

CLARIFICATION: “NO END TO FURNACE OIL LOVE AFFAIR”

In a recently published news story appearing in daily Business Recorder, titled: *‘No end to furnace oil love affair’*, PSO has categorically contested some of its contents. Firstly, only one cargo of 65,000 MT HSFO and not 146 K tons as reported in the story, was imported during the month of October 2018. This was required to meet the demand of K-Electric and other cash customers.

Secondly, the story has further claimed that PSO continued to import furnace oil without coordination on ‘demand and reserves’. In the interest of clarity it should be noted that PSO never imports furnace oil without a formal demand raised by the Power Division through Petroleum Division, Ministry of Energy. It is only after these directives are issued by the Ministry of Energy and a due planning process that PSO imports furnace oil.

PSO further clarifies that with the huge receivables of Rs.268.5 billion from power sector and no firm payment plan in place against these receivables, PSO itself does not want to import furnace oil further, unless firm demand along with payment is ensured.

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