



S.No. 6183

## Gujarat State Petronet Ltd.

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GSPL/COMM/2018  
2<sup>nd</sup> November, 2018

**Ravindra Agrawal**  
Executive Director (Gas Business)

3012/21  
9/11

Ms. Vandana Sharma  
Secretary,  
Petroleum and Natural Gas Regulatory Board (PNGRB)  
1st Floor, World Trade Centre  
Babar Road  
New Delhi- 110001

**Sub: Comments on Public Consultation Document (PCD) on Provisional unit natural gas pipeline tariff of Jagdishpur Haldia Bokarao Dhamra Natural Gas Pipeline**

Respected Madam,

With reference to PNGRB Public Notice Ref.: No. PNGRB/ M(C)/209 seeking comments on Public Consultation Document (PCD) on Provisional unit natural gas pipeline tariff of Jagdishpur Haldia Bokarao Dhamra Natural Gas Pipeline, please find attached at **Annexure-I** GSPL comments for your kind perusal.

Thanking You,

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L-1862/JA(RKJ)  
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JA(RKJ)

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AALSA)

Yours Sincerely

Ravindra Agrawal  
Group ED (Gas Business)

Comments on PDC for Final Initial Unit Natural Gas Pipeline Tariff for JHPL**A. Volume Divisor:**Observation

- a. 16 MMSCMD capacity considered for Tariff determination of JHPL

Submission

- i. The 16 MMSCMD capacity indicated in the Public Consultation Document is actually the capacity of originally planned JHPL as authorised by the Central Government vide letter dated 6th July, 2007 and capacity indicated therein.
- ii. Subsequent to above Central Government authorisation, two new gas pipelines have been included in the authorisation for JHPL i.e.
- Natural Gas Pipeline from Bokaro to Dhamra of 933 kms and
  - Natural Gas Pipeline from Barauni to Guwahati of 672kms

Jagdishpur Haldia P/L	As per MoPNG Authorisation dated 06.07.2007	As per PNGRB Letter of Acceptance	Percentage increase
Length	876 Kms	3292 Kms	275 %
Capacity	16 MMSCMD	16 MMSCMD	0 %

- iii. It can be seen from above table that vis-à-vis Central Govt. authorization there has been increase of 275% in length of JHPL by the PNGRB; however the capacity of JHPL has not been modified. So there is an increase in numerator for tariff determination, while the denominator has been kept constant.
- iv. We believe that inclusion of above pipelines totalling to 1605 kms shall lead to capacity expansion of JHPL, however PNGRB have considered the capacity same as 16 MMSCMD.
- Even though considering the fact that additional Bokaro-Dhamra gas pipeline shall connect the upcoming LNG terminal at Dhamra
- v. However, PNGRB in the tariff order ref.: TO/05/2018 dated 27.09.2018 in determining the Tariff of other pipelines, has held at Clause III (b) that as determination of capacity is pending and increase in capacity of the pipeline due to installation of compressor is yet to be determined, capex, on account of installation of compressor has not been considered in determining the tariff.
- vi. Accordingly, based on similar logic, for Tariff determination of GAIL's JHPL, PNGRB should exclude Capex and Opex of pipeline of approx. 2416 Kms due to non-determination / non-availability of increase in capacity due to addition of such trunk pipelines.

**B. Additional connectivity future capex:**

**Observation**

In the said PCD the Capex proposed for Phase-III (Barauni-Guwahati) Section is 2900 crs including spurliness), however it is observed that for "Additional connectivity future capex estimates" an amount of Rs 3277.27 crs is proposed

**Submission**

1. It is humbly submitted that Hon'ble Board may advise the respective entity to provide detailed working of the "Additional connectivity future capex" as the said amount is more than the capex for development of Barauni-Guwahati ( including spurlines)

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