

पेट्रोलियम एवं प्राकृतिक गैस विनियामक बोर्ड Petroleum and Natural Gas Regulatory Board प्रथम-तल, वर्ल्ड ट्रेड सेंटर, बाबर रोड, नयी दिल्ली - 110001 1st Floor, World Trade Centre, Babar Road, New Delhi - 110001

PNGRB/CGD/BID/10/2018/GA/10.45/Schedule-D

29th March 2019

To, Hindustan Petroleum Corporation Limited Natural Gas Department, 4th Floor, R&C Building, Sir JJ Road, Byculla, Mumbai – 400008

(Kind Attn: Shri Dilip Kumar Pattnaik, CGM, Gas & Renewables)

Subject: Grant of Authorisation to Hindustan Petroleum Corporation Limited for development of City Gas Distribution Network in the Geographical Area of Shahjahanpur and Budaun Districts (GA 10.45).

Sir.

With reference to submission of Performance Bank Guarantee for Rs. 50 crore vide your letter dated 28.03.2019, as per the requirement under Regulation 10 (1) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, please find enclosed authorization in Schedule D for the GA of Shahjahanpur and Budaun Districts in duplicate.

2. The tariff applicability is as per the Judgement of Hon'ble Supreme Court of India in the SLP No. 22273 of 2012.

3. You are requested to put your stamp & signature on each page of the document and return one copy, within 7 days of receipt of this communication, to the PNGRB for records.

The enclosed authorization issues with the approval of the Board.

Afen Yours faithfully, CDHIZ Encl: As above Arvind Kumar (Additional Adviser) 24110 DAT fas tet fillanges de ! **TEJPAL SINGH CHUNDAW** +03 Cas Roguistory Beant प्रबंधक - गॅल विभाग Tread Centra Centra Centra Manage miects Manager - Gas Division 1.00 0001-110001

Schedule D

Grant of authorisation for laying, building, operating or expanding CGD network

То

Hindustan Petroleum Corporation Limited, Natural Gas Department, 4th Floor, R&C Building, Sir JJ Road, Byculla, Mumbai – 400008

(Kind Attn: Shri Dilip Kumar Pattnaik, CGM, Gas & Renewables)

Subject: Grant of Authorization for laying, building, operating or expanding CGD network in the authorized area of Shahjahanpur and Budaun Districts in the State of Uttar Pradesh under the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008

Sir,

With reference to your application-cum-bid for grant of authorisation for laying, building, operating or expanding the City Gas Distribution (CGD) network in GA-10.45 (Shahjahanpur and Budaun Districts) in the State of Uttar Pradesh, it has been decided to grant you the authorisation subject to the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 and the following terms and conditions, namely:-

1. The Authorised Area for laying, building, operating or expanding the proposed CGD Network shall cover an area of 9556 square kilometer and as depicted in the enclosed drawing or map,

2. The activities of laying, building, operating or expansion of the CGD Network shall commence immediately after the issuance of this authorisation.

The activities permitted above shall have to be completed as per the work programme mentioped below namely:

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Serial Number	Description of work		
• 1	Number of CNG Stations (Online and Daughter Booster stations) to be installed within 8 contract years from the date of authorisation	75	
2	Number of domestic Piped Natural Gas connections to be achieved within 8 contract years from the date of authorisation	125000	
3	Inch-km of steel pipeline to be laid within 8 contract years from the date of authorisation	950	

The entity shall be required to achieve the year-wise work programme within 8 contract years as per details given below:

PNG Connections (cumulative)		CNG S (cumu	tations lative)	Inch-km of steel pipeline (cumulative)		
By the end of contract year	% of work program	By the end of contract year	% of work program	By the end of contract year	% of work program	
1 81	Nil	1st	Nil	1 st	5	
2 nd	10	2 nd	15	2 nd	20	
3rd	20	3rd	30	3rd	40	
	30	4 th	45	4 th	60	
5th	40	5 th	60	5 th	70	
6 th	60	6 th	75	6 th	80	
7 th	80	7th	90	7th	90	
Sth	100	8 th	100	8 th ame shall be r	100	

the nearest whole number an number.

Any failure on the part of the entity in complying with the milestones 4. prescribed in the work programme shall lead to consequences as specified $\theta \not \sim$ (आदर्श कुमार) under regulation 16. प्रभूमीय निदेशक

The entity shall design and install an optimal size of the infrastructure in 5. The state of the authorised state of the authorised and the state of the authorised and the state of the stat terms of pipelines of various types including steel belting of the authorised recifito CNG, allied equipment and facilities in the CGD network depending upon the potential demand for natural gas. The infrastructure in the CGD network should be adequate to maintain uninterrupted flow of natural gas in the pipelines and be also able to maintain supplies at adequate pressure to online

CNG stations. तजपाल सिंह चुंडायत **TEJPAL SINGH CHUNDAWAT**

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6. The entity shall maintain an uninterrupted supply of natural gas to all categories of customers in the CGD network. In the event of any disruption in the supply of natural gas in the CGD Network, first priority shall be accorded to restoration of supplies to domestic PNG customers. In case of disruption of supply to domestic PNG customers for more than twelve hours, the entity shall compensate the domestic customer on the following manner, namely: -

- (a) the normative volume of natural gas consumption for the first domestic PNG connection for cooking requirements based on last three months weighted average consumption per day to be applied for each day's disruption and multiplied by ten;
- (b) normative value of natural gas consumption shall be based on last three months' weighted average billing price of natural gas for supplies to the first domestic PNG connection for cooking requirements; and
- (c) the value of compensation shall be equal to normative volume of natural gas consumption as per clause (a) above multiplied by normative value as per clause (b) and shall be adjusted by allowing a credit to the domestic PNG Customer in the next billing cycle or in the next pre-paid smart card in case of smart card metering.

In case the disruption of supplies is attributed to any fault of the domestic PNG customer, no compensation shall be payable by the entity.

7. The entity is allowed an exclusivity period under the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008, in respect of the following, namely:

- (a) 300 months from the date of issue of this communication for laying, building and expansion of the CGD network; and
- (b) 96 months from the date of issue of this communication in terms of an exemption from the purview of common carrier or contract carrier for the CGD network:

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Provided that the entity meets the obligations in line with the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008:

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Provided further that the period of exclusivity allowed under sub-clause (a) or sub-clause (b) may be terminated before the expiry of the period mentioned above in line with the provisions under Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008.

8. The authorised entity shall be required to take prior approval from the Board for creation of any lien, charge or hypothecation of the CGD network to secure finances for the project and furnish details of utilisation of funds. And, in case of raising funds from any financial institution or bank, the entity will be required to only inform the Board of the sanction of the funds within a period of seven days.

9. The entity shall submit a detailed and clear financial closure report to the Board within a period of two hundred and seventy days from the date of authorisation issued by the Board under regulation 10.

	Rate		
Transportation rate for CGD - in rupees per million British Thermal Unit (Rs./MMBTU) for the first contract year	30		
Transportation rate for CNG - in rupees per kilogram (Rs. /kg) for the first contract year	2		
nual escalation shall be considered from the second contra ased on the "Wholesale Price Index (WPI) Data (2011-12 p / Commodity", as normally available on the website of	2 = 100)" for of the Office		
	on the link		
	British Thermal Unit (Rs./MMBTU) for the first contract year Transportation rate for CNG - in rupees per kilogram (Rs. /kg) for the first contract year nual escalation shall be considered from the second contra ased on the "Wholesale Price Index (WPI) Data (2011-12)		

10. The entity shall publish on its website the transportation rate for CGD and transportation rate for CNG in the authorised area as per the following table namely: -

The entity shall publish the applicable retail selling price of PNG for all ategories of customers and also for the purpose of invoicing in Rs. / MMBTU.

12. The entity shall publish and display the retail selling price of natural gas for the purpose of intermeters CNG customers in Rs. / Kg at all natural gast

SAGNIK MONDAL

Manager

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13. The furnishing of performance bond of Rs. 500 Million is a guarantee for timely commissioning of the project as per the prescribed work programme in the bid and for meeting the service obligations during the operating phase of the project.

14. The entity shall comply with the applicable provisions under the Petroleum and Natural Gas Regulatory Board (Authorising Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, the Petroleum and Natural Gas Regulatory Board (Exclusivity for City or Local Natural Gas Distribution Networks) Regulations, 2008, relevant regulations for technical standards and specifications, including safety standards, any other regulations as may be applicable and the provisions of the Act.

15. In case the authorisation of the entity is terminated, the Board may assign the rights and obligations of the entity 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 CGD network at the same level till another agency or entity appointed by the Board takes over the full control of the CGD network.

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

You are requested to confirm your acceptance by filling-in the acceptance of the grant of authorisation provided below and return the same in original.

Yours faithfully, cts y Dated: Name and Designation of Officer MU Co On behalf of the PNGRB ATH FLOOR, & L C BLO SIR J.J. ROLD Official Seal TULLA MEMBER -तेजपाल सिंह चंडावत ND KUMAR **TEJPAL SINGH CHUNDAWAT** साम्बिक महिल प्रयथन - तन निवान Additional Advisor an ally up line for Inframe. M. SAGNIK MONDA Manager - Gas Division olaum & Asturat Geo Roy, Save Roy Neth Rid, Add Sta Shak, st Floor, Wanti Tharis Gentra Sta Vid, Ad ISavd - 710007 עפידות . When Course GH1-11005



FILENOTE FOR APPROVAL

Date: 03/01/2020

Subject: PHASEWISE WORK COMPLETION IN LAYING OF STEEL PIPELINE IN SHAHJAHANPUR & BADAUN (GA 10.45)

Proposal:

PNGRB has authorized HPCL to develop CGD network in Snahjahanpur & Badaun districts. Shahjahanpur & Badaun GA, is spread over 9,556 square Kilometers. HPCL has to set up 75 CNG stations, 1,25,000 PNG connections and steel pipeline network of 950 Inch-Kms over 8 years starting from 01.04.2019. Year wise break-up of the target is as mentioned below:

lst Year	2nd Year	3rd Year	4th Year	5th Year	6th Year	7th Year	8th Vear	Total
0	10000						reur	
0	12500	12500	12500	12500	25000	25000	25000	125000
0	12	12	12	12	12	10		75
			12	12	12	12	3	
47.5	142.5	190	190	95	95	95	95	950
	Year 0 0	Year Year 0 12500 0 12	Year Year Year 0 12500 12500 0 12 12	Year Year Year Year 0 12500 12500 12500 0 12 12 12'	Year Year Year Year Year Year 0 12500 12500 12500 12500 0 12 12 12 12	Year Year Year Year Year Year Year Year 0 12500 12500 12500 12500 25000 0 12 12 12 12 12	Year <th< td=""><td>Year Year <th< td=""></th<></td></th<>	Year <th< td=""></th<>

Development of City Gate Station (CGS) is a major milestone of a CGD network to establish the connectivity from cross-country natural gas pipeline. CGS will be utilized as the stock transfer point of natural gas from cross-country pipeline to the upcoming GA.

HPCL has to meet min. work program commitment as per above table. In the event of failure to meet the commitment of each year, a penalty is liable to be imposed on the CGD entity (HPCL).

For Laying of Steel Pipeline, statutory approvals are required from various concern authorities as per their guidelines.

Thus to achieve the Minimum Work Plan of the Steel Pipeline for the 1st & 2nd Year, the following stretches are being proposed to be completed in 1st Phase for laying of pipeline. The Balance stretches will be considered in 2nd phase.

Atum (आदर्श UTT साण्निक मोंडल SAGNIK MONDAL चिन्मय विश्वास - परियोजना CHINMOY BISWAS FTG रिष्ठ प्रबन्धक – परियोजना धर्मपाल गुप्ता Sr. Manager - Projects **DHARAM PAL GUPTA** महाप्रवधक-परियोजना 1 Manager-Projects Scanned with CamScanner

Phase-1:

1. District: Shahjahanpur

Sr. No.	Type of Road	From	То	Total length (Km)
1	SH	Piprola	Bareilly mode	6
2	ODR	Bareilly mode	Pakka pul	4
3	ODR	Pukka Pul	Mezban Hotel	2
4	River Crossing	Garrir River		0.75

The above lines are important for connecting the CGS at Piprola with the Shahjahanpur City for providing PNG connections. The subject line will also feed the online CNG stations, which are being supported by LCVs.

2. District: Badaun

Sr. No.	Type of Road	From	To	Total length (Km)
1	SH	Budaun NH Junction	Wazirgang	20.4

The above lines are important for connecting the pipeline arriving from CGS Chowbari in Bareilly District to the Badaun City, Wazirganj & Ujjani for providing PNG connections. The subject line will also feed the online CNG stations, which are being supported by LCVs.

Request for approval of the above stretches as phase 1 for completion of laying pipeline to achieve the Minimum Work Plan of the Steel Pipeline.

COHIZ Initiated by: साञ्निक मोंडल Sagnik Mondal SAGNIK MOMDAL Manager-Projects प्रबन्धक – परियोजनः Ianagor - Project Recommended by Chinmoy Biswas Sr Manager Projects चिन्मय विश्वास CHINMOY BISWAS Approved by: Dharam Pal Gupta **GM-Projects** धर्मपाल गुप्ता DHARAM PAL GUPTA महाप्रवधक -परियोजना General Manager-Projects Scanned with CamScanner