S.No	Issue	Clarification Sought	Response
1	The vast extent of the GAs covered in the 4th Round affects the commercial viability of the CGD Projects/ Reduction in size of GA / Minimum Work Programme (MWP) for achieving year wise Inch- KM and Domestic PNG Connections Targets	It is suggested that the "Minimum Work Program" (MWP) should be based on city area, although authorization can be granted on District basis.	PNGRB has amended the MWP vide PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2014.
		Considering the vast area of the two districts where an entity has to lay several KMs of pipeline without any potential, PNGRB may consider to revise the boundary limits to urban city area only in place of the districts as a whole.	
		We had earlier expressed our concern on the large size of GAs'. We request the PNGRB to kindly consider re-defining the size of the GAs' in the Bid Round 4.	
		A multiplication factor of 2.696 has been used to arrive at the total Inch- KM of Steel to be considered for the first 5 years for all the GAs. Kindly clarify the basis of this multiplication factor.	
		The targets stipulated by PNGRB for Inch-KM of steel network as well as PNG / domestic connections are unrealistic and unachievable. The Minimum Work Program for providing PNG domestic connection therefore needs a thorough review. What will be the criteria to determine the business	

		commitments or objectives regarding infrastructure to be developed? The target development percentage will be on a households or population basis?	
2	Petition before Hon'ble Supreme Court	There is a huge commercial risk involved for bidders as the critical parameters of Network Tariff ("NT") and Compression Charges ("CC") have been made subject to the decision of the Hon'ble Supreme Court (presumably in SLP(C) No. 22273 of 2012).	The matter relating to the tariff applicability to the transporter's own gas transportation continues to be subjudice in the Hon'ble Supreme Court. Hence, prospective bidder may consider this aspect while submitting the bid.
		Page No. 2 Point No.2 of Bid Document : Tariff applicability to the transporter's own gas transportation would be subject to the Supreme Court decision, in the SLP No. 22273 of 2012 Kindly Clarify.	
		As the matter is sub-judice, thus, PNGRB is requested to suitably consider its implications under Change in Law.	
		As the case remains pending, how does PNGRB plan to apply it if the decision is announced prior to bid submission or post award of authorization. PNGRB is requested to give due consideration in the bidding document in this regard. The matter leaves uncertainty in terms of key commercial structure of the tariff.	

		As you are aware that Delhi High Court has already declared that Transportation tariff is applicable to the third party using the network of the Authorised entity and has quashed NT and CC Regulations. Under this circumstance it would not be prudent and will be incorrect to proceed with the bidding process considering these two parameters of NT and CC. In such a scenario of uncertainty and considering that NT and CC are the only two bidding parameters, there is a huge financial risk for the bidders.	
3	CNG stations can also be setup on a standalone basis without the authorization of PNGRB	CNG stations can also be setup on a standalone basis without the authorization of PNGRB as clarified by Ministry of Petroleum and Natural Gas (MOP&NG). MOP&NG, Government of India, vide its letter No. L-16021/9/2013 LGP(FTS No. 27752) dated 16.09.2013. However, it is observed that PNGRB has impliedly covered CNG Stations in the 4th Round by inviting quotes for "Compression Charges". It is therefore imperative that the CGD Regulations as amended recently in this regard call for modification so as to make it compliant with the clarification issued by MOP&NG before proceeding with the 4th Round. It may also be noted that setting up of CNG station is also not part of MWP. It is therefore imperative that the	While the matter relating to establishment of CNG stations is currently under subjudice, MOP&NG vide letter No. L-16021/9/2013-GP dated 5th Feb 2014 has conveyed that no entity except those (i) Who are authorised by PNGRB under PNGRB Act, 2006 to establish a city or local gas distribution network in their respective Geographical Area, or (ii) Who are deemed to have authorisation under PNGRB Act, 2006 for establishing a city or local gas distribution network in their respective Geographical Area, may set up a new CNG station till further order.

		CGD Regulations as amended recently in this regard call for modification so as to make it compliant with the clarification issued by MOP&NG before proceeding with the 4th Round.	
		Do you think central or regional governments will publish any possible future environmental regulations that will dove the growth of this segment? Can a third party (other than CGD Company) invest in CNG within a CGD area? Besides marketing, can this third party also compete in compression charge tariff?	
4	Rights/Obligations of Pipeline entity Vs CGD entity	In terms of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008, GAIL (India) Limited, either by itself, or through its 100% subsidiary GAIL Gas Limited, is under an obligation to lay spur pipelines emanating from Trunk line within the Tariff Zone corridor i.e., up to 50 Kms or 10% of the trunk-line length, whichever is lower, on either side of the Natural Gas Pipeline ("Tariff Zone") and supply the same to the customers desirous of taking gas as a fuel or as a feedstock at the regulated tariff. Any grant of right/ authorization to an entity on a sub-optimal plane, where a distribution network is envisaged on a lower pressure network, cannot be to the exclusion of the	As per the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008 only the authorised entity is under an obligation to provide connectivity to the consumer within a tariff zone in a natural gas pipeline on receipt of a specific request, the consumer undertaking to pay the applicable natural gas pipeline tariff, subject to availability of capacity and the technical and economic viability of the proposed connectivity. Further, for supply of natural gas to any customer within a given geographical area, the

		supply of gas directly by the authorized pipe line entity. Such exclusion will totally deplete the small potential of NG supply from the Pipeline system and make the infrastructure a non performing asset. Therefore the GAs must be modified or else the exclusivity must be clearly redefined to provide for non-abrogation of the right of pipeline entity to reach out to customers downstream.	provisions contained under Regulation 3(2) the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 shall prevail
5	The condition of submission of additional bid bond for resolving a potential Tie among bidders.	Such a condition will clearly benefit entities having recourse to large amount of funds which, however, will not be put to any efficient utilization. While there is no clarity about the manner in which bidding entities will be asked to submit additional bid bond, this criteria itself needs revision so that it leads to efficient/predictable utilization of resources. These criteria will also not lead to logical bids and will restrain government companies from bidding.	Provisions of the Regulation 7(3) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 shall prevail.
6	Clarity on GA Maps of of Thane , Raigarh and Pune/ Scope of Maps provided	Clarifications on the following GA's are required: • Rangareddy • Raigarh • Pune • Thane These maps are indicated with descoped area. These maps do not indicate the correct extent to be	The maps provided already have required coordinates (latitudes and longitudes) to show exact extant of area under bid and the areas that are already excluded have been clearly earmarked on the GA maps. However, based on the inputs received from M/s Mahanagar Gas Limited, the GA maps of Thane district and Raigarh district

		descoped. We request you to provide details of the area to be descoped and issue a micro level map indicating the already allocated authorization and current area of authorization 1) A).Rest of Thane - Clarity on charge areas viz. Bhiwandi (CA-09), Kalyan CA -11) and Ambarnath (CA-11), part of which have been awarded to M/s MGL B) Rest of Raigarh - Similar to the query on Rest of Thane, we seek clarity on Panvel Charge Area as part of the taluka seems to have been awarded to M/s MGL already. 2. Please clarify the extent of area already handed over. 3. Clarify the details/area that are excluded from scope. Details are not clear in document.	have been slightly modified. These maps are enclosed and also available on PNGRB's website www.pngrb.gov.in. There is no change in the district GA maps of Ranga Reddy & Medak and Pune.
7	Tap Offs related information/ Pipeline Connectivity	The Pressure, Temperature, flow rate at the Outlet Point of the Tap Off mentioned in Tender Document & Gas Composition & other parameters is vital for Hydraulic Simulation. We request PNGRB to provide the same. Kindly confirm all of the above. Will the piping / gas sourcing being proposed to be different from already existing system or can we use the same?	Refer Clause 1.1.4 of the Application –Cum -Bid Document (ACBD).

		It has also been observed that the current Grid pipeline (EWPL) operator is charging very high connectivity charges, besides not carrying out any last mile connectivity to any prospective consumers from EWPL tap off points to the industries seeking RLNG, even though the plants is located within 50 Km corridor. This would make City Gas distribution commercially un-viable. We request PNGRB to provide technical details such as pressure at tap-offs for GA.	
8	Gas allocation for meeting domestic obligation/ Related issues	Request PNGRB if it is possible to assist the new entities secure domestic gas allocation for the household segment? As you are aware, that the sourcing of gas shall be total responsibility of successful bidder. In present scenario, neither APM gas is available nor there is scope for sourcing RLNG from western offshore facilities in the state of Andhra Pradesh. Presently RGTIL is not allowing swapping of gas to source RLNG due to which even the established entity like M/s BGL is finding it difficult to source the gas and are restricted to use APM quota of gas only. Even if swapping is allowed by intervention of PNGRB, the cost of landed RLNG in the state of AP due to transportation charges and inter-state taxation is making CGD a commercially unviable	MoP&NG, Government of India decides allocation policy for domestic gas and swapping guidelines Further, refer Clause 1.1.4 of the ACBD.

		project.	
		In line with the MoP&NG Guidelines dated 3'· February 2014, how often will the demand of CNG (transport) and PNG (domestic) segments be reviewed to update the domestic gas allocation to each CGD entity?	
		Regarding the sourcing of R-LNG by the CGD entity to supply industrial and commercial demand, and taking into consideration the wide variety of DES prices of LNG in the different contracts (GAIL's, Petronet's and other players), are there any rules to prevent discriminatory allocation of costlier R-LNG to new CGD entitles or other Wise is. there an established mechanism to allocate R-LNG volumes with the objective to provide a uniform price to all CGD entitles?	
		Can a third party have access to local gas allocation to compete in marketing within a CGD?	
		In case a new CGD entity geographical area is not physically connected to domestic gas fields by pipelines (i.e. Emakulam District), will it still receive the domestic gas allocation according to MoP&NG Guidelines? Are swapping arrangements mandatory for GAIL? In case of swapping arrangements, what are the rules to establish the effective transmission	

		costs for the swapped volumes?	
9	Marketing Margin	How is established the marketing margin charged by Gail and other wholesalers to gas supplied to CGD entities? Is it a regulated matter for all domestic gas (APM and non-APM) and all R·LNG volumes?	PNGRB does not regulate marketing margin for natural gas supply to CGD entities.
10	Technical qualification criteria 5 (6) (b) and 5 (6) (c)	The board may please clarify if the four routes mentioned under the respective clause are mutually exclusive i.e. if meeting of one of (i) or (ii) or (iii) or (iv) criteria on a standalone basis is adequate for an entity to qualify under the respective clause 5(6)(b)? The board may clarify if the four routes mentioned under the respective clause are mutually exclusive i.e. if meeting of one of (i) or (ii) or (iii) or (iv) criteria on a standalone basis is adequate for an entity to qualify under the respective clause 5(6)c?	Any one of the criterion has to be fulfilled.
11	Regulations G.S.R. 196 (E), Sub-regulation 14, Service obligations of an authorized entity (post commissioning) / 7 (a) and Marketing & Infrastructure exclusivity	The authorized entity shall ensure that - (a) there is no cross-subsidization of the costs between the activity of transportation and the activity of marketing of natural gas in the CGD network after the expiry of exclusivity period. PNGRB to clarify if the exclusivity period above refers to: i) exclusivity for laying, building or expansion of CGD network - economic life (25 years) OR ii) exclusivity from the purview of common	The exclusivity period referred to in this regard relates to the exclusivity from the purview of common carrier or contract carrier.

		carrier or contract carrier - 5 years from date of authorization	
		Previous bidding round had 5 years of marketing exclusivity and 25 years of Infrastructure exclusivity PNGRB regulations also discusses about these exclusivities. PNGRB is requested to confirm whether these exclusivities are applicable or not in the current round as their absence greatly diminishes the business viability.	Applicability of exclusivities will be as per the provisions of the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Network) Regulations, 2008
		Earlier bidding round had 5 years of marketing exclusivity and 25 years of Infrastructure exclusivity. PNGRB regulations also discusses about these exclusivities. PNGRB is requested to confirm these exclusivities are also applicable in the current round at 5 years (marketing exclusivity) and 25 years (infrastructure exclusivity), as given in earlier rounds of bidding. A suitable provision in the Bid document should mentioned clarifying on the exclusivity.	
12		After the 25 years period granted what happens with the permit? Are there mechanisms to renewal?	Refer Regulation 5 of the PNGRB (Exclusivity for City or Local Natural Gas Distribution Network) Regulations, 2008.
13		As per PNGRB regulations, a CGD entity is allowed network exclusivity for 25 years and marketing exclusivity for 5 years from the date of authorisation. The period of marketing exclusivity	Provisions of the PNGRB (Exclusivity for City or Local Natural Gas Distribution Network) Regulations, 2008 shall prevail.

		of 5 years is a very short period as network construction itself takes 2 to 3 years. Hence marketing exclusivity period needs review and may be enhanced for at least 10 years.	
14	Regulations on Access code for City or Local Natural Gas Distribution Networks, 2011: Capacity booking Sub-regulation 5 (4)	The sum of the requested entry points maximum daily quantity (MDQ) shall be greater than or equal to 10000 scmd and the sum of cumulative off-take at relevant exit point shall be greater than or equal to 100 scmd for domestic segment. The shipper can start gas sales after booking capacity in any of the domestic, industrial or commercial customers but second such supply shall be considered once they have achieved 100 scmd supplies to domestic customers. PNGRB to confirm if the above implies the following: i) The shipper booking capacity via open access arrangement has to achieve a minimum of domestic household segment sales prior to selling it to industrial /commercial segment ii) PNGRB to also clarify if the above condition holds true in case of transport segment as well? If not kindly provide possible reasons, if any for exclusion of transport segment.	Provisions of the PNGRB (Access Code for City or Local Natural Gas Distribution Networks) Regulations, 2011 shall prevail
15	Submission of Technical Bid / Serial no. 5 of Page 33	Submission of technical documents along with Bid. i) We request you to eliminate submission of technical documents at this stage. The	Existing conditions stipulated in the ACBD shall prevail

		document shall be shared post winning before signing the agreement. ii) In case technical bid has to be submitted, kindly share the format.	
16	Technical Qualification through parent company	The bidding entity (including any SPV or JV proposed or formed) may not possess the qualification but its parent company or majority share holder qualifies. Kindly confirm that in such cases, the bidding entity can rely on qualification/credentials of promoter companies. Kindly confirm that this is allowed.	Refer Clause 1.5 and 1.6 on page 12 of the Bid Document
17	Validity of the PBG (Page 26 Clause of the Bid Document 4.5.1) / Performance Bond related	As per the regulation 9: Grant of authorization shall be issued to the selected entity after it furnishes the performance bond in the form of demand draft or pay order or bank guarantee from any scheduled bank for the amount equal to four times the amount of bid bond and the bank guarantee shall be valid initially for the period of five years and thereafter for the period of authorization by the Board. As per the bid document: Grant of authorization shall be issued to the selected entity after it furnishes the performance bond as specified in regulation 9 of PNGRB (Authorizing entities ...) regulations, 2008, within 15 days of such advice by PNGRB. The validity of the PBG shall be three years initially, extendable to the economic life of	Clause of the Bid Document 4.5.1 of the Bid document is revised under:- "Grant of authorization shall be issued to the selected entity after it furnishes a performance bond as specified in regulation 9 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, within 15 days of such advice by PNGRB. The validity of the Performance Bank Guarantee shall be five years initially, extendable to the economic life of the project in a block of minimum three years. It shall be the responsibility of the authorized

		the project in a block of minimum three years. Clarify whether 5 years or 3 years? As per clause 4.5.1 of Bid document, the performance BG is to be valid initially till three years, extendable in a block of minimum three years whereas in the Annenexure-12 it is valid for five years and extendable in a block of minimum five years.	entity to ensure that the performance bank guarantee is renewed at least one month before the due date every time the performance bank guarantee reaches the validity date till the economic life of the project is achieved “
18	Encashment of Performance Bond	In case of partial satisfaction of bid commitments goals. What percentage of the performance bond will be executed?	Refer Regulation 16 of the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008
19	Number of Member to be considered per Household	As census data provide total population figures, it is requested to kindly clarify regarding the number of member to be considered per household.	Census data of Government of India provides data on number of household details.
20	Submission of FR	Earlier bidding rounds required the entity to submit detailed feasibility report (DFR) which shall result in minimum 6% IRR. It is requested to kindly clarify, whether entity has to submit feasibility report at the time of submission of bid or any latter stage.	Refer Clause 4 of the Declaration contained under Schedule C of the PNGRB (Authorizing Entities to Lay, Build, Operate, or Expand City or Local Natural Distribution Networks) Regulations, 2008.

		Submission of DFR - May kindly clarify whether the bidder is required to submit Detailed Feasibility Report along with the Bid at the time of Bid submission. If Yes, kindly provide contents of the same.	
21	Conversion Factor to be taken	It is requested to kindly clarify the conversion factor to be taken (SCM to KG and SCM to MMBTU) for calculating Network Tariff and Compression Charges	Following technical assumptions for bid evaluation purpose may be taken considering the GCV of 8500 Kcal/SCM :- (a) 1 MMBTU ~ 29.65SCM (b) 1 Kg ~ 1.39 SCM
22	Charge Areas related	Bidder submits that the certain charge areas may have inherent technical limitations due to the fact that their soil quality may be inappropriate, protected forest, hilly terrain and so on. PNGRB is requested to revisit this clause in the tender document, and provide for a case whether due to technical reasons it is not possible for connect a Charge Area. The Bidder should be provided at least 10 years considering the factors referred to connect all the Charge Areas.	Existing conditions stipulated in PNGRB (Authorizing Entities to Lay, Build, Operate, or Expand City or Local Natural Distribution Networks) Regulations, 2008 and the Bid Document shall prevail.
23	Operations beyond the notified GA	It might be possible that one of the existing entities has extended its operation beyond the notified GA. It may be prudent to know how does these assets (operating/under construction) would be evaluated, post authorization period for the new entity in the adjoining GA.	No entity without the permission of PNGRB can lay, build, operate or expand its area of operation beyond the authorised area.

24	Discount Factor /IRR	Should we discount 1st year quoted tariff and compression charge also in order to arrive at PV of the same?	Yes
		IRR - From the bid document the lower range for calculating Project IRR is not clear. Kindly clarify.	There is no minimum requirement of the IRR prescribed by PNGRB in the bid and it is for the bidding entity to decide the same. There is no Annexure-15 in the bid document
		Is it necessary to submit the Annexure 15? Is it still a requirement to submit the Feasibility Report with at least an 18% of pre-tax project IRR? If not required How is justified that there is no subsidy between marketing and distribution.	
25	Rounding Off	Should values be rounded off up to 2 decimal while calculating present value in the financial bid.	Refer Clause 2.6.2 of the Bid Document.
26	Net Worth Related	May kindly clarify that whether the Net Worth of successful bidder in more than one Geographical Area would be assessed based on individual GA requirement or on cumulative basis, i.e adding up the net worth requirement/or all the GA's.	Networth will be assessed based on the individual GA requirement
		Reference sub-regulation 5(6)(e) of Authorization Regulations, relating to demonstration of adequate financial strength by net worth of entity and its promoters. For combining net worth of the bidding entity along with its promoters, we wish to combine the net worth of entity with net worth of one or more	Refer Clauses 1.5 and 1.6 on page 12 of the ACBD

		levels of promoter companies upto the ultimate parent level and furnish undertaking in the form of comfort letters stating that their contribution in the project shall be infused in a phased manner as per the project financing schedule. Kindly confirm that this is allowed.	
27	Contiguous Area	BGL would be in a much better position to develop CGD network in Ranga Reddy & Medak GA than any other new entity. Hence it is requested to PNGRB to merge Ranga Reddy and Medak GA with BGL's Hyderabad GA and exclude it from the bidding process.	No Change in the GAs under bidding
28	Bid Bond Value	The bid bond amount has been linked with population of the GA which needs review and may be standardised at a lower sum. It is now fixed at Rs 5.762 crs for Ranga Reddy & Medak districts. For a successful entity, the bid bond amount can be converted into performance bond amount.	No clarification required
29	Last Mile Connectivity Charges/ Other Charges	As per PNGRB regulations, a CGD entity is allowed to collect only Rs.5000/- as an interest free refundable security deposit from Domestic PNG customers towards last mile connectivity charges. The actual expenses incurred on the same are between Rs.15,000/- to Rs.20,000/ -. Hence the CGD entity may be allowed to collect minimum Rs.15,000/ - as security from domestic PNG customers.	Regulation 14 of the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 shall prevail.

		Is it allowed to charge connection fees? (an individual charge, different for each segment)	
30		Is it allowed to charge a minimum monthly fee different for each segment? Are they regulated or determined under a user/CGD company commercial relationship?	Provisions of the relevant Regulations shall prevail
31	Permissions/Approvals from other authorities	The implementation and operation of a CGD network requires lots of approvals from various agencies, such as NHAI, municipal corporations, railways, public works department, pollution control board, defence etc. Obtaining multiple approvals from various civic and Governmental agencies and Authorities in a time bound manner is very difficult. Also Right of Use charges being charged by Municipal bodies/other Govt agencies are exorbitant and differ within the same city and between various Govt agencies. PNGRB may kindly issue specific guidelines for granting necessary permissions within stipulated time with reasonable ROU charges.	It is the responsibility of the authorized entity to acquire Right of Use, Environmental Clearance as also other necessary clearances/approvals under applicable laws. However, Schedule-D issued by PNGRB may also facilitate the authorized entity in getting the same. Also, PNGRB is making efforts with Central Government and different State Governments for Single Window Clearance for CGD projects.
32	SPV formation	Reference sub-regulation 10 of Authorization regulations, relating to grant of authorisation and assignment or transfer of license: Should we be the successful bidder, we wish to (i) get the authorisation granted to an ultimately wholly owned subsidiary of the bidding entity;	Refer Clause 8 of the ACBD and Regulation 10 (3) of the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008.

		or (ii) get the authorisation granted to a JV in which the bidding entity is majority (>50%) equity holder; or (iii) transfer or assign within first five years the authorisation to an ultimately wholly owned subsidiary of the bidding entity; or (iv) transfer or assign within first five years the authorisation to a JV in which the bidding entity is majority (>50%) equity holder. Kindly confirm any or all of the above four will be allowed as it was done in earlier rounds	
33	Affiliates	Two or more entities bidding for the same GA may have same company as its shareholder. Kindly clarify, if this will be allowed irrespective of level of share holding by the common company.	Refer Section 2(p) of the PNGRB Act, 2006 for definition of an entity. Further, an entity can participate only once for a particular GA on its own or through an unincorporated JV/ consortium. Otherwise, it shall be treated as multiple bids and all such multiple bids for the GA shall be rejected. However, there are no restrictions on two or more entities bidding for the same GA having same company as its shareholder.
34	Assignment to Lenders/ Creation of lien, charge or	Since the project would be partially funded via debt, the lenders may demand step-in rights in	Provisions under Clause 7 of Schedule D of the PNGRB (Authorizing Entities

	hypothecation of the CGD network	event of default under the financing agreement. Kindly confirm that such step-in rights will be allowed to the lenders.	to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 and the Bid document shall prevail.
		Reference 'Schedule D' clause 7 of Authorization regulations, relating to creation of lien, charge or hypothecation of the CGD network to secure finances for the project: For a successful entity (including any Spy or JV proposed or formed), at the time of raising of funds, the lenders may require creation of a lien, charge or hypothecation of the CGD network. Kindly confirm that the above is allowed.	
35	PNG Infrastructure	If a customer (household) doesn't wish to opt for PNG i.e. he/she does not register for PNG connection, then would it be still obligatory on the part of entity to put PE pipeline, metering unit and associated facilities for that customer? Would exclusion of such customer be counted as part of non-achievement of targeted PNG connections to be achieved within 5 years?	Presently, number of household connections where physical connection has been provided after registration not withstanding gas supply shall be considered.
		It is suggested that in case the households do not opt for PNG connection, then those household numbers be reduced form the Minimum Work Programme target for PNG Connections	
36	Insistence of T4S standard	Insistence of T4S standard for major portions of the GAs notified would lead to wasteful capex. The T4S standard notified by PNGRB envisages that pipeline within the scope of CGD shall be laid	Provisions under Schedule 1-D of the Petroleum and Natural Gas Regulatory Board (Technical Standards and Specifications including Safety

		in the city areas having high population density, full of multi-storeyed buildings and heavy traffic conditions etc. and accordingly highest safety factor of Class 4 locations has been prescribed for design of pipeline to be laid as part of CGD network. While such conditions do not exist now for the major portion of the GAs notified in the 4th Round, the authorized entity is still required to follow the T4S standard, which would inevitably lead to wasteful Capex and consequently a national waste.	Standards for City or Local Natural Gas Distribution Networks) Regulations, 2008 shall prevail.

Note:

1. Pursuant to the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2014, Clause 2.5 of the ACBD containing Minimum Work Programme (MWP) and year-wise break up of targets for the GAs under 4th round CGD bidding have been revised and are enclosed.