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SNGPL pipeline enters red zone as RLNG pressure goes up

ISLAMABAD: The country's pipeline infrastructure has entered into danger zone as the presence of the RLNG in pipeline of Sui Northern has increased to 4.9 bcfd against its limit to store 4.6 bcfd RLNG at the maximum.

"This has endangered the existence of pipeline and if the power sector continues to reduce intake of RLNG, the structure may face huge loss as the pipeline can burst," a senior official at Petroleum Division has confided this to The News.

When sent a question to Additional Secretary and Spokesman for Petroleum Division Sher Afgan asking if the pipeline of Sui Northern is fully packed with RLNG and its volume has increased by up to 4.9bcfd knowing the fact when it crosses the figure of 4.6 bcfd, pipeline's existence enters into danger zone meaning by that any ugly incident can happen and pipeline can burst even, Mr Afgan did not answer and even did not pick up his cell phone. However, Special Assistant to Prime Minister on Petroleum Nadeem Babar said this issue is more pertaining to fluctuations in temperature in the country which determines the demand of electricity and the issue has been well taken care of.

The official at Petroleum Ministry said that power sector has massively tumbled its committed demand of RLNG for September for power generation from its 700 mmcfd to 540 mmcfd, so the RLNG pack in the pipeline has increased up to dangerous level of 4.9 bcfd, which may prove detrimental to the very existence of the pipeline.

However, the government has slowed down the re-gasification rate from 400 mmcfd at PGPL terminal to 100 mmcfd and at Engro terminal from 600 mccfd to 570 mmcfd. Also Engro terminal is going for outage from 5 am (Monday) for 12 hours instead of earlier envisaged at 8am. Pakistan LNG Limited (PLL) will continue to run PGPL terminal at 100 mmcfd even during the outage of Engro terminal till such a time it is asked to increase the same based on demand at that time.

Since, there is no RLNG storage in the country, the pipeline is being used as storage of the imported product. According to Adviser to PM on Petroleum, World Bank has been assigned to conduct study on building the RLNG storages and once it is completed, the government will start working on it.

It may not be out of place to mention that SNGPL has always been saying that it needs consistent demand throughout the month. There are no RLNG storages. SNGPL cannot save more than 2 days of deviation in the line pack.

When re-gasification is reduced, state owned entity Pakistan State Oil feels the heat because of slowed down re-gasification rate, it has to pay the demurrages time to time and in the month of August, it paid $150,000 alone.

To avoid demurrages, the situation warrants immediate remedial measures to be taken in coordination with Power Division and SNGPL, as the situation has developed due to lesser off-take by Power Division than the committed one.

Meanwhile, SNGPL needs, the letter says, to take all possible measures on war-footings, including diverting gas to other sectors, reduction/temporary suspension in local supplies so that the huge cost implications are averted that would inflict loss to national exchequer.

However, Power Division official argued saying that since the temperature has fallen because of rains in the country and changing weather, the operationalisation of RLNG power plants has been reduced accordingly as the electricity demand has reduced. All kind of power plants are run as per economical order and RLNG power plants are run in the last in the absence of furnace oil based power plants. The cheapest power plants are first run such as plants run on local gas, hydel projects, coal based power plants, solar and wind power plants, nuclear power plants, and then RLNG power plants get the turn to be operational and if need be, in the last furnace oil based power plants are allowed to generate electricity.

According to Power Division official for the coming winter season, the demand of RLNG from power sector will be between 400mmcfd and 500mmcfd as the demand of electricity in winter season would come down to 12,000 to 14000MW.