## SENATE OF PAKISTAN HOUSE OF THE FEDERATION

## **REPORT NO. 01 / 2023**



REPORT OF THE SENATE STANDING COMMITTEE ON PETROLEUM ON A POINT OF PUBLIC IMPORTANCE REGARDING GAS LOAD-SHEDDING IN THE PROVINCE OF SINDH RAISED BY SENATOR SAIFULLAH ABRO DURING SITTING OF THE SENATE HELD ON 8<sup>TH</sup> FEBRUARY, 2022.

PRESENTED BY:

SENATOR MOHAMMAD ABDUL QADIR CHAIRMAN COMMITTEE

## SENATE SECRETARIAT

REPORT OF THE STANDING COMMITTEE ON PETROLEUM ON THE POINT OF PUBLIC IMPORTANCE REGARDING GAS LOADSHEDDING IN THE PROVINCE OF SINDH RAISED BY SENATOR SAIFULLAH ABRO DURING SITTING OF THE SENATE HELD ON 8<sup>TH</sup> FEBRUARY, 2022 AND REFERRED TO THE COMMITTEE FOR CONSIDERATION AND REPORT.

I, Senator Mohammad Abdul Qadir, Chairman Standing Committee on Petroleum has the honor to present on behalf of the Committee, this report on the point of public importance regarding gas loadshedding in the province of Sindh raised by Senator Saifullah Abro during sitting of the Senate held on 8<sup>th</sup> February, 2022 and referred to the Committee for consideration and report.

2. The composition of the Committee is as under:-

| 1.   | Senator Mohammad Abdul Qadir             | Chairman          |
|------|--|-------------------|
| 2.   | Senator Fida Muhammad                    | Member            |
| 3.   | Senator Mohsin Aziz                      | Member            |
| 4.   | Senator Aon Abbas Bappi                  | Member            |
| 5.   | Senator Prince Ahmed Omer Ahmedzai       | Member            |
| 6.   | Senator Sarfaraz Ahmed Bugti             | Member            |
| 7.   | Senator Qurat ul Ain Marri               | Member            |
| 8.   | Senator Engr. Rukhsana Zuberi            | Member            |
| 9.   | Senator Saadia Abbasi                    | Member            |
| 10.  | Senator Atta ur Rehman                   | Member            |
| .11. | Senator Kauda Babar                      | Member            |
| 12.  | Senator Shammim Afridi                   | Member            |
| 13.  | Minister for Energy (Petroleum Division) | Ex-officio Member |
|      |  |                   |

3. The Committee discussed the issue in its meetings held on 30<sup>th</sup> May & 12<sup>th</sup> December, 2022 and 2<sup>nd</sup> February, 2023. The last meeting of the Committee was attended by the following members:

| 1. | Senator Mohammad Abdul Qadir  | Chairman |
|----|-------------------------------|----------|
| 2. | Senator Fida Muhammad         | Member   |
| 3. | Senator Sadia Abbasi          | Member   |
| 4. | Senator Engr. Rukhsana Zuberi | Member   |
| 5. | Senator Shammim Afridi        | Member   |
| 6. | Senator Saifullah Abro        | Mover    |

During the meeting held on 30<sup>th</sup> May, 2022 Senator Saifullah Abro informed the Committee that during the month of January, 2022, Karachi faced severe problem of low gas pressure. He stated that the Government told that the issue of low gas pressure was due to compressor pumps installed by the industries. He stated that in February, 2022 it was informed that so many industries were involved in the illegal act and that a fine of Rs. 300 million has been imposed on them. He asked for details of cases regarding installation of compressor pumps by the industrial units

and directed that the issue of low gas pressure particularly during winter season in Karachi be resolved.

- 5. The MD and DMD, SSGCL informed the Committee that in winter season 2021-22, there was shortfall of 245 to 300 MMMCFD which was supposed to be met through closure of supply to CNG and general industry. While the CNG sector voluntarily closed their stations, the industrial sector did not cooperate. Resultantly, the company disconnected the supply to industries but they obtained stay orders from the court and started using compressor pumps. In January 2021 179 such cases were detected and in February there were 99 cases. They consumed 304 and 28 MMCFD gas respectively in these two months. Accordingly their connections were disconnected and they were imposed a fine of Rs. 350 million.
- 6. During the meeting held on 2<sup>nd</sup> February, 2023, Senator Saifullah Abro informed the Committee that since May, 2022 he has been asking the company to provide the details of these cases including the estimated quantity and value of the gas consumed by each industry, the penalty imposed and received in each case, the employees of the company involved in these cases and action taken against them but the same has not been provided so far.
- The Committee observed that Karachi is an important city which provides huge revenue to the country both in the shape of exports and taxes. Therefore, the Government should take appropriate measures to resolve the issue of low gas pressure to both the domestic and industrial sectors in Karachi on priority basis. The Committee also directed the SSGCL to provide all the information about the cases of installation of compressor pumps by the industrial units in Karachi in January and February, 2022 including the estimated quantity and value of the gas consumed by each industry through compressor pumps, the penalty imposed and received in each case, the employees of the company found involved in these cases and action taken against them. The Committee further directed the company to take effective measures to control the use of compressor pumps and other means of illegal use of gas in Karachi. The Committee disposed off the point of public importance.
- 8. <u>Recommendation.</u> After thorough discussion, the Committee disposed of the issue raised through the instant point of public importance and made the following recommendations:

- I. The Committee directed that in view of the importance of Karachi in terms of industry and revenue generation, the Government should take appropriate measures to resolve the issue of low gas pressure to both the domestic and industrial sectors in the city on priority basis.
- II. The Committee directed the SSGCL to provide all the information about the cases of installation of compressor pumps by the industrial units in Karachi in January and February, 2022 including the estimated quantity and value of the gas consumed by each industry through compressor pumps, the penalty imposed and received in each case, the employees of the company found involved in these cases and action taken against them.
- III. The Committee further directed the company to take effective measures to control the use of compressor pumps and other means of illegal use of gas in Karachi. The Committee disposed off the point of public importance.

(RAFIULLAH)
Secretary Committee

Islamabad, the 3<sup>rd</sup> February, 2023.

(SENATOR MOHAMMAD ABOUL QADIR)

Chairman Committee