابند کیا جاتا ہے کہ وہ اپنے سٹاک کو برقرار رکھیں اور معمول کے مطابق کٹائی کی مانگ کو پورا کرنے کے لئے تیل کے سٹاک کی موجودگی کو یقینی بنائیں۔

[www.jehanpakistan.com/epaper/detail\\_news.php?news=%2Fepaper%2Fepaper%2Fislamabad%2F080421%2FP1-008.jpg](http://www.jehanpakistan.com/epaper/detail_news.php?news=%2Fepaper%2Fepaper%2Fislamabad%2F080421%2FP1-008.jpg)