



Thursday, May 9, 2019

To,
The Secretary
Petroleum and Natural Gas Regulatory Board,
1st Floor, World Trade Centre,
Babar Road, New Delhi – 110001.

Subject : Public Notice, dated 16.04.2019 issued by PNGRB seeking comments / views on proposed draft amendments in PNGRB (Determination of Natural Gas Pipeline Tariff) Regulations, 2008.

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Please refer to Public Notice, dated 16.04.2019 issued by PNGRB seeking comments / views from the stakeholders on the proposed draft amendments in Petroleum and Natural Gas Regulatory Board (Determination of Natural Gas Pipeline Tariff) Regulations, 2008 [PNGRB Tariff Regulations].

We would like to state that, we, Deepak Fertilisers And Petrochemicals Corporation Limited (DFPCL) have filed two Writ Petitions before the Hon'ble High Court of Delhi, challenging the explanation to sub-clause (4) of Clause 9 of Schedule A of PNGRB Tariff Regulations, inserted by way of Amendment Regulation of 2016, as well as Tariff Orders passed and Debit Notes issued pursuant thereof and same is sub-judice.

While, we appreciate the effort of PNGRB to address the issue of retrospective applicability by proposing necessary amendments to the relevant Regulation to bring it in line with the Petroleum and Natural Gas Regulatory Board Act, 2006, DFPCL would like to submit its views/ comments on the proposed draft amendments for your kind consideration.

In clause (h), sub regulation (1) of Regulation (2) at the end it provides that "...the gap between the two tariff shall not be less than three financial years". It would be good to add the words "after the end of the financial year in which last tariff fixation is fixed". This is suggested to avoid the overlap of the years.

With regard to proposed amendment of sub-clause (4) of Clause 9 of Schedule A of the PNGRB Tariff Regulations, we would like to state that sub-clause (4) of Clause 9 of Schedule A of the extant as the first part of the provision provides that the derived tariff shall be charged from the customers on



prospective basis till next review, however, the second part, i.e., the purported explanation of the same provides that in case, the tariff order is issued before 30th September, the same shall be applicable from 01st April of the financial year in which the Tariff order is issued, thereby making the second part of the said provision retrospective in nature and contradictory.

We understand that this amendment has been brought forth by the Board to rectify this obvious error. Thus, the proposed amendment should be clarificatory / declaratory so that the tariff orders issued under the extant Regulations are also covered under the ambit of amended Regulations. This will eliminate ambiguity in the Regulations with respect to tariff orders issued prior to coming into force of this proposed amendment in Regulations, as well as ensure uniformity amongst all the consumers.

If the proposed amendment is not made clarificatory / declaratory to cover the tariff orders already issued under the extant Regulations is itself contradictory, the same would create discrimination between the consumers who have already paid the tariff under the extant Regulations and those who are yet to pay.

We trust the Hon'ble Board shall find our views / comments helpful and shall consider the same while framing the Regulations. We are happy to provide any further clarifications, if required in this regard by the Hon'ble Board.

Thanking you,

For Deepak Fertilisers

And Petrochemicals Corporation Limited

Authorised Signatory