

آئل اینڈ گیس
ریگولیٹری اتھارٹی



Oil & Gas
Regulatory Authority

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ISLAMIC REPUBLIC OF PAKISTAN

LICENSE

FOR

DISTRIBUTION AND SALE OF NATURAL GAS / RLNG

TO

PUNJAB INDUSTRIAL ESTATE DEVELOPMENT AND

MANAGEMENT COMPANY (PIEDMC)

(Quaid-e-Azam Business Park-SEZ Zone)

UNDER

OIL AND GAS REGULATORY AUTHORITY ORDINANCE, 2002

AND

NATURAL GAS REGULATORY AUTHORITY

(LICENCING) RULES, 2002

&

OGRA GAS (THIRD PARTY ACCESS) RULES, 2018

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Licence No: NG 36 /2023

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Islamabad: July 24, 2023

License No: NG- 36/2023

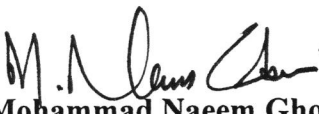
THE LICENSE


The Oil and Gas Regulatory Authority (the “**Authority**”), established under the Oil and Gas Regulatory Authority Ordinance, 2002 (Ordinance No. XVII of 2002), in exercise of its powers conferred by Sections 22(1) and 23(1) of the said Ordinance and Rule 3(3) of the Natural Gas Regulatory Authority (Licensing) Rules, 2002 (the “**Licensing Rules**”) hereby grants to Punjab Industrial Estate Development and Management Company (PIEDMC), Quaid-e-Azam Business Park (SEZ-Zone), having its registered office at Commercial Area (North) Sundar Industrial Estate, Sundar Raiwind Road, Lahore (the “**Licensee**”) a license (the “**License**”) to undertake the following regulated activities, subject to the terms and conditions (the “**Conditions**”) given herein:


- (i) Construction and operation of pipelines for the purpose of distribution of natural gas/ RLNG within the authorized area namely, Quaid-e-Azam Business Park, District Sheikhpura, Punjab.
- (ii) Distribution and Sale of Natural Gas/ RLNG to consumers through distribution system of the Licensee within the authorized area namely, Quaid-e-Azam Business Park.

Validity

The License shall be valid for an initial term of Thirty (30) years, effective from July ____ 2023, unless revoked earlier under the provision of Ordinance and Rules made thereunder.


(Mohammad Naeem Ghouri)
Member (Finance)


(Zainulabideen Qureshi)
Member (Oil)


(Masroor Khan)
Chairman

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1. Definitions

1.1. Words and expressions used in the License but not defined herein shall have the same meaning as are assigned to them in the Ordinance and Rules.

1.2. In this License, unless there is anything repugnant in the subject or context, -

1.2.1. **"access arrangement"** means an agreement between transporter and shipper for transportation of gas by utilizing capacity of gas pipeline transportation system, as approved by the Authority.

1.2.2. **"annual turnover"** means the actual turnover less amounts representing sales tax, gas development surcharge and other charges, levies, duties, taxes or cesses imposed by the Federal Government and the cost of gas;

1.2.3. **"capacity allocation"** means maximum daily quantity in MMCF of gas allocated by the Licensee to a shipper which can be received at a certain entry point and delivered to a certain exit point;

1.2.4. **"consents"** means all such approvals, consents, authorizations, notifications, concessions, acknowledgements, agreements, licenses, permits or decisions required to be obtained by the Licensee prior to the distribution and sale of gas;

1.2.5. **"consumer"** means a person who purchases or receives natural gas for consumption and not for delivery or resale other than resale for vehicular use or self-consumption by a licensee in connection with its regulated activity;

1.2.6. **"distribution system"** means the pipelines and associated facilities and equipment used by the Licensee from time to time for undertaking distribution and sale of natural gas.

1.2.7. **"financial year"** means a period of twelve (12) months commencing on July 1st of each year and ending on June 30th of the following year;

1.2.8. **"gas pipeline transportation system"** or **"system"** means transmission system, distribution system, pipelines, spur pipelines, equipment, compressors and associated facilities downstream of a gas producer's processing plant, shipper's delivery point or re-gasification terminal which are used for transportation of gas from one point to another but shall not include the gas processing plant and re-gasification terminal pipeline within the battery limit of isolation valves of the plant or terminal;

1.2.9. **"natural gas"** means hydrocarbons or mixture of hydrocarbons and other gases which at sixty degrees Fahrenheit and atmospheric pressure are in the gaseous state (including gas from gas wells, gas produced with crude oil and residue gas and products resulting from the processing of gas including RLNG) consisting primarily of methane, together with any other substance produced with such hydrocarbons;

1.2.10. **"Ordinance"** means the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002).

1.2.11. **"party"** means a transporter, shipper, owner or operator of a re-gasification terminal, supplier or reseller of liquefied natural gas, consumer, or any service provider, who has entered into a commercial agreement with the Licensee;

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1.2.12. “**Rules**” means the Natural Gas Regulatory Authority (Licensing) Rules, 2002, OGRA Gas (Third Party Access) Rules, 2018, Natural Gas Tariff Rules, 2002 and any other applicable rules framed under the Ordinance;

1.2.13. “**shipper**” means a person holding a valid license issued by the Authority for transmission, distribution or sale of gas through an Access Arrangement for transportation of gas by utilizing capacity of gas pipeline transportation system above such thresholds as may be specified in the Network Code;

1.2.14. “**Standard Contract Terms**” means the terms of the standard contracts, which will apply between Licensee and each category of its retail consumers for the sale of natural gas;

1.2.15. “**transporter**” means a person holding a valid license issued by the Authority for construction and operation of pipeline for transmission, distribution or sale of gas through a gas pipeline transportation system.

1.3. Any reference to a statute or a delegated legislation shall be deemed to mean and include its modification, amendment, replacement or substitution by a subsequent law.

2. Compliance with Laws

2.1. The Licensee shall ensure that it complies at all times with the applicable laws of Pakistan, including the provisions of the Ordinance and Rules made thereunder. The licensee shall abide by all the regulatory and administrative decisions of the Authority issued from time to time.

2.2. The breach of any law, including the breach of any provision of the Ordinance, Rules or regulations issued there under, and decisions of the Authority shall be deemed to be a breach of the terms and conditions of the License.

2.3. The Licensee shall apply for, obtain and maintain all consents necessary under applicable laws for carrying out the regulated activities properly and in a timely manner and shall diligently pursue all such applications.

3. Renewal, Modification and Revocation of License

3.1. On an application by the Licensee to the Authority at least two (02) years prior to the expiry date of this License, the Authority may renew the License in accordance with the provisions of the Ordinance and Rules.

3.2. The terms and conditions of the License may be amended, varied, modified or revoked by the Authority in accordance with the provisions of the applicable laws.

4. Early Termination of License

The Authority may, on an application made by the Licensee at least two (02) years prior to the proposed termination date, terminate the License in accordance with the provisions of the Ordinance and Rules.



5. Tariff Determination

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The Licensee shall be entitled to charge natural gas price in accordance with the Policy guidelines issued by the Federal Government from time to time.

6. Payment of Fee/ Charges

- 6.1 The Licensee shall promptly and regularly pay to the Authority the fees/ charges prescribed in the Rules revised from time to time.
- 6.2 Unless otherwise prescribed in the Rules, the Licensee shall pay the annual fee of 0.5 percent of the annual turnover of the Licensee (as defined in the Licensing Rules, amended/ revised from time to time) from sale of Natural gas in respect of the most recent completed financial year.
- 6.3 If the annual turnover for the most recent completed financial year is not certain then the Licensee shall use a reasonable estimate of the annual turnover for calculation and payment of the annual fees under clause 6.2.
- 6.4 The Licensee shall, if it has used an estimate of the annual turnover under clause 6.3, file with the Authority a revised account showing the actual annual turnover and the annual fee on the basis of such actual amount on or before September 30th of the year in which the estimate was made, or any other date approved by the Authority in respect of the annual fee where an estimate of annual turnover was used as the basis for calculation of the annual fee. Any short payment in annual fee made evident as a result of filing of the revised account, shall be paid to the Authority within forty-five (45) days of filing of such revised account.
- 6.5 The Authority shall, if it has received overpayment of annual fee, refund the amount equal to the amount by which it was overpaid within forty-five (45) days of filing of the above-mentioned revised account. The Licensee shall not be entitled to any interest or other additional amount in respect of such over-payment.

7. Separate Accounts for Regulated Activities

- 7.1 The Licensee shall keep proper books of accounts and records separately for distribution and sale of natural gas in such form as may be prescribed by the Authority.
- 7.2 The Licensee shall procure, in respect of financial statements prepared in accordance with the Clause 7.1 in respect of a financial year, a report by the auditors and addressed to the Authority stating whether in their opinion the set of financial statements have been properly prepared.

8. Sale of Gas under Standard Terms and Conditions

- 8.1. The Licensee shall use reasonable endeavors, upon the request of a consumer whose premises are connected to a gas pipeline transportation system, to enter into a contract for the sale of gas with the consumer on the standard terms and conditions to be approved by the Authority within one hundred and eighty (180) days of grant of the license;

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8.2. The Licensee may propose, after seeking approval of its Board of Directors, different terms and conditions for sale of gas for different categories of consumers or above such volumes as may be specified by the Authority in this regard. Before entering into the contract for sale of gas, these Standard Terms and Conditions shall have to be approved by the Authority. The Licensee shall provide a copy of its standard terms and conditions for sale of gas to any person upon request.

8.3. The Licensee may not enter into a contract for sale of gas with any consumer, where, in the opinion of the Licensee, -

8.3.1 such contract is likely to prejudice the ability of the Licensee to meet its existing contractual obligations to consumers;

8.3.2 the supply of gas may give rise to a physical danger to any person or the public which could not be prevented by the Licensee's reasonable precautions; or

8.3.3 the gas fittings in the relevant premises do not meet the specifications provided by the Licensee or such fittings are not installed consistent with the technical standards specified by the Authority.

9. Standard Contract Terms for Shippers

9.1. The Licensee shall submit each access arrangement along with the prescribed fee for approval of the Authority under the rules.

9.2. The Licensee shall not amend the approved access arrangement without the prior written approval of the Authority.

9.3. All agreements shall be negotiated, entered into or amended by the Licensee on an arm's length basis and in accordance with the provisions of the Ordinance and the Rules.

10. Standard Contract Terms for Consumers

10.1. The Licensee may propose different sets of terms and conditions for different categories of natural gas consumers.

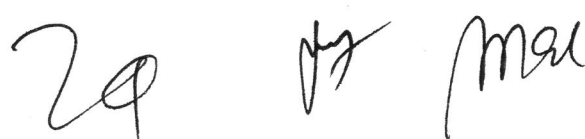
10.2. Except with the prior written approval of the Authority, the Licensee shall not enter into any contract with any consumers on terms which are inconsistent with the Standard Contract Terms approved by the Authority.

10.3. The Licensee shall provide a copy of its Standard Contract Terms to any person upon that person's request

11. Disconnection, Curtailment and Restoration

11.1. The Licensee shall within sixty (60) days of the date of issuance of the License, or any other period approved by the Authority at the request of the Licensee, submit to the Authority its detailed policy and procedure of disconnection, curtailment and restoration of supply and distribution of gas to consumers, which shall fully conform to the applicable rules and regulations.

11.2. The Authority may, from time to time, direct the Licensee to revise the policy and procedure of disconnection, curtailment and restoration in such manner as the Authority deems expedient in the public interest.



12. Consumer Service Manual

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- 12.1. The Licensee shall, in respect of distribution and sale of gas, develop and implement the Consumer Service Manual on the basis of principles of accessibility, fairness, non-discrimination, safety, timeliness and transparency, as approved by the Authority. During the time that the Authority reviews and grants its approval, the Consumer Service Manual submitted by the Licensee shall be enforced on a provisional basis.
- 12.2. The Authority may revise the approved Consumer Service Manual in such manner as the Authority deems expedient in accordance with the Ordinance and Rules.

13. Publication of Reports and Sale Prices

The Licensee shall publish the following documents and information in such manner as may be directed by the Authority:

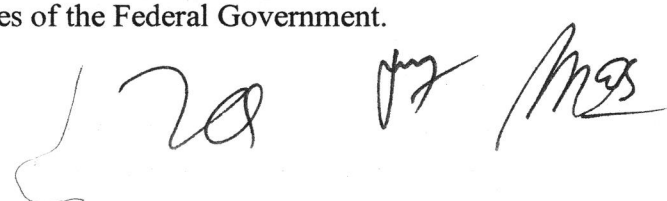
- i. Consumer Service Manual;
- ii. report on complaints resolved;
- iii. performance report;
- iv. sale price of gas for different categories of consumers; and Transportation Tariff in respect of access arrangements;
- v. any other report or information specified by the Authority.

14. Security and Continuity of Supply

- 14.1. The Licensee shall act to maintain the balance of its supplies and demands of gas on a daily basis and in such manner that it can maintain a continuous and reliable supply of gas to its consumers.
- 14.2. The Licensee shall not interrupt the supply of gas to its consumers, or any class thereof, other than to comply with the provisions of the Ordinance, Rules, applicable policies of the Federal Government and conditions of the relevant gas sale contract.
- 14.3. The Licensee shall, at all times operate the distribution system in a reasonable and prudent manner and ensure safe, reliable and efficient operation of the system in accordance with Pakistan Gas Network Code and such other standards as may be specified by the Authority, from time to time.
- 14.4. The Licensee shall not unreasonably prevent the consumers from entering into and implementing such arrangements as the consumers deem prudent to ensure the continuity of gas supply.

15. Interruption of Supply

- 15.1. The Licensee shall not interrupt, reduce or restrict supply of gas to its consumers except where the Licensee considers that, for reasons of safety or in order to undertake load management measures to meet its seasonal or emergency requirements, the supply of gas to some or all the consumers must be interrupted, reduced or restricted, it shall do so, as far as reasonably practicable in the circumstances, in accordance with the applicable policies of the Federal Government.



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- 15.2. The Licensee shall not interrupt transportation service to its shippers except as provided in the access arrangement and Pakistan Gas Network Code approved by the Authority under the Rules.

16. Interruption for Maintenance, Expansion and Modification of Pipelines

- 16.1. When the Licensee is required to interrupt the provision of its natural gas sales and distribution services in order to perform work involving maintenance, expansion and/ or modification of the system, it shall intimate such interruption to the affected shippers and consumers.
- 16.2. Such intimation must be given not less than seven days prior to interruption of supply of natural gas and must indicate the limits of the area affected, the date, hours and duration of the interruption of service, and the approximate hour/ day when the supply will be restored.

17. Interruptions due to Unforeseeable Circumstances or Force Majeure

- 17.1. When the Licensee interrupts, restricts or modifies the supply and distribution of gas which is likely to continue more than 48 hours on account of unforeseeable circumstances or force majeure, it shall inform the effected shippers and consumers for natural gas of the scope, duration, and the anticipated time when the said interruption, restriction or modification will end.
- 17.2. Where the interruption, restriction or modification in the supply and distribution of gas is significant in the opinion of the Licensee which may not be manifestly unreasonable, the Licensee shall additionally post the information on its website.

18. Gas Quality

The Licensee shall supply gas of the quality and specifications determined from time to time by the Authority in accordance with the provisions of the Ordinance, Rules and the Pakistan Gas Network Code.

19. Technical Standards

The Licensee shall conform to the technical standards prescribed by the Authority in accordance with the provisions of the Ordinance and the Rules from time to time.

20. Environmental Standards

The Licensee shall conform to the requirements of the Pakistan Environmental Protection Act, 1997 (XXXIV of 1997), as amended from time to time.

21. Maintenance and Safety Programme

- 21.1 The Licensee shall develop and implement an annual maintenance and safety programme for the licensed regulated activities, which shall include public awareness and education campaign about the safe use of natural gas.

- 21.2 The Licensee shall submit the above mentioned programme to the Authority firstly, within one hundred and twenty (120) days of the issuance of License, and thereafter on 30th June of each year or at such other date as may be approved by the Authority at the request of the Licensee.

- 21.3 The Licensee shall not later than sixty (60) days at the end of each financial year submit to the Authority a report on the result of the implementation of the programme during each financial year including:
- 21.3.1 details of any incidents concerning the safety of each of the regulated activities carried out by the Licensee and action taken by it in response thereto;
 - 21.3.2 details of the maintenance activities carried out by the Licensee in respect of each of the regulated activities including maintenance of meters;
 - 21.3.3 details of any amendments the Licensee proposes to make to the programme; and
 - 21.3.4 any other information required by the Authority.
- 21.4 The Authority may from time to time in consultation with the Licensee direct the Licensee to make changes to the programme in order to enhance the safe operation of regulated activities.

22. Entry Arrangements

- 22.1 The Licensee shall submit to the Authority for approval a statement of its proposed arrangement regarding entry into the customer premises and shall fully comply with the statement on its approval.
- 22.2 The entry arrangements into the retail consumer premises shall provide for all reasonable measures, namely:
- 22.2.1 to comply with the Ordinance and Rules;
 - 22.2.2 to ensure that the authorized officers, agents or contractors of the Licensee possess appropriate expertise for the required tasks;
 - 22.2.3 to enable the consumers to readily recognize the identity of the authorized officers, agents or contractors of the Licensee;
 - 22.2.4 to ensure that identity cards, uniforms, and liveried vehicles are not misused; and
 - 22.2.5 to ensure that the authorized officers, agents and contractors comply with the applicable laws.
- 22.3 The Licensee shall use reasonable endeavours to avoid undue disturbance to the owners or occupiers of the premises as a result of visits by the authorized officers, agents or contractors of the Licensees.

23. Efficient and Safe Use of Gas

- 23.1 The Licensee shall at all times use reasonable endeavours to provide its consumers advice on efficient and safe use of gas, rendered or prepared by a suitably qualified expert.
- 23.2 The Licensee shall develop and implement suitable procedures and practices for efficient and safe use of gas to fulfil its obligations in this regard under the Ordinance, Rules and Pakistan Gas Network Code.

24. Security Deposit by the Consumer

The Licensee may require a consumer to furnish a security deposit or bank guarantee of not more than an amount equivalent to the estimated average value of supply of natural gas to that consumer for a period of three (03) months or for such other period as may be agreed between the Licensee and the consumer.

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25. Compliance with Pakistan Gas Network Code

The Licensee shall ensure compliance with, and perform its obligations in accordance with the Pakistan Gas Network Code.

26. Use of Gas Pipeline Transportation System

26.1 The Licensee shall act in a reasonable and prudent manner to access and use the gas pipeline transportation system for the purpose of regulated activities.

26.2 The Licensee shall ensure that no gas is supplied to its consumers other than as a metered supply.

27. Transfer of Consumers

The Licensee shall not unduly restrict the transfer of a consumer to another Licensee except where, -

- (a) *the supply of gas to the premises has been cut off on account of default in payments or other breach by the consumer; or*
- (b) *the supply of gas, in the Licensee's reasonable opinion, is blocked on account of debt.*

28. Emergencies

28.1 The Licensee shall maintain or cause to be maintained emergency services and all emergency calls shall be responded as stipulated in the performance and service standards specified by the Authority, from time to time.

28.2 The Licensee shall, within ninety (90) days of the date of issue of the License or at such later date as may be approved by the Authority, submit to the Authority for approval of the Licensee's plan and procedures for handling any emergency concerning or arising out of the regulated activities.

28.3 The Licensee shall submit a report to the Authority not later than one hundred and eighty (180) days, from the date of issue of the License and, thereafter, every ninety (90) days, providing information specified in Clause 28.4 regarding the emergencies that had occurred in the preceding ninety (90) days and the action taken by the Licensee.

28.4 The report shall include:

- 28.4.1 Number of emergencies and their specific locations;
- 28.4.2 Cause of emergencies;
- 28.4.3 Any injury or estimate of damages;
- 28.4.4 Action taken by the Licensee;
- 28.4.5 Average time taken to respond to an emergency and to handle the emergency;
- 28.4.6 Any action taken to prevent such emergency in future; and
- 28.4.7 Any other information specified by the Authority.

28.5 In addition to the report required from the Licensee under Clause 28.3;

28.5.1 the Licensee shall inform the Authority promptly but not later than twenty-four (24) hours of any serious emergency having taken place and provide daily update on the emergency and action being taken by the Licensee until such time the emergency has been completely addressed;

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28.5.2 for the purpose of this condition, "serious emergency" means:

28.5.2.1. injuries to or death of an individual;

28.5.2.2. major damage to the property;

28.5.2.3. damage or rupture of distribution main and/ or high-pressure pipeline;

28.5.2.4. any other factor prescribed by the Authority.

29. Action Against Theft

29.1 The Licensee being the owner of the distribution system shall take all necessary measures to control gas theft and shall comply with Ordinance, Gas (Theft Control and Recovery) Act, 2016, Procedure for Dealing with Theft of Gas Cases, 2005 and any other relevant laws and any subsequent amendments for prosecution of the cases of gas theft and other offences related to gas, expeditious recovery of amounts due, determination of value of stolen gas, fines, penalties and other outstanding amounts payable and sums due to gas utility companies and for matters ancillary and related thereto.

29.2 The Licensee shall furnish a plan to the Authority for control of gas theft within six (06) months of this License.

30. Unaccounted For Gas (UFG)

The Licensee shall take all possible steps to keep the UFG within acceptable limits.

31. Capacity Information

31.1 The Licensee shall, within ninety (90) days of the date of issuance of the License or by such other date as may be approved by the Authority, provide information regarding capacity on its distribution system, wherever available:

31.1.1 on its web site;

31.1.2 to any interested party who requests the same; and

31.1.3 in writing to the Authority.

31.2 The Licensee shall duly and timely provide all such information about capacity and the regulated activities that may be required by the Authority under the OGRA Ordinance and the Rules.

32. Connection to Distribution System and Minimum Service Obligations

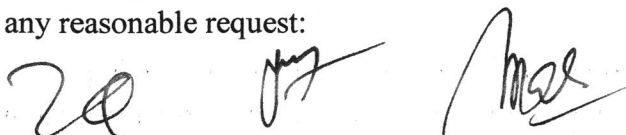
32.1 The Licensee shall promptly respond to all requests for distribution service after the date of their receipt and shall issue proposal letters on the application by the Licensee if:

32.1.1 it is technically feasible to connect the premises to the gas main;

32.1.2 such a connection would not create any anomalous situation or discrimination towards other prospective consumers in the same locality:

32.2 The Licensee shall be obligated to provide gas connection to an owner or occupier of a premises subject to payment of the connection charges

32.3 The Licensee shall comply, in so far as it is technically feasible and economically viable to do so, with any reasonable request:



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- 32.2.1 by any person for connection of the premises within its authorized area to the distribution system operated by the Licensee.
 - 32.2.2 by any operator of a connected system for connection of that system to the distribution pipeline operated by the Licensee; or
 - 32.2.3 by any shipper for the transportation of natural gas through the distribution pipeline operated by the Licensee.

32.4 Any question arising as to whether a request by any person is a reasonable request shall be determined by the Authority, after due consideration by it of any representation made to it by the Licensee and the person.

33. Installation Inside Premises

33.1 The Licensee shall, upon entering into a relevant contract with a consumer or shipper.-

- 33.1.1 survey the premises of the consumer or shipper to ensure natural gas can be safely supplied;
- 33.1.2 provide a design of the installation for supply of gas; and
- 33.1.3 provide specification for materials and fittings for the installation

33.2 The Licensee shall, upon completion of the installation and prior to providing distribution services to the consumer or shipper, -

- 33.2.1 check the installation to ensure it meets the requirements provided under clause 32.1;
- 33.2.2 ensure the standards of good workmanship for safe supply of natural gas; and
- 33.2.3 test the installation for leaks using the technical standards for testing established by the Authority.

33.3 The Licensee shall, -

- 33.3.1 annually check its consumers at random for leakages in the internal pipelines of the premises.
- 33.3.2 inform the consumers and shippers of the potential risks and hazards, and safe and efficient use of natural gas; and advise the consumers and shippers.
- 33.3.3 educate and advice the consumers and shippers to use good quality gas appliances conforming to standard laid down by Pakistan Standards and Quality Control Authority and during winter months the Licensee shall launch a comprehensive campaign through print and electronic media including TV and Radio to create awareness amongst consumers regarding the conservation and safe use of natural gas:
- 33.3.4 provide a telephone number in writing which the consumers and shippers can use any time during twenty-four (24) hours to report emergency and service concerns.

34. Records of Distribution System

34.1 The Licensee shall, within two (2) years of the date of issuance of the License or such other period as may be approved by the Authority at the request of the Licensee, submit to the Authority a complete record of the distribution system being operated by the Licensee, in such detail, form and format as may be specified by the Authority.

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34.2 The Licensee shall, within ninety (90) days of the issuance of the License or at such date as is approved by the Authority at the request of the Licensee, submit a plan outlining how it proposes to prepare the record and it shall provide a progress report of its work in preparing such record every six (6) months, starting from the date of the issuance of the License. 1115

35. Patrolling the Distribution System

In accordance with the technical standards specified by the Authority, the Licensee shall institute a program of patrolling the distribution system, gas main and high-pressure distribution pipelines to observe factors affecting the safe operation of the distribution system.

36. Information on Website

36.1 The Licensee shall place on its website the following materials:-

36.1.1 Available capacity shall be regularly updated;

36.1.2 Procedures to apply for capacity allocation and entering into gas transportation agreement;

36.1.3 RLNG and natural gas quality specifications;

36.1.4 Operational planning and scheduling;

36.1.5 Off-spec gas penalties;

36.1.6 Network Code;

36.1.7 Approved tariff for firm and interruptible services;

36.1.8 Standardized terms of gas transportation agreement: and

36.1.9 any other item required by the Authority.

37. Penalty on Contravention

The Authority, on contravention of the Rules, conditions of this License or the Authority's written instructions, may impose a fine or revoke the License in accordance with the provisions of the Rules.

38. Assignment, Sale and Transfer of License

The Licensee shall not assign, encumber, sell or transfer the License or any rights or obligations thereunder without prior written approval of the Authority.

39. Non-Discrimination

The Licensee shall not exercise discrimination against or show undue preference towards any consumer. The consumers shall be treated in accordance with the license, applicable Rules and Regulations/ Policies of Federal Government.

40. Inspection by Authority

The Licensee shall permit any person duly authorised by the Authority to carry out such inspection and examination of any of its assets or records as may be required to be undertaken by the Authority to comply with its functions or to exercise its powers under the Ordinance and Rules.

41. Technical Audit and Enforcement

41.1 The Licensee shall arrange a technical audit of its operations and license conditions within three (3) years of issuance of the License or within such other period as may be approved by the Authority. Subsequent audits shall be arranged by the Licensee not later

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than the expiry of each period of ten (10) years of the first audit or such other period as may be specified by the Authority.

41.2 The criteria for the prequalification of technical auditors and terms of reference shall be developed by the Licensee and submitted in writing to the Authority for its approval. Such technical auditors shall be appointed by the Licensee in strict accordance with the criteria approved by the Authority.

41.3 Where the Authority requires any other type of audit with respect to the regulated activities, the Licensee will arrange such audit through a well reputed auditor and submit the audit report to the Authority.

41.4 If the Authority is of the opinion that the Licensee has contravened any condition of the License, decision of the Authority or any provision of the Ordinance or the Rules, the Authority may take such action as may be prescribed by the Ordinance and Rules, including imposition of fine and/ or suspension or revocation of the License in accordance with the Ordinance and Rules.

42. Complaints Resolution Procedure

42.1 The Licensee shall, within sixty (60) days of the date of issue of the License or at such date as may be approved by the Authority, submit its complaints resolution procedure based upon principles of accessibility, efficiency, fairness, openness and proportionality for approval before the Authority.

42.2 Upon approval, the Licensee shall implement the complaints resolution procedure to address complaints received from the aggrieved parties in a transparent, result-oriented and effective manner.

42.3 The Licensee shall submit a report on the complaints to the Authority not later than one hundred and eighty (180) days from the date of issue of the License and thereafter every ninety (90) days or at such other date as may be approved by the Authority.

42.4 The report under clause 42.3 shall include the information on the number of complaints handled by the Licensee in the given time period and the breakdown of complaints in various categories based on their nature.

43. Performance and Service Standards

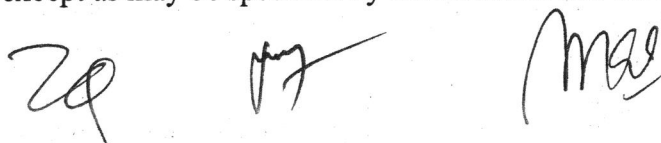
43.1 The Licensee shall conform to such performance and service standards as may be specified by the Authority, from time to time, in respect of the regulated activities.

43.2 The Licensee shall submit an annual report, detailing the extent of compliance with the above standards specified by the Authority.

44. Provision of Information

44.1 The Licensee shall provide all such information to the Authority as may be required for fulfillment of the Authority's functions and powers under the Ordinance and Rules.

44.2 No party shall use any information provided by the Licensee in any manner and for any purpose except as may be specified by the Licensee and the Authority.



45. Notices

- 45.1 Any notice given hereunder shall be deemed to have been duly served and received at the actual time of delivery, if delivered personally, seven (7) working days subsequent to the date of postage, if sent by registered mail; and at the time of receipt, if transmitted by facsimile or e-mail where there is confirmation of uninterrupted transmission by a transmission report and provided that the original of the notice is then delivered personally or sent by registered mail or courier as soon as reasonably practicable.
- 45.2 All notices to be given under any Condition shall be given in writing and shall be deemed to have been properly served if delivered in person or sent by registered mail or transmitted by facsimile or e-mail to the relevant party at the addresses set out below or at such other address as that party may from time to time specify in writing to the other.

Licensee:

Chief Executive Officer,
Punjab Industrial Estate Development and Management Company (PIEDMC);
Commercial Area (North) Sundar Industrial Estate, Sundar Raiwind Road, Lahore.
Tel: (+92) 42 35297203-6
Fax: (+92) 42 35297207
Email: info@pie.com

Authority:

The Registrar,
Oil and Gas Regulatory Authority,
Blue Area, Fazl-e- Haq Road, Islamabad, Pakistan.
Tel: 051-9244296, 051-9244090-98-(157)
Fax: 051-9244310
Website: www.ogra.org.pk



