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

Subject: Tie-In Proposal of M/s Hindustan LNG Ltd. from proposed LNG Terminal, Challapalli to GAIL KG-Basin Network, Surasani Yanam, East Godavari

Respected Madam,

This has reference to PNGRB Public Notice Infra/NGPL/130/Tie-in/HLNG-KG-Basin/10/17 dated 03.05.2018 on the subject matter.

In respect of the above, the views of GAIL (India) Limited are enclosed as Annexure-A.

Submitted for kind consideration please.

Thanking you,

Yours sincerely,

(Manoj Jain)
Executive Director (Gas Mktg.)
E-mail: manojjain@gail.co.in

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ANNEXURE-A

Public Notice Infra/NGPL/130/Tie-in/HLNG-KG-Basin/10/17 dtd. 03.05.2018 – GAIL’s views

1. **FSRU Terminal:** As per M/s Hindustan LNG Limited (HLNG), they are setting-up a 11 MMTPA capacity FSRU Terminal (Total – 40 MMSCMD, 5.5 MMTPA-Ph-I + 5.5 MMTPA Ph2) at Challapalli, Andhra Pradesh, which is scheduled to be commissioned by December, 2018.

2. **Tie-in Connectivity:** In order to evacuate part of the RLNG from this FSRU, HLNG has submitted a proposal for laying an 18” x 2 km, 7.5 MMSCMD capacity Tie-In Connectivity Pipeline from its proposed FSRU upto GAIL’s existing 16” x 9.8 km S Yanam – Gudala Pipeline Section of the KG-Basin Natural Gas Network, so as to supply the RLNG to various power plants/customers.

3. **Availability of Gas:** Information/Details in respect of availability/source of natural gas is not available in the proposal.

4. **Projected Demand:** As per the proposal, there would be a projected demand of around 27 MMSCMD from around 6,300 MW of gas based power plants stranded in Andhra Pradesh/Telangana and also from non-power sectors. However, indicative list of potential customers and their requirement is not available in the proposal.

4. **Technical/Operational Matters:**

   (i) In recent times, the following three (03) Tie-in connectivities have been authorized for injection of gas/RLNG into GAIL’s existing KG Basin NG Pipeline Network:

   - M/s GMR Enterprises Pvt. Ltd. (GEPL) for laying a 6.31 MMSCMD capacity Tie-In Connectivity pipeline from their proposed FSRU Terminal (which, as per GEPL was scheduled to be commissioned by Dec, 2017) to GAIL NFCL Terminal, KG-Basin Network.
   - Two more tie-in connectivity pipelines for evacuating about 5.2 MMSCMD and 0.9 MMSCMD of gas from the ONGC fields at Odalarevu and Bantumilli respectively, into GAIL’s KG-Basin Network. With injection of the said gas/RLNG from ONGC/GMR, there could be potential capacity constraints for flowing the proposed 7.5 MMSCMD additional RLNG in the KG Basin Network. In order to examine pipeline hydraulics for transporting this additional volume, further information/details on customer locations, demand and pressure profile may be required.

   (ii) The indicated injection point, i.e. GAIL’s S Yanam Terminal is located within the premises of M/s Cairn Energy (now Vedanta). Hence details/permissions for setting up gas receiving facilities in this terminal may have to be taken up with M/s Vedanta.

   (iii) At present gas from Cairn and ONGC Gopavaram sources are also injected into the 16” x 9.8 km S Yanam – Gudala pipeline section. Hence, pressure profile of the proposed RLNG may have to be matched with the pressure profile of the already existing gas flowing through this pipeline section.

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