Last Date for Submission of Comments on Draft Regulations on “Registration for Establishing Storage Facilities for Petroleum, Petroleum Products and Natural Gas” Extended

The Last date for submission of comments/views on draft Regulations on “Registration for Establishing Storage Facilities for Petroleum, Petroleum Products and Natural Gas” has been extended upto 31.05.2009.
Petroleum & Natural Gas Regulatory Board seeks comments/views of all stakeholders, consumers, experts, etc., on draft regulations on “Registration for Establishing Storage Facilities for Petroleum, Petroleum Products and Natural Gas” up to 30th April, 2009.

The comments/views may be sent by e-mail to secretary@pngrb.gov.in and/or by post addressed to Secretary, Petroleum & Natural Gas Regulatory Board, 1st Floor, World Trade Centre, Babar Road, New Delhi 110001.
PETROLEUM AND NATURAL GAS REGULATORY BOARD
NOTIFICATION
New Delhi, the ........2009

In exercise of the powers conferred by section 61(2) (d) (l) & 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, commencement and interpretation:

   i) These regulations may be called the Petroleum and Natural Gas Regulatory Board (Registration for establishing storage facilities for petroleum, petroleum products or natural gas) Regulations, 2009.

   ii) They shall come into force on the date of their publication in the Official Gazette.

   iii) They shall extend to whole of the India.

2. Definitions.- In these regulations, unless the context otherwise requires:

   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 Section 3(1) of the Act;

      c) “Capacity of storage facilities” means the gross capacity of various storages for petroleum, petroleum products or natural gas.

      d) “Storage facilities” for the purpose of this regulation means storage tanks at marketing terminals, coastal installations, depots and any other commercial storage for receipt, storage, and dispatch of petroleum, petroleum products or natural gas except crude oil storage tanks or any storage tanks at tap-off-
points of pipelines which are integral part of any authorised pipelines or such storage facilities forming part of process of production or storage facilities for captive consumption.

2) Words or expressions used and not defined in these regulations but defined in the Act or in the regulations made there under, shall have the meanings respectively assigned to them in the Act or in the regulations.

3. Application

1. These regulations shall apply to all entities that are already established storage facilities for petroleum, petroleum products or natural gas, or those who wish to establish storage facilities shall require Registration if the storage capacity is exceeding:
   a. 2500 KL for any petroleum product other than LPG at a single location.
   b. 1000 KL for LPG at a single location.
2. Any storage facilities of LNG storage should be registered irrespective of capacity.

4. Registration of facilities

1) An existing entity which is already operating storage facilities in petroleum, petroleum products or natural gas before the appointed day shall inform the Board of such activity as per format at Schedule-I.

2) Application for Registration for establishing and operating storage facilities in petroleum, petroleum products or natural gas, by an entity shall be made in the format as specified at Annexure – II and shall be accompanied by the fee as specified under Petroleum and Natural Gas Regulatory Board (Levy of Fee and Other Charges) Regulations 2007 for processing of application and issue of certificate of registration.

3) The Board shall, within thirty days of the receipt of an application for registration and based on its preliminary assessment, either issue an open
advertisement in at least one national and one vernacular daily newspaper (including webhosting) publishing receipt of an application for registration from an interested party and commencement of public consultation process period of thirty days or reject the application:

Provided that in case the Board rejects the application for registration, it shall inform the entity of the decision along with the reasons for rejecting the same after providing reasonable opportunity of being heard to the entity.

4) The Board shall within a period of thirty days after the end of the public consultation period and after making such enquiry and subject to such terms and conditions as it may specify, grant a certificate of registration to the entity allowing commencing and carrying on the concerned activity.

5) The Board shall issue a certificate of registration as per the format at Schedule III. In case of rejection or non acceptance of the application for registration, the fee will be forfeited and the decision of the Board shall be final.

5. **Obligation of entities**

1) All entities shall:
   a) Comply with the relevant regulations for technical standards and specifications including safety standards and the Board shall, ensure compliance through conduct of technical and safety audits during the construction, commissioning and operation phase, on an on-going basis, either directly or through accredited third party, for ensuring safe commissioning and operation & maintenance of the activities.

   b) Submit to the Board as and when called for, the updated information as per above clauses. The Board shall have powers to amend the above formats for seeking information from time to time depending upon the requirements.
c) Abide by all the terms and conditions specified in the regulations and failure to do so, except for reasons beyond the reasonable control of the entity, shall attract penal provisions of the Act.

6. **Validity period of certificate of registration.**

   a) The Certificate of Registration shall be valid for a period of 25 years in case of an entity proposing to establish & operate storage facilities for petroleum, petroleum products or natural gas. For an entity already established or operating storage facility for petroleum, petroleum products or natural gas, before the appointed date, the period of 25 years shall be reckoned from the start-up date of commencement of physical activities of construction of the storage facilities for petroleum, petroleum products or natural gas.

   b) At the end of the validity period of Registration, issue of allowing further extension of the period of Registration may be considered by the Board for a block of 10 years at a time, depending upon the satisfactory compliance of service obligations as specified by the Board, on such terms and conditions, as it may deem fit at that time.

   c) However, during the life of the project, Board shall have full right to inspect or to check compliance either directly or through accredited third party any time.

7. **Change of Ownership**

   I. Any information regarding change in the composition of the board of the entity, ownership, management control or any other change shall be submitted to the Board within 30 days of such change, along with the following documents:

   a) Legal documentary proof of any change in the composition of the board, ownership, management control or any other change (such as a contract, deed, article of incorporation, etc.).
b) A statement that the new owner/management of this facility accepts the registration as previously submitted for this facility.

c) An undertaking from the new owner/management of this facility that they shall abide by all terms and conditions and other obligations required for registration as previously submitted for this facility.

8. Change of Status

I. Any proposal for modification of a registered facility, such as closure of part or entire facilities or the addition of facilities not originally registered must be documented and submitted in writing to the Board at least three months in advance of such implementation.

II. The Board shall give wide publicity to such effect and invite objections and suggestions within 30 days from all persons and entities likely to be affected by such decision.

9. Termination/cancellation of Registration

(1) The Registration granted under the regulation to an entity proposing to establish/operate storage facilities for petroleum, petroleum products or natural gas may be terminated or suspended, in case the entity fails to comply with all the terms and conditions, service obligations, technical and safety standards prescribed by the Board at the time of Registration.

(2) The Registration granted under the regulation to an entity already established/operating storage facilities for petroleum, petroleum products or natural gas before the appointed day shall be suspended or terminated, in case the entity fails to comply with all the terms and conditions, service obligations and technical standards, specifications and safety standards as per the relevant regulations.

(3) The procedure with regards to the termination of Registration under sub-regulations above shall be as under, namely:-
(a) the Board shall issue a notice to the defaulting entity allowing it a reasonable time to fulfill its obligations under these regulations and also as per the service obligations specified by the Board;

(b) no further action shall be taken in case remedial action to the satisfaction of the Board is taken by the entity within the specified period;

(c) in case of failure to take remedial action by the entity, the Board may levy a penalty or their Registration shall be terminated

10. **General**

i. The entity shall not make use of the assets of the Project for a purpose other than the one for which registration is granted unless it has obtained approval of the Board.

ii. The entity shall not, at any time, assign its certificate or transfer its undertaking, or any part thereof, by sale, mortgage, lease, exchange etc; or otherwise.

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

iv. All issues arising in relation to the interpretation of the certificate and as to the Terms and Conditions thereof shall be a matter for determination by the Board and the decision of the Board on such issues shall be final and binding.

**Secretary**

(Petroleum & Natural Gas Regulatory Board)

Dated......
## Format for Registration

**Of existing entities in business before the appointed day**

(To be submitted on the letter head of the entity as 1 original + 1 copy)

To

The Chairman,
Petroleum & Natural Gas Regulatory Board,
World Trade Center, Its Floor,
Babar Road
New Delhi-110001.

**Sub: - Submission of Information for Registration of Storage Facility for petroleum, petroleum products or natural gas**

Name of the Entity, local address: ______________________________________

and Telephone numbers, fax: ______________________________________

and e-mail ID: ______________________________________

Section I * (In case of the entities who have already submitted the General details under Section I hereunder, in any other previous application made to PNGRB, reference of earlier application with updates if, any alone needs to be provided along with a soft copy of the same)

<table>
<thead>
<tr>
<th></th>
<th>General Details</th>
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<tbody>
<tr>
<td>1</td>
<td>Name of the Applicant and designation</td>
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<td>2</td>
<td>Type of entity - Public Sector Undertaking (PSU-Central/State)/Private/ JV/Proprietorship firm/Others (please specify) (Attach copy of relevant Act, certificate of registration under the Companies Act, etc., Articles of Association/Partnership Deed, etc.)</td>
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<td>3</td>
<td>Date of incorporation of the entity &amp; date of commencement of business</td>
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<td>4</td>
<td>Address of Registered office</td>
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<tr>
<td>5</td>
<td>Name, addresses, telephone numbers, Fax, Email ID of Chairman and all Directors/ Partners/ Proprietor</td>
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<th>Financial Details (As per last audited accounts in format prescribed under the Companies Act)</th>
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<tr>
<td>1</td>
<td>Share holding pattern</td>
</tr>
<tr>
<td>2</td>
<td>Share Capital/ Proprietor’s own Funds</td>
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<tr>
<td>3</td>
<td>Loans - amount, tenure, moratorium period, rate of interest, taken from and asset mortgaged/hypothecated for securing the</td>
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same (if any) |
D Reserves (if any) |
E Fixed Assets |
F Current Assets |
G Current Liabilities |
H Sales Turnover |
I Profit After Tax (Attach copies of the Annual Report of the Entity for the last three financial year)

### 3. Business Activities

| A Details of all existing businesses |
| B Date of commencement of the business for which registration being requested |
| C Geographical Areas being covered/to be covered |
| D Details of tie-up or collaboration with other entities |

### Section II (STORAGE FACILITIES FOR petroleum, petroleum products or natural gas)

### 4 Ownership & Affiliate Details

| A Details of promoters |
| B Details of all JVs/Subsidiaries being operated and their share holding patterns |
| C The applicant undertakes to produce all relevant records/documents on demand by the Board |
| D Is the entity a body corporate registered under Companies Act, 1956? Yes/No |
| E Is the entity promoted by body corporate (s) registered under Companies Act, 1956? Yes/No |
| F Is Disaster Management Plan attached? Yes/No |
| G Is the project entitled to any subsidy, tax waiver or exemption or defement from the State/Central Government? If yes, give details Yes/No |

### 5 Statutory Clearances

| A Whether all statutory clearances have been obtained related to the activity for which registration being requested for. Provide details and attach evidentiary proofs. |
| B Whether any other eligibility conditions as prescribed under the Government Policy have been met. Give details |

### 6 Project details

| A Name of project |
| B Location of project |
| C Capacity of project |
| D Financing pattern |
E Completion schedule, if applicable
F Whether joint venture project
G Share holding pattern
H Projected capacity, including how much of it is likely to be available for third party access
I Attach separate write up giving details of the project along with a copy of the DFR

(Attach separate sheets for providing information wherever necessary)

DECLARATION

1. Certified that the above information is true to the best of my/our knowledge and belief and is correct, complete and truly stated. If any statement made herein is found to be incorrect, the application is liable to be rejected & the application fee may be forfeited. I/We shall be liable for action under the provisions of law.

2. I/We also undertake to pay fees, any other charges etc. which may be levied by the Board from time to time.

3. I/We certify that the said application is the only application submitted and no other application has been or is being separately submitted for this purpose by me/us directly or through any affiliate.

4. I/We undertake to provide information in case of change of the business activity, ownership structure or any other change in the business for which registration being sought to the Board as and when occurs and also undertake that in case there is a change in ownership structure the new entity shall abide by the conditions specified by the Board from time to time.

5. I/we certify that all technical Standards and specifications including safety standards, as prescribed by the Board, for such activities shall be met. Further, the entity undertakes to improve such standards in future as per Board’s regulations.

6. I/We undertake to abide by all other applicable guidelines, policies of Government and that of the Board related to the activity for which the registration is being sought and provide details to the Board from time to time, as applicable from time to time.

7. I/We undertake to submit the details of the business plan and setting up of infrastructure in respect of the activity for which registration is being sought, to the Board for the following year before 31st of March every year.

8. I/We undertake to submit the plan for getting ISO 29001 certification within a period of three months from the date of registration and would get ISO 29001 certification within 3 years of issue of this certificate.

9. The certificate is non-transferable and non-tradable. In case the same is brought to the notice of the Board, the certificate shall be cancelled. The Board also can cancel the certificate of registration, in case of any other violations/non compliance, after giving the Entity sufficient time to explain.
10. I/We undertake to comply with all other obligation specified by the Board from time to time backed by the copy of Board Resolutions of the entity.

Date:
Place

Signature of the Applicant (Authorised Signatory)
On behalf of the .................

Seal of the entity
## Schedule - II

### Format for Registration of entities under section 15 of the PNGRB Act 2006

(to be submitted on the letter head of the entity as 1 original + 2 copy)

To

The Chairman,
Petroleum & Natural Gas Regulatory Board,
World Trade Center, Its Floor,
Babar Road
New Delhi-110001.

Sub: - Application for Registration to establish and operate Storage Facility for petroleum, petroleum products or natural gas

Name of the Entity, local address: ______________________________________
and Telephone numbers, fax ______________________________________
and e-mail ID ______________________________________

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3. **Business Activities**
   A Details of all existing businesses
   B Date of commencement of the business for which registration being requested
   C Geographical Areas being covered/to be covered
   D Details of tie-up or collaboration with other entities
   E **Section II (Storage Facility for petroleum, petroleum products or natural exceeding such capacity as notified by the Board from time to time)**

4. **Ownership & Affiliate Details**
   A Details of promoters
   B Details of all JVs/Subsidiaries being operated and their share holding patterns
   C The applicant undertakes to produce all relevant records/documents on demand by the Board
   D Is the entity a body corporate registered under Companies Act, 1956? Yes/No
   E Is the entity promoted by body corporate (s) registered under Companies Act, 1956? Yes/No
   F Is Disaster Management Plan attached? Yes/No
   G Is the project entitled to any subsidy, tax waiver or exemption or deferment from the State/Central Government? If yes, give details

5. **Statutory Clearances**
   A Whether all statutory clearances have been obtained related to the activity for which registration being requested for. Provide details and attach evidentiary proofs.
   B Whether any other eligibility conditions as prescribed under the Government Policy have been met. Give details.

6. **Project Details**
A Name of project
A Capital cost of project
B Operating cost of project
C Location of project
D Capacity of project
E Financing pattern
F Completion schedule as per DFR with quarterly Targets
G Whether joint venture project
H Share holding pattern
I Projected capacity, including how much of it is likely to be available for third party access (TPA)
J Attach separate write up giving details of the project along with a copy of the DFR

7. Non-refundable Fee
DD/Cheque No. & Date
Name of Issuing Bank
Amount

(Attach separate sheets for providing information wherever necessary)

DECLARATION

1. Certified that the above information is true to the best of my/our knowledge and belief and is correct, complete and truly stated. If any statement made herein is found to be incorrect, the application is liable to be rejected & the application fee may be forfeited. I/We shall be liable for action under the provisions of law.

2. I/We also undertake to pay fees, any other charges, etc. which may be levied by the Board from time to time.

3. I/We certify that the said application is the only application submitted and no other application has been or is being separately submitted for this purpose by me/us directly or through any affiliate.

4. I/We undertake to provide information in case of change of the business activity, ownership structure or any other change in the business for which registration is sought to the Board as and when occurs and also undertakes that in case there is a change in ownership structure the new entity shall abide by the conditions specified by the Board from time to time.

5. I/we certify that all technical and HSE Standards as prescribed by the Board, for different activities have been/shall be met. Further, the entity undertakes to improve such standards in future as per Board’s regulations.

6. I/We undertake to abide by all other applicable guidelines, policies of Government and that of the Board related to the activity for which the registration is being sought and provide details to the Board from time to time, as applicable from time to time.

7. I/We undertake to submit the details of the business plan and setting up of infrastructure in respect of the activity for which registration is being sought, to the Board for the following year before 31st of March every year.
8. I/We undertake to submit the plan for getting ISO 29001 certification within a period of three months from the date of registration and would get ISO 29001 certification within 3 years of issue of this certificate.

9. The certificate is non-transferable and non-tradable. In case the same is brought to the notice of the Board, the certificate shall be cancelled. The Board also can cancel the certificate of registration, in case of any other violations/non compliance, after giving the Entity sufficient time to explain.

10. I/We undertake to comply with all market service obligations and any other obligation specified by the Board from time to time backed by the copy of Board Resolutions of the entity.

Date:
Place

Signature of the Applicant (Authorised Signatory)
On behalf of the ..................

Seal of the entity
Instructions for filling the Application form:

1. All entries in the form and annexed documents should be legible with no cuttings.
2. Details requiring separate annexure/ statement may be provided giving clear reference of the point against which the same is being attached.
3. All pages of the application form and all annexure, statements, etc need to be signed by the person/ official authorized by the applying entity through a notarised Power of Attorney.
4. Any information/ data filled in the application form need to be substantiated by attaching relevant proof of the same.
5. The Applicant is required to submit application in duplicate with all the enclosures and also soft copy of the same should be submitted.
6. Incomplete application is liable to be summarily rejected.
7. The application fee shall be made in favour of ‘Petroleum & Natural Gas Regulatory Board” payable at New Delhi by a pay order/ Demand draft drawn on any bank in India.
8. The certificate of Registration shall be given by the Board within a period of 60 days from the receipt of complete application.
Schedule - III

Certificate of Registration

1. The Petroleum & Natural Gas Regulatory Board (hereinafter referred to as “Board”), in exercise of the Powers conferred as per section 61 of the Petroleum & Natural Gas Regulatory Board Act 2006 (hereinafter referred to as “Act”), hereby grants Certificate of Registration to M/s …………………………………………………………………………… (hereinafter referred to as the “Entity”) to establish and operate Storage facility for Petroleum and Petroleum Products ……………………….. (Name of the Project) subject to the Terms & Conditions set out in this certificate for a period of 25 years from ←→ to ←→.

2. Wherever there is a contradiction between the terms & conditions specified in this document and any other Agreements signed between the entity and the Board, the provision of this certificate, as amended/ modified from time to time, shall prevail.

3. The entity shall abide by the obligations specified by the Board from time to time. In case the entity fails to comply with the obligations or any term and condition specified herein, in full or in part, the Board may impose penalties as per the provisions of the Act.

4. The Entity shall be liable for action, in case of any contravention of the Terms and Conditions of this certificate as per provisions of the Act.

5. The grant of certificate to the entity shall not in any way hinder or restrict the grant of a certificate to any other entity within the same area.

Secretary
(PNGRB)

Dated:
New Delhi.