Petroleum & Natural Gas Regulatory Board, India

PETROLEUM AND NATURAL GAS REGULATORY BOARD

1st Floor, World trade Centre, Barakhamba Road, Babar Lane, New Delhi

Tel No: **011- 23457700/23457744/23457751**

No. Infra/PL/Exis/17/DUPLDPPL/GAIL/01/10 Dated: 10th May, 2010

To
The Chairman & Managing Director,
M/s GAIL (India) Limited,
16, Bhikaji Gama Place,
R. K. Puram, New Delhi - 110066

Subject: **Final Terms and Conditions for Acceptance of Central Government Authorization for laying, building, operating or expanding Dahej-Uran-Panvel-Dhabol natural gas Pipeline as common carrier under regulation 17(1) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas pipelines) Regulations, 2008.**

Reference:

(i) Your application dated 26.11.08 seeking acceptance of Central Government authorization for DUPL-DPPL pipeline system vide Letter no. GAIL/ND/RC/PNGRB/17.
(ii) Provisional T&C issued by PNGRB vide letter no. Infra/PL/Exis/17/DUPDPL/GAIL/01/09 dated 23.10.09.
(iii) Your letter no. GAIL/ND/RC./PNGRB/146 dated 09.04.2010 submitting Performance Bond.

Sir,

With reference to your application dated 26th November 2008 for acceptance of Central Government Authorization for laying, building, operating or expanding natural gas pipeline along the route of **Dahej-Uran-Panvel-Dhabol** and other documents furnished like notifications issued by the Central Government for acquiring ROU for the subject pipelines, copy of relevant pages of annual reports of the MoPNG, copy of annual plan for GAIL so as to substantiate your claim for authorization from the Central Government for the said pipeline project which has already been completed and is commissioned in July 2007, the Petroleum and Natural gas Regulatory Board finally accepts the information submitted by you under regulation 17(1) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas pipelines) Regulations, 2008. Further on the basis of the submissions made, the following terms and conditions have been finalised by the Petroleum and Natural gas Regulatory Board which shall be applicable during the operative phase of the subject common carrier pipeline.

रतन पी. वाटल/RATAN P. WATAL
सचिव/Secretary
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड
Petroleum & Natural Gas Regulatory Board
प्रथम तल, वर्ल्ड ट्रेड सेन्टर
1st Floor, World Trade Centre,
बाबर रोड, नई दिल्ली – 110001
Babar Road, New Delhi - 110001

1. The capacity of **Dahej-Uran-Panvel-Dhabol** natural gas pipeline, length 744 kms, diameter ranging from 30 inches to 4 inches, is equal to 19.9 MMSCMD* as indicated by GAIL. The common carrier capacity would thus be 4.98 MMSCMD*.

   Note: (*- This capacity is accepted as provisional and the final capacity shall be determined as per the regulation on capacity determination for natural gas pipeline as notified by the Board).

2. The authorized entity shall be required to take prior approval from the Board for creation of any lien or charge or hypothecation on the assets of the pipeline to secure finances for the project and furnish details of utilization of funds.

3. The entity shall publish on its website the approved tariffs and other details as required under various regulations for the natural gas pipeline.

4. In case the authorization of the entity is suspended or terminated, the Board may assign the rights and obligations to any agency or another entity on such terms and conditions, as it may deem fit. Further, the entity may be required, as per the directions of the Board, to continue the operations of the natural gas pipeline at the same level till another agency or entity appointed by the Board takes over the full control of the natural gas pipeline.

5. The entity shall comply with the provisions under-

   a. the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand natural gas pipelines) Regulations, 2008;
   b. the Petroleum and Natural Gas Regulatory Board (Determination of natural gas pipeline Tariff) Regulations, 2008;
   c. the Petroleum and Natural Gas Regulatory Board (Guiding Principles for Declaring or Authorizing Natural Gas Pipeline as Common Carrier or Contract Carrier)Regulations, 2009
   d. the Petroleum and Natural Gas Regulatory Board(Technical Standards and Specifications including Safety Standards for Natural Gas Pipelines), Regulations, 2009;
   e. the Petroleum and Natural Gas Regulatory Board (Access code for common carrier or contract carrier natural gas pipelines) Regulations, 2008;
   f. the Petroleum and Natural Gas Regulatory Board (Affiliate code of conduct for entities engaged in marketing of natural gas and laying, building, operating or expanding natural gas pipeline) Regulations, 2008;
   g. the PNGRB Act and any other regulations notified by the Board from time to time , as may be applicable.

रतन पी. वाटल/RATAN P. WATAL
सचिव/Secretary
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड
Petroleum & Natural Gas Regulatory Board
प्रथम तल, वर्ल्ड ट्रेड सेन्टर
1st Floor, World Trade Centre,
बाबर रोड़, नई दिल्ली – 110001
Babar Road, New Delhi - 110001

6. The entity shall comply with any other term or condition which may be notified by the Board in public interest, from time to time.

7. You are requested to confirm your acceptance in the space provided below and return the same in original.

Yours faithfully,

Dated: 10/05/2010

Ratan Watal

Secretary, PNGRB

Official Seal

रतन पी. वाटल/RATAN P. WATAL
सचिव/Secretary
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड
Petroleum & Natural Gas Regulatory Board
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Babar Road, New Delhi - 110001

Copy to: Joint Secretary (M)
Ministry of Petroleum & Natural Gas
Shastri Bhavan,
New Delhi-110001

Acceptance of Terms and Conditions

I / We hereby agree to the terms and conditions issued by the Board vide letter ref. <_____ > dated <_____> and agree to comply with the same subject to which I / We have been issued acceptance letter for laying, building, operating or expanding natural gas pipeline along the route from the originating station <_____> in the State or the Union Territory of <_____> to the terminating station <_____> in the State or the Union Territory of <_____>.

Date:
Place:

Signature of the Entity or Authorized Signatory
Name and Official Seal

GAIL's DAHEJ-URAN-DABHOL-PANVEL PIPELINE					
S/N	NAME OF P/L	LENGTH	DIA	DESIGN CAP IN MMSCMD	COMMISIONED ON
1	DAHEJ URAN PANVEL DHABOL	581	30"	12	11.07.2007
2	DFCL SPUR LINE(From SV-20, Haimalangwadi to DFPCL)	8.07	18"		22.11.2007
	TOP 19 to VVF to OWEN	2.3	4"		
3	(IP 4)PANVEL TO MSEB	32	24"		31.03.2008
4	SV-18 (MAHSKAL) to NPL	9.7	6"		
5	(SV 20) Hazimalangwadi to RCF Trombey	39	24"		08.07.2008
	RCF Trombay to BPCL	2.5	18"		2008
6	TOP 20 to Unimers	1.4	4"		2008
	Unimers to Herdilla	0.4	4"		2008
7	IP-1(Kargoan) to RT PUNE	68	30"		2008
	TOTAL	744			