

----- Original Message -----

From: **Rajat Gupta** <Rajat.Gupta@think-gas.com>

Date: **Aug 28**, 2019 4:47:04 PM

Subject: THINK Gas Comments on DBNPL & Tariff Regulations Amendment

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

Cc: Siddhesh Redkar <siddhesh.redkar@think-gas.com>, Hardip Rai <HR@think-gas.com>

Dear Madam,

Please find attached THINK Gas Ludhiana Pvt. Ltd.'s comments on the subject matter. Request you to take these on record and allow us to deliberate the same in the Open House scheduled on **Friday**.

Regards,

Rajat Gupta

Sr. Executive (Legal & Compliance)

[M]: [+91 6284556747](tel:+916284556747) | [E]: rajat.gupta@think-gas.com

THINK Gas Distribution Pvt. Ltd.

2nd Floor, World Trade Tower, Sector 16, Noida- 201301

THINK

THINK Gas Ludhiana Private Limited

306, Plot H-1, Garg Tower Netaji Subhash Place, Pitampura, Delhi 110034, India

Think Gas Ludhiana/ PNGRB/PCD- August 2019

28th August 2019

**The Secretary,
Petroleum and Natural Gas Regulatory Board (PNGRB),
First Floor, World Trade Centre,
Babar Road, New Delhi- 110001**

Subject: Comments on Proposed Amendment to PNGRB NGP Tariff Regulations

Dear Madam,

At the outset we thank you for giving Think Gas Ludhiana an opportunity to present our observations and concerns on the proposed amendment by way of insertion of a new viz Regulation 4A in the PNGRB Notification, 2019 circulated by Public Consultation Document (PCD) dated 2nd August 2019.

In this regard the observations and concern of Think Gas Ludhiana are as under:

1. As per the proposed Notification Regulation 4A, it would be helpful to understand if PNGRB could clarify how the 'transportation tariff on a combined basis for two or more inter-connected Natural Gas Pipeline' will be helpful to safe guard the overall interest of Consumers such as Think Gas Ludhiana, which is a CGD Entity operating in the State of Punjab. Think Gas Ludhiana will be willing to welcome any Regulations which lowers the tariff and make the delivered price of Gas more affordable to the Consumers particularly who are far flung from the gas source and in new markets.
2. As the IOCL's Dadri-Panipat Pipeline is also an inter-connected pipeline with GAIL's HVJ-DVPL-GREP, Think Gas would request PNGRB to consider in the proposed tariff under Option II on combined basis, if the resultant combined tariff is lower than the additive tariff for a consumer /CGD Company in the State of Punjab.
3. Similarly, GIGL pipeline -Jalandhar-Amritsar which is also connected to Gail's HVJ-DVPL-GREP grid. Accordingly, PNGRB is requested also to consider the same in the proposed tariff under option II on combined basis, if the resultant combined tariff is lower than the additive tariff for a consumer /CGD Company in the State of Punjab.
4. It may be submitted that Think Gas Ludhiana has been authorized to set up CGD infrastructure based on its participation in the 9th round of competitive bidding process run by PNGRB. The bids were submitted based on the then prevailing tariffs applicable in respective pipeline systems. Any substantial increase in the tariff will have an adverse

CIN: U40200DL2018FTC342453

THINK

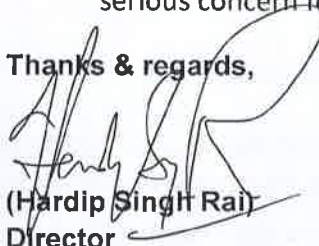
THINK Gas Ludhiana Private Limited

306, Plot H-1, Garg Tower Netaji Subhash Place, Pitampura, Delhi 110034, India

impact on the financial viability on the project investments made in the CGDs. This is a major concern for Think Gas. It is, therefore, desired/legitimate that in case the tariff under Option II i.e. on combined basis is higher currently under Option I, then Think gas Ludhiana be allowed for an upward revision of the tariff on its network once the exclusivity period is over.

5. It is observed from para 1 of Option I (page 5), that the levelized tariff in respect of DBNPL from FY 2020-21, is Rs 51.74 per MMBtu/GCV from the current level of Rs 14.04 per MMBtu /GCV i.e an increase of 268% !. This is a matter of great concern for Think Gas Ludhiana as this would severely and adversely affect the affordability of Gas for the CNG, Domestic and Commercial & Industrial in our authorized GA and viability of our investments. The indicated exorbitant increase and high tariff of DBNPL is a matter of serious concern for Think Gas and needs to be seriously reviewed by PNGRB.

Thanks & regards,



(Hardip Singh Rai)
Director