No. GAIL/ND/RA/KVNPL/373385/2019/2316

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

Respected Madam,

Sub: **Public Notice No.: Infra/NGPL/146/IMC/KVNPL/18 regarding Extension of Kakinada-Vijayawada-Nellore NG Pipeline (KVNPL)**

This has reference to the Public Notice no.: Infra/NGPL/146/IMC/KVNPL/18 dated 08.02.2019 regarding aforesaid subject.

2. In this regard, the views of GAIL (India) Ltd. are enclosed as **Annexure-A.**

Submitted please.

Thanking you,

Yours sincerely,

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

Encl: As above
Annexure-A

Extension of Kakinada – Vijayawada – Nellore NG Pipeline (KVNPL)

Ref.: Public Notice No. Infra/NGPL/146/IMC/KVNPL/18 dated 08.02.2019

PNGRB, has web-hosted the Public Notice no. Infra/NGPL/146/IMC/KVNPL/18 dated 08.02.2019 regarding the subject Pipeline under Regulation 21 (2) (ii) of the PNGRB Authorization Regulations (Extension of a Natural Gas Pipeline) and has solicited views from entities. The views of GAIL (India) Limited in this regard are given below:

1.0 Starting / Originating Point:

1.1 As per grant of authorization letter dated 19.02.2018 issued by PNGRB to M/s IMC Ltd., the starting / originating point of KVNPL is Kakinada.

1.2 It is noted from the application dated 23.08.2018 of M/s IMC Ltd. that they have earmarked one another point at GSPC / ONGC Terminal as starting point. It seems this point is also not yet authorized for construction.

1.3 Going further, in the said letter dated 23.08.2018, IMC Ltd also states that they wish to further change the Starting point from the GSPC / ONGC Terminal to another location at ONGC, Odalarevu.

1.4 Noting from the map the proposed shifting of the Originating / Starting point itself (from Kakinada to Odalarevu) entails about 70 km even along the shortest / straight line route.

2.0 Post shifting of the authorized Starting / Originating point (entailing about 70 km):

2.1 With respect to the original authorized Starting point, M/s IMC’s request is for extension of about 70 km.

2.2 But sub-regulation 21(2)(i) of PNGRB Authorization Regulations allows extending the authorized length of the Natural Gas pipeline to a maximum of 50 km from the point of origin and that too for demand centers.

2.3 However, in the instant case the request is for making connectivity for transporting of Natural Gas between the authorized pipeline (KVNPL) and a Natural Gas Source at Odalarevu.

2.4 Such a Connectivity would actually fall under the category of Tie-in Connectivity as per sub-regulation 2 (1) (i) and 21 (1) of PNGRB Authorization Regulations.

3.0 It is pertinent to mention that in S.No. (B) of the last Addendum dated 31.12.2015, in respect of bidding of subject pipeline, as available in PNGRB website, a query was found regarding “How the connectivity will be extended between KVNPL and domestic gas fields (e.g. KG D6, GSPC and ONGC fields)”. Against this query PNGRB had clarified as “As regards Tie-in Connectivity with a natural gas source, the provisions of Regulation 21(1) of the PNGRB Authorization Regulations, 2008 shall be applicable”. Thus, as already envisaged during bidding stage and as per the extant PNGRB Regulations, the said request of IMC Ltd will not come under the category of Extension of Pipeline.
4.0 As regards Tie-in connectivity with the source at ONGC, Odalarevu it may be noted that PNGRB has already granted authorization to GAIL, for laying a Tie-in Connectivity from ONGC Odalarevu to GAIL’s KG Basin network.

5.0 GAIL has extensive pipeline network in the KG Basin which also covers Odalarevu and Kakinada. Extending the pipeline from Kakinada to Odalarevu by IMC will also lead to duplication of pipeline infrastructure in that region.

6.0 In view of the above, and considering the extensive availability of GAIL’s KG Basin pipeline network, PNGRB is requested not to consider the request of M/s IMC Ltd for extension of Kakinada-Vijayawada-Nellore NG Pipeline to ONGC, Odalarevu Terminal.

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