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secretary@pngrb.gov.in

Email

Subject: Public Notice dated 1st June 2020 seeking comments / views on the Proposed Anjar Chotila Natural Gas Pipeline

From : Rahul Sharma <Rahul.Sharma@swanlng.co.in> Sat, Jun 20, 2020 06:28 PM

Subject : Subject: Public Notice dated 1st June 2020 seeking comments / views on the Proposed Anjar Chotila Natural Gas Pipeline

To : Secretary <secretary@pngrb.gov.in>

Cc : Rakesh Kumar Shahi <rkshahi@pngrb.gov.in>, fsru@swanlng.co.in

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

AA(AK)
Cmes - 22/06/2020

Subject: Public Notice dated 1st June 2020 seeking comments / views on the Proposed Anjar Chotila Natural Gas Pipeline

Dear Sir/Madam,

This is with reference to the Public Notice dated 01.06.2020 seeking comments / views on the Proposed Anjar Chotila Natural Gas Pipeline, we have following submission:

As per our understanding, the proposed Anjar Chotila pipeline is providing connectivity to Mundra LNG Terminal to cater to the gas markets in West & North India, any additional tariff charged by the selected entity through tendering process will make the transportation cost of natural gas high due to additive tariff of new and existing pipelines resulting in the terminal not being able to compete with existing terminals. This will certainly have an adverse impact on the viability of connected Terminals.

In this regard, our submission is that the Hon'ble Board should look at the possibility of asking the existing pipeline operator in that region to develop this proposed Anjar Chotila pipeline as part of its grid so that there are no additive tariffs imposed for natural gas transportation.

Further, we also refer to the Public Notice dated 29.4.2020 on Draft Amendment of Petroleum and Natural Gas Regulatory Board (Determination of Natural Gas Pipeline Tariff) Regulations, 2008 ("Tariff Regulations") wherein views/ suggestions are invited

regarding exclusion of some of the existing provisions viz:

"exclusion of provisions of regulation 12 and regulation 21 of Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008 for the purpose of determination of tariff in respect of 'cost-plus' natural gas pipelines and also on whether or to treat interconnection between two natural gas pipelines as extension/ expansion/ tie in."

Since the Hon'ble Board is already evaluating the possibility of excluding the above provisions, we fully support the exclusion of above provisions for the purpose of tariff determination as it will benefit all the new LNG terminals that are coming up in Gujarat and other parts of the Country and expansion of the existing pipeline infrastructure yet keeping transportation tariff reasonable.

Our humble submission is that the Gas pipeline network in Gujarat requires expansion to cater to the capacity of upcoming LNG terminals, this may set precedence and in future other terminals planned in Gujarat would have similar new Pipeline / expansion requirement. Therefore, we request you to take cognisance of the matter so as to facilitate pipeline developers and incentivize connectivity with new sources which is essential for the viability of the new LNG Terminals coming up in the country with an aim to develop Indian gas market.

In view of the above, we request your kind support and cooperation on the matter.

Best regards
Rahul Sharma
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