

Schedule D

[see regulations 9 (1) and 18 (7)]

**Grant of authorization for laying, building, operating or expanding
Srikakulam-Angul Natural Gas Pipeline**

Ref: PNGRB/Auth/2-NGPL/BID/SAPL/(5)/2019

23th July, 2019

To

GAIL (India) Limited

[Kind Attn: Shri B C Tripathi, C & MD]

16, Bhikaji Cama Place,

R.K. Puram, New Delhi - 110 066

Email: bctripathi@gail.co.in

Subject: Grant of authorization for laying, building, operating or expanding natural gas pipeline along the route of Srikakulam (Andhra Pradesh) - Angul (Odisha) under the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.

Sir,

With reference to your application for grant of authorization for laying, building, operating or expansion of natural gas pipeline along the route of Srikakulam (Andhra Pradesh) - Angul (Odisha), it has been decided to grant authorization to you, subject to the provisions under the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008 on the following terms and conditions, namely:

1. The route for laying, building, operating or expanding the natural gas pipeline shall be as depicted in the enclosed drawing.
2. The entity shall complete the activities of laying, building or expansion activities of natural gas pipeline and commission the natural gas pipeline project as per the enclosed time schedule and targets. The entity is allowed a

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maximum period of thirty-six months from the date of issue of the authorization letter for commissioning of the natural gas pipeline project. Any failure on the part of the entity in complying with the targets prescribed in the time schedule shall lead to consequences as specified under regulation 16 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.

3. The capacity in the natural gas pipeline shall be equal to **6.65** Million standard cubic meter per day (MMSCMD).
4. The extra capacity in the natural gas pipeline shall be equal to 1.66 MMSCMD as per the provisions specified in clause (j) of sub-regulation (6) of regulation 5 and shall be available for use on common carrier basis by any third party on open access and non-discriminatory basis.
5. The authorized entity shall be required to take prior approval from the Board for creation of any lien or charge or hypothecation on the assets of the natural gas pipeline to secure finances for the project and furnish details of utilization of funds. However, in case of raising funds from any financial institution or bank, the entity will be required to only inform the Board of the sanction of the funds, within a period of seven days.
6. The entity shall publish the approved tariff for each of the tariff zone of the natural gas pipeline.
7. The entity shall submit a detailed and clear financial closure report to the Board within a period of one hundred and eighty days from the date of authorization issued by the Board under regulation 9 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.
8. The furnishing of performance bond of **Rs. 200 million** is a guarantee for timely commissioning of the project as per the prescribed targets submitted in the bid and for meeting the performance undertakings during operating phase of the project.

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9. The entity shall abide by the service obligations specified under regulation 14 and quality of service standards under regulation 15 of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.
10. In case the authorization of the entity is terminated, the Board may assign the rights and obligations to any agency or another entity on such terms and conditions, as it may deem fit. Further, the entity may be required, as per the directions of the Board, to continue the operations of the natural gas pipeline at the same level till another agency or entity appointed by the Board takes over the full control of the natural gas pipeline.
11. The entity shall comply with the provisions under-
- (a). the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008;
- (b). the Petroleum and Natural Gas Regulatory Board (Determination of Natural Gas Pipeline Tariff) Regulations, 2008;
- (c). the service obligations specified in Schedule J to the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008;
- (d). the relevant regulations for-
- (i) the technical standards and specifications, including safety standards;
- (ii) the access code;
- (iii) determination of capacity for natural gas pipeline;
- (iv) affiliate code of conduct;
- (v) declaring natural gas pipelines as common carrier or contract carrier;
- (e). any other regulations as may be applicable and the provisions of the Act.

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12. The entity shall comply with any other term or condition which may be notified by the Board in public interest, from time to time.

You are requested to confirm your acceptance in the space provided below and return the same in original.

Date: 23.07.2019

Yours faithfully,


23/7/2019

(Arvind Kumar)
Additional Adviser

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Acceptance of Grant of Authorization

I / We hereby agree to the grant of authorization issued by the Board vide letter ref. < PNGRB/Autk/2-NGPL/BID/SAPL(5)/2019 > dated < 23.07.19 > and agree to comply with all the terms and conditions subject to which I / We have been granted authorization for laying, building, operating or expanding natural gas pipeline along the route of < Srikanthapuram - Angul > in the States of < S. Andhra Pradesh - Odisha >

Date: 07.08.2019

Place: New Delhi

S. Kumar

Signature of the Entity or Authorized Signatory

Name and Official Seal

कुमार शंकर / KUMAR SHANKER
मुख्य महाप्रबंधक (विपणन-आर.ए.) / Chief General Manager (Mktg.-RA)
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**TIME SCHEDULE AND TARGETS FOR
SRIKAKULAM TO ANGUL NATURAL GAS PIPELINE PROJECT**

CAPACITY BUILD-UP SCHEDULE:

	Year-1 to Year- 25
System Capacity for the pipeline system required to be built up	6.65 MMSCMD*
Extra capacity in the pipeline system required to be built up as per Regulation 5 (6) (j) of the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008	At least 1.66 MMSCMD*
Route of the pipeline	Srikakulam – Ganjam – Nayagarh – Khordha – Cuttack – Dhenkanal – Angul
Main Trunk Line	Total 390 km a. 24" x 135 km (ch. 255 from Srikakulam to Angul section) b. 18" x 255 km (Starting from Srikakulam)
Spur Line	Total 300 km a. 18" x 50 km (Spurline tap-off from Berhampur approx. 170 km from Srikakulam) b. 12" x 250 km (remainder length)

Natural Gas Pipeline Monitoring Schedule- As submitted in the bid

Note:

* - As per the provisions of the PNGRB (Determining Capacity of Petroleum, Petroleum Products and Natural Gas Pipeline) Regulations, 2010.

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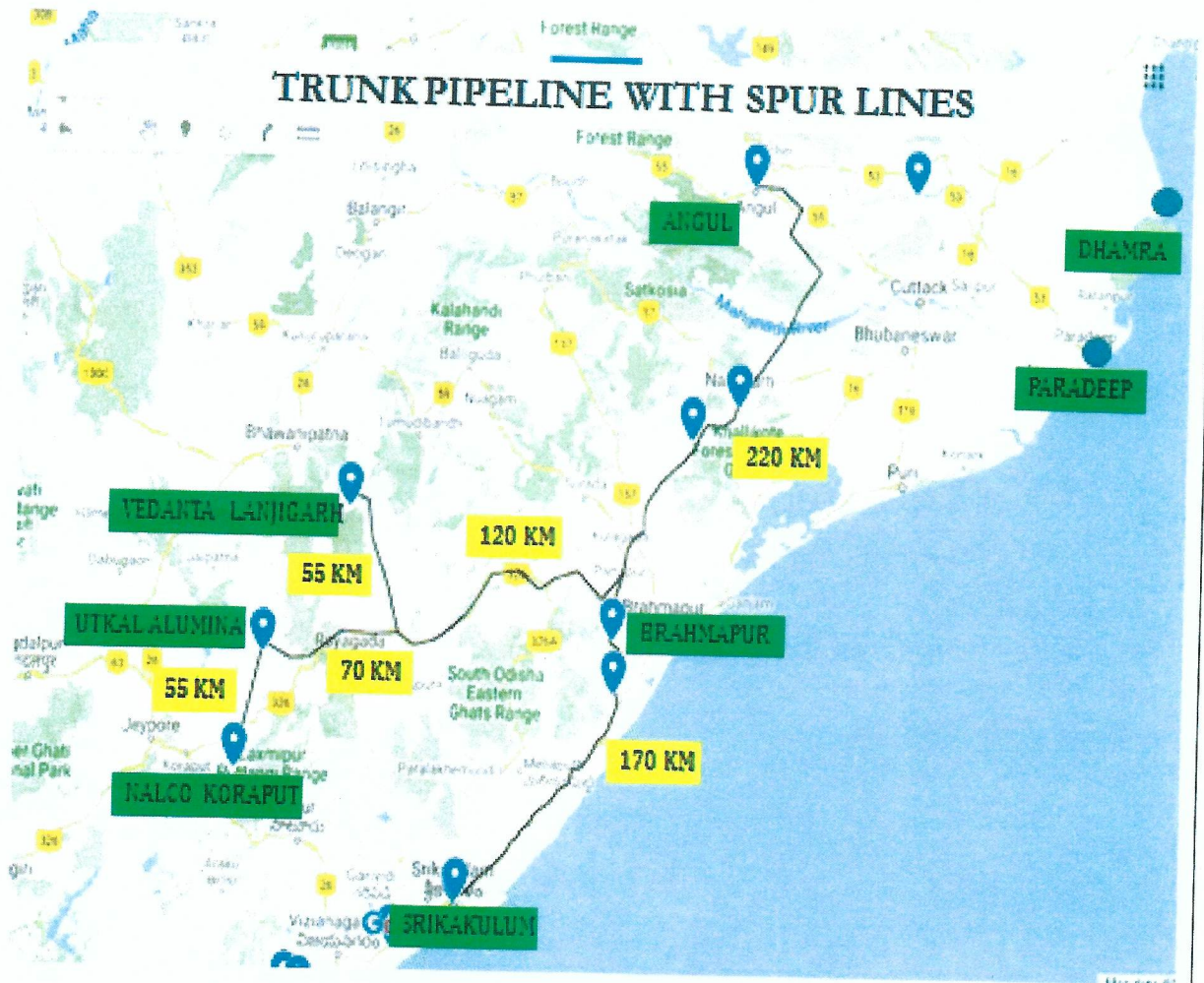
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FEASIBILITY REPORT FOR SAPL PIPELINE PROJECT
 (Srikakulam-Angul Natural Gas Pipeline)

DETAILS OF MAIN TRUNK PIPELINE WITH SPURLINES
(PROPOSED ROUTE)




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March, 2019

FEASIBILITY REPORT FOR SAPL PIPELINE PROJECT
(Srikakulam-Angul Natural Gas Pipeline)

PROJECT MONITORING SCHEDULE

Project Phase/Activity	Implementation / completion schedule from date of authorization (Months)
Statutory approvals for Pipeline Project	29
Detailed Engineering & Final drawing	7
Procurement of Coated Main Line Pipes	19
Main Line construction and associated works	32
Completion of HDD works	32
Completion of Combined Station Works	33
Tele supervisory/Telecom works	33
Commissioning	36


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