Ref: Gas/VRS

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

28th Aug 2019

Sub: Comments on Public Notice dated 02.08.2019 regarding Tariff review, under the provisions of the Petroleum and Natural Gas Regulatory Board (Determination of Natural Gas Pipeline Tariff) Regulations, 2008.

Dear Madam,

This has reference to the subject public notice web hosted on 2nd Aug 2019 on the PNGRB website. In this regard we wish to submit the following for your kind consideration.

Combining tariffs for selective pipelines meeting the demand of a common market will adversely impact development of new LNG terminals which are dependent on new pipelines, and are left out of the proposed exercise of unification/integration. Thus, investment in new pipeline/LNG infrastructure would remain constrained.

Any amendment in tariff determination methodology must be guided by factors which will encourage competition, by determining tariffs in non-discriminatory nature. In other words, tariff determination methodology or consequences of such exercise must not benefit any one entity, as will happen, if the tariffs are combined selectively for only a few pipelines serving a market.

In view of above, PNGRB may like to consider unification/integration by way of Unified/Pooled Tariff of all the inter-connected cross-country natural gas pipelines (including bid-out pipelines) in the proposed amendment in the PNGRB (Determination of Natural Gas Tariff Regulations 2008).

With best regards.

Yours truly,

Dilip Kumar Pattanaik
Executive Director – Gas & Renewables