

AGP/CMR/2022-23/052

February 11, 2023

To
The Secretary
Petroleum and Natural Gas Regulatory Board
Babar Road, Barakhamba Lane
World Trade Centre
New Delhi – 110 001

JATA 15/2
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Subject: **Comments on suo-motu proposal for development of NGPL from Ennore to Pudur/Barshi.**

Reference: **PNGRB/Auth/2-NGPL(14)/2020 dated 12th January 2023**

JATA

Dear Madam,

Greetings from AG&P Pratham!

This is with reference to above mentioned Public Notice web-hosted by the Hon'ble Board seeking views from stakeholders on suo-motu proposal for development of Natural Gas pipeline originating from Ennore.

At the outset, we would like to appreciate the initiative of the Hon'ble Board in moving this proposal for setting up of new NG pipelines connecting new areas to the national gas grid.

Our comments on the following two pipelines in prescribed format is enclosed for your kind perusal.

1. Ennore to Padur (Annexure – 1)
2. Ennore to Barshi (Annexure – 2)

We would be happy to participate in an open house discussion and provide our further inputs before PNGRB finalizes the proposal and invites bids.

Thanking you,

For AGP City Gas Private Limited



Vinukumar S. Balakrishnan
Chief Marketing Officer & Head - Commercial

Encl: a/a

**Format for submission of views on the Proposal for
Pipeline Name: Ennore to Padur**

S No	Views in respect of the Proposal	Ennore to Padur (Option 1)
1	Name of the entity/person	AG&P City Gas Private Limited
2	Complete address	305, 3rd Floor, Worldmark 2 Asset – 8, Hospitality District Aerocity, New Delhi-110 037
3	E-mail ID/ telephone / fax	Email: commercials@agppratham.com info.citygas@agppratham.com Phone: +91 (11) 4022 4573
4	Identification proof (in case of an individual person)	N/A
5	Views and suggestions related to:	Suo-Motu Proposal for NGPL
a)	Natural Gas pipeline proposed	Ennore to Padur
b)	Other aspects of the proposal	-
c)	Any other issue	Comments enclosed.



Annexure - 1

Our initial assessment of the routes proposed by the Hon'ble Board tells us that Option -2 route can better cater to the requirements of Natural Gas even in remote areas of four states i.e., Andhra Pradesh, Telangana, Karnataka, and Maharashtra as compared to Option 1 which covers only two states.

Proposed route for Option-1 (Ennore-Pudur) is traversing only through two states (Andhra Pradesh and Telangana) where as Option-2 route in addition to covering the above two states would also cover parts of Karnataka and Maharashtra. Further, some of the areas that might be covered by Option-1 pipeline can also be covered by spur-lines from Kakinada-Vijayawada-Nellore NGPL which is already authorised by the Hon'ble Board.

While we feel that Option-2 is better than Option-1 we would request the Hon'ble Board to take the following points into consideration while evaluating the proposal:

1. The Board may ensure that the rights of CGD entities with GAs falling enroute the NGPL shall not be encroached by the Authorized NGPL entity. The Board may further clarify to the bidders that the purpose of the pipeline is to simply transport gas and not supply natural gas to any industrial customers serviced by CGDs enroute the NGPL as per regulation 3(2) of Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008.
2. Since authorization issued for development of Ennore-Nellore NGPL which was to reach Sri Potti Sriramulu Nellore Districts GA is sub-judice before the APTEL and considering that so far there is no commissioned NGPL in the vicinity of the said GA, we request the Board to re-route the Option-1 so that the proposed route passing through Nellore District to also covers Nellore City in case the Board decides to go ahead with Option-1.
3. We trust that the Hon'ble Board shall ensure inter-connectivity of the NGPL to the national gas grid (NGG). Not having connectivity to the NGG would result in CGD entities having to resort to swapping arrangements for APM/NAPM gas which is unviable for CNG and DPNG operations.
4. Since AG&P would have created substantial infrastructure of its own in its GAs by the time this pipeline is authorised and completed, AG&P dependency on these pipeline would be very limited.
5. Hon'ble Board may like to carry out independent demand assessment excluding the CGD industrial customers from AG&P GAs to get an realistic estimate of the demand.
6. It may be clarified at the time of bidding that any entity bidding for this pipeline would ensure that feasibility of the pipeline is established without considering the demand of AG&P GAs in the route.



Annexure - 1

7. The Hon'ble board is also requested to consider disqualifying entities which have failed to complete authorised pipelines in part or full within the authorised timelines to ensure that the pipeline is implemented in a timely manner and any party taking investment decisions based on this authorisation are not adversely affected.



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**Format for submission of views on the Proposal for
Pipeline Name: Ennore to Barshi**

S No	Views in respect of the Proposal	Ennore to Barshi (Option 2)
1	Name of the entity/person	AG&P City Gas Private Limited
2	Complete address	305, 3rd Floor, Worldmark 2 Asset – 8, Hospitality District Aerocity, New Delhi-110 037
3	E-mail ID/ telephone / fax	Email: commercials@agppratham.com info.citygas@agppratham.com Phone: +91 (11) 4022 4573
4	Identification proof (in case of an individual person)	N/A
5	Views and suggestions related to:	Suo-Motu Proposal for NGPL
a)	Natural Gas pipeline proposed	Ennore to Barshi
b)	Other aspects of the proposal	-
c)	Any other issue	Comments enclosed.



Our initial assessment of the routes proposed by the Hon'ble Board tells us that Option -2 route can better cater to the requirements of Natural Gas even in remote areas of four states i.e., Andhra Pradesh, Telangana, Karnataka, and Maharashtra as compared to Option 1 which covers only two states. Based on our assessment, the following would be the coverage of Option 2 pipeline:

S No.	GA name	Authorised CGD Entity
1	Chittoor, Kolar & Vellore Districts	AGP City Gas Pvt. Ltd.
2	Sri Potti Sreeramulu Nellore District	AGP City Gas Pvt. Ltd.
3	Anantapur & YSR (Kadapa) Districts	AGP City Gas Pvt. Ltd.
4	Kurnool, Guntur, & Prakasam Districts	Indian Oil Corporation Ltd.
5	Bagalkot, Koppal & Raichur Districts	AGP City Gas Pvt. Ltd.
6	Jogulamba Gadwal, Nagarkurnool, Mahabubnagar, Narayanpet, Wanaparthi & Yadgir Districts	Megha City Gas Distribution Pvt. Ltd.
7	Kalaburagi & Vijayapura Districts	AGP City Gas Pvt. Ltd.
8	Solapur District	IMC Limited.
9	Latur & Osmanabad Districts	Unison Enviro Pvt. Ltd. (Passing nearer to GA Boundary)

Proposed route for Option-1 (Ennore-Pudur) is traversing only through two states (Andhra Pradesh and Telangana) where as Option-2 route in addition to covering the above two states would also cover parts of Karnataka and Maharashtra. Further, some of the areas that might be covered by Option-1 pipeline can also be covered by spur-lines from Kakinada-Vijayawada-Nellore NGPL which is already authorised by the Hon'ble Board.

While we feel that Option-2 is better than Option-1 we would request the Hon'ble Board to take the following points into consideration while evaluating the proposal:

1. The Board may ensure that the rights of CGD entities with GAs falling enroute the NGPL shall not be encroached by the Authorized NGPL entity. The Board may further clarify to the bidders that the purpose of the pipeline is to simply transport gas and not supply natural gas to any industrial customers serviced by CGDs enroute the NGPL as per regulation 3(2) of Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008.
2. Since authorization issued for development of Ennore-Nellore NGPL which was to reach Sri Potti Sriramulu Nellore Districts GA is sub-judice before the APTEL and

Annexure - 2

considering that so far there is no commissioned NGPL in the vicinity of the said GA, we request the Board to re-route the Option-1 so that the proposed route passing through Nellore District to also covers Nellore City in case the Board decides to go ahead with Option-1.

3. We trust that the Hon'ble Board shall ensure inter-connectivity of the NGPL to the national gas grid (NGG). Not having connectivity to the NGG would result in CGD entities having to resort to swapping arrangements for APM/NAPM gas which is unviable for CNG and DPNG operations.
4. Since AG&P would have created substantial infrastructure of its own in its GAs by the time this pipeline is authorised and completed, AG&P dependency on these pipeline would be very limited.
5. Hon'ble Board may like to carry out independent demand assessment excluding the CGD industrial customers from AG&P GAs to get an realistic estimate of the demand.
6. It may be clarified at the time of bidding that any entity bidding for this pipeline would ensure that feasibility of the pipeline is established without considering the demand of AG&P GAs in the route.
7. The Hon'ble board is also requested to consider disqualifying entities which have failed to complete authorised pipelines in part or full within the authorised timelines to ensure that the pipeline is implemented in a timely manner and any party taking investment decisions based on this authorisation are not adversely affected.

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