

Subject: **Public Notice on the proposed amendment in NGPL Access Code Regulations**

To: "secretary@pngrb.gov.in" <secretary@pngrb.gov.in>  
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Date: 27/06/19 11:42 AM

From: Corporate Regulatory Affairs group (निगमित विनियामक मामला ग्रुप) <cragroup@gail.co.in>

2408 GAIL letter dt. 26.06.2019.pdf (686kB)

Respected Madam,

This has reference to the Public Notice ref. no.: PNGRB/M(C)/31 (Vol-III) dated 10.06.2019 on the captioned subject soliciting views of stakeholders.

In this regard please find enclosed GAIL letter along with Annexure. Hard copy follows.

Regards,

Regulatory Affairs Group,  
GAIL (India) Limited,  
New Delhi  
Think Digital, Be Digital

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AA(SA)

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गैल (इंडिया) लिमिटेड

(भारत सरकार का उपक्रम - महारत्न कंपनी)

GAIL (India) Limited

(A Government of India Undertaking - A Maharatna Company)

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GAIL/ND/RA/Acc-Code-Amend/2019/2408

Date: 26.06.2019

To  
The Secretary,  
Petroleum and Natural Gas Regulatory Board,  
1<sup>st</sup> Floor, World Trade Centre, Babar Road,  
New Delhi - 110001.

Respected Madam,

**Subject: Public Notice on the proposed amendment in PNGRB NGPL Access Code Regulations, 2008.**

This has reference to the Public Notice ref. no.: PNGRB/M(C)/31 (Vol-III) dated 10.06.2019 on the captioned subject soliciting views of stakeholders.

2. In this regard, the views of GAIL (India) Limited are enclosed as **Annexure-A**.

Submitted please.

Yours Sincerely,

*S. Kumar*

(Kumar Shanker)

Chief General Manager (Mktg-RA)

E-mail: [kumarshanker@gail.co.in](mailto:kumarshanker@gail.co.in)

Encl: As above

**Subject: Public Notice on the proposed amendment in PNGRB NGPL Access Code Regulations, 2008.**

1. It is seen that the proposed amendment in the extant sub-regulation 13 (10) of PNGRB Access Code Regulations essentially revises the Modalities of maintaining and operating the Escrow Account, which at present are being carried out as per a separate "Guidelines" issued by PNGRB under the Access Code Regulations. Hence, the proposed amendments may have to replace not only the extant sub-regulation 13(10) of Access Code Regulations, but also the extant Guidelines on "Modalities of maintaining and operation of Escrow Account under the PNGRB (Access Code for Common or Contract Carrier Natural Gas Pipelines) Regulations, 2008" dated 07.03.2011.
2. The draft proposes establishment and maintenance of the Escrow Account henceforth by the Board instead of by the respective transporter entities. This proposed change is expected to be beneficial in terms of tax efficiency, and in this regard, the following may kindly be considered by the Board:
  - (i) Proposed sub-clause 13(10)(x) in respect of the accumulated amounts lying in the present Escrow Accounts:
    - (a) In compliance with the extant sub-regulation 13(11) of the Access Code Regulations, up to FY 2018-19, transporters have been submitting the audited statements of the escrow accounts to the Board on an annual basis. Considering the same, the proposed requirement to submit now various past details, viz., year-wise, pipeline-wise, shipper-wise details of accumulation in the escrow account, details of withdrawal from the escrow account and details of interest from such escrow account, may kindly be dispensed with. In this regard it is submitted that, on a prospective basis from Financial Year 2019-20 onwards, the said details may be specified to be submitted annually by the transporters, for which a reasonable time period of Ninety days may also be allowed.
    - (b) The amount in the existing escrow account is only due to accumulations along with interest, and as such there is no any other earnings in them. The same may be considered accordingly.
  - (ii) In respect of the balance amounts available in the present escrow accounts (after the eligible withdrawal by the transporters), the extant sub-regulation 13(12) provides that the Board may specify the manner and the purpose for which such balance amount may be utilized. In this regard, it is our submission that such balance amount may be allowed to be utilized by the transporters towards creating and sustaining efficient infrastructure facilities of their respective authorized pipelines, based on the purposes and principles that may be specified by the Board.

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