Ref No. 30/254/2019

To,

Ms. Vandana Sharma
Secretary,
Petroleum & Natural Gas Regulatory Board
1st Floor, World Trade Centre,
Babar Road,
New Delhi-110001

Subject: Views on Draft Regulation of “PNGRB (Guiding Principles for Declaring City or Local Natural Gas Distribution Networks as Common Carrier or Contract Carrier) Regulations, 2019”

Dear Madam,

This has reference to PNGRB notification dated 22nd August 2019 seeking comments from entities by 21st September 2019. In this regard following are our comments:

1. We appreciate PNGRB’s efforts for coming out with draft regulations for common carrier access in expires GA’s for promoting competition among entities as mentioned in clause 4.

2. Rajkot GA of Gujarat Gas Limited primarily comprises of demand of Morbi Ceramic clusters which are around 900 industrial customers consuming around 6.5 MSCMD of gas and request access to supplies for total quantities so as to promote competition and survive in competitive environment.

3. Hence considering the fact that the Rajkot GAs mainly on account of Morbi demand, more than 90% of network capacity of Gujarat Gas Limited should be opened up on common carrier basis. As per clause 7 of draft notification it is written that a minimum capacity of 20% of the Gujarat Gas Network capacity should be opened up; in the case of Rajkot GA after factoring ‘own’ requirement of only CNG and PNG rest of the around 6MSCMD’should be opened up for common carrier so that all the suppliers can access the work for supply of gas on competitive basis.

Mukesh Narshibhai Ughareja
President (Vitrified Tiles Division)

Nilesh Mahadevbhai Jetpariya
President (Wall Tiles Division)

Kishor Amarchibhai Bhalodiya
President (Floor Tiles Division)
4. In case Morbi GA receives only 20% of gas which is 1.2 MSCMD then Morbi industries have to compulsory source around 5MSCMD from Gujarat Gas Limited; the existing supplier which defeats the whole purpose of the regulation.

5. We would like to mention that present contract with Gujarat Gas Limited is duration of only 1 to 3 months which does not qualify under 'contract carrier'. Considering Gujarat Gas Limited's 'own' requirement as 0.5MSCMD, hence 6 MSCMD quantity for Morbi Industrial Area should be declared as 'common carrier'; i.e. 90% should be opened on 'common carrier' basis.

Thanking You,

(Mukesh Narshibhai Ughareja) (Nilesh Mahadevbhai Jetparyia) (Kishor Amashibhai Bhalodiya)
(Vitrified Tiles Division) (Wall Tiles Division) (Floor Tiles Division)
President of Morbi Ceramics Associations