Petroleum & Natural Gas Regulatory Board, India

PETROLEUM AND NATURAL GAS REGULATORY BOARD

1st Floor, World trade Centre, Babar Lane, Barakhamba Road, , New Delhi-110001
Tel No: 011- 23457700/23457744/23457751

Ref.: Infra/PL/Bid/Round-1&2/2010/01 Date: 09.07.2010

To
All Prospective Bidders

Sub: Addendums/Clarifications related to bids invited by PNGRB for Mehsana-Bhatinda, Bhatinda-Jammu-Srinagar and Mallavaram-Bhopal-Bhilwara-Vijaipur Natural Gas Pipelines.

Dear Sir,

Various issues pertaining to the bids invited for development of following natural gas pipelines have been clarified by PNGRB to all prospective bidders including web-hosting vide communication dated:

(i) Mehsana to Bhatinda pipeline through Bid No. BID/NGPL/01/2009/1/MBPL
(ii) Bhatinda to Jammu & Srinagar pipeline through Bid No. BID/NGPL/01/2009/2/BJSPL
(iii) Mallavaram to Bhilwara & Vijaipur pipeline.

In response to the queries raised by one of the prospective bidders, following is being clarified:

S/N	Query	Clarification/Addendum
1	**Schedule-B of Regulation requires** that *all pages of the application-cum-bid and the attachments and statements need to be serially numbered and initialled by the person or official authorized by the entity through a notarized Power of Attorney.* **However, clause 5.10 and clause 16.0 of bid document requires** that *"the bid must be signed and sealed by the bidder with his usually signature on each page"* ***Query-> As the financial bid form is usually signed by the authorized signatory and the entire bid document will be only initiated and not signed by the authorized signatory; PNGRB may clarify on the above.***	The bid must be signed and sealed by the bidder with his usually signature on each page and in case initial signatures are used in the bid document, the same has also to be authorized by the entity through a notarized Power of Attorney.
2	**Clause 12.1 & Annexure-3 of Bid document:** "...equivalent to the performance bond as specified in regulation 9 of the Petroleum and Natural Gas Regulatory Board Regulations 2008.." ***Query-> Performance Bond is specified in Regulation 8 and not Regulation 9 of the Petroleum & Natural Gas Regulatory Board Regulations 2008. Kindly revise.***	**Clause 12.1 and Annexure-3 of application-cum-bid document may now be read as:** *"...equivalent to the performance bond as specified in regulation 8 of the Petroleum and Natural Gas Regulatory Board Regulations 2008."*

3	For Mallavaram-Bhilwara Natural Gas Pipeline bid, there is typographical discrepancy in the bid numbers. PNGRB to clarify about the correct version.	**In the entire bid document for Mallavaram-Bhopal-Bhilwara-Vijaipur Natural Gas Pipeline, the Bid number and application-cum-bid document may now be read as:** **BID/NGPL/02/2009/1/MBBVPL**
4	Is it acceptable if a bidder quotes negative tariff?	Negative tariff shall not be accepted and would lead to the rejection of the bid.
5	Is it acceptable if a bidder quotes zero tariffs?	Zero tariffs shall not be accepted and would lead to the rejection of the bid.

The above clarification shall constitute a part of respective Application-Cum-Bid Document and shall be duly signed and submitted along with bid document by the authorized signatory of the bidder.

Secretary, PNGRB

Petroleum & Natural Gas Regulatory Board, India

Petroleum and Natural Gas Regulatory Board

1st Floor, World Trade Centre, Babar Road, New Delhi -110001
Tel No: 23457700, Fax No: 23709151

Date: 14th June, 2010

ADDENDUM

Bid No.: BID/NGPL/BID/01/2009/1/MBPL

GRANT OF AUTHORIZATION FOR LAYING, BUILDING, OPERATING OR EXPANDING NATURAL GAS PIPELINE ALONG ROUTE STARTING FROM MEHSANA (GUJARAT) TO BHATINDA (PUNJAB).

Further to Public Notice No: EOI/NGPL/BID/1/2009-1 dated 16.10.2009 and corresponding addendums/clarifications issued in this regard, Petroleum and Natural Gas Regulatory Board has now extended the bid purchase period and submission date for development of Mehsana-Bhatinda Natural Gas Pipeline network as per the following schedule:

a) **Last date for purchase of bid document : 16th July 2010(by 15.00 hrs).**
b) **Last date of bid submission : 23rd July 2010 (by 11.00 hrs).**

14/06/2010
for Secretary, PNGRB

PETROLEUM AND NATURAL GAS REGULATORY BOARD

1st Floor, World trade Centre, Babar Lane, Barakhamba Road, , New Delhi-110001
Tel No: 011- 23457700/23457744/23457751

Ref.: Infra/PL/Bid/Round-1&2/2010/01 Date: 13.05.2010

To
All Prospective Bidders

Sub: 2nd Pre-Bid Meeting & Clarifications related to Bid No.: BID/NGPL/01/2009/1/MBPL, BID/NGPL/01/2009/2/BJSPL and BID/ NGPL/ BID/ 02/ 2009/01/MBPL

Dear Sir,

Various issues pertaining to the bids invited for development of following natural gas pipelines have been clarified by PNGRB to all prospective bidders including web-hosting vide communication dated:

(i) Mehsana to Bhatinda through Bid No. BID/NGPL/BID/01/2009/1/MBPL
(Clarifications dated 25.11.09, 08.02.10, 01.04.10 & 15.04.10)
(ii) Bhatinda to Jammu & Srinagar through Bid No. BID/NGPL/BID/01/2009/2/BJSPL
(Clarifications dated 25.11.09, 08.02.10, 01.04.10 & 15.04.10)
(iii) Mallavaram to Bhilwara & Vijaipur through Bid No. BID/NGPL/BID/02/2009/ 01/ MBPL
(Clarifications dated 08.02.10, 04.03.10, 01.04.10 & 15.04.10)

Further clarifications to the issues addressed in the 2nd pre-bid meeting held in the office of PNGRB New Delhi on 27.04.2010 in above subject are as below:

S/N	Issue	Clarification
1	In the bids invited for Mehsana-Bhatinda & Bhatinda-Jammu-Srinagar pipelines, spur-lines are mentioned as a part of the bid in addition to the main trunk pipeline, while, in case of Mallavaram-Bhopal-Bhilwara-Vijaipur pipeline, no spur-lines are mentioned. The obligation of the authorized entity may be hence clarified. ➔ **Issue raised during the discussion.**	*(a) The spur-lines mentioned in the application-cum-bid document have to necessarily be covered in the bid.* *(b) Wherever the spur-lines are not indicated in the bid document, the bidders are to assume such spur-lines in future*
2	Whether capacity building may be done in phased manner and with different capacity in different sections?	*a) As per Regulation 7(1), natural gas volume proposed to be transported is a biddable item during the economic life of the pipeline. The bidder must*

	➔ **Query raised by GSPL**	*therefore indicate the volume to be transported on year to year basis and the capacity of the pipeline shall precede this. However, connection from originating point and termination point must be completed within the time stipulated in Regulation 8(3).* *b) Volume quoted in the bid for any year must keep at least 25% of the capacity for the common carrier purpose.*
3	It may be noted that: a) As per sub-regulation (3) of Regulation 8, the entity shall be allowed a maximum period of 36 months from the date of grant of authorization for commissioning of the natural gas pipeline project; b) Further, economic life of the pipeline is 25 years from the date of grant of authorization in Schedule-D; c) Also, the tariff and volume bids are applicable for each year of the economic life of the project as per Regulation 7; Clarification is required on the applicability of the start date of tariff and volume. ➔ **Issue raised during the discussion.**	*a) Year 1 tariff & volume bids as quoted shall be applicable from the 1st year of operation of the pipeline.* *b) The quoted tariff and volume after the economic life of the pipeline to be extended by PNGRB for a period equivalent to the time period between the date of grant of authorization and the starting date of operation of the pipeline, as per the schedule in the bid and extended by the Board, wherever applicable.*
4	Allowable deviation in the route of the pipeline and originating/termination point of the pipeline to be clarified. ➔ **Query raised by RNRL & GSPL**	*The bidders are allowed to deviate from the route of the main trunk pipeline including originating/termination point of the pipeline up to +/- 5% w.r.t. the indicative route mentioned in the bid document for the purpose of preparation of Feasibility Report. However, the provision of sub-regulation (3) of Regulation 13 shall be applicable.*
5	**Issues raised by GSPL** pertaining to modalities of submission of bids in case of a consortium/JV: A. In a consortium, if all the members of consortium meet the technical qualification criteria individually, is it	*a) Each of the qualifying criteria must be singularly met by any of the JV partner except financial. Only supporting document of concerned entity on the basis of which qualification is sought needs to be submitted. Liability to comply with the obligations and terms*

	necessary to submit the documents in support of such technical qualification for each of the consortium members? Or is it sufficient to submit documents in support of just one member's technical qualification criteria? B. In case all members in the consortium are required to submit the technical and financial qualification criteria supporting documents, then who should sign the supporting documents pertaining to each consortium member- (i) Lead Partner (ii) Authorized Signatory (as per MoU/JV) (iii) All JV members (iv) only the individual members C. If bid is being submitted by a consortium, bid documents and clarifications issued by PNGRB should be signed by whom- (i) Lead Partner (ii) Authorized Signatory (as per MoU/JV) (iii) All JV members (iv) only the individual members D. If Net worth certificate is being furnished by all the consortium members, then the combined net worth certificate should be signed by whom- (i) Lead Partner (ii) Authorized Signatory (as per MoU/JV) (iii) only the individual members E. If bid is being submitted by a	*and conditions of the bid and authorization for the successful bidder shall be assumed to be that of the lead partner unless specifically approved by the Board otherwise.* *b) Further, none of the parties will have negative net worth.*

	consortium, whether letter of comfort as mentioned in Annex-2 of the bidding document is required? If yes, then whether from all the consortium members?	
6	After evaluating technical & commercial aspects, Kathua-Srinagar pipeline section emerges out as extremely difficult terrain prone to landslides, unstable slopes etc. which may not get synchronized with the commissioning of the other sections. Also, securing RoW through Jawahar Tunnel in uncertain. Security is major concern for any pipeline transporter in that section. In view of the above, PNGRB requested to review the bid and consider the option of inviting separate bid for Kathua-Srinagar section. ➔ **Issue raised by M/s GAIL (India) Limited**	*Considering the genuine concerns of the prospective serious bidders, it was clarified that:* *a) Bhatinda-Kathua-Jammu may be now considered as trunk pipeline with Kathua to Srinagar as spur-line.* *b) Development plan of Kathua-Srinagar spur-line shall be submitted by the bidder in the bid. However, during the project execution if the work is delayed on account of genuine reasons beyond the control of the bidder, the PNGRB may consider suitable time-extension.* *The above clarification supersedes all other earlier clarifications issued in this regard.*

7. Besides the above issues, following are the amendments in the Regulation approved by the Board and are under notification:

(i) Period for Financial Closure specified in ***sub-regulation (4)*** **of regulation 10**, *has been now increased from* ***120 days to 180 days****.*

(ii) **In sub-regulation (3) of regulation 10**, *the authorized entity shall submit* ***Heads of Agreement or Memorandum of Understanding or both*** *specified under sub-regulation (1)* of regulation 10 *to the Board within a period of* ***one hundred and eighty days*** *of the date of issue of the authorisation.*

(iii) Amendment in regulation 14 regarding service obligations of authorized entity as given below:

*"****for clauses (a),(b) and (c) of sub-regulation (1) of regulation 14****, the following shall be substituted, namely:-*

(a) <u>for the first default</u> :

(i) ten per cent of the amount of the performance bond for the default up to ten per cent of annual target of transporting natural gas;

(ii) twenty per cent of the amount of the performance bond for the default up to fifty per cent above ten per cent. of annual target of transporting natural gas;

(iii) twenty five per cent of the amount of the performance bond for the default above fifty per cent. of annual target of transporting natural gas;

(b) <u>for the second default</u> :

(i) twenty per cent of the amount of the performance bond for the default up to ten per cent of annual target of transporting natural gas;

(ii) forty per cent of the amount of the performance bond for the default up to fifty per cent above ten per cent of annual target of transporting natural gas;

(iii) fifty per cent of the amount of the performance bond for the default above fifty per cent of annual target of transporting natural gas;

(c) <u>for the third default</u> :

one hundred per cent of the amount of the performance bond:".

8. Following two important issues were also discussed:

A. The Board clarified that the volume quoted by the bidder in the bid must conform to the Regulation determining the capacity of natural gas pipeline system. If any bid is submitted prior to the notification of these Regulations, the bidder must go by the final draft Regulations web-hosted by PNGRB on 10.05.2010. It was deliberated that the corresponding variance in the volume projections on year to year basis by the bidder must be in the range of +/-20% w.r.t. the Feasibility Report.

B. As a general guideline to the bidders, list of obligations of transporter have been illustrated at Annex-A.

<u>The above clarifications shall constitute a part of respective Application-Cum-Bid Document and shall be duly signed and submitted along with bid document by the authorized signatory of the bidder.</u>

(Ratan P. Watal)
Secretary, PNGRB

ANNEX-A

ILLUSTRATIVE LIST OF OBLIGATIONS OF TRANSPORTER (*)

1. Defining Gas parameters at entry points in terms of gas hydraulics specifying the acceptable range of pressure and temperature and publishing the same in its website # *[G.S.R. 541 (E) dated 17.07.2008]*
2. Formulation of Calorific Value band for natural gas to be transported through pipeline and publishing the same in its website# *[G.S.R. 541 (E) dated 17.07.2008]*
3. Provision of entry/exit point equipments to measure gas quality, gas composition, CV, pressure and temperature# *[G.S.R. 541 (E) dated 17.07.2008]*
4. Verification, Calibration or Proving of measurement equipments# *[G.S.R. 541 (E) dated 17.07.2008]*
5. Hooking up of facility with shipper at entry point/exit point *at the cost of shipper*# *[G.S.R. 541 (E) dated 17.07.2008]*
6. Gas accounting on daily basis and gas reconciliation, billing etc. as per mutually agreed terms# *[G.S.R. 541 (E) dated 17.07.2008]*
7. Accounting of gas in energy terms based on Gross Calorific Value# *[G.S.R. 541 (E) dated 17.07.2008]*
8. In case of any fault in the meter of transporter, the expenses on account of meter proving and certification carried out by an accredited third party as approved by the Board# *[G.S.R. 541 (E) dated 17.07.2008]*
9. Maintaining pipeline system in such a way that the allowed positive imbalance of 10% or negative imbalance of 5% does not interfere with operation of the pipeline system# *[G.S.R. 541 (E) dated 17.07.2008]*
10. Maintaining Escrow account for imbalance and overruns and submitting audited statement of Escrow account on annual basis to the Board# *[G.S.R. 541 (E) dated 17.07.2008]*
11. Declaring the capacity of pipeline# *[G.S.R. 541 (E) dated 17.07.2008]*
12. As specified in the regulation, providing extra capacity in the natural gas pipeline which shall be available for use on common carrier basis by third party on open access and non-discriminatory basis $&# *[G.S.R. 340(E) dated 06.05.2008, G.S.R. 273(E) dated 21.04.2009, G.S.R. 541 (E) dated 17.07.2008 and G.S.R. 274(E) dated 21.04.2009]*
13. Maintaining operating pressure of natural gas pipeline at all time as per detailed feasibility report$ *[G.S.R. 340(E) dated 06.05.2008]*
14. Meeting annual targets of transporting natural gas through pipeline system$ *[G.S.R. 340(E) dated 06.05.2008]*
15. Getting technical and safety audits carried out by independent and third party technical expert$ *[G.S.R. 340(E) dated 06.05.2008]*
16. Allowing Access and Inter-connectivity to other natural gas pipeline systems$ *[G.S.R. 340(E) dated 06.05.2008]*

17. Obtaining all statutory permits, clearances, approvals and ensuring their validity$ *[G.S.R. 340(E) dated 06.05.2008]*
18. Ensuring the safe operation of the pipeline$ *[G.S.R. 340(E) dated 06.05.2008]*
19. Redressal of consumer grievances$ *[G.S.R. 340(E) dated 06.05.2008]*
20. Providing connectivity to consumers within a tariff zone on receipt of request subject to availability of capacity in the pipeline and technical and commercial viability of the proposed connectivity$ *[G.S.R. 340(E) dated 06.05.2008 and G.S.R. 802(E) dated 19.11.2008]*
21. Insurance including third party liabilities for all pipeline assets including line-fill volumes$ *[G.S.R. 340(E) dated 06.05.2008]*
22. Establishing Centralized Control Room for monitoring and control of natural gas pipeline system including Disaster Management System$ *[G.S.R. 340(E) dated 06.05.2008]*
23. Compliance towards the provisions of PNGRB (Technical Standards and Specifications including Safety Standards for Natural Gas Pipelines) Regulations, 2009. *[G.S.R. 808(E) dated 11.11.2009]*

Notes:

(*)- The above list of obligations is illustrative in nature. However, in line with the clause no. 17.3 of Application-cum-Bid document, the authorized entity shall be liable to comply with the relevant provisions of the PNGRB Act, 2006 and notified regulations, copy of the same are available in the website www.pngrb.gov.in.

#- Reference: Petroleum and Natural Gas Regulatory Board (Access Code for Common Carrier or Contract Carrier Natural Gas Pipelines) Regulations, 2008.

$- Reference: Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008.

&- Reference: Petroleum and Natural Gas Regulatory Board (Guiding Principles for Declaring or Authorizing Natural Gas Pipeline as Common Carrier or Contract Carrier) Regulations, 2009.

Petroleum and Natural Gas Regulatory Board

1st Floor, World Trade Centre, Babar Road, New Delhi -110001

Tel No: 23457700, Fax No: 23709151

Date: 10th May, 2010

ADDENDUM

During 2nd Pre-Bid meeting held in the office of PNGRB on 27.04.2010, new queries have been received from the prospective bidders seeking clarifications. Also representations have been received from various bidders for extending the date for submission of bids. Keeping in view the requirements of prospective bidders for incorporating clarifications in the bid, Petroleum and Natural Gas Regulatory Board has decided to extend the bid purchase period and bid submission dates for development of following Natural Gas Pipeline networks, as per the following schedule:

S/N	Item	Bid References	Revised Dates
1	GRANT OF AUTHORIZATION FOR LAYING, BUILDING, OPERATING OR EXPANDING NATURAL GAS PIPELINE ALONG THE ROUTE STARTING FROM **MEHSANA (GUJARAT) TO BHATINDA (PUNJAB)**	**Bid No.:** BID/ NGPL/ BID/ 01/ 2009/1/MBPL **Application cum Bid Document No.:** BID/ NGPL/ 01/ 2009/ 1/ MBPL	**Last date for purchase of bid document shall be 10th June 2010 (by 15.00 hrs)** & **Last date of bid submission shall be 17th June 2010 (by 11.00 hrs)**
2	GRANT OF AUTHORIZATION FOR LAYING, BUILDING, OPERATING OR EXPANDING NATURAL GAS PIPELINE ALONG THE ROUTE STARTING FROM **BHATINDA (PUNJAB) TO JAMMU(J&K) AND SRINAGAR(J&K)**	**Bid No.:** BID/ NGPL/ BID/ 01/ 2009/2/BJSPL **Application cum Bid Document No.:** BID/ NGPL/ 01/ 2009/ 2/ BJSPL	
3	GRANT OF AUTHORIZATION FOR LAYING, BUILDING, OPERATING OR EXPANDING NATURAL GAS PIPELINE ALONG ROUTE STARTING FROM **MALLAVARAM (KAKINADA, ANDHRA PRADESH) TO BHILWARA (RAJASTHAN) & VIJAIPUR (GUNA, MADHYA PRADESH) VIA BHOPAL (MADHYA PRADESH)**	**Bid No.:** BID/ NGPL/ BID/ 02/ 2009/1/MBPL **Application cum Bid Document No.:** BID/ NGPL/ 02/ 2009/ 1/ MBBVPL	**Last date for purchase of bid document shall be 08th July 2010 (by 15.00 hrs)** & **Last date of bid submission shall be 15th July 2010 (by 11.00 hrs)**

All other terms and conditions of bid shall remain same.

Secretary, PNGRB

PETROLEUM AND NATURAL GAS REGULATORY BOARD

1st Floor, World trade Centre, Babar Lane, Barakhamba Road, , New Delhi-110001
Tel No: 011- 23457700/23457744/23457751

Date: 01.04.2010

Sub: Clarifications related to bids invited for development of Natural Gas Pipelines.

Various clarifications pertaining to one or more bids invited for development of following natural gas pipelines have been issued by PNGRB on time to time basis:

(i) Mehsana to Bhatinda through Bid No. BID/NGPL/BID/01/2009/1/MBPL
(ii) Bhatinda to Jammu & Srinagar through Bid No. BID/NGPL/BID/01/2009/2/BJSPL
(iii) Mallavaram to Bhilwara & Vijaipur through Bid No. BID/NGPL/BID/02/2009/ 01/ MBPL

Following clarifications shall be applicable for all the above mentioned bids:

S. No.	Query	Clarification
1	Whether authorized capacity shall be: (i) Design capacity or (ii) Fixed 30 MMSCMD at all times or (iii) Dependent upon the annual volume quoted by the entity for each year i.e. if the volume quoted in 20th year is 35 MMSCMD then authorized capacity shall be 35 MMSCMD?	***"Authorized capacity of the natural gas pipeline system shall be the design capacity of the pipeline system at Maximum Allowable Operating Pressure (MAOP) for the proposed pipeline system and shall conform to the relevant regulations".***
2	With reference to regulation 12, (i) Would increase in the authorized capacity shall be assessed on cumulative basis at any given point of time with reference to a fixed authorized capacity OR (ii) It shall be assessed each year with reference to what was the authorized capacity last year and therefore increase in authorized capacity may be done more than once and more than 10% on cumulative basis?	***"At any given point of time, increase in the authorized capacity may be done up to 10% with reference to the authorized capacity at the time of grant of authorization by the Board. The expansion limiting 10% of authorized capacity can be done in stages. In case of expansion beyond ten percent of the authorized capacity in totality, provisions of sub-regulation 12 shall be applicable".***

3	With reference to regulation 14, clarify whether if an entity constructs a pipeline of 30 MMSCMD capacity and bids for 30 MMSCMD of volume assuming 25% volume on common carrier basis on which entity has no control, then should annual volume targets be 30 MMSCMD or 75% of 30 MMSCMD i.e. 22.5 MMSCMD?	"***Annual target of transporting natural gas shall be equal to the volume of natural gas quoted in the bid and may or may not have linkage with the design capacity of the pipeline authorized by the Board. However, maximum volume quoted in the bid shall be 75% of the design capacity of the pipeline***".
4	Whether net worth of an entity is seen as adequate or inadequate against net worth required for each of the bid separately or against aggregate of net worth required for all the bids that entity may submit?	"***Minimum combined net worth of an entity along with its promoters available for investments in individual bid shall be considered by the Board in line with sub-regulation 5(6)(e)***".
5	Clarification regarding tariff to be charged for consumers falling beyond 50 Kms tariff zone width Also, whether authorized entity is entitled to charge additional tariff from customers located beyond tariff zone (and connected through spur-pipeline) to recover the capital and operating cost for the spur pipeline length beyond tariff zone.	" ***In case a consumer is located beyond 50 Kms tariff zone width, the actual distance between delivery point of the spur-line & originating point of the trunk pipeline shall be calculated and applicable transportation tariff to be charged shall be:*** ***(i) Zone-1 tariff in case such distance is less than 300 Kms.*** ***(ii) Zone-2 tariff in case such distance is between 300 Kms-600 Kms.*** ***(iii) Zone-3 tariff in case such distance is between 600 Kms-900 Kms. and so on***".
6	Is it acceptable if the bidder undertakes that it shall build the desired system capacity between originating point and termination point as and when required to achieve the annual volume targets quoted in the bid i.e. in a phased manner?	"***The bidder may build the desired system capacity between originating point and termination point in a phased manner but the undertaking for the same shall be submitted at the time of bid submission along with complete year-wise and phase-wise capacity built-up plans***".
7	Whether the spur-lines shall be provided by the authorized entity as per the customer's requirement en-route the pipeline, clarify whether the bidder is required to consider capital cost for spur-lines while bidding and	"**Yes*, the bidder is required to consider capital cost for spur-lines while bidding and incorporate the same in the FR to be submitted along with the bid. It is further clarified that there will not be any additional tariff for such investment in***

	incorporate the same in the FR to be submitted along with the bid.	***future***. **However, the subsequent addition of spur-lines shall have to be undertaken to serve the consumers' en-route the pipeline"**.
8	Whether authorized entity will be obliged to provide transportation services to customers beyond tariff zone & Whether authorized entity is entitled to provide transportation services to customers beyond tariff zone.	"***Authorized entity shall be obliged to provide transportation services to the consumers falling in a tariff zone of the trunk pipeline. However, beyond Tariff Zone, the authorized entity is entitled to provide transportation services with prior approval of the Board***".

The above clarifications shall constitute a part of respective Application-Cum-Bid Document and shall be duly signed and submitted along with bid document by the authorized signatory of the bidder.

(Ratan P. Watal)
Secretary, PNGRB

Petroleum and Natural Gas Regulatory Board

1st Floor, World Trade Centre, Babar Road, New Delhi -110001

Tel No: 23457700, Fax No: 23709151

Date: 08th February, 2010

ADDENDUM

Representations have been received from various bidders for extending the date for submission of bids. Accordingly, Petroleum and Natural Gas Regulatory Board has decided to extend the bid purchase period and bid submission dates for development of following Natural Gas Pipeline networks, keeping in view the requirements of prospective bidders for market survey, route survey and preparation of DFR, as per the following schedule:

S/N	Item	Bid References	Revised Dates
1	GRANT OF AUTHORIZATION FOR LAYING, BUILDING, OPERATING OR EXPANDING NATURAL GAS PIPELINE ALONG THE ROUTE STARTING FROM **MEHSANA (GUJARAT) TO BHATINDA (PUNJAB)**	**Bid No.:** BID/ NGPL/ BID/ 01/ 2009/1/MBPL **Application cum Bid Document No.:** BID/ NGPL/ 01/ 2009/ 1/ MBPL	**Last date for purchase of bid document shall be 10th May 2010 (by 15.00 hrs)** & **Last date of bid submission shall be 17th May 2010 (by 11.00 hrs)**
2	GRANT OF AUTHORIZATION FOR LAYING, BUILDING, OPERATING OR EXPANDING NATURAL GAS PIPELINE ALONG THE ROUTE STARTING FROM **BHATINDA (PUNJAB) TO JAMMU(J&K) AND SRINAGAR(J&K)**	**Bid No.:** BID/ NGPL/ BID/ 01/ 2009/2/BJSPL **Application cum Bid Document No.:** BID/ NGPL/ 01/ 2009/ 2/ BJSPL	
3	GRANT OF AUTHORIZATION FOR LAYING, BUILDING, OPERATING OR EXPANDING NATURAL GAS PIPELINE ALONG ROUTE STARTING FROM **MALLAVARAM (KAKINADA, ANDHRA PRADESH) TO BHILWARA (RAJASTHAN) & VIJAIPUR (GUNA, MADHYA PRADESH) VIA BHOPAL (MADHYA PRADESH)**	**Bid No.:** BID/ NGPL/ BID/ 02/ 2009/1/MBPL **Application cum Bid Document No.:** BID/ NGPL/ 02/ 2009/ 1/ MBBVPL	**Last date for purchase of bid document shall be 24th May 2010 (by 15.00 hrs)** & **Last date of bid submission shall be 31st May 2010 (by 11.00 hrs)**

All other terms and conditions of bid shall remain same.

Secretary, PNGRB

Petroleum & Natural Gas Regulatory Board, India

Petroleum and Natural Gas Regulatory Board
1st Floor, World Trade Centre, Babar Road, New Delhi -110001
Tel No: 23457700, Fax No: 23709151

Date: 14th January, 2010

ADDENDUM

Bid No.: BID/NGPL/BID/01/2009/2/BJSPL

Application cum Bid Document No.: BID/NGPL/01/2009/2/BJSPL

GRANT OF AUTHORIZATION FOR LAYING, BUILDING, OPERATING OR EXPANDING NATURAL GAS PIPELINE ALONG THE ROUTE STARTING FROM BHATINDA (PUNJAB) TO JAMMU(J&K) AND SRINAGAR(J&K).

An addendum to these documents has been issued and is available on the website of the PNGRB: www.pngrb.gov.in under the scrolling window **'what's new'**

Last date for purchase of bid document shall remain as 09th February 2010 (by 15.00 hrs) and Last date of bid submission shall remain as 16th February 2010 (by 11.00 hrs).

Secretary, PNGRB

Date: 14.01.2010

Sub: Addendum/Clarifications related to Bid No.: BID/NGPL/01/2009/2/BJSPL

S.No.	Query	Clarification
1	(i) "*Whether the Authorization period of 25 years is in addition to period of construction of maximum of 36 months or extensions thereof by PNGRB. Also whether Year 1 tariff submitted in bid will be applicable for 1st calendar year of operation after completion of construction*". (ii) "*In case of extension of construction period by the Board beyond 36 months on grounds of reasons beyond the control of authorized entity, whether the authorization period for economic life period will also be extended to remain as 25 years*".	***"Year 1 tariff submitted by the bidder will be counted from the 1st year of operation of the pipeline i.e. after the construction period authorized by PNGRB"****.*
2	"*Whether percentage increase in tariff for 2nd tariff zone is also to be quoted by the bidders. If yes, which pipeline route will form 2nd tariff zone". AND* *" In case the pipeline is comprised of two tariff zones, whether Kathua-Jammu-Srinagar pipelines would be re-categorized as trunk pipelines instead of current categorization as spur-pipeline".*	"***Main trunk pipeline length of BJSPL is approximately mentioned in the application-cum-bid document as 300 Kms from Bhatinda to Kathua. Spur-lines from Kathua to Jammu and Kathura to Srinagar may be read as main trunk pipeline in the application-cum-bid document. Thus, the lengh of spur-lines would be approx. 200 Kms. The bidders are required to submit the tariff bid for both 1st tariff zone and 2nd tariff zone. Both Kathua-Jammu & Kathua-Srinagar sections shall be hence falling in 2nd tariff zones"***
3	"W*hether authorized entity is required to mandatorily lay these spur-lines as part of BJSPL network or these are only indicative of future requirements which the authorized entity may have option to lay later on depending upon the demand and readiness of customers*". AND "Also*, whether associated costs including capital costs for extra length of these spur-lines beyond tariff zone are chargeable separately from customers utilizing services of these spur-lines and these charges to be in addition to the tariff quoted for the zone*".	***"Spur-lines to demand centers mentioned in the application-cum-bid document are indicative in nature. However, authorized entity has responsibility to connect all demand centers through BJSPL network"****.*

4	"W*hether Year 1 values for tariff and natural gas volume also need to be discounted @ 12% while calculating the respective Present Value*"	***"Year 1 values for tariff and natural gas volume to be quoted by the bidder shall not be discounted @ 12% while calculating the respective Present Value i.e. discount factor for 1st year shall thus be taken as unity"***.
5	As the regulation 9(1) mentions the grant of authorization to the selected entity in Schedule-D format within a period of 30 days of the last date of submitting the bid while application-cum-bid document mentions that PNGRB will issue LOI to the successful bidder within bid validity period i.e. 120 days from submission of bid, clarification may be provided.	"***PNGRB will normally issue LOI to the successful bidder within bid validity period i.e. 120 days from opening of bid. Subsequent to acceptance of LOI and submission of PBG by the selected entity, grant of authorization shall be issued in Schedule-D format***".

The above clarifications shall constitute a part of Application-Cum-Bid Document and shall be duly signed and submitted along with bid document by the authorized signatory of the entity.

(Ratan P. Watal)
Secretary, PNGRB

Petroleum & Natural Gas Regulatory Board, India

PETROLEUM AND NATURAL GAS REGULATORY BOARD

1st Floor, World trade Centre, Babar Lane, Barakhamba Road, , New Delhi-110001
Tel No: 011- 23457700/23457744/23457751

Ref.: Infra/PL/Bid/Round-1/2009/01 Date: 25/11/09

To
All Prospective Bidders

Sub: Pre-Bid Meeting & Clarifications related to Bid No.: BID/NGPL/01/2009/1/MBPL and BID/NGPL/01/2009/2/BJSPL

Dear Sir,
In continuation to the pre-bid meeting held in the office of PNGRB New Delhi on 09.11.2009 regarding bids for development of Mehsana-Bhatinda & Bhatinda-Jammu-Srinagar natural gas pipeline networks, following are the point-wise clarifications:

S.No.	Query raised	Proposed Clarification
1	PNGRB was requested to provide clarity regarding whether restructuring of authorised entity is allowed through formation of SPV/subsidiary during the first three years provided the authorised entity retains the majority stake in the newly formed JV.	It was clarified that grant of authorization cannot be used as a trading instrument. However, there are no restrictions on restructuring of the authorised entity through the formation of a SPV/JV/Subsidiary during the first three years as long as the authorized entity retains the major controlling equity stake (more than 50%) in the same.
2	Whether PNGRB shall compensate the authorized entity in case of under-utilization of the pipeline as the design capacity needs to be built up.	No. It was clarified that capacity of the pipeline is not a biddable criteria. But the volume to be transported is biddable criteria, which the entity has to assess themselves and provide in the bid.
3	Since GAIL's under-execution Dadri-Bawana-Nangal pipeline shall be easily catering the major demand centres of Bhatinda & Ludhiana and can further easily supply gas in Jalandhar & Amritsar, can GAIL leverage upon the same existing network while bidding for Bhatinda-Jammu-Srinagar pipeline by not entirely following the proposed route?	The proposed pipeline route is indicative and tentative in nature. The authorized entity shall ensure to build the desired system capacity between originating point and termination point along with providing gas connectivity to all demand centres indicated along the pipeline route whether through trunk pipeline or spur-lines. However the change of location of originating point or the terminating point including minor deviation of the route to the extent of +/- 5% from the one

		indicated on a map in the bidding document shall be allowed for the purpose of the feasibility report prepared by an individual bidder. Further the variance if any during execution of the P\L shall be governed by the relevant regulations. The GAIL's Dadri-Bawana-Nangal P/L also will have to be taken to Moga from Ludhiana in which case there may not be major difference in the length of the pipeline.
4	Whether the requirement of Bhatinda(approx. 5 mmscmd) has been also included while designing capacity for Bhatinda-Jammu-Srinagar pipeline?	The authorized entity shall be required to create a system transportation capacity ex-originating point i.e. Bhatinda in this case.
5	As DFR preparation takes considerable time hence in order to be more realistic while bidding, time extension should be given in submitting the bid.	Instead of 60 days period for submission of bid, 120 days may be considered by the bidders taking in the view competitive and serious bidding. The period will start from the date of start of bidding process i.e. 16.10.2009 and last date for bid submission shall be 16.02.2010 (11.00 hrs). Last date for purchase of bid document shall now be 09.02.2009 (15.00 hrs).
6	Can the Bank guarantee for bid bond could be split in two parts and submitted to PNGRB in the name of any / either of the partners of the consortium submitting the bids?	Bank guarantee for bid bond can be submitted by any of the partners of the Consortium / JV (in full or part) accompanied by an undertaking from the partner submitting the BG holding itself jointly and severally liable for any default of the Consortium which may lead to encashment of the Bank Guarantee.
7	PNGRB was requested to clarify at what delivery pressure the pipeline should be designed so as to make a uniform platform for all bidders while submitting the bid.	The delivery pressure and system design shall solely depend upon the market survey carried out by the bidder and PNGRB has no role to play and as such it may not be feasible for PNGRB to specify the delivery pressure for the pipeline.
8	PNGRB requested to mandate tap-off at all SV stations en-route the pipeline so as to bring uniformity.	PNGRB shall display the tentative list of cities coming up for development of CGD networks along the route of the pipeline. The authorized entity shall necessarily keep provisions of tap-offs at pre-determined points near the SV stations in range of 30-50 Kms of such identified

RW

		cities falling in the route. However, access to CGD networks shall be necessarily provided by the transporter except for the technical ground.
9	Exemption from PNGRB for providing connectivity to consumers falling within 50 Kms in the hilly terrains like J&K as it may not be technically feasible.	The issue may be taken up with concerned State Governments however such individual consumers may be connected through dedicated pipelines. In such case, the transporter could negotiate with the shipper.
10	Whether PNGRB shall ensure Gas availability for such pipeline projects?	The authorized entity shall tie up for gas transportation with shippers however PNGRB shall facilitate the authorized entity if required.
11	Whether any specific Gas Transportation Agreement (GTA) shall be required to be executed by the authorized entity?	No, PNGRB is in the process of developing a model GTA. However, the provisions of access code and affiliate code of conduct must be a part of any GTA that is entered between a transporter and the shipper.
12	PNGRB requested to review the provisions regarding withdrawal of bids as specified in clause no. 24.5 of bid document i.e. *"the PNGRB shall open both the bids of the bidder and shall consider the one which is better from the consumer point of view or whose composite score is higher in line with the relevant regulations. The decision of the PNGRB shall be final"*	It was clarified that the provisions has been made in the bid document and shall be adhered to.

The above clarifications shall constitute a part of Application-Cum-Bid Document and shall be duly signed and submitted along with bid document by the authorized signatory of the entity.

RPW

(Ratan P. Watal)
Secretary, PNGRB