

**Comments of IOCL on proposed amendment in ‘Levy of fees and other charges’
Regulations, 2007 during the year 2018**

3. Levy of Fees

| S No of the draft regulation | Activity under the provisions of the Act | Views of IOCL |
|-------------------------------------|--|--|
| 3 (1) and (3) | Registration under section 15 of the Act and Authorization under sub-section (3) of section 17 of the Act | A registration fees/authorization fee has been kept unchanged in two revisions since 2007. Doubling the same in one go may be reviewed. |
| 3 (2) | Expression of interest for authorization | Increase of fees by 10 times may be reviewed. |
| 3 (9) (i) (a). | i) Filing a complaint under sub-section (2) of section 25 of the Act (per complaint)- (a) Entities and commercial customers | Fees for filing the complaint has been kept unchanged since last re-visioning. It is proposed to increase the fee for filing a complaint to Rs.1000000 so that non-serious entities desist from filing frivolous complaints and thereby jeopardize the project plans. In case of complaint is established/proved as true by PNGRB, then only PNGRB may refund Rs 8.0 lakhs to the Complainant. |

4. Levy of Other charges

| S No of the draft regulation | Activity under the provisions of the Act | Views of IOCL |
|-------------------------------------|--|--|
| 4 (2) (A) | Initial amount upto 5 th year for CGD program | Keeping the initial amount same, irrespective of population of GA, may be reviewed. It is proposed that initial amount may be kept uniform upto 8 th year instead of upto 5 th year as Minimum Work Program is drawn for 8 years |
| 4(2) (B) (a)(i) and (ii) | Amount for each pipeline before commencement of operations | Existing provisions of the Regulation treat the charges remitted during construction as an interest free deposit and Board refunds/adjusts such charges once entity commences regular operations. In addition, performance bond @1% of capital cost is also deposited at the time of authorization. It is proposed that the existing practice may be continued. |
| 4(2) (B) (b)(i) and (ii) | Amount for each pipeline after commencement of operations | If in a common carrier pipeline inspite of having spare capacity, no other entity is participating (e.g IOCL’s CTMPL and |

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| | | <p>PRRPL), thereby no revenue is earned by transporter. In such a case, no levy should be charged.</p> <p>Further, it is proposed that PNGRB may fix the upper limit of amount to any level but charges should be @ 0.02% of the revenue earned (excluding taxes), whichever is lower instead of higher.</p> |
| 4(3) | Frequency of payment of other charges | <p>PNGRB vide their letter dated 22.1.2016 has allowed all entities to pay the other charges by 30th September every year. The suggested change proposes for provisional payment by 31st May every year.</p> <p>It is proposed to keep the last date of payment of other charges as 30th September every year as by then the balance sheet/P&L Statement of previous year is finalized and exact payment can be made. This will also avoid additional accounting.</p> |
