

Ref: BPCL/PNGRB/NGPL

26<sup>th</sup> July 2020

The Secretary,  
Petroleum & Natural Gas Regulatory Board,  
World Trade Centre, 1st Floor, Babar Road,  
New Delhi-110001

**Sub:** Comments/ views on Draft PNGRB (Determination of Natural Gas Pipeline Tariff) Regulations, 2008 Public Notice dated 29<sup>th</sup> June 2020

- 1) PNGRB ICOM/2-NGPL/Tariff (3)/2019 Vol-II dated 29.04.2020
- 2) Draft PNGRB (Determination of Natural Gas Pipeline Tariff) Amendment Regulations, 2020.
- 3) PNGRB/COM/2-NGPL/Tariff (3)/2019 Vol-II

Madam,

This is with reference to the public notice dated 29<sup>th</sup> June 2020 webhosted by PNGRB for seeking comments/ views to amend the Petroleum and Natural Gas Regulatory Board (Determination of Natural Gas Pipeline Tariff) Regulations, 2008 ("NGPL Tariff Regulations") from stakeholders.

We welcome the proposed amendments by PNGRB for unified network transportation rate of multiple pipelines. The unified tariff and pipeline integration would help consumers in getting access to gas from any import or domestic facility at a unified tariff. We would like submit our views as under for the kind consideration of Hon'ble Board.

1. We request Hon'ble Board to protect the interests of the consumers along with the interests of the pipeline operators while devising the mechanism of working of the unified tariff of integrated pipelines. We would like to bring out that rationalize pipeline tariffs is important in order to boost Natural Gas consumption across the country.
2. Proposed amendment for natural gas pipeline utilization levels considered with longer spread over 10 years and decreasing number of working days to 350 days from current 355 days for natural gas pipeline tariff working may lead to drastic increase in pipeline tariff. The Hon'ble Board may kindly reconsider the pipeline capacity utilization levels to 5 year and number of working days to current level of 355 days. We also request Hon'ble Board to consider the past and likely future consumption pattern for tariff calculations.



28-ए, ई.सी.ई. हाऊस, कस्तूरबा गांधी मार्ग, पोस्ट बॉक्स नं.-7, नई दिल्ली-110001 फोन : 23316891 फैक्स : 23312078, 23316894  
रजिस्टर्ड आफिस : भारत भवन, 4 एवं 6 करीममोंच रोड, बेलार्ड इस्टेट, मुम्बई-400001 फोन : 22713000, 22714000 फैक्स : 22713837  
सीआईएन : L23220MH1952GO1008931

3. The higher natural gas pipeline tariff will not be in the interests of shippers/ consumers such as CGD, Power, Fertilizer, Petrochemicals, Steel industries, MSME, the higher tariff would also will lead to increase in the price of CNG & PNG and may impact the growth of gas market.
4. Hon'ble Board may consider the integration for cost-plus pipelines for the purpose of unified Tariff as well as Two-Zone tariff for cost-plus pipelines in addition to proposed Natural Gas Pipelines for integration. However, the tariff computation as well as Zonal tariff of the pipeline shall not exceed the levelized tariff of these pipelines.

We request Hon'ble Board to strike out balance between pipeline operators/ developers and gas consumers while rationalizing the Pipeline tariff, which will help in boosting the Natural Gas consumption across the country.

Yours faithfully,



Mahesh Narain

CGM (Gas Projects)

For **Bharat Petroleum Corporation Limited**