

ISLAMABAD: The owners of compressed natural gas (CNG) stations offered on Monday to open their outlets to facilitate consumers provided the gas companies restored their supplies disconnected for non-payment during the ongoing dispute over pricing.

The offer came from the All Pakistan CNG Association (APCNGA) when a sub-committee of the National Assembly's Standing Committee on Petroleum and Natural Resources, led by MNA Jamshed Dasti, informed it that the legislators' panel would request the government and the Supreme Court to treat the CNG sector equitably with other sectors in gas pricing.

Jamshed Dasti said the committee would recommend to the government to bring the Gas Infrastructure Development Cess on CNG at par with other sectors and also submit the recommendation to the court.

He said the station owners should reciprocate by resuming the sale of CNG to consumers.

Ghiyas Abdullah Paracha, a leader of the APCNGA, said over 400 stations had closed down because of disconnection by gas companies under, what he called, a conspiracy by the petroleum ministry.

MINISTRY, OGRA UNDER FIRE: Accusing the ministry and the Oil and Gas Regulatory Authority (Ogra) of discrimination, he said the price of gas for CNG was Rs31.09 per kg against Rs5.84 for fertiliser plants and Rs23.12 for industrial consumers and independent power producers.

Likewise, the CNG sector is being charged infrastructure cess at Rs13.24 per kg against Rs5.03 for fertiliser and power producers and Rs2.51 for the industry. The CNG is subject to Rs11.08 per kg general sales tax, compared with Rs2.72 for fertiliser and Rs7.09 for the power sector. As a result, the total cost of gas for CNG was Rs 55.42 per kg, for fertilisers Rs 13.59, for IPPs Rs35.18 and for other industries Rs32.09, he said.

Mr Paracha claimed that the CNG operators were suffering a loss ranging between Rs10.37 and Rs18 per kg since the revision of prices on Oct 25. Ogra Chairman Saeed Ahmad Khan said the sector was a deregulated business now after cancellation of a 2008 memorandum of understanding between the CNG industry and the petroleum ministry and, legally speaking, its prices could not be fixed by the regulator.

He said Ogra had worked out a new formula after instructions of the apex court and submitted it to the ministry for policy guideline. Unless the ministry issues policy guidelines granting the power to Ogra, the prices cannot be notified by the regulator. Mr Dasti said the petroleum ministry was a central party to the CNG affair, but it was insensitive to consumers' misery.

Go out and see for yourself the endless queues on roads.

He said the committee would not support any increase in existing prices and would instead recommend to the government a reduction in taxes on CNG for fair and equitable treatment of all consumers.

The MNA alleged the ministry was being headed by a non-Pakistani who had no interest in ameliorating the consumer's sufferings. Some members of the committee said the managing director of Pakistan State Oil should be sacked because he, too, was a dual national.

They said the petroleum sector was being run by people inducted through the backdoor and who do not have any stakes in the country. Mr Dasti said he would have ordered immediate arrest of some officials if only he had the power to do so. He said a former prime minister — an allusion to Yousuf Raza Gilani — should be held accountable for appointing Tauqir Sadiq as Ogra chief. Petrol and diesel worth Rs42 billion had been stolen from a pipeline being operated by the PSO and Parco, but the government was silent, Mr Dasti lamented.

The committee was informed that the PSO and police had found a clamp on Nov 7 from where 123,457 litres of fuel had been stolen. A Punjab police officer said a group of people involved in the oil theft had also confessed to having stolen 1.6 million litres of high speed diesel. The committee asked the Punjab police chief not to transfer, under any political pressure, the station house officer of Mehmoodkot, near Multan, who had

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arrested the oil thieves.</p> <p>♦</p> <p>Courtesy: Dawn</p>