

**Email****anand.aman@pngrb.gov.in**

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**FW: Views/Comments on draft "PNGRB (Determination of Transportation Rate for CGD and Transportation Rate for CNG) Regulations, 2020"**

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**From :** Pankaj Bhutani <bhutani.p@pngrb.gov.in> Thu, Oct 15, 2020 10:01 AM  
**Subject :** FW: Views/Comments on draft "PNGRB (Determination of Transportation Rate for CGD and Transportation Rate for CNG) Regulations, 2020"  
**To :** Vineet Kumar <vineet.saxena@pngrb.gov.in>, Aman Anand <anand.aman@pngrb.gov.in>

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**From:** Secretary <secretary@pngrb.gov.in>  
**Sent:** 15 October 2020 09:55  
**To:** Pankaj Bhutani <bhutani.p@pngrb.gov.in>  
**Cc:** Vineet Kumar <vineet.saxena@pngrb.gov.in>  
**Subject:** Fwd: Views/Comments on draft "PNGRB (Determination of Transportation Rate for CGD and Transportation Rate for CNG) Regulations, 2020"

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**From:** "Tarun Lakhotia" <[Tarun.Lakhotia@kotak.com](mailto:Tarun.Lakhotia@kotak.com)>  
**To:** "Secretary" <[secretary@pngrb.gov.in](mailto:secretary@pngrb.gov.in)>  
**Sent:** Wednesday, October 14, 2020 10:14:46 PM  
**Subject:** Views/Comments on draft "PNGRB (Determination of Transportation Rate for CGD and Transportation Rate for CNG) Regulations, 2020"

To  
The Secretary,  
Petroleum and Natural Gas Regulatory Board.

Respected Madam,

This is in reference to the public notice (PNGRB/COM/1-CGD Tariff(1)/2015) seeking views/comments on the draft "PNGRB (Determination of Transportation Rate for CGD and Transportation Rate for CNG) Regulations, 2020".

We appreciate the recent efforts of the Board directed towards enabling of third-party access in authorized CGD networks post the expiry of marketing exclusivity period.

The proposed regulations—(1) Guiding Principles for Declaring City or Local Natural Gas Distribution Networks as Common Carrier or Contract Carrier, (2) Access Code for City or Local Natural Gas Distribution Networks and (3) Determination of Transportation Rate for CGD and Transportation Rate for CNG—addresses most of the pertinent issues, which may

have otherwise been deterrent in implementing the open access principle. We would like to bring to your notice a few issues, which may be critical in providing a level-playing field to the third-party entities and enabling consumers to source natural gas at competitive prices.

- The Board may be required to request the government to provide adequate allocation/supply of domestic natural gas to the third-party entities, who will be catering to the requirements of CNG (transport) and PNG (domestic) segments in line with the existing guidelines for priority allocation of domestic natural gas. This will ensure availability of domestic natural gas to the authorized entity as well as the third-party entities on a non-discriminatory basis in a given geographical area, thereby, enabling a level-playing field for all the suppliers to service the consumers in CNG (transport) and PNG (domestic) segments.
- The Board may consider including provisions to enable open access of the CGD network beyond the minimum threshold of twenty percent of the capacity to be provided by the authorized entities. This will ensure that all the consumers in a geographical area are enabled to source natural gas at competitive prices and are not restrained by the limitations of minimum threshold capacity for open access.

We request the Board to consider these issues in order to implement open access of the CGD networks effectively, which will encourage competitive supplies of natural gas to the end-consumers in priority segments, enhance consumption of natural gas in the country and help in achieving the government's stated objective of increasing share of natural gas to 15% of India's overall energy mix.

We will be happy to provide further inputs, as and when required.

Yours sincerely,  
Tarun Lakhotia  
Director | Institutional Equities

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