

# PETROLEUM AND NATURAL GAS REGULATORY BOARD

## NOTIFICATION

New Delhi, the 20<sup>th</sup> December, 2010

**G.S.R. 987(E).** --- 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 (Determination of Petroleum and Petroleum Products Pipeline Transportation Tariff) Regulations, 2010.
- (2) These 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) “appointed day” means the date of October 1, 2007;
  - (c) “Board” means the Petroleum and Natural Gas Regulatory Board established under sub-section (1) of the Section 3 of the Act;
  - (d) “Petroleum and petroleum products pipeline” means any pipeline as defined in the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Petroleum and Petroleum Products Pipelines) Regulations, 2010;
  - (e) “Petroleum and Petroleum products Pipeline transportation tariff” means the unit rate of tariff for petroleum and petroleum products pipeline (excluding statutory taxes and levies) in rupees per metric ton or in rupees per kilo liter per kilo meter for transport of petroleum and petroleum products including the impact of storage facilities essential for operating a petroleum and petroleum products pipeline system as common or contract carrier;
  - (f) “tap off point (TOP)” means a facility on the pipeline from where the petroleum products are diverted into a delivery terminal or into a spur line or another pipeline which may also be called the intermediate delivery station.

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

- (1) authorized by the Central Government and accepted by the Board for laying, building, operating or expanding a petroleum and petroleum products pipeline before the appointed day under the relevant regulations for authorizing entities to lay, build, operate or expand petroleum and petroleum product pipelines;
- (2) laying building, operating or expanding a petroleum and petroleum products pipeline before the appointed day and authorized by the Board for such activities under the relevant regulations for authorizing entities to lay, build, operate or expand petroleum and petroleum product pipelines; and
- (3) laying, building, operating or expanding a dedicated pipeline which is converted into a petroleum and petroleum products pipeline under the provisions of the relevant regulations for authorizing entities to lay, build, operate or expand petroleum and petroleum products pipelines.

### **4. Determination of petroleum and petroleum products pipeline transportation tariff**

Petroleum and petroleum products pipeline tariff in respect of any entity covered under clause (1), clause (2) or clause (3) of regulation 3 shall be determined for different TOP's as per the procedure specified in regulation 5 which shall be charged on a non-discriminatory basis:

Provided that the petroleum and petroleum product pipeline tariff determined in accordance with the procedure specified as per regulation 5 shall be applicable as a transitional measure for a period of two years or such earlier time as the Board may decide for valid reasons to be given in writing.

<sup>1</sup>[Provided further that the transitional period may be extended for another two years or lesser period as the Board may decide for valid reasons to be given in writing.]

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<sup>1</sup> Add. by Cl. (a) of reg. 2, the Petroleum and Natural Gas Regulatory Board (Determination of Petroleum and Petroleum Products Pipeline Transportation Tariff) Amendment Regulations, 2012 (w.e.f. 20.12.12).

## 5. Procedure for determination of petroleum and petroleum products pipeline transportation tariff

Petroleum and petroleum products pipeline transportation tariff shall be determined by benchmarking against alternate mode of transport, that is, rail at a level of seventy-five per cent except LPG where it will be one hundred per cent on a train load basis for equivalent rail distance along the petroleum and petroleum product pipeline route.

<sup>1</sup>[Provided that the determination of the petroleum and petroleum product pipeline transportation tariff shall be benchmarked against the goods tariff table of the railways as applicable on the date of the commencement of the Petroleum and Natural Gas Regulatory Board (Determination of Petroleum and Petroleum Products Pipeline Transportation Tariff) Amendment Regulations, 2012 which shall be frozen during the extended period of transition.]

## 6. Miscellaneous

If any dispute arises with regards to the interpretation of any of the provisions of these regulations, the decision of the Board shall be final.

**Foot Note:** Principal regulations were notified vide G.S.R. 987(E), dated 20<sup>th</sup> December, 2010 and amended *vide* F. No. PNGRB/M(C)/62/2012, dated 13<sup>th</sup> December, 2012.

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<sup>1</sup> Add. by Cl. (b) of reg. 2, *ibid.* (w.e.f. 20.12.12).