

PETROLEUM AND NATURAL GAS REGULATORY BOARD

NOTIFICATION

New Delhi, the 29th April, 2016

F. No. PNGRB/M(C)/48.-In exercise of the powers conferred by section 61 of the Petroleum and Natural Gas Regulatory Board Act, 2006 (19 of 2006), the Petroleum and Natural Gas Regulatory Board hereby makes the following regulations, namely:-

1. Short title and commencement.

- (1) These regulations may be called the Petroleum and Natural Gas Regulatory Board (Imbalance Management Services) Regulations, 2016.
- (2) These regulations shall remain applicable till 31st March ¹[2020].
- (3) They shall come into force on the date of their publication in the Official Gazette.

2. Definitions.

- (1) In these regulations, unless the context otherwise requires,-
 - (a) “Act” means the Petroleum and Natural Gas Regulatory Board Act, 2006;
 - (b) “Board” means the Petroleum and Natural Gas Regulatory Board established under sub-section (1) of section 3 of the Act;
 - (c) “GTA” means Gas Transportation Agreement between transporter and shipper;
 - (d) “Imbalance Management Services” means such services that enable customers or shippers to manage their imbalances in an orderly fashion;
 - (e) “shipper” means a consumer, a marketer or any entity which utilizes the capacity in the natural gas pipeline;
 - (f) “transporter” means an entity authorized by the Board or authorized by the Central Government for laying, building, operating or expanding a natural gas pipeline.

- (2) Words and expressions used and not defined in these regulations, but defined in

¹ Subs. by reg.2, the Petroleum and Natural Gas Regulatory Board (Imbalance Management Services) Amendment Regulations, 2018, for ‘2018’ (w.e.f. 23.03.2018).

the Act or in the rules or regulations made thereunder, shall have the meanings respectively assigned to them in the Act or in the rules or regulations, as the case may be.

3. Application.

These regulations shall apply to a natural gas pipeline covered under the provisions of regulations 4, 17 and 18 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.

4. Terms and conditions for providing imbalance management services.

- (1) A transporter shall provide, to the extent it is technically and operationally feasible, imbalance management services being deferred delivery services to facilitate shippers to manage transportation imbalances. For this purpose, a deferred delivery service is one under which a transporter and a shipper, under a separate agreement, agree on a day-wise plan for receipt of the shipper's natural gas quantities into the pipeline and for its delivery by the transporter to shipper on a deferred basis after a few days subject to pipeline capacity availability.
- (2) The transporter shall provide the facility of the imbalance management services referred to in sub-regulation (1) on a non-discriminatory basis but without affecting its ability to meet the rights and obligations under its gas transportation agreements with other shippers.
- (3) The transporter may charge a fee for providing the imbalance management services referred to in sub-regulation (1) from the shipper utilising such service where the charge for the service shall be based on the number of days such service is utilized.
- (4) The transporter in its agreement with the shipper shall mention the charges for the imbalance management services referred to in sub-regulation (1) but such charge shall not exceed twenty five per cent. of the applicable transportation tariff for the relevant natural gas pipeline.
- (5) The amount received by the transporter from the imbalance management services referred to in sub-regulation (1) shall be allowed to be retained by it over and above the transportation tariff for the pipeline in accordance with the provisions of the relevant regulations of the Board.
- (6) In case a transporter denies a request from the shipper for the imbalance management services referred to in sub-regulation (1), the reasons for denial shall be provided by the transporter to the shipper.
- (7) A transporter shall provide information on the details of the imbalance management services referred to in sub-regulation (1) and the amount received from such services for the financial year to the Board through a statement certified by a Chartered Accountant to be filed within sixty days from the end of the relevant financial year.

- (8) The Board may permit a transporter to undertake projects for other imbalance management services (besides deferred delivery services) from time to time on a pilot basis with a view to include such imbalance management services in the regulations on such terms and conditions as may be decided by the Board.

5. Interpretation of regulations.

If any question arises as to the interpretation of these regulations, the same shall be decided by the Board.

K RAJESWARA RAO, OSD (R)

[ADVT.III/4/Exty./51]

Foot Note: Principal regulations were notified vide F. No. PNGRB/M(C)/48, dated 29th April, 2016 and subsequently amended vide F. No. PNGRB/M(C)/48, dated 23rd March 2018.