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/UTPL/ONGCL/01/11 Dated: 3.05.2011

To
Chairman & Managing Director,
M/s Oil and Natural Gas Corporation Limited
Jeevan Bharati Building,
Tower-II, 124, Indira Chowk, New Delhi-110001

Subject: Final Terms and Conditions for Acceptance of Central Government Authorization for laying, building, operating or expanding Uran-Trombay natural gas pipeline system 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.

References:

(i) Your application dated 30.06.2010 seeking acceptance of Central Government authorization for Uran-Trombay pipeline network vide Letter no. ONGC/ S/ MKT/ PNGRB/ URAN/2010

(ii) Your letter no. ONGC/S/MKT/URAN/PNGRB/UTPL/2011 dated 15.04.11 submitting Performance Bond.

Sir,

This is in response to your application dated 30th June, 2010 referred to above for consideration of the Board for acceptance of Central Government Authorization for laying, building, operating or expanding Uran-Trombay natural gas pipeline network.

2. To substantiate your claim for authorization from the Central Government for the said pipeline projects, you had furnished documents like copy of 3(1) notification by the Central Government for acquiring ROU for old 18"/24 Kms Uran-Trombay pipeline laid in 1978 and copies of statutory clearances from Maharashtra Pollution Control Board. The completion date of the pipeline project as mentioned by ONGCL in the above referred application is 30.05.2008. Considering your submissions, 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 said pipeline systems.

3. **Natural Gas Pipeline System:**

a) **Technical Details of Uran-Trombay Pipeline:**

(i) **Design Pressure:** 52 Kg/cm2

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

(ii) **Design Capacity**: 6.0 MMSCMD

(iii) **Length**: **24 Kms** *(Out of 24 Kms length, 8.1 Kms segment is on-land, 7.5 Kms is in marshy and shallow water and 8.4 Kms is in sub-sea)*

(iv) **Diameter**: 20"

(v) **Thickness**: 12.7 mm

(vi) **Isolation Valves**: At Mora, Sheva (South) & Sheva (North)

b) The capacity of Uran-Trombay natural gas pipeline network, length 24 Kms and 20 inch diameter is equal to 6.0 MMSCMD* as indicated by ONGCL. The Board has decided to declare the Uran-Trombay natural gas pipeline network as common carrier with common carrier capacity of 1.5 MMSCMD* in terms of the PNGRB (Guiding Principles for Declaring or Authorizing Natural Gas Pipeline as Common Carrier or Contract Carrier) Regulations, 2009.

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).

4. 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.

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

6. In case the authorization of the entity is 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.

7. 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;

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

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 Petroleum and Natural Gas Regulatory Board (Determining capacity of Petroleum, Petroleum products and Natural Gas Pipeline) Regulations, 2010

h. the Petroleum and Natural Gas Regulatory Board (Codes of Practices for Emergency Response and Disaster Management Plan) Regulations, 2010

i. the PNGRB Act and any other regulations notified by the Board from time to time , as may be applicable.

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

9. You are requested to confirm your acceptance in the space provided below and return the same in original. The formal letter of acceptance to authorisation by the Central Government shall be issued after receipt of Performance Bank Guarantee as indicated above.

Yours Faithfully,

Dated: 3/5/11

Ratan P Watal

Secretary, PNGRB

Official Seal

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

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