

Docketing and Information Repository System (DIRS)



Oil and Regulatory Authority Pakistan



National
Association of
Regulatory
Utility
Commissioners



USAID
FROM THE AMERICAN PEOPLE

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**Oil & Gas Regulatory Authority
Government of Pakistan**

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INITIAL WORKING DRAFT

Version 6.1 180803

ASSESSMENT REPORT

OF

OGRA TASK 1-0

DOCKETING & INFORMATION REPOSITORY SYSTEM (DIRS)

A SUMMARY OF FINDINGS AND RECOMMENDATIONS FOR NEXT STEPS

INITIAL WORKING DRAFT



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1. LIST OF ABBREVIATIONS

AEDB	Alternative Energy Development Board
CNG	Compressed Natural Gas
CRPR	Complaints Resolution Procedure Regulations
DIP	Detailed Implementation Plan
DIS	Docketing Information System
DIRS	Docketing & Information Repository System
EPA	US Environmental Protection Agency
ERP-P	Energy Regulatory Partnership-Pakistan
ERRA	Energy Regulatory Regional Association
FERC	US Federal Energy Regulatory Commission
GOP	Government of Pakistan
IFEM	Inland Freight Equalization Margin
IT	Information Technology
LNG	Liquefied Natural Gas
LPG	Liquefied Propane Gas
NARUC	National Association of Regulatory Utility Commissions
NEPRA	National Electric Power Regulatory Authority
OGRA	Oil and Gas Regulatory Authority
PPIB	Private Power Infrastructure Board
PPRA	Public Procurement Regulatory Authority
PUC	Public Utility Commission
PUCN	Nevada Public Utility Commission





PUCO	Public Utilities Commission of Ohio
R&I	Receipts & Issues Section
SKO	Superior Kerosene Oil
SNGPL	Sui Northern Gas Pipelines Limited
SSGCL	Sui Southern Gas Company Limited
USAID	United States Agency for International Development



2. EXECUTIVE SUMMARY

2.1 Purpose, Rationale & Direction

The purpose of this report is to undertake a limited-scope assessment of the types of filings (applications, petitions, rulemakings, regulations, technical standards, investigations, and complaint resolutions) and the mechanics of records management for all oil and gas regulatory matters that are filed with the Oil and Gas Regulatory Authority (OGRA).

The rationale is to clarify the OGRA records management system with a focus on efficiency and effectiveness in data and information management. Docketing is the filing, collection, record-keeping, storage, printing, distribution, scheduling & maintenance of information & data for all public utility matters that concern the legal & regulatory functions of any oil and gas utility companies. The Information Repository System goes hand in hand with Docketing, as it allows for safe-keeping and storage, as well as easy access to documents and files as needed or required.

This assessment will provide findings and recommendations to improve OGRA's capability for the collection and storage of data and information. The ensuing phase of this Task is to prepare for the creation of the Docketing and Information Repository System (DIRS) and its functions that reflect international standards and practices for docketing and records management.

2.2 The Authority's Regulatory Decision-Making Process

The regulatory framework is a quasi-judicial for issuance/renewal of licenses, tariff setting, disposal of appeals and maintenance of proper standards and quality of services by the licensees. Therefore, the Authority is vested under the Ordinance and Rules with the power of delivering decisions. The Authority exercises the power of original jurisdiction in case of petitions filed for the grant of licenses for various types of regulated activities, setting of tariffs which include determination of estimated and final revenue requirement of natural gas transmission and distribution licensees at the beginning and the end of each financial year respectively, and also its review during the year. In addition to natural gas, the Authority is empowered to grant licenses for Oil, CNG, LPG and LNG related regulated activities. The Authority is also vested under the law with the appellate power against the decisions of its delegates and power to review its own decisions.

All petitions are examined in the light of relevant rules, which, inter-alia, involve interactive process of consultation with all stakeholders including consumers through public hearings. This provides the general public an opportunity to put across its point of view on the cost and quality of service provided by the utility companies. This enables the Authority to have the benefit of a wider range of information and all shades of opinion, which it evaluates before reaching a decision.



The Powers & Functions of the Authority as embodied in the Ordinance are as summarized:

- Exclusive power to grant, amend or revoke licenses for regulated activities and enforce compliance of license conditions to promote efficiency, cost effectiveness, and best practices to ensure superior conditions of environmental, health, and safety and service standards. The regulated activities are:
 - **Natural Gas**
Construction / Operation of pipelines or storage facilities or other installations
Transmission
Distribution
Sales
 - **Oil**
Construction / Operation of refinery, pipelines, storage facilities, blending facilities and installations
Marketing and storage of refined oil products
 - **Liquefied Petroleum Gas (LPG)**
Construction / Operation of pipelines, production or processing facilities, storage facilities and installations
Production, storage, filling and marketing
 - **Compressed Natural Gas (CNG)**
Construction / Operation of installations including testing or storage facilities.
Transporting, filling, marketing and distribution
 - **Liquefied Natural Gas (LNG)**
Construction / Operation of LNG receiving, re-gasification terminals
Construction / Operation of LNG storage facilities
Transportation, filling, marketing and distribution of LNG
- Determine in consultation with the Federal Government and the licensees, a reasonable rate of return to the natural gas licensees
- Determine the revenue requirement of gas utilities covering the cost of gas, transmission and distribution cost and the prescribed return
- Develop and enforce performance and service standards
- Prescribe procedures and standards for investment programs of the gas utilities and oversee their capital expenditure to ensure prudence
- Resolution of complaints and disputes between a person and a licensee or between licensees



- Enforce standards and specifications for refined oil products as notified by the Federal Government
- Implement policy guidelines of the Federal Government, issued under Section 21 of the OGRA Ordinance subject to their being consistent with the provisions of the Ordinance.
- OGRA is granted:
 - Exclusive power to employ officers, staff, experts, consultants, advisors and other employees on such terms and conditions as it may deem fit
 - Exclusive powers to decide upon all matters in its jurisdiction

2.3 Formation of the OGRA/NARUC Team

The initial meeting between OGRA and NARUC was conducted on 2 January 2018. Discussions were based on NARUC's cooperative agreement with USAID, which encouraged NARUC's cooperation with Government of Pakistan regulatory authorities. NARUC was encouraged to provide technical assistance, training and capacity building to OGRA on regulatory

Currently, records management is not centralized. Record management is associated with the OGRA's each concerned Departments. R&I Section being part of Administration Department receives and issues the incoming and outgoing mail of each Department. Furthermore, Administration Department observes, ensures and executes the rules, regulations, procedures and decisions of the Authority pertaining to procurement & organizational support services under the approved budget and in accordance with PPRA Rules. The Administration Department also provides organizational support services for all employees and units of OGRA's head office and regional offices. The Administration Department conducts different types of procurement, services, supplies, and materials. The R&I section, Transportation section, the OGRA store, and Reception Desk (including security services) are being managed by the Administration Department. Additionally, the Department executes the following: preparation of Tender Notices, pre-qualification of firms, auction matters, procurements of machinery, furniture & fixtures, payment of utilities bills, security, janitorial and courier services, fire & group insurance claims, rent of office building, Contract/Lease agreement, stationery, printing material, hiring of consultancy services, and purchase of IT hardware and software. The Administration Department serves as the liaison with other procurement and civic agencies for contracting, execution of work and timely payment of invoices. It is also emphasized that Fiber Optic internet connections having good bandwidth will be installed in OGRA's all four regional offices i.e. Karachi, Lahore, Peshawar and Quetta for connectivity of DIRS/ e-office with OGRA's Head Office, Islamabad at the time of project implementation.

The Corporate & Media Affairs (C&MA) Department has taken lead in establishing Digital Knowledge Database/Bank in order to improve availability of data and records management by the utilization of technology and information systems in the conduct of day-to-day business. It also improves communications with all other OGRA stakeholders and promotes automated solutions, such as document imaging and workflow, to create a more dynamic workplace and decrease obstacles in completing



tasks. On the implementation of DIRS the Human Resources Department will be utilized in a much better way to provide greater transparency and real time decision-making capability. All data and information will be maintained in docketed case files.

2.4 Core Team

1. Mr. Imran Ghaznavi

Joined OGRA in December 2016 as Senior Executive Director. He has vast experience of over 25 years in management including Organizational Development, Regulatory Supervision, Strategic Management, Corporate Governance, Media Operations & Institutional Building, Agenda Analysis and Design, Strategic Communication, Perception Management, Brand Management, Media Management, Crisis Communication.

2. Mr. Muhammad Asad Latif

In 2001, his services were hired by the newly established Natural Gas Regulatory Authority which was subsequently subsumed into Oil & Gas Regulatory Authority (OGRA) and since then he is serving in the same Organization. During his 17 years' service with OGRA, he has been working on various positions pertaining to the administrative and Regulatory role of the Organization.

3. Mr. Anis Haider Hamdani

Syed Anis Haider Hamdani has M.Phil and M.Sc degree in Economics from Quaid-i-Azam University, Islamabad. He has Joined OGRA in 2006 and worked on various positions. Disseminate information and reports pertaining to all regulatory activities of the Authority to Government organizations. Capacity building of OGRA Employees through local and foreign trainings. Produce periodicals /annual reports in accordance with the provision of OGRA.

4. Mr. Aftab Alam Khan

Joined Oil and Gas Regulatory Authority (OGRA) Pakistan 2002 as Head of IT Department. The work experience includes establishing IT setup for the organization and web portal as pioneer and managing IT for the smooth functioning of organization's daily operations.

Representatives of Other Departments

1. Mr. Imran Akhtar
2. Mr. Azhar Nizam
3. Ms. Tayyaba Ahsan
4. Ms. Kanwal Akmal

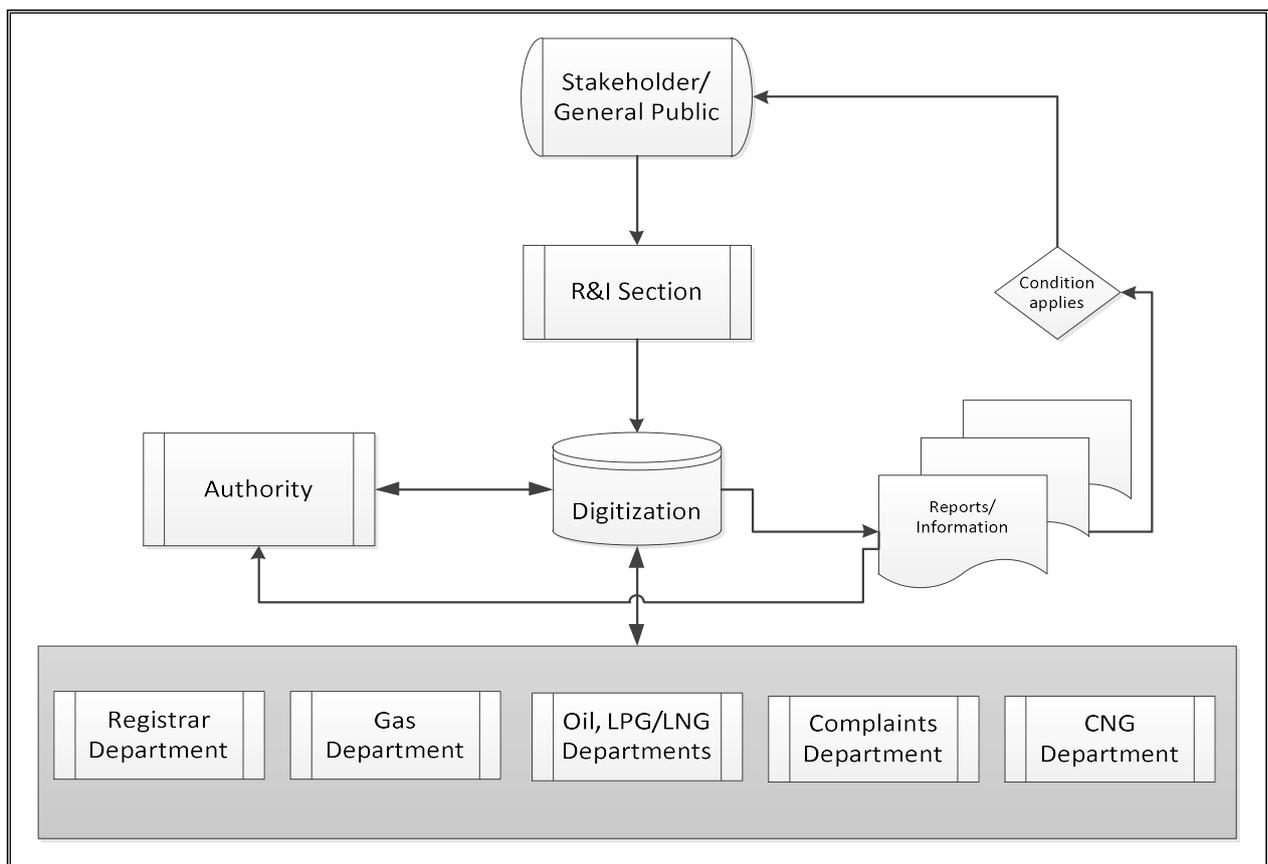
2.5 The DIRS Application Benefits

- Creates an integrated system for improved reporting and create an efficient streamline of business processes and workflows.



- Provides immediate independent access of information to the Authority/case officers for quick review of all relevant documents.
- Reduces the need for hard copies
- Provides increased and improved web access and self-service for employees
- Enhances information sharing across departments
- Reduces redundant data entry processes
- Better use of technologies and infrastructure benefits
- Eliminates dependency on legacy system technologies
- Establishes a high level of system integration
- Provides 24/7 system availability
- Ensures individual case records that serves as the basis for Authority decision-making
- Allows for the safe-handling and storage of case files and dockets
- Provides for security of documents
- May be used as a source of revenue for the sale of copied documents

FLOW CHART OF DIRS SYSTEM/ E-OFFICE



3. INTRODUCTION

3.1 Background

At the beginning of January 2018, Oil and Gas Regulatory Authority (OGRA) and the National Association of Regulatory Utilities Commissioners (NARUC) conducted an initial meeting to discuss opportunities for collaboration, as supported by the USAID-funded Energy Regulatory Partnership-Pakistan (ERP-P). NARUC's cooperative agreement supports technical assistance, training and capacity building on regulation and policy in Pakistan as the country shifts toward more transparent, coordinated, strengthened and effective regulation of its electric power and natural gas and oil industries. This cooperative agreement identified OGRA, National Electric Power Regulatory Authority (NEPRA), and Alternative Energy Development Board/Private Power Infrastructure Board (AEDB/PPIB) as potential ERP-P counterparts with NARUC.

Meetings progressed in February through June, resulting in friendship and trust among the two organizations. Discussions proceeded on OGRA priorities that required changes and movement towards: (i) the latest updates of international regulatory practices, standards and reforms; (ii) regulatory strengthening of processes and procedures; (iii) an introduction of technologies that bring forward more efficiency and better effectiveness; and (iv) a greater focus on specialized technical assistance, training modules for job performance, capacity building for sustainable management and operations, and career path growth that provides OGRA employees with a challenging future in regulation. Four Tasks were initially proposed as drafts to Detailed Implementation Plans (DIPs), which mostly required initial assessments of the subject areas.

To formalize the OGRA and NARUC relationship, a cooperative agreement was signed on 10 April 2018. This established a foundation for OGRA and NARUC to closely cooperate as a team to jointly conduct the following activities:

- DIP for OGRA Task 1-O: Docketing & Information Repository System (DIRS)
- DIP for OGRA Task 2-O: Regulatory Training to Facilitate OGRA Functions, Responsibilities & Actions
- Peer-to-Peer DIRS Activity

This report covers the Task 1-O Limited-scope Assessment Phase for DIRS, which takes into account the following areas:

- Review and analyze the existing procedure of handling dockets that are originally submitted to the OGRA Receive and Issue (R&I) Section. It will take into account how filed dockets flow within OGRA, including timing and scheduling of cases. It will report on the current hardware and software systems that are in-place and the methods practiced for the security and storage of information and data
- Meet with an OGRA Focus Group of employees to discuss their experience, ideas and proposals to conceptualize and build a more efficient and effective docketing and records management system



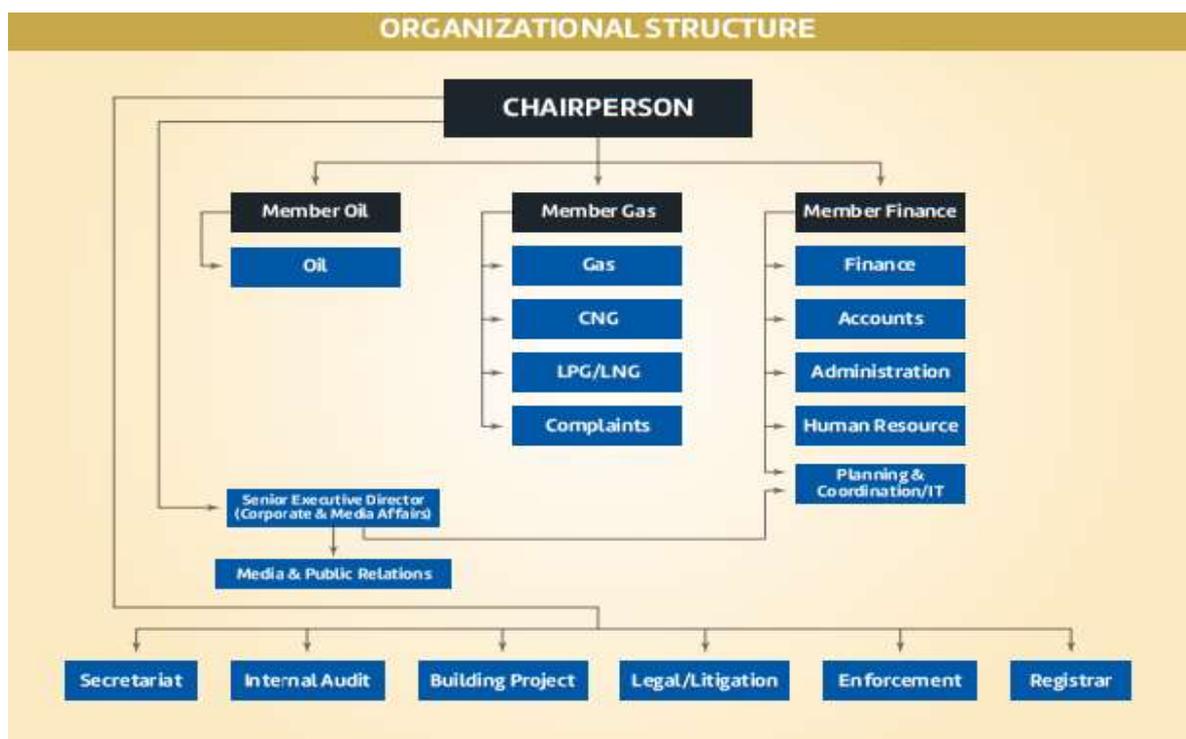
- Meet with a Licensee and Stakeholder Focus Group of selected individuals and organizations to learn their experience, ideas, desires, reasons and suggestions for timely access to docketing and records management information and data
- Conduct a quick literature review of the regulated oil and gas industry (midstream and downstream) and present summary findings on the international standards and practices of the timely management of vital data and information
- Identify basic needs for DIRS Department training, capacity development and public outreach activities with the approval of Authority
- Provide a summary of findings with proposed recommendations for next steps

3.2 Overview of the OGRA

The OGRA was established by the GOP on March 28, 2002 in pursuance of the Oil and Gas Regulatory Authority Ordinance, 2002. Since 2002, there have been two amendments to the Ordinance that brings about some clarifications to OGRA. The objective of OGRA is to “foster competition, increase private investment and ownership in the midstream and downstream petroleum industry, protect the public interest while respecting individual rights and provide effective and efficient regulations”.

The Authority is comprised of the Chairperson and Member (Gas), Member (Finance) and Member (Oil). There are nine senior management and more than 250 employees of OGRA. The OGRA head office is located in Islamabad with four regional offices that serve Karachi, Quetta, Lahore and Peshawar. Figure A shows the OGRA organization chart, which is composed of 15 departments.

Figure A: The OGRA Organization Chart



3.3 OGRA Powers and Functions

The powers and functions of the Authority are cited in Section 6 of the OGRA Ordinance. Overall, The Authority has the exclusive power to grant licenses for regulated activities to qualified companies (Licensees) that have operations in the Natural Gas, Compressed Natural Gas (CNG), Liquefied Petroleum Gas (LPG), Liquefied Natural Gas (LNG) and Oil (both crude and refined petroleum products) sectors.

Examples of regulated activities of OGRA Licensees include:

- Construction and installation of pipelines
- Development of the transmission and distribution network
- Sale and storage of Natural Gas
- Installation, production, storage, transportation and marketing of CNG, LPG and LNG
- Establishing and operating refineries
- Construction and operations of storage facilities
- Lubricant oil blending plants and marketing of refined petroleum products in the Oil sector
- Filing annual reports with OGRA
- Financial reporting in the Uniform System of Accounts

Major regulatory functions of OGRA are represented by the following:

- Draft and adopt rules, regulations, policies, procedures, standards and reports
- Specify performance standards and service standards of Licensees
- Administer, enforce and certify standards for any regulated activity
- Specify and review standards for the equipment and materials to be used in undertaking any regulated activity
- Promote and ensure the observance of efficient practices
- Make decisions on regulatory issues, allow for petitions and appeals
- Promote effective competition and efficiency
- Monitor and enforce compliance by Licensees
- Take enforcement actions, issue show cause notices and order penalties for violations
- Determine revenue requirement, prescribed prices of natural gas utilities, and notification of prescribed and consumers sale prices
- Compute and notify ex-refinery price of Superior Kerosene Oil (SKO), including ex-depot prices of SKO & E-10 and Inland Freight Equalization Margin (IFEM) for all products
- Monitor the pricing of petroleum products under the deregulated scenario
- Enforce technical standards and specifications (best international practices) in all the regulated activities
- Prescribe a uniform system of accounts and accounting practices for all licensees
- Resolve public complaints, disputes and other claims against licensees and between licensees



- Ensure the provision of open access, common carrier and common operator in the public interest
- Protects the interests of all stakeholders, including the consumers and Licensees
- Administer or establish prices
- Prescribe, approve and regulate tariffs for regulated activities pertaining to natural gas and operations of the Licensees for natural gas and marketing of refined oil products
- Allow for a reasonable rate of return for each natural gas Licensee
- Provide oversight of capital expenditures by natural gas Licensees
- Prescribe procedures and standards for investment programs by Licensees for natural gas
- Determine well-head prices for natural gas
- Enforce standards and specifications for refined oil products

3.4 Licensees Registered with OGRA

The number of Licensees that are regulated by OGRA for each sector include:

Natural Gas Sector	No.
Integrated	02
Transmission	10
Sale of Natural Gas / RLNG	07
Sale and Transmission of Natural Gas	01
Sale of Low Pressure Flare Gas	02
CNG Sector	
CNG	3603

LNG/LPG Sector	No.
LNG	04
LPG Producers	12
LPG Marketing Companies	166
LPG Construction License for Auto-Refueling Stations (Valid)	15
Licenses for Operations LPG Auto Refueling Stations	17
LPG Construction License for Storage and Filling Plants (Valid)	75



LPG Operation Licenses for Storage and Filling	203
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Oil Sector	No.
Oil Marketing Companies	23
Setting of Oil Refineries	03
Provisional Licenses for establishing OMCs	37
Construction of Oil Storages	45
Lube Oil Blending / Reclamation Plants	66
Lubricant Marketing Companies	75
Oil Testing Facilities	02

Each Licensee has the following business segments:

- Natural Gas transmission and distribution (wholesale and retail sales)
- CNG station operations
- LPG construction, storage and refueling plants
- LNG terminal construction and operations
- Oil lubricant marketing companies, Oil refineries, Oil lubricating plants, and Oil marketing companies
- OGRA also deals with complaint regulation procedure regulation (CRP), 2003 and disposed of 26696 till 2016.

3.5 Rules, Regulations, Standards & Reports

Recent OGRA governance functions include:

- Rules
 - Third Party Access Rules
 - Natural Gas Allocation and Access Policy Rules
 - Pakistan Oil (Blending, Refining, Storage and Marketing) Rules
 - CNG Rules
 - LPG Rules
 - Natural Gas Licensing Rules
 - Natural Gas Tariff Rules
 - Budget Committee Rules
 - OGRA LNG Rules
 - Natural Gas Well Head Price Rules
 - Third Party Access Rules 2012
- Regulations
 - Complaints Regulation Procedure Regulations
 - Contracts for the Supply of Gas (Consumers, Commercial and Industrial Use)



- Natural Gas Uniform Accounting Regulation, 2003
- OGRA Financial Regulation
- Natural Gas Well Head Price Regulation
- Natural Gas Transmission (Technical Standards)/Regulations
- Natural Gas Distribution (Technical Standards)/Regulations
- Service Regulation
- Standards
 - Oil Transportation (Pipeline Technical Standards)
 - Technical Standard for petroleum industry retail outlet.
 - Performance and Service Standard for gas utilities
 - Natural Gas (Well Head Price) Regulations, 2009
 - Technical Standards for Petroleum Industry (Road Transport Vehicles, Containers and Equipment Used for the Transportation of Petroleum Product)
 - Technical Standards for Oil Refineries
 - Standard Technical Specification for Equipment and Material used in Natural Gas Transmission Network, 2009
- Reports
 - OGRA Annual Report
 - Petroleum Industry Annual Report
 - Unaccounted for Gas Study Report, Decision and Annex
 - OGRA Report of Oil Tankers

3.6 Legal Basis for DIRS

To summarize, all of OGRA regulated oil and gas activities require a centralized records management database system. Filings of data and information shall be made available for inspection by Licensees and other stakeholders. Subject to Section 38, Section 19 (1) of the OGRA Ordinance states that, “the Authority shall maintain public files that shall be kept open in convenient form for public inspection and examination during reasonable business hours, on payment of such reasonable fees as the Authority may prescribe”. Section 19 (2) goes on to specify “Subject to procedures and standards for confidentiality prescribed by the Authority, the Authority’s files shall include all relevant documents to be maintained and indexed as the Authority deems fit”. Section 38 covers the treatment of confidential information for those that are not legally entitled to that information.

OGRA and NARUC have agreed to pursue the development of a DIRS that will serve the public need in a timely and efficient manner. It is well recognized that the current OGRA system for records management is old and needs updated. Not only does technology need to be replaced, but more resourceful processes and procedures should be established, so that all stakeholders can have access to records, as needed.



4. FUNCTIONS OF DEPARTMENTS

4.1 Registrar Office

Registrar Office receives, examines and processes the petitions filed by SSGCL and SNGPL for determination of their revenue requirements of each financial year under the provisions of the OGRA Ordinance, 2002 and the Natural Gas Tariff Rules, 2002. Registrar Office is also responsible to undertake procedures for grant of licenses with respect to Natural Gas, LNG and low pressure gas cases. Registrar Office also scrutinizes and processes the complaints lodged by any person or licensees in accordance with CRPR, 2003 and forwards the same to Designated Officers (DOs) of the concerned departments for appropriate decisions/disposal. Section 12(1) of the OGRA Ordinance, 2002, allows the parties who feel aggrieved of the decisions of the DOs to file appeal before the Authority. The Registrar Office receives and processes the appeals and review petitions and facilitates the Authority in conducting of hearings and formulation of the decisions with respect to Natural Gas, LPG, CNG, Oil and Enforcement cases. Record proceedings of the Authority during the hearings and issue decisions of the Authority after approval of the same. Registrar Office also examines and processes the applications for determination of well-head gas price before sending the same to Finance Department and scrutinizes the fee matters relating to tariff, license petitions, appeals/reviews, well-head price and annual license renewal fee from the licensee. Further, Registrar Office also provides legal opinion and represents OGRA before different courts of Law.

4.2 Oil Department

OGRA is mandated to regulate mid and downstream oil sector in the country under the Pakistan Petroleum (Refining, Blending and Marketing) Rules, 1971 till January 22, 2016 and under the new Rules [i.e. Pakistan Oil (Refining, Blending, Transportation, Storage & Marketing) Rules, 2016] notified on January 22, 2016. The powers conferred under the aforesaid rules to the extent granted under SRO No. 236 (1)/2006 dated March 13, 2006 & OGRA Ordinance mainly pertains to grant of license to undertake marketing of refined oil products, construction & operation of oil infrastructure [i.e. oil refinery, oil pipeline, oil storage facility, lube oil blending/reclamation facility & oil testing facility], establishing/ operation of lubricant marketing companies. Besides the aforesaid, Oil Department monitors the quality of refined oil products with respect to GoP approved specifications and also ensure the construction of oil infrastructure is in accordance with the relevant technical standards notified by OGRA. Further, Oil Department deals complaints of the general public against its licensees and redress the same in line with OGRA's Complaint Resolution Procedure Regulations, 2003.

4.3 Gas Department

The regulatory functions of Natural Gas sector were transferred to OGRA on March 28, 2002. The basic functions performed by Gas Department pertain to grant of licences regarding Sale, Transmission and Distribution of Natural Gas / RLNG, Determination of Revenue Requirements of Gas Utility Companies i.e. SNGPL and



SSGCL on regular basis, monitoring and enforcement of rules, regulations / standards and applicable licence conditions, approval of Gas Sale / Purchase Agreements pertaining to the regulated gas sector. Another important tasks performed by Gas Department is to handle cases related to Natural Gas Infrastructure Development Projects. Processing of cases regarding Gas Pipeline Capacity Allocation and related Gas Transportation Agreements. Gas Department is undertaking studies such as review of TPA Rules, conduct of UFG Study of Gas Sector, liaison with International Organizations / Donors, e.g. World Bank, USAID, etc, regarding Gas Sector Reforms. Furthermore, Gas Department responds / attends the Court Cases pertaining to the regulated Gas Sector, formulation of rules, regulations and procedures for the conduct of licensees.

4.4 LPG Department

OGRA is empowered to regulate the LPG sector under the OGRA Ordinance, 2002 and LPG (Production & Distribution) Rules, 2001 with effect from 15th March, 2003. Since then OGRA has been regulating the sector in accordance with LPG (Production & Distribution) Rules, 2001 and the policies of the Federal Government. The core functions of LPG Department include issuance of licenses to construct and operate LPG production, storage/filling facilities, air-mix plants and LPG auto-refuelling stations under LPG Rules, 2001. Other functions are registration of equipment manufacturers and monitoring of LPG price in accordance with prevailing LPG Policy of the Government. LPG Department ensures compliance to the OGRA Ordinance, 2002, LPG Rules, 2001 and LPG Policy Guidelines of the Federal Government issued from time to time. Further, also conducts inspections of storage/filling plants, refuelling stations, production/extraction plants, air-mix plants and manufacturing facilities of equipment manufacturers through third party inspectors. Moreover, matters related to extension/renewal of licenses, amendment/transfer of licenses, cancellation/revocation of licenses, periodic inspection of LPG works and facilities to ensure their conformity with the laid down standards and annual renewal of the registration of OGRA's authorized manufacturers of LPG equipment are also being handled by LPG Department.

4.5 LNG Department

LNG sector is a promising sector with significant anticipated growth in the years to come. OGRA, being the concerned regulator has played a vital role in guiding the companies interested in establishing LNG import infrastructure in the country. Regulation of LNG sector is governed under OGRA (LNG) Rules, 2007 which define pre-requisites for obtaining licenses. LNG rules encourage prospective project developer to enter into LNG market after fulfilment of requisite formalities including license from OGRA as per present policy. LNG Department regulates the LNG sector in the country and played a vital role in establishment of first ever LNG terminal in the country from issuance of provisional license to terminal construction and operation license. Subsequent to issuance of operational license, the Department ensures compliance to the terms and conditions of the license. Moreover, OGRA also grants license for marketing and distribution of LNG as it being a regulated activity. The consultants for LNG related tasks have been short listed by the LNG Department which upon



requirements are appointed for inspection and evaluation/analysis of application(s) for the purposes in a transparent manner keeping in view the provisions of Public Procurement Regulatory Authority (PPRA) Rules.

4.6 CNG Department

The CNG Department regulates CNG sector in light of provisions of CNG Rules, 1992, OGRA Ordinance, 2002 & Policy of the Feral Government in vogue. There is a ban on issuance of new provisional license since February, 2008. The provisional licenses are converted into marketing licenses to operate CNG stations after completion of applicable formalities inter-alia including explosive license and satisfactory pre-commissioning inspection. In order to ensure safe operation of CNG stations, annual safety audit is conducted through OGRA's designated third party inspectors. The deficiencies, if found are rectified in accordance with provisions of applicable rules/technical standards. In case, CNG stations fail to remove deficiencies within stipulated time period, are penalized as per applicable rules/procedure. The cases regarding amendment, renewal and transfer of CNG licenses and equipment, alteration in works etc. are processed upon completion of requisite formalities as per the policy/rules. OGRA enlists local and international CNG equipment manufacturers subject to conformity of applicable international technical standards. Complaints against CNG stations are dealt as per applicable criteria and Complaint Resolution Procedure Regulations, 2003.

4.7 Finance Department

Finance Department is a key Department, playing a pivotal role in tariff determination of oil and gas sector as per the powers delegated under the OGRA Ordinance, 2002. Finance Department is primarily involved in the determination of revenue requirement of gas utilities viz; SSGCL & SNGPL. Accordingly, category-wise natural gas sale prices and prescribed prices are notified under the law. Determination and notification of wellhead gas prices on bi-annual basis is also carried out as per the agreements signed between gas producers & GoP. Fixation and notification of CNG prices is also being done by Finance Department as per the policy guidelines issued by the Federal Government.

Finance Department's role is not only limited to the natural gas sector, but also includes monitoring of petroleum products including notification of kerosene oil & E-10 after the deregulation effective June, 2011. Since September, 2008, Inland Freight Equalization Margin (IFEM) is also being managed by the Finance Department including its monthly computation and notification. During the recent financial year, Federal Government has also delegated the powers of RLNG price determination to OGRA. The same is carried out on monthly basis as per the policy guidelines issued by Economic Coordination Committee.

Besides tariff determination process of oil and gas sector, Finance Departments has a pivotal contribution in techno-financial and legal matters including tariff related aspects in licensing of natural gas sector, third party access regime, formulation of new tariff regime, unbundling of sui companies under Government's gas sector



reforms agenda. Finance Department has devised efficiency related benchmarks including HR cost and provision for doubtful debts so as to curtail major component of operating expenditure. These benchmarks have remained successful in terms of allowing prudent and rationale operating cost. Finance Department has always remained vigilant while striving a balance between all stakeholders.

4.8 Complaints Department

Complaint against Gas Utility Company is entertained by the Registrar OGRA, if a consumer/person fails to get desired relief from the licensee, the Registrar forwards the complaint to concerned Designated Officer (DO) of the Complaints Department related to specific area under Complaint Resolution Procedure Regulations (CRPR), 2003. The DO performs quasi-judicial functions while dealing with the complaints. The DO after obtaining comprehensive report/response/further clarifications from gas utility company/licensee, gives an opportunity of meeting/hearing to both the parties and decides the complaints based on available documentary evidences, hearing proceedings, arguments exchanged etc. as per applicable policy/procedures. Implementation of OGRA's decisions on complaint cases are also ensured by the concerned DO. Further, record of the complaints is also maintained under the respective Designated Officer, who prepares response/replies, if necessary in respect of court case(s)/petition(s) etc. pertaining to complaints cases.

4.9 Enforcement Department

The basic functions of the Enforcement Department is creating interface between Licensees, Consumers and the Authority. Collecting information based on ground realities i.e problems faced by consumers and licensees. Assist the Authority in making effective policy for regulating the oil and gas sector, keeping in view the problems of the industry. Further, in order to protect the rights of consumers while maintaining check and balance/deterrence on licensees. Enforcement Department conducts surprise/planned inspections at CNG stations; LPG bottling plants, LPG authorized distributors, registered LPG equipment manufacturers, petrol pumps or any other licensed facility on the request of parent Department of OGRA or on the directions of the Authority. These inspections are generally conducted for controlling overcharging and compliance of safety during operations.

4.10 Corporate & Media Affairs

The main functions of the Corporate & Media Affairs Department is to build and sustain positive perception/image for the organization as a progressive Regulatory Authority of Pakistan's Energy Sector, create awareness of its actions in public interest, gain industry buy-in and sensitizing its direct and indirect stakeholders about rules/regulations and their compliance in national interest. To keep abreast the stakeholders about the policies/actions of the organization on regular basis and to build ownership as well as to bridge the communication gap, establishing and executing major goals and objectives for OGRA, to implement policies established by the Authority, to provide leadership, direction and guidance



over Organization's activities. To analyse and evaluate the operational effectiveness of the organization. To coordinate major activities through subordinates and appraises assigned personnel and to represent the organization to stakeholders, international organizations, media and the general public. To introduce Regulatory Reforms in-line with international best practices and Government policies.

4.11 Planning & Coordination and IT Department

Coordinate all activities of OGRA to produce material for preparation and printing of quality OGRA Annual Reports i.e. "Report on Conduct of OGRA Affairs" and "Report on State of the Regulated Petroleum Industry" as per provisions of OGRA Ordinance 2002. To process training courses for capacity building of OGRA employees through provision of local and foreign trainings and participation in seminars, symposiums & workshops etc. at local and international level. Liaison with all Departments/Units of the Authority on multifarious issues as and when required and to coordinate/process cases pertaining to different Ministries/Divisions/Departments, etc. Also coordinate with all Departments for preparation of presentations/briefs for local and international forums on different topics relating to functions/performance of OGRA. Coordinate and provide material to Government functionaries for preparation of Cabinet Year Book, Pakistan Trade Policy, Finance Minister's Budget Speech, Pakistan Five Year Plan, Regulatory Framework, Economic Survey of Pakistan, Performance, etc. Cases pertaining to internship for young graduates as per approved policy of the Authority. The Department also manage IT related services and matters under the Head of IT professional that includes maintenance and information updation of OGRA's website pertaining to oil & gas issues especially regulatory issues, floating press releases and decisions of the Authority etc. Provision of IT support to end users on all five floors, internet and email services, computer software support/ reinstallation, support hardware specifications and recommendations on IT matters, etc.

Capacity Building

Capacity building is a coordinated process of deliberate interventions to (i) upgrade skills (ii) improves procedures and (iii) strengthen organizations. It refers to the investment in people, institutions and practices that enable to achieve development objectives.

OGRA is dynamic organization committed to making the most effective use of the talent, skills and abilities of its workforce and helping all employees maximize their contribution to improve OGRA performance. To demonstrate its commitment, it has formalized its training programs through the allocation of specific budget resources and through the policy statement: "Opportunities for training will be based on an assessment of employees' development needs and will be provided to each employee." OGRA is cognizant of the importance to invest in human capital. It realizes the "quality of people" which is key factor that separates best from the good. It therefore encourages training & development of its employees in management as well as technical/regulatory matters not only to equip them to the international best regulatory practices and techniques in energy sector.

In order to inculcate the requisite expertise, OGRA provides extensive training opportunities to its staff through its own funds. During the year under review



fifty six officials attended local training courses / seminars / conferences / workshops which provided them an opportunity to learn requisite skills whereas four officers attended foreign training during the year under review.

IT Orientation

There is need to ensure that information technology is embedded into the culture of an organization with knowledge spread throughout, rather than solely concentrated at an operational level. OGRA's IT policy is inspired by this thought. All officials in OGRA have dedicated computers and are connected to Local Area Network (LAN) to share resources like printers, scanners, heavy duty network printers etc. OGRA building has dedicated Fibre Optic Internet links. For efficient communication OGRA internet email facility is provided to all officers. The Authority is continuously striving to reduce paper usage and achieving efficiency through more intense use of information technology.

OGRA maintains web portal "www.ogra.org.pk" which has been designed using latest and secure web development tools. It is user friendly and being updated regularly. Anyone can access it and reach the OGRA Ordinance, Rules and Regulations, Decisions, Press releases, Oil price notifications, Gas & well-head pricing notifications, LPG price notifications & licences, List of provisional & operational CNG stations, Enforcement press release & news, Tender notices, Job announcements etc. OGRA's website is most popular, frequently viewed domain in the country as 7.5 million hits were recorded upto the reported year. It is favourite amongst consumers of petroleum & gas products, media and stakeholders.

OGRA has implemented Licensed Accounting Software in order to provide better services and utilization of resources efficiently. This project is for the development and implementation of a new financial accounting system in OGRA after a thorough study of the functions and processes. OGRA has also launched online complaints registration for an easy and rapid access by the complainants.

4.12 Media & Public Relations Department

Dealing with the Media and Public Relations/Protocol affairs of the organization including prequalification of advertising agencies, publication of notices/advertisements in the print media; publication of Gazette notifications and settling accounts thereof, to monitor and scan all published material that relates to Oil and Gas Sector of OGRA and submission of daily press clippings to the Authority and all executives, translation of documents relating to parliamentary business, making necessary arrangements to conduct meetings/hearings/ public hearings/sessions/seminars at HQ/outstation, correspondence with the Cabinet Division, Kept coordination with the National Assembly, Senate, Cabinet Division, MP&NR and PM Secretariat for briefings by OGRA to the PM Secretariat NA/Senate Standing Committees, ECC, Public Accounts Committee and other sub committees, making traveling/boarding/lodging arrangements for domestic/foreign visits of the Authority and settling accounts thereof, obtaining Note Verbal from Ministry of Foreign Affairs, liaison with the embassies for endorsement of visas, liaison with the



Embassies/ Pakistan Missions abroad during visit of the Authority and providing facilitation at Airport, Liaison with the government organizations/agencies/media firms on behalf of OGRA.

4.13 Administration Department

Administration Department is responsible for overall administrative/management services. This Department has to ensure efficient and smooth administrative operations of the organization which includes provision of logistic support to each and every department/unit/section of the Authority and its regional offices. All kinds of administrative matters including procurement, repair & maintenance are also being handled by this Department. The Administration Department implement policies relating to all areas falls under Management Services. In addition, this Department deals with pre-qualifications of firms, execution & extension of contract/lease agreements relating to procurement agencies and hiring office buildings etc as per PPRA rules.

4.15 HR Section

HR Section has been entrusted with the assignment to manage the affairs of Human Resource of the Authority in light of the OGRA Service Regulations, 2005. The Section is responsible to facilitate the process of hiring of human resources by the Authority which includes preparation of all requisite documentation. The personal files / data are managed for effective career development of the employees. The Performance Evaluation Reports are also maintained by HR Section being instrumental for elevation of Executives/Support Staff of the Authority. Career planning, compensation and benefit schemes/cases like HBA, insurance, gratuity, leave encashment etc., medical treatment, leave cases are also being dealt by HR. Besides this, matters pertaining to office discipline/decorum and conduct/disciplinary cases as per OGRA Service Regulations are being dealt by this Section in respect of all category of employees of the Authority.

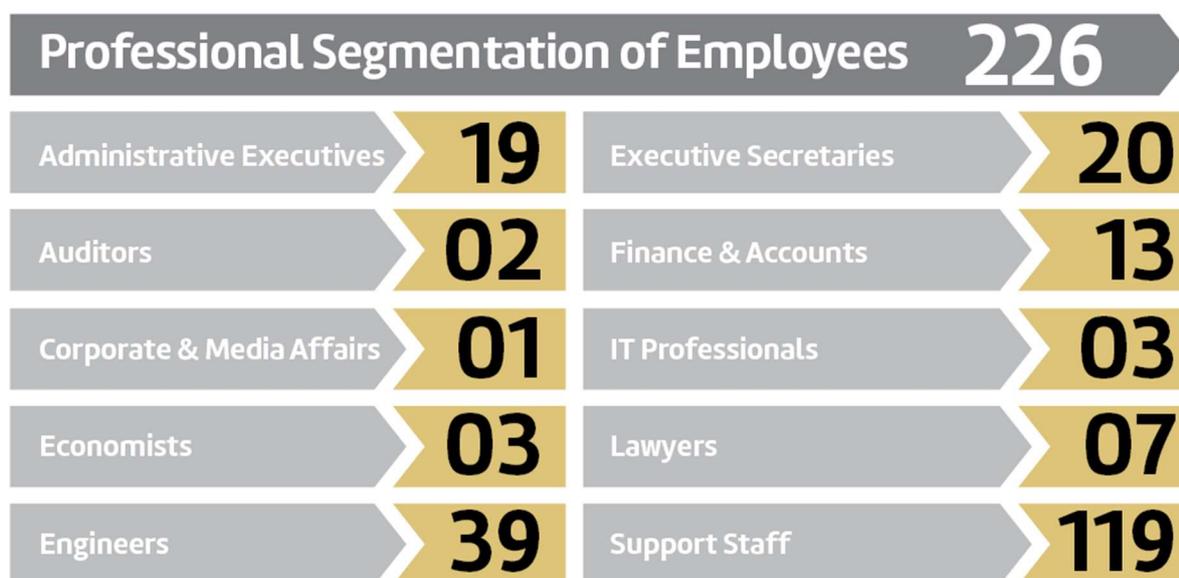
Human Resource Section of OGRA provides services and support to all employees of the Authority and committed to cultivate a superior service oriented culture, the HR Section seeks to provide benefits to the employees that promote health, wellness and a sound working environment. Through employees orientation and professional development, we promote the values of inclusiveness and long term employees engagement. In all areas, HR Section firmly upholds the tenets of confidentiality, accountability and trust and values excellence, integrity and communication. OGRA goals are diverse, highly skilled, productive, healthy, and efficient workforce, fair and lawful treatment of all employees, aligning HR policies and processes with the organization's needs and goals.

OGRA is a progressive organization where due emphasis is given on quality, efficiency and goal-orientation. The Departments are small teams of highly motivated professionals with minimum support staff. The working environment of OGRA in terms of communication and team work is very healthy where a sense of responsibility is hornest among the employees which provide them confidence to act effectively.



OGRA provides a climate where employees are encouraged to fully participate in the process of feedback/input in the decision making process.

The OGRA Ordinance 2002 empowers the Authority to formulate OGRA Service Regulations and to introduce amendments from time to time as per the changing organizational needs. Employees are recruited strictly on the terms and conditions as stipulated in the OGRA Service Regulations 2005 notified under the OGRA Ordinance 2002. The appointments are made on merit through a competitive and transparent process keeping in view the regional quotas as per policy of the Federal Government. The Human Resource at OGRA is a diversified work force in terms of gender, regions and professional background, segmentation of employees as on June 30th, 2017 is tabulated as below:



4.15 Legal Department

The Legal Department provides legal analysis and advice to all departments and the Authority. It is also entrusted with the assignments of drafting/vetting of rules, regulations and other documents having legal prospect and proposing amendments whenever required. During the year it provided opinions/vetted 313 legal documents of Finance/Accounts, Gas, Complaints, LPG/LNG, CNG, Registrar/Complaints, Administrative and Oil

4.16 Litigation Department

The Litigation Department has the prime responsibility to ensure representation in order to defend OGRA before the courts of law all over the country. It manages cases pending before the courts of law, prepares detailed para-wise comments, reply, written statements in consultation with respective department and seeks recommendations/ approval of the Authority in each case. Keeping in view the nature and gravity of the each case, it recommends the suitable lawyer, determines fee and issue wakalatnama duly approved by the Authority and pursues the cases under the fully approved robust procedure. The Department maintains records of cases and strives to follow up all the



cases. Efforts are being made to update status of court cases through an electronic data for information of the Authority and concerned quarters

4.17 Secretariat

Secretariat Department is responsible for performing the duties and responsibilities of secretariat nature, as entrusted to it, under the supervision of Secretary OGRA. The Department is mandated to effectively conduct the meetings of the Authority (Regulatory & Administrative) wherein the decisions are taken, in the spirit of OGRA Ordinance, 2002, pertaining to the regulatory affairs of the mid and downstream petroleum sector as well the internal matters of the organization. Key functions/responsibilities include issuance of notice, agenda and working papers to the Authority Members and concerned Departmental Heads after soliciting approval of the Chairman/Chairperson for calling Meeting in accordance with Sub-Section 5 of Section 4 of the OGRA Ordinance, preparation and submission of minutes of the meeting proceedings to the Authority for signatures and dissemination of decisions to the concerned departments. Further, this Department monitors the implementation of the decisions by the concerned departments and compiles the report on implementation status for presentation before the Authority as regular agenda in each Meeting. Secretariat Department is responsible to coordinate with the Cabinet Division and other agencies regarding the matters of the Chairman/Chairperson and Members of the Authority and it also acts as a custodian of record of declaration of assets submitted by all employees of OGRA on yearly basis.

4.18 Internal Audit Department

Internal Audit Department performs its functions as per Regulation 15 of OGRA Financial Regulations 2005. Internal Audit conducts Pre-audit of all bills for payments. It coordinates with the Auditor General of Pakistan who conduct audit of accounts of OGRA. It submits replies to the audit observations, memos and draft paras in consultation with the concerned departments. Internal Audit also coordinates with the Departmental Accounts Committee (DAC) and Public Accounts Committee (PAC) for discussion / settlement of audit paras raised by the Auditor General. Further, Internal Audit renders comments, advices, suggestions, proposals and recommendations on various fiscal, administrative & operational issues to the Authority, if so required.



5. STATE OF AFFAIRS

This report is composed of a limited-scope assessment of OGRA's current docketing practices and capabilities to track all regulatory compliance documents filed with OGRA. At this time, all documents are submitted to the Received and Issue (R&I) Section by licensees and stakeholders, whereby the opened/unopened documents are registered, recorded and forwarded on the same day to the assigned department(s) for handling the specific query. Licensees include organizations that have been awarded a license by OGRA to legally conduct business in compressed natural gas (CNG), midstream and downstream crude oil and refined oil, liquefied petroleum gas (LPG), liquefied natural gas (LNG), and natural gas. As a broader group, stakeholders may include any entity or person that has an interest or access to these OGRA regulated sectors, including customers, suppliers, services, media, investors, governments and others. This assessment profiles the general current status of OGRA's existing procedure for docketing and presents findings and recommendations for restructuring this procedure to better meet international standards and practices and ensure more efficiency and better effectiveness.

Based on the assessment findings and recommendations, the next step is to steadily undertake a phased-in timetable to create a world-class Docketing and Information Repository System (DIRS) at the OGRA in Islamabad, Pakistan. The DIRS will initially concentrate on standard regulatory filings required by OGRA for oversight of gas and oil natural monopoly activities, such as licensing, tariff, complaints handling, etc. However, continuing forward after this initial phase, OGRA will further grow the DIRS so that it eventually serves as a central system for the repository of all relevant records. This will ultimately serve as a collection of knowledge that includes research, studies, analysis, findings and other reports, documents and publications to benefit Pakistan's ability to attract investment and demonstrate a deep understanding of the development of these sectors through every phase of its lifecycle. The implementation of the assessment findings and recommendations will be based on timing, next-steps required, funding, resources, technologies, technical assistance and training. It is anticipated that the DIRS will be centralized with the responsibility for the management and administration of documents and electronic filings submitted by Licensees and stakeholders. Much of the business and administrative functions of OGRA will rely upon, and in certain cases, be driven by the submittal and handling of docket proceedings.

A partial list of DIRS responsibilities includes: submittal, analysis, validate, gather, collect, receipt, date and time stamped, record, file, storage, distribution, copy, scan, protect, storage, and archive all forms of data and information that is subject to oil and gas regulation. This may incorporate hard-copy and electronic submittals of petitions, comments, license applications, appeals, complaints, decisions, official records, and other related data and information that falls into the list of distinct DIRS categories. It is extremely important that all DIRS matters that require OGRA regulatory oversight, Authority consideration, and Authority issuance of decisions must first be filed as a docketed case before OGRA consideration can take place. Once a case docket has been created OGRA may choose to hold public hearings and require legal and technical testimony on the merits of the filed docket before an Authority decision is determined. Decisions of the Authority are based upon a majority consensus of the



Chairperson and the appointed Members. Furthermore, Authority decisions must be determined publicly, written and signed by the Authority, and confined to the limitations of the record of evidence as presented in the case docket. Printed hard copies of Authority decisions must be published and made available for distribution to stakeholders and all affected parties

The procedure, protocol and procedure will be established to allow all Licensees and stakeholders to have timely access to all docket records and filings. OGRA shall maintain an active public record of daily DIRS activities and be responsive for all requests for copies of docketed filings. According to regulations, certain exceptions and waivers can be requested by licensees and stakeholders to temporarily withhold confidential and discretionary data and information filed in a docket. However, OGRA would have to publically disclose its decision and the reason why it would grant or refuse the request for confidential and discretionary treatment of docketed data and information or adopt the protocols established in line with OGRA's ordinance and regulations.

As the regulatory body, OGRA has multiple regulatory functions over the variety of sectors that operate in the midstream and downstream oil and gas industry. Much of these functions require a records management system that is readily available in a real time basis, accurate and responsive to all information and data demands, and is not limited to the size or category of each particular case docket.

5.1 Corporate & Media Affairs

Corporate & Media Affairs (C&MA) Department has taken the initiative with the approval of Authority to executive DIRS project with the representative of National Association of Regulatory Utility Commissioners (NARUC) and signed MoU and framed ToRs for collaboration between OGRA & NARUC/ USAID. The entire DIRS Project is being under taken by C&MA Department from Concept to till its final Execution and for that purpose Senior Executive Director head of C&MA Department has been nominated as team leader by the Authority.

To coordinate major activities through subordinates and appraises assigned personnel and to represent the organization to stakeholders, international organizations, media and the general public. To introduce Regulatory Reforms in-line with international best practices and Government policies.

The main functions of the Corporate & Media Affairs Department is to build and sustain positive Perception/ image for the organization as a progressive Regulatory Authority of Pakistan's Energy Sector create awareness of its actions in public interest, gain industry by-in and sensitizing it's direct and indirect stakeholders about rules/regulations and their compliance in national interest. To keep abreast the stakeholders about the policies/actions of the organization on regular basis and to build ownership as well as to bridge the communication gap, establishing and executing major goals and objectives for OGRA, to implement policies established by the Authority, to provide leadership, direction and guidance over Organization's activities. To analyze and evaluate the operational effectiveness of the organization.



5.2 General Synopsis of Records Management

OGRA's current records management system is difficult to track and maintain timely filings as the case dockets lack consistency in their treatment. Many of the filings are not linked to a dedicated IT system and are maintained in either electronic and/or hard-copy files. They may not be assigned specific case docket numbers and frequently they are not resolved in a timely manner, due to many reasons (priorities, misplacements of materials, too many assignments, need for more detailed information, lack of data, misrepresentation of filings content, etc.). OGRA recognizes that a records management system needs to be well-derived in a step-by-step process, whereby rules, regulations, policies, processes and procedures are thoughtfully developed, continually evaluated, carefully monitored and closely conducted. Because of the concerns in the receipt of case filings, OGRA needs to design and build a dedicated hardware and software system that can be functionally responsive to analyze data and information as needed in real time. Upgrades in technology improvements are important, but just as important is developing services that are provided by dedicated OGRA staff that is receptive to all stakeholder requirements with data and information handling, retrieving, copying and storage capabilities.

5.3 Existing Procedure of Handling Cases

- i. Initial applications/ Complaints are received in R&I Section. R&I diarizes the same manually and forward to the concerned department/addressee on the same day, by getting acknowledgment on the diary register.
- ii. Applications/ Complaints relate to CNG, Oil, LPG/ LNG and Gas sectors.

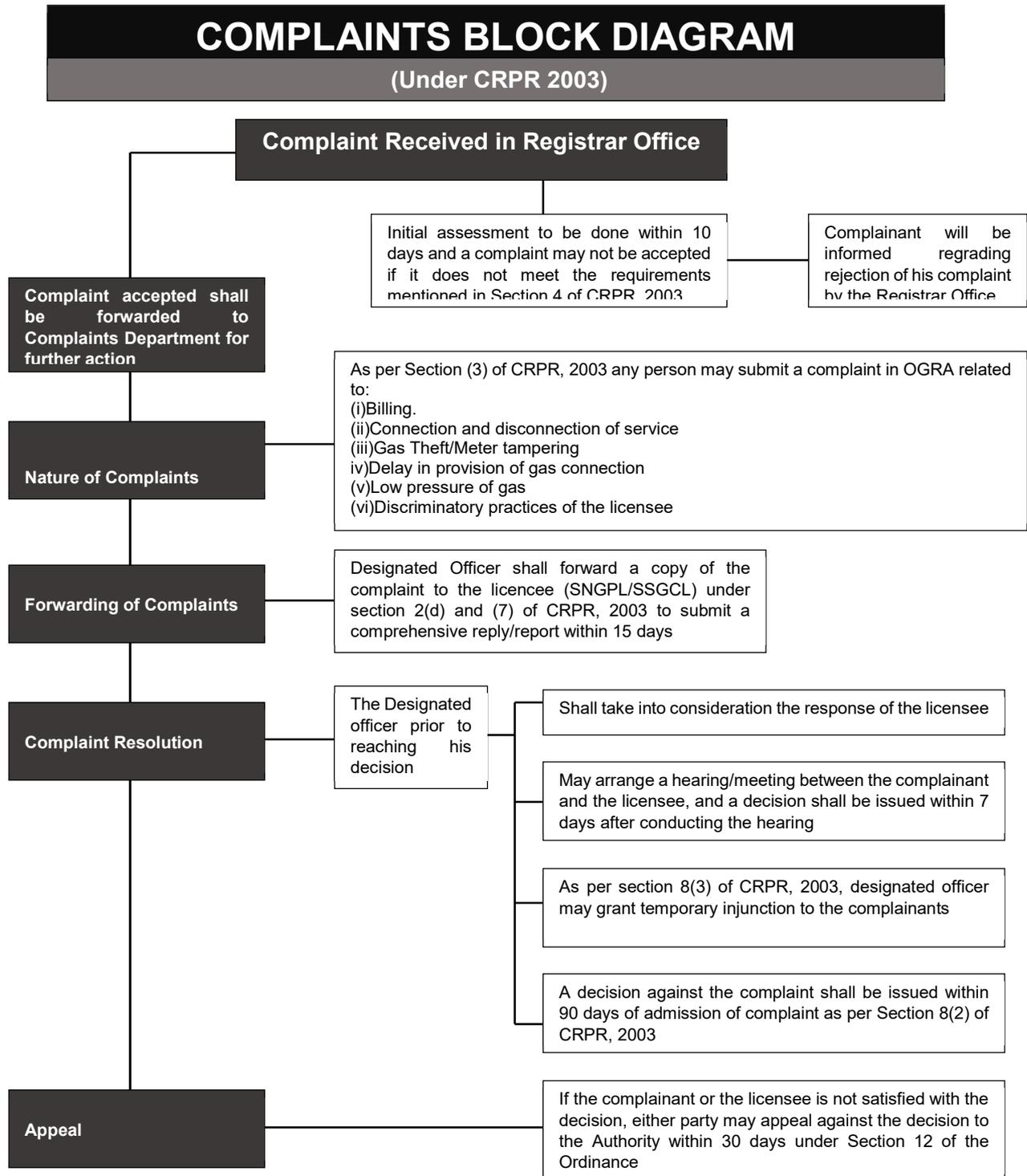
a. Complaints Handling Procedure

- i) As per Section (3) of CRPR, 2003, the complaints lodged in OGRA pertain to Over Billing, Connection and disconnection of service, Gas Theft/Meter tampering, Delay in provision of gas connection, Low pressure of gas, Discriminatory practices of the licensee.
- ii) Initial assessment is made by the Registrar Office within 10 days of the receipt of the complaint. If the complaint does not meet the requirements mentioned in Section 4 of CRPR, 2003, Complainant is informed regarding rejection of his complaint by the Registrar Office, accordingly.
- iii) Accepted Complaint are forwarded to Complaints Department. The Designated Officer of the respective area forward a copy of the complaint to the licensee (SNGPL/SSGCL) under section 2(d) and (7) of CRPR, 2003 to submit a comprehensive reply/report within 15 days.
- iv) The Designated officer while considering the response of the licensee, issue a decision or arrange a hearing/meeting between the



complainant and the licensee and then issue decision within 7 days after conducting the hearing/meeting.

- v. As per section 8(3) of CRPR, 2003, designated officer may grant temporary injunction to the complainants. However, a decision against the complaint has to be issued within 90 days of admission of complaint as per Section 8(2) of CRPR, 2003.



5.4 **Matters Pertaining to Registrar Office**

a. **Appeal Cases Regarding Complaints**

- i) If the complainant or the licensee is not satisfied with the decision, issued by the DO, either party may appeal against the decision to the Authority within 30 days under Section 12 of the Ordinance. As per OGRA's Ordinance, the appeal has to be finalized within 90 days of its submission.
- ii) The Registrar Office after admitting the appeal, forward the same to the respondent for comments to be submitted within 15 days. After receiving the comments, the Registrar Office in consultation with the Authority, fix the date for hearing and issue notices to both the parties.
- iii) The Authority, subject to the completion of quorum, conducts the hearing and issue decision within 7 – 15 days of the hearing. However, it has been noticed that a number of appeals are lying pending since years due to number of reasons mainly because of incomplete quorum.

b. **Tariff Related Matters**

- i) Registrar Office receives petitions regarding Estimated Revenue Requirements of Gas Utilities i.e. SNGPL & SSGCL, generally during the months December – February of every year.
- ii) Registrar Office examine the same as per rules/regulations and also simultaneously forward to the Gas & Finance Departments for their inputs. Once the preliminary documentations and formalities are fulfilled, the Registrar presents the case before the Authority for formal admission of the petition.
- iii) After admission, the Registrar Office, while giving salient features of the petition, serves public notice in the leading newspapers, seeking comments from the interested/affected parties within 15 days of the publication of the notice.
- iv) On receiving the comments, the Registrar Office, in consultation with the Authority, announces public hearing giving minimum time of 15 days.
- v) Once the public hearing is done, the Gas Department prepares draft decision for the Authority and forward the same to the Finance department for their input. The Finance Department after incorporating their input, put up the decision to the Authority for approval/ signatures.



- vi) Once the decision is signed, it is forwarded to the Registrar Office for issuance to all the concerned stakeholders. All process takes around 6 months.
- vii) The Gas Utility Companies normally file review motions on receiving the decision which is finalized by the Authority within 1-2 months and registrar office accordingly convey the decision.
- viii) The Registrar Office also receives petitions for Final Revenue Requirements of the Gas Utilities which is finalized within 1-2 months.

c. Licensing Related Matters

- i) The Registrar receives applications for grant of licenses in the Natural Gas Sector including RLNG, Flare Gas and Installation of Oil Pipelines.
- ii) Registrar Office examine the same as per rules/regulations and also simultaneously forward to the concerned technical departments for their inputs. Once the preliminary documentations and formalities are fulfilled, the Registrar presents the case before the Authority for formal admission of the application.
- iii) After admission, the Registrar Office, while giving salient features of the application, serves public notice in the leading newspapers, seeking comments from the interested/affected parties within 15 days of the publication of the notice as well as announcing the date of public hearing.
- iv) Once the public hearing is done, the Registrar Office prepares draft decision for the Authority and draft license in consultation with the concerned technical department and put up to the Authority for approval/signatures.
- v) Once the decision is signed, it is forwarded to the Registrar Office for issuance to all the concerned party. All process takes around 6 months.
- vi) The Gas Utility Companies normally file review motions on receiving the decision which is finalized by the Authority within 1-2 months and registrar office accordingly convey the decision.
- vii) The Registrar Office also receives petitions for Final Revenue Requirements of the Gas Utilities which is finalized within 1-2 months.



5.4 CNG Licensing Procedure

- i) Applications regarding renewal/extension of CNG (Production and Marketing) License under Rule-7 of CNG (Production and Marketing) Rules 1992 are received along with supporting/ requisite documents & fee.
- ii) Analysis is made as per CNG Rules 1992/ Policy/ Regulatory Framework work within two weeks.
- iii) In case of any deficient document(s), the same is conveyed to applicant within a week.
- iv) If all requisite documents are available, the case is placed before the Authority for decision within two weeks.
- v) Issuance of decision of the Authority to the applicant within a week.

5.5 Oil Sector

- i) Application for **Establishment/ Construction of Oil Marketing Companies, Oil Refineries, Pipeline Companies, Lube Oil Blending/ Reclamation Plants, Lubricant Marketing Companies, Oil Storage Companies & Oil Testing Facilities** received as per format along with supporting/requisite documents & fee as per Schedule-II of new Oil Rules 2016 are analyzed as per rules/ policy within 15 working days.
- ii) In case of any deficient document(s), the same is conveyed to applicant within 6 working days.
- iii) Completion of requirements/ deficiencies by applicant within 30 working days.
- iv) If all requisite documents are available, the case is placed before the Authority for decision within 7 working days.
- v) Issuance of decision of the Authority to the applicant within 5 working days.

5.6 License Procedure for Operation of Oil Marketing Companies, Oil Refineries, Pipeline Companies, Lube Oil Blending/ Reclamation Plants, Lubricant Marketing Companies, Oil Storage Companies & Oil Testing Facilities

- i) When the applicant apprised OGRA regarding the completion of work program/ plan and NOCs, case is analyzed and Third-Party Inspector is appointed to conduct Physical Inspection and submit report to OGRA, which is scrutinized. All process takes 30 working days.
- ii) In case of any deficiency, applicant is informed within five (5) working days.



- iii) Once the deficiency is rectified by the applicant, re-Inspection of work is made within 15 working days.
- iv) If all requisite documents are available, the case is placed before the Authority for decision within 7 working days.
- v) Issuance of decision of the Authority to the applicant within five (5) working days.

5.7 **LPG Sector**

- i) Application regarding **Construction License for LPG Production/ Extraction, LPG Air Mix, LPG Storage and Filling and LPG Auto Refueling Facilities** received as per format along with supporting / requisite documents & fee as per LPG Rules-2001 is analyzed within two weeks.
- ii) In case of any deficient document(s), the same is conveyed to applicant within one week.
- iii) If all requisite documents are available, Third Party inspector is appointed to conduct inspection within four weeks.
- iv) In case of any deficiency, applicant is informed within one week.
- v) If all requisite formalities are completed, the case is placed before the Authority for decision within one week.
- vi) Issuance of decision of the Authority to the applicant within five (5) working days.

5.8 **Marketing License Procedure for LPG Production/ Extraction, LPG Air Mix, LPG Storage and Filling and LPG Auto Refueling Facilities**

- i) On receipt of request for pre-commissioning inspection from the licensee, examination of the case is made under as per LPG Rules / Policy within two weeks.
- ii) In case of shortcoming in the Project Proponent, the same is conveyed within one week.
- iii) If all requisite documents are available, Third Party inspector is appointed to conduct inspection within four weeks.
- iv) On receipt of the Inspection Report as OK, the case is presented before the Authority for the decision within one week.
- v) Issuance of decision of the Authority to the applicant within one week.

5.9 **Provisional License Procedure for LNG Facilities**

- i) Application received by Project Proponent under the provisions of Rule 33 of LNG Rules, 2007 is examined within 14 working days.



- ii) If all formalities are complete, the case is placed for Authority Decision within one week.
- iii) On receipt of the decision of the Authority, the same is conveyed to the applicant within one week.

5.10 License for Construction of LNG Facilities

- i) Provisional License is granted for a period of one year. Within this period the licensee has to submit application for grant of construction license fulfilling all formalities under Rule 4 (3) of LNG Rules 2007.
- ii) After in house evaluation, the Authority appoints a consultant under Rule 31(i) of LNG Rules, 2007 within 14 working days who submits report within 30 days.
- iii) After admission, the Registrar Office, while giving salient features of the petition, serves public notice in the leading newspapers, seeking comments from the interested/affected parties within 15 days of the publication of the notice.
- iv) On receiving the comments, the concerned department, in consultation with the Authority, announces public hearing giving minimum time of 15 days.
- v) After conduct of Public hearing, the concerned department put up case to the Authority for approval within a week.
- vi) On receipt of the decision of the Authority, the same is conveyed to the applicant within one week.

5.11 Procedure for Operational License of LNG Facilities

- i) Construction license is granted for two years. Construction is made, and the applicant informed the Authority, appointment of consultant under Rule 3(i-ii) of LNG Rules, 2007, is made.
- ii) On confirmation by the consultant that project has been successfully commissioned
- iii) On completion of all requisite formalities which include provision of NOCs/Approval from all relevant departments/agencies and on confirmation from OGRA's consultant that the project is in compliance with all requisite standards and the provisions of OGRA's ordinance, LNG policy, LNG rules, and has been successfully completion in line with the internal standards/ best international practices, the Authority may issue operation license within the shortest possible time frame.



6. SELECTED RESEARCH & ILLUSTRATIVE EXAMPLES

NARUC undertook a review of existing PUC Docketing and Record Management Systems in the United States and Europe. The following PUC's and associations were reviewed and strategies, concepts, criteria, and information and data were used to shape this Assessment Report. These PUCs and associations include:

- Public Utilities Commission of Ohio www.puco.ohio.gov
- Nevada Public Utilities Commission www.puc.nv.gov
- Hawaii Public Utilities Commission www.puc.hawaii.gov
- New Hampshire Public Utilities Commission www.puc.state.nh.us
- United States Environmental Protection Agency www.epa.gov
- United States Federal Energy Regulatory Commission www.ferc.gov
- United Kingdom Office of the Gas and Electricity Markets www.ofgem.gov.uk
- National Association of Regulatory Utilities Commissioners www.naruc.org
- Energy Regulatory Regional Association www.erranet.org
- Committee for Regulation of Natural Monopolies and Protection of Competition at the Ministry of National Economy of Kazakhstan www.kremzk.gov.kz/eng

6.1 General Mechanics for Docketing

Some of the ideas and concepts that were considered from this literature review include:

- The Docketing Department has a dedicated central office in the PUC, which functions as the primary location for the submission of information & data on all PUC matters
- Docketing Department hours are Monday through Friday 9:00-18:00
- Docketing is the filing, collection, record-keeping, storage, printing, distribution, scheduling & maintenance of information & data for all public utility matters that concern the legal & regulatory functions of the PUC
- All information & data that require PUC attention must first be filed with the Docketing Department to the attention of the appointed Docketing Officer
- Any stakeholder may file information & data in conformance with published Commission case-filing regulations & procedures



- Access within the Docketing Department to filed information & data is limited by Commission order & closely guarded to ensure case record protection
- Requests for confidential treatment of information & data must be made at the time of filing & subject to approval by the Commission
- When submitted, either electronically or in hardcopy, the Docketing Officer stamps all documents with the date & time received & assigns it a Case Code for the docket
- All information & data that is not confidential can be printed in hardcopy and sold (not electronically) by the Docketing Officer for public access & use by all stakeholders
- Filing information & data in the Docketing Department for a Case Code is subject to making an application according to Commission case-filing regulations & procedures
- Case filings that don't fully meet the Commission regulations and procedures may not be considered by the PUC as part of the Docket for proceedings
- The Docket Information System (DIS) provides application forms, annual reports, method of case-filing, docketing schedule, acceptable case-filing formats (PDFs are preferred), and other docket filing information
- At least five (5) hardcopies of all information & data must be filed, as well as a complete electronic copy
- After received by the Docketing Officer the case filing will be date & time stamped & assigned a Case Code
- Once a Case Code is assigned to a case-filing, the Commission is subject to ex-parte conditions & relations with all stakeholders until a decision is publicly announced by the Authority

6.2 Example of a Typical Docket Case Coding System (PUC Ohio)

- Cases filed with the PUC are identified by a four-element coding system. The coding elements are the following:
 - Year in which the case was filed
 - Sequence in the filing
 - Industry code
 - Purpose code
- The industry code indicates the utility involved in the case and the purpose code indicates the reason for which the case has been brought before the PUC
- For example, a natural gas utility applying for a license in 2015 would be the 37th filing in the Docketing Department & coded as follows:

15 - 037 - GAS - ALE
YEAR - SEQUENCE - INDUSTRY – PURPOSE

- Even though the year & sequence codes offer unique case identification, the industry & purpose codes should be used on all case documents to facilitate processing



- Examples of Industry Codes

- EL – Electric
- WW – Water
- GAS – Natural Gas

- Examples of Purpose Codes

- AAC – Application to amend a certificate
- AAM – Application to change accounting methods
- ABN – Application to abandon service
- ACE – Application for a certificate
- ACN – Application to change name of utility
- AEC – Application to establish, revise, or cancel a contract
- AER – Application for exemption from requirements regarding issuance of stocks, bonds, notes
- AEM – Application to increase rates on an emergency, temporary basis
- AGC – Application for gas curtailment
- AIA – Application for interconnection approval
- AID – Application to issue dividends
- AIR – Application to Increase Rates
- AIS – Application to issue stocks or securities
- ALE – Application for a License
- ARB – Petition for Arbitration
- ARC – Application for relief from curtailment
- ARN – Application for Renewable Energy
- ASE – Application to offer sales of embedded customer premises equipment
- ASR – Application for new service restrictions
- AST – Application to suspend tariff
- ATA – Application for Tariff Approval
- ATA – Application for tariff approval
- ATC – Application to transfer a certificate
- ATR – Application to conduct transaction between public utilities
- ATW – Application to Withdraw a Tier 1 Service
- BAO – Administrative order
- BJF – Jurisdictional finding
- BLN – Letter of notification
- BNR – Construction notification report
- BRO – Rule promulgation
- BSA – Application to amend a certificate, substation
- BTA – Application to amend a certificate, gas transmission line
- BTX – Application for a certificate, gas transmission line
- CIC – Commission Initiated Complaint
- CIO – Applications for Change in Operations
- CMR – Complaint on Municipal Rate
- COC – Commission initiated complaint
- COI – Commission inquiry



- COS – Complaint on Service or Standard
- CRC – Complaint on rates charged
- CSS – Complaint on service or safety
- CTR – Contract - Application for one year Contract
- DTA – Data Collection
- DTP – Data Collection
- ECP – Environmental compliance plan
- EDI – Electronic Data Interchange
- FLX – Minimum level flexible pricing
- FOR – Forecasting
- GCR – Gas adjustment clause
- GPS – Gas pipeline safety
- ORD – Administrative Order
- PEX – Petition for extended area service
- PIP – Percent income plan
- PWA – Purchased Water Adjustment
- PWC – Public Way Complaint
- PWN – Public Way Notification
- PWR – Public Way Regulatory Asset
- PWT – Public Way Tariff
- SLF – Self complaint
- TRF – Commission approved final utility company tariffs
- UEX – Uncollectable Expense Rider
- UNC – Unclassified
- ZTA – Introduction of new tariffed services

- Receive information & data with submittal of case-filing application at the Docketing Department
- Docketing Department assigns a Case-Code for Authority proceedings
- Allow 30-60 days comment period by all stakeholders
- Continue to receive case information and data in the record of the case
- PUC Staff prepares an initial Staff Report for Commission consideration that outlines case & proposes staff recommendations
- Authority assigns a Hearing Officer to conduct technical hearings, discovery, pleadings, & expert testimony according to legal & regulatory proceedings
- Authority conducts public hearings & informational workshops in the affected service territory & collects public testimony & evidence
- Based on the record, PUC Staff makes revisions & adjustments to the Staff Report
- Authority holds public meetings to discuss case issues & concerns that are covered by the case record
- PUC Staff develops an Order for Authority consideration
- Authority makes a public decision by vote and signs the 'independent' decision as an Order that resolves the case
- Only Authority decisions that are not legal can be appealed – 1st to the Authority for reconsideration & rehearing & 2nd to the Court for legal review (if necessary)



6.3 Docket Numbers

The PUCN assigns a docket number to all new filings. The docket number serves as a unique identifier for the matter.

After a docket has been opened and assigned a number, all subsequent documents filed by any stakeholder (such as comments or testimony) or issued by the PUC (such as notices and orders) in the course of the proceedings are identified by the same docket number and can be located using the docket number.

6.4 Transcripts

Transcripts of PUC proceedings are generally available within 15 business days after the close of a proceeding unless otherwise ordered by the Presiding Officer. Transcripts are not available on the web; The PUC may charge a fee for the court reporter for a copy of a transcript. If a document titled **Proceeding Transcript** is listed as one of the documents filed as part of a docket, it means that a transcript is on file for this docket and is available by requesting a copy and paying a fee as outlined on the PUCN's online **public record request form**.

6.5 Service Lists

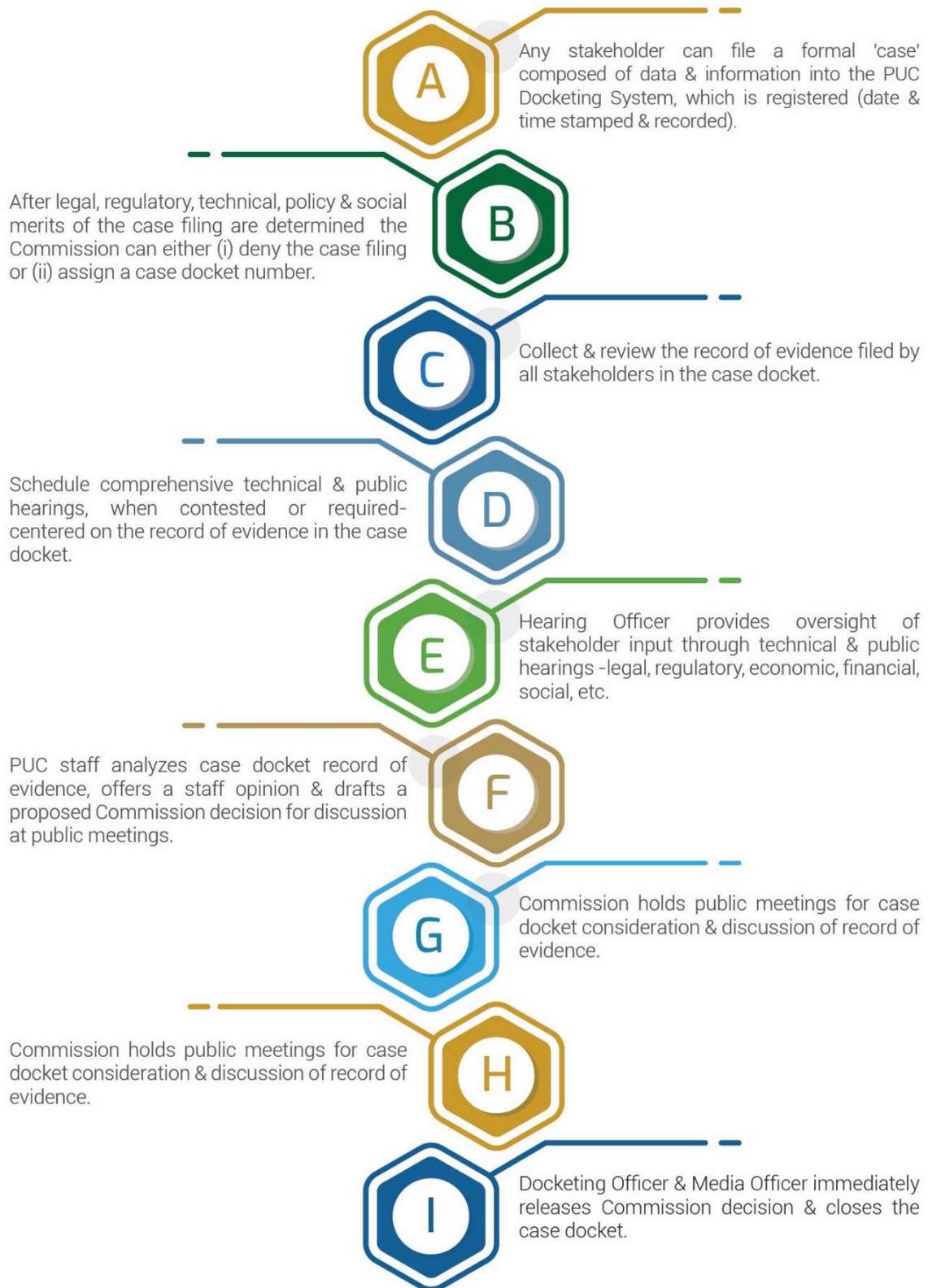
To stay informed of an ongoing activity in a docket, all interested stakeholders must register and be subscribed for the Service List.

6.6 Lifecycle of a Typical Docketed Case Filing

The Business Process Services Division is typically responsible for the PUC's core business processes relating to docket management. Besides other various important duties, this Division receives and scans all relevant documents into the appropriate dockets, manages service lists, coordinates the issuance of orders and the publication of notices, provides reception services, schedules public hearings and meetings, prepares agenda meeting notices and minutes, and maintains the PUC's master calendar.

An example of the lifecycle of a typical docket is graphically portrayed below, without any deference to the timing and schedule of the movement of the docketed case filing through the system.





Lifecycle of Docketing Case Filing



7. STAKEHOLDERS CONSULTATION

In order to make the exercise meaningful, the team shall conduct the consultation session both within the organization and with the industry stakeholders.

7.1 OGRA Focus Group Input

Form and meet with an OGRA Focus Group of employees to discuss their experience, ideas and proposals to conceptualize and build a more efficient and effective documenting and records management system.

- OGRA formed an internal focus group to develop Docketing and Information Repository System (DIRS). They will be informed that DIRS Department will be a centralized with the responsibility for management and administration of documents filed by licensees and stakeholders. Much of the business and functions of OGRA will rely upon docket proceedings and would include: collection, receipt, date and time stamped, recording, filing, storage, distribution, copying, scanning, protection, and achieve of all petitions, comments, license application, appeals, complaints and related data information.
- In this regard, OGRA has planned to conduct a focus group meeting to identify issues in existing processes and recommendations for future system on 18th – 19th July 2018 to obtain views/ comments of each Department to transform the existing procedure/ system into DIRS. The details of programme are given below:

Venue: OGRA conference room.

Date: Programme will be scheduled after team's US visit.

Departments:

Gas, Oil, Secretariat, LPG/LNG, Finance
CNG, Complaints, Registrar, Legal/ Litigation & Admin/HR

Presentation: 10:00 am - 10:30 am

Q&A: 10:30 am – 10:45 am

Budget: Expense for participants' refreshment will be met from OGRA's own budget.



7.2 Industry Focus Group

Form and meet with a Licensee and Stakeholder Focus Group of selection individual and organizations to learn their experience, ideas, desires, reasons and suggestions for timely access to docketing and records management information and data.

Stakeholders: SNGPL, SSGC, Representatives of OMCs & Oil Refineries, Cabinet Division, Petroleum Division, Donner Agencies, Consumers, Petitioners, National Accountability Bureau (NAB), Parliamentarians, Chamber of Commerce, Federal Investigation Agency (FIA), Media Agencies, etc

Venue: Local at Serina/ Marriott Hotel or National wide (Lahore, Karachi, Peshawar, Quetta, etc. etc.)

Date: Programme will be scheduled after team's US visit.

Participants: 50 persons approx. (1 to 2 representatives from each stakeholders)

Input: The input of stakeholders will be incorporated into final report.

Budget: Travelling expense of boarding and lodging will be funded by USAID.

7.3 Stakeholder input will not only add value in designing the DIRS activities/ processes but will also make it more effective and meaningful which will also give insights on stakeholders requirements and future needs etc.



8. FINDINGS WITH NEXT STEP RECOMMENDATIONS

In the direct creation and development of a world-class DIRS, OGRA should consider adopting and enacting guidelines that adhere to sound universal regulatory principles to consistently deliver on its DIRS mandate and achieve its objectives. These cumulative principles that apply directly to regulation and the conduct of the DIRS include:

- Balance
- Objectivity
- Transparency
- Reasonableness
- Moderation
- Fairness
- Consistency
- Predictability
- Accountability
- Efficiency
- Effectiveness
- Integrity

Conduct the research and necessary due diligence to forecast a detailed five-year budget that allows for start-up, continued resources and operations for the DIRS within OGRA. The budget should allow for growth, maintenance and technology renovation to include investment into recruitment and training of professional staff, computer hardware and software, office space, memory storage (including cloud), technical equipment, copiers, printers, internet, supplies and materials, and other areas that require real-time, reliability and sustainability in records management.

Develop and schedule professional staff training programs, reinforcement of capacity building institutions, and long-term career growth foundations to ensure reliable and sustainable DIRS operations

Objectives, procedures, processes, policies and mechanisms should be designed and carefully implemented to meet all requirements of DIRS. A report to consider for guidance is the BCIT Records Management Procedure, which is listed as Appendix V.

Conduct national and localized public outreach campaigns with all stakeholders using various forms of media and intercommunication vehicles. These campaigns will serve to introduce and discuss the numerous benefits of DIRS, with a focus on more efficiency and better effectiveness in the regulation of the oil and gas industry.



9. APPENDICES

- A. Final Detailed Implementation Plan: OGRA TASK 1-O
- B. Final Terms of Reference – Peer-to-Peer DIRS Activity
- C. OGRA Annual Report
- D. Letter to OGRA Focal Group – Questionnaire
- E. Introduction to DIRS – Presentation
- F. ISSUE BRIEF: The Lifecycle of a Typical Regulatory Case
- G. PUC Ohio Forms & Documents www.puco.ohio.gov
 - PUC Ohio Procedural Filing Requirements
 - Examples of PUC Ohio Entries and Orders
 - PUC Ohio Docketing General Information
 - PUC Ohio Case Code System
- H. PUC Nevada Forms & Documents www.puc.nv.gov
 - PUC Nevada Strategic Plan 2015-20
 - PUC Nevada 2017 Biennial Report
 - PUC Nevada Protective Agreement
 - PUC Nevada Regulated Assessment Form
 - PUC Nevada Requirements to Maintain an Alternative Seller of Natural Gas License
 - Example of PUC Nevada Filing Guide – LPG Annual Report
 - Example of PUC Nevada Copy of Gas Rate Increase Application
 - Example of PUC Nevada Filing Guide – Alternative Sellers Natural Gas Annual Report
- I. Docketing Regulations for PUC New Hampshire www.puc.state.nh.us
- J. PUC Hawaii Guidelines for Filing Documents www.puc.hawaii.gov
- K. USEPA Information Directive Procedure www.epa.gov
- L. US Federal Energy Regulatory Commission – Energy Primer www.ferc.gov
- M. OGRA Complaint Resolution Procedure
- N. Administrative Provisions and Procedures
- O. Performance Evaluation of Pakistan’s Oil and Gas Regulatory Authority



- P. Improving Energy Regulatory Framework of Pakistan
- Q. Utility Regulatory Fundamentals – PURC
- R. R- Mechanics and Procedures for Docketing and Filing Cases to the PUC
- S. Lifecycle of a Typical Docket
- T. Wikipedia Records Management
- U. DePaul Records Management Manual
- V. BCIT Records Management Procedures
- W. Electronic Records Management Handbook
- X. What is Records Management?
- Y. Why Records Management?
- Z. The Seven Attributes of an Effective Records Management Program

