Date: 12.02.2019

To
The Secretary,
Petroleum and Natural Gas Regulatory Board,
1st Floor, World Trade Centre, Babar Road,
New Delhi – 110001.

Respected Madam,

Subject: Suo-Motu Proposal of PNGRB for laying, building, operating or expanding Natural Gas Pipeline from Mumbai to Angul.

This has reference to PNGRB Public Notice No.: Infra/NGPL/145/MAPL/01/18 dated 06.11.2018 soliciting views on the subject proposal.

2. In this regard, the views of GAIL (India) Limited are enclosed as Annexure-A. Delay in submission of GAIL’s comments is regretted.

Submitted for kind consideration please.

Yours Sincerely,

(S. Kumar)
Chief General Manager (Mktg-RA)
E-mail: kumarsanker@gail.co.in

Encl: a/a
Views of GAIL (India) Limited on the Suo-Motu Proposal of PNGRB for laying, building, operating or expanding Natural Gas Pipeline from Mumbai to Angul.

Ref: Public Notice No.: Infra/NGPL/145/MAPL/01/18 dated 06.11.2018

The views of GAIL (India) Limited in respect of the ref. Public Notice on the subject proposal are given below:

1. As per the reference Public Notice, Mumbai-Nagpur-Raipur-Angul pipeline is proposed to be aligned along the Mumbai Nagpur Super Communication Expressway (Maharashtra Samruddhi Mahamarg (MSM)) and from Nagpur to Angul it will pass through Raipur. The total length of the pipeline is expected to be around 1400 Km of Main Trunk Line excluding spur lines to places like Nasik, Akola and Amravati.

2. It is understood from the website of MSM that Maharashtra State Road Development Corporation Ltd. (MSRDC) is the nodal agency executing the project of developing this Expressway from Nagpur to Mumbai (of approximate length of 700 Km). As per this website information, twenty plus new towns (Krishi Samruddhi Kendras), agro-based industries and a commercial hub shall be developed along the MSM. In this regard, it would be useful if the development plan, locations of new towns and proposed gas consumption centers are provided for the benefit of all stakeholders.

3. Normally, at all the places, Right-of-Use (RoU) are acquired by 3(1), 6(1) notification and cost of RoU is determined as per the Petroleum and Minerals Pipeline (PMP) Act 1962 and latest amended Land Acquisition Act. However, as per the instant proposal, substantial portion of the proposed pipeline would be aligned along MSM and intends to serve the consumer hubs being developed along it. Hence, it would be important to know whether the RoU for the proposed pipeline along MSM would be provided by MSRDC, and if so, necessary details/ information about the cost of such RoU acquisition may please be provided. Furthermore, the terms & conditions of MSRDC in this regard may also be provided for the benefit of all stakeholders.

4. It is also important to get confirmation from MSRDC regarding availability of required width of RoU for safe laying and operation of natural gas pipeline (Approx. 5 meter distance from other utilities).

5. In line with PNGRB T4S Regulations, the proposed pipeline will have certain pipeline installation such as Sectionalizing Valve Stations (SV), Intermediate Pigging Stations (IP), etc. It may be clarified whether land would be provided by MSRDC to create such installations along MSM.
6. As per the project statistics available in the MSM website, there are more than 5 tunnels enroute the MSM. It may be clarified whether MSRDC would allow the pipeline to pass through these tunnels. In case any particular technical & safety specifications are required to be complied for laying the proposed pipeline in these tunnels along the MSM, the same may also please be made available from MSRDC.

7. At this stage, demand / pipeline utilization potential could be limited. Given that the proposed pipeline would be 1400 Km long entailing high capital expenditure, the project may require the following additional support measures for improving its viability:
   i. Development of anchor load industries (e.g. Fertilizer Plant, Power Plant etc.), enroute through suitable policy measures.
   ii. Development of CNG corridor along the MSM.
   iii. Authorization of various Geographical Areas (which are not yet authorized) for developing CGD networks along the proposed pipeline route.
   iv. Avoidance of any other trunk pipelines/ dedicated pipelines which may undermine the capacity utilization potential of this proposed pipeline.
   v. All the potential gas sources as per the EOI (KG Basin, PLL Dahej, Dhamra LNG terminal) are located beyond the Originating/ Termination points of the proposed pipeline (Mumbai/ Angul). Hence, in any case the consumers of this Mumbai-Angul pipeline would have to bear additional tariffs of the pipelines upstream of the Mumbai / Angul points. Therefore, subject to suitable enabling provisions, Unified Tariff would be way useful for enabling a reasonable / affordable transportation rate for the users of this pipeline.
   vi. Other support measures as may be considered appropriate.