

[TO BE INTRODUCED IN THE SENATE]

A

Bill

further to amend the Oil and Gas Regulatory Authority Ordinance, 2002

WHEREAS, it is expedient further to amend the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), for the purpose hereinafter appearing:—

1. **Short title and commencement.**— (1) This Bill may be called the Oil and Gas Regulatory Authority (Amendment) Bill, 2026.

(2) It shall come into force at once.

2. **Insertion of section 8A, Ordinance XVII of 2002.**— In the Oil and Gas Regulatory Authority Ordinance, 2002 (XVII of 2002), hereafter referred to as the said Act, after section 8, the following new section shall be inserted, namely:—

“8A. Quarterly review of natural gas pricing.— (1) A Licensee for natural gas shall submit for review by the Authority its total revenue requirement, on quarterly basis, only to the extent of wellhead gas prices and cost of imported gas and the Authority shall advise the Federal Government of the revised prescribed prices for the licensee for natural gas.

(2) The Federal Government shall, within thirty days of the advice as referred in sub-section (1), advise the Authority of minimum charges and the sale price for each category of retail consumer for natural gas for notification in the official Gazette by the Authority of the prescribed prices as determined in sub-section (1), the minimum charges and the sale prices for each category of retail consumers for natural gas.

(3) The Federal Government may also advise the Authority to consider the entire or part of adjustment as determined under sub-section (1) in its forthcoming determination under sub-section (1) or (2) of section 8.

3. **Amendment of section 9, Ordinance XVII of 2002.**— In the said Ordinance, in sub-section (2), for full stop at the end, a colon shall be substituted and thereafter the following new proviso shall be added, namely:—

“Provided that public hearing shall not be held by the Authority for revision of prescribed prices under section 8A.”.

STATEMENT OF OBJECTS AND REASONS

The primary objective of the proposed amendments to the Oil and Gas Regulatory Authority (OGRA) Ordinance, 2002 is to establish a quarterly gas pricing mechanism with the intent to adjust price fluctuation of natural gas including RLNG along with Rupee Dollar parity in a timely manner, thereby aligning tariffs with market realities.

The tariff adjustment by implementing quarterly reviews, with a 30-day timeline for Federal Government advice, shall signal accurate pricing and sufficient gas price revision by Federal Government help to curb accumulation of circular debt for natural gas sector, ensuring financial and operational stability of entire gas supply chain.

The Bill titled “The Oil and Gas Regulatory Authority (Amendment) Bill, 2026 has been designed to achieve the above stated objective.

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