

HMPL/OTM/MKT/2020/59

09-11-2020

To,
The Secretary
Petroleum and Natural Gas Regulatory Board
First Floor, World Trade Centre, Babar Road
New Delhi, 110001

Subject: Comments/Views on the Draft Amendments to the PNGRB (Imbalance Management Services) Regulations, 2016

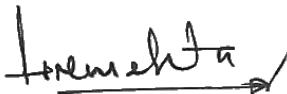
Dear Madam,

This is in reference to the PNGRB Public Notice no. PNGRB/COM/2-NGPL Tariff (2)/2012(P-xxx) dated 17-10-2020 seeking the public comments/views on proposed amendments to the PNGRB (Imbalance Management Services) Regulations, 2016.

In this regard, our views/comments are enclosed at **Annexure I** for kind consideration of the Hon'ble Board.

Thank you.

With regards,



Hiren Mehta
Asst. Vice President - Marketing

Annexure I

- H-Energy welcomes and supports the proposed amendment. The draft Regulation introduces various kinds of services such as Parking, Lending, Netting and Trading which will provide greater amount of flexibility to the shippers and help to increase the utilization of pipeline capacity and gas consumption in the Country.
- With respect to the draft Regulation 4(4), we request the Hon'ble Board to reduce the proposed ceiling amount from Rs 15 per MMBTU to Rs. 10 per MMBTU for Parking and Lending services and Rs. 1.5 per MMBTU to Rs. 1 per MMBTU for Netting and Trading services. Reason being, while execution of transportation agreement and negotiations, transporters generally consider the maximum amount (ceiling) for the charges levied on the shipper and doesn't reduce the same, stating that they have to provide access to available capacity to all shippers on non-discriminatory basis as per NGPL Access Code Regulations hence they cannot charge/treat all shippers differently.
- We observe that the committee constituted by the PNGRB to review the Imbalance Management Services only consisted of transporters, a customer and a consultant apart from PNGRB members which as per us does not represent all the stakeholders.

Hence we request the Hon'ble Board to kindly include Gas/LNG Marketers, Gas Exchange Operators and Customers from various industries as well in the committees formed for such important subjects in the future.