

**KARACHI:** While thousands of motorists have already been running from pillar to post to get compressed natural gas (CNG) due to an indefinite strike being observed by some CNG station owners following a cut in CNG prices, the Sui Southern Gas Company on Monday decided to close gas stations for 48 hours from 12 midnight on Tuesday till 12 midnight on Thursday.

Holding the ministry of petroleum and natural resources responsible for creating what they described as a chaotic situation, CNG station owners and dealers termed its measures a conspiracy against us and the masses.

Speaking to Dawn after addressing a hurriedly called press conference, CNG Dealers Association Chairman Abdul Sami Khan said that those who could not sustain losses had kept their pumps closed. He alleged that a number of pumps were forcibly being opened by police. I fail to understand why the government is creating chaos ahead of an election, he said, adding that if a number of pumps were closed in the country then why the gas utility followed its weekly load-shedding schedule.

CNG owners and dealers would fight for the cause of our business and interest of the masses till the attainment of their objectives, said Mr Khan.

He added that they would not bow down against the petroleum ministry and the relevant authorities allegedly manipulating the retail cost versus operating expense of CNG fillers.

According to a press release, the CNG owners and dealers said they were ready to face litigation as they had appointed a lawyer to fight their case in the Supreme Court in the upcoming hearing of Dec 5.

He said that the dealers would not accept a backdoor policy of the government to close the entire industry through legislation in line with their motives.

He said the ministry and the relevant authorities had presented wrong figures in court that resulted in the Rs30 cut per kilo prices of CNG. He said the wrong figures had been presented in the court despite the fact that independent government auditors had evaluated the operational cost and presented their findings to the oil and gas regulatory authority.

CNG dealers could not operate on hefty losses and they could shut their business as far as laws of their business were concerned, yet they were being detained in jail and forced to operate in losses, Mr Khan alleged.

He demanded a justified profit, not a windfall, to be given to dealers. No sectors could run business while suffering everyday losses, which they had been incurring for the past 40 days, said the CNG dealers association chairman. Abid Uzair, an executive member of the CNG Station Owners Association, said the profit had been fixed at Rs4.95 per kilo for CNG stations situated in Region 1 and Rs6.04 per kilo for Region 2 after the prices of CNG were quoted as Rs61.64 per kilo and Rs54.16 per kilo in the court by the ministry of petroleum.

Comparison of gas prices

Comparing the CNG tariff rates with other sectors, he said that CNG station owners paid Rs618.55 per MMBTU for natural gas, while the fertilisers, independent power producers and industrial sectors were provided gas at Rs116.27, Rs460 and Rs460 per MMBTU, respectively.

According to him, the impression about the CNG sector being given a subsidy was utterly wrong. Instead this sector generated a revenue of Rs80 billion annually for the national exchequer that supported different sectors for having subsidy from the government's side, he added.

Also, expenses incurred by CNG owners were relatively higher than all the sectors, he said. The cost on CNG was evaluated at Rs31.09 a kilo whereas the production of electricity by independent power producers, urea by fertiliser companies and products made by different companies were Rs5.84, Rs23.12 kg and Rs23.12 per kilo, respectively.

Mr Uzair said CNG consumption share in overall gas supplies was low among all the sectors. It stood at 9.42 per cent that usually came down to seven per cent due to weekly scheduled closures, he said. The shares of industrial, power and

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fertilizer sectors constituted 21.78 per cent, 27.52 per cent and 16.6 per cent, respectively, he said.

CNG Stations Owners Association Chairman Malik Khuda Bux said that the government had put at stake the jobs of 0.64 million people along with investment of Rs122 million made by CNG dealers and station owners.

He said the government should realise that CNG in the vehicles had saved \$5.6 billion of the foreign reserves that the natural gas substituted in the imports bills. Almost 100 million people were benefited from the cheap fuel on a daily basis, he said, adding that the government controlled pollution drastically in the environment with CNG industry nonetheless.

Meanwhile, an SSGCL spokesperson said that the two-day closure had been announced to improve the line pack position all over Sindh which had been badly disturbed due to short supply of gas from different gas fields, causing depletion of line pack and low pressure in the system.

Courtesy: Dawn