



GAIL (INDIA) LIMITED

JUBILEE TOWER- NOIDA

PD-PL DEPARTMENT

INTER OFFICE MEMO

Ref: GAIL/NOIDA/PD-PL/HPCL_GA 10.37/2021

Date: 21st January, 2021

From:
GM(PD-PL)
GAIL, Noida

To:
Sh. Girjesh Kumar
GM (Projects)
GAIL, Noida

Subject: Investment Approval for Providing Hooking-Up Facilities to M/s Hindustan Petroleum Corporation Limited (HPCL) for GA 10.37 comprising of Bareilly (except areas already authorized), Pilibhit & Rampur districts in Uttar Pradesh.

Please find enclosed herewith the 'Investment Approval' as conveyed by CO-Marketing for Providing Hooking-Up Facilities to M/s Hindustan Petroleum Corporation Limited (HPCL) for GA 10.37 comprising of Bareilly (except areas already authorized), Pilibhit & Rampur districts in Uttar Pradesh.

Details are given below:

Project: Investment Approval for Providing Hooking-Up Facilities to M/s Hindustan Petroleum Corporation Limited (HPCL) for GA 10.37 comprising of Bareilly (except areas already authorized), Pilibhit & Rampur districts in Uttar Pradesh.

1.0 Scheme:

Following facilities are proposed for the instant Hooking up.

- Tap-off at SV-11 Chaubari along Auraiya Dadri Babrala P/L from 4" tap-off to be created through shut down of existing CGD
- 4" x 900m (#600) Pipeline
- Metering skid with following
 - Filtration: Filter shall be designed at 125% of 13000 SCM/H (Max flow rate at 20Kg/cm²g)
 - Pressure reduction system: PRS shall have 4 streams, 2X (1W+1S) 100% capacity and 2X (1W+1S) 10% capacity.
 - Meter streams (4 nos): Turbine meter (G 400) based metering stream of capacity 13000 SCM/H considering pressure at 20 Kg/cm²g at temp.(1W+1S configuration). RPD meter based metering stream of 2" G-40/65 (1W+1S configuration) with Qmin. 0.65 Am³/H
- Firefighting system
- Telecom/ SCADA: OFC based telecom system.
- Provision of spare tap-off point for future purposes at upstream of hooking up facilities

2.0 Estimated Cost : Rs.3.39 Crores (Rs. 4.0 Crores with 18% overhead cost)

3.0 Conditions:

<ul style="list-style-type: none"> ▪ <u>Status of GSA/GTA/Other Agreement</u> 	<ul style="list-style-type: none"> ▪ Hooking up agreement has been signed with the customer on 23.07.2020 for maximum gas volume of 0.122876 MMSCMD. ▪ Domestic gas has been allocated and conveyed to ZO vide email dated 27.09.2019. ▪ GSA (APM) and Term sheet (NAPM) signed on 21.05.2020 valid till 06.07.2021 ▪ Upfront / Advance payment of Rs. 3.04 crores has been received on 23.09.2020. Based on estimate which was revised as above, a demand note for differential amount of Rs. 1.42 crs shall be raised by ZO.
<ul style="list-style-type: none"> ▪ <u>Project Schedule</u> 	<ul style="list-style-type: none"> ▪ As per PNGRB amendment regulation 2018 for CGD, the pipeline entity shall provide connectivity or access of the pipeline to CGD authorized entity at reasonable cost within 180 days, where connectivity or access can be provided from Sectionalizing Valve station, and within 270 days from any other point on the pipeline, from date of submission of request for the same. Above schedule is, however, applicable from the date of handover of plot to GAIL and agreement with customer.
<ul style="list-style-type: none"> ▪ <u>Marketing Recommendation</u> 	<ul style="list-style-type: none"> ▪ ZO shall raise demand note for differential upfront payment and sign a side letter to Hooking up agreement for revised figures. ▪ Corporate Projects Department to quickly take up execution work related to all pre-construction activities. ▪ Advance action shall be taken by site O&M/Construction team for obtaining requisite statutory permissions, if any, for laying the pipeline from the identified tap-off (SV-11, Chaubari) upto the hooking up facility location for which plot is acquired by the CGD entity but yet to be handed over to GAIL. ▪ Site construction shall be started after <ul style="list-style-type: none"> - Receipt of full/upfront payment from the CGD entity. Taxes shall be extra as per actuals - Suitable land for creation of hooking up facility is handed over by the CGD entity to GAIL. For this ZOIC shall provide necessary go-ahead to the concerned site construction team to commence site activities for development of hooking up facility. ▪ PD group shall convey the instant investment approval after allocating the Upfront/Advance payment received from CGD entity towards Hooking-up charges against the Project ID in SAP, for Corporate Projects Department to take up execution work related to all pre-construction activities. <p>In view of above, PD is conveying the investment approval to all concerned Department. Further, Project SAP id for same is NHV/051.</p>
<ul style="list-style-type: none"> ▪ <u>Land</u> 	<ul style="list-style-type: none"> ▪ Zonal Office vide their email dated 20.11.2020 forwarded the complete land details of the plot acquired by the CGD entity. The plot shall be handed over to GAIL after it is developed as per clause

	2.1.i of the Hooking up Agreement. The installation of the Hooking up facility at the site shall commence in accordance with clause 2.2.i of the Hooking up Agreement, after the developed plot is handed over by CGD entity to GAIL.
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4.0 Enclosures:

- Copy of Investment approval & scheme for Gas Mktg. group for coordinating with CGD entity for handing over of plot to GAIL at the earliest and receipt of differential upfront payment.
- Copy of Investment approval along with hooking up scheme to Projects group for execution of the project on best endeavor basis after intimation from Marketing. Further, Project group shall ensure compliance of PNGRB Technical standards & specifications including Safety standards during execution.
- Copy of Management approval for RA/Pricing group for information and necessary action.


21/01/2021
(G S Bist)

Encl: As above

Copy to: for kind information please

ED (PD) / ED (Projects) / ED (Mktg-NG&RLNG) / ED (F&A) / CGM (F&A) / CGM (PD) / CGM (Mktg-Transmission) / CGM(Projects)/ CGM (RA) / GM (Mktg-Transmission) / GM (Pricing) /CEA to Dir (Projects) / CEA to Dir (Mktg.)/ CEA to Dir (BD)



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/10.37/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 Bareilly (Except area already authorized) District, Pilibhit and Rampur Districts (GA 10.37).

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 **Bareilly (Except area already authorized) District, Pilibhit and Rampur 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.
4. The enclosed authorization issues with the approval of the Board.

Yours faithfully,

Encl: As above


तेजपाल सिंह चुंडावत
TEJPAL SINGH CHUNDAWAT
प्रबंधक - गैस विभाग
Manager - Gas Division




Arvind Kumar
(Additional Adviser)

अरविन्द कुमार
ARVIND KUMAR
अपर सलाहकार
Additional Adviser
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1st Floor, World Trade Centre
बाबर रोड, नयी दिल्ली-110001
Babar Road, New Delhi-110001

Schedule D

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

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 Authorization for laying, building, operating or expanding CGD network in the authorized area of Bareilly (Except area already authorized) District, Pilibhit and Rampur 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-10.37 (Bareilly (Except area already authorized) District, Pilibhit and Rampur 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 **9886** 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.
3. **The activities permitted above shall have to be completed as per the work programme mentioned below, namely:-**


TEJPAL SINGH CHUNDAWAT
प्रबंधक - गैस विभाग
Manager - Gas Division




ARVIND KUMAR
अपर सलाहकार
Additional Adviser
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड
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Serial Number	Description of work	Numbers
1	Number of CNG Stations (Online and Daughter Booster stations) to be installed within 8 contract years from the date of authorisation	140
2	Number of domestic Piped Natural Gas connections to be achieved within 8 contract years from the date of authorisation	145000
3	Inch-km of steel pipeline to be laid within 8 contract years from the date of authorisation	1200

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 Stations (cumulative)		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 st	Nil	1 st	Nil	1 st	5
2 nd	10	2 nd	15	2 nd	20
3 rd	20	3 rd	30	3 rd	40
4 th	30	4 th	45	4 th	60
5 th	40	5 th	60	5 th	70
6 th	60	6 th	75	6 th	80
7 th	80	7 th	90	7 th	90
8 th	100	8 th	100	8 th	100

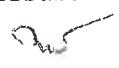
Note - In case derived numbers are in fraction, the same shall be rounded off to the nearest whole number and 0.5 shall be rounded off to next higher whole number.

4. Any failure on the part of the entity in complying with the milestones prescribed in the work programme shall lead to consequences as specified under regulation 16.

5. The entity shall design and install an optimal size of the infrastructure in terms of pipelines of various types including steel belting of the authorised area, online compressors of adequate capacity for compressing of natural gas into 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.


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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:

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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TEJPAL SINGH CHUNDAWAT
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Manager - Gas Division



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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.

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: -

Serial Number	Description	Rate
1	Transportation rate for CGD - in rupees per million British Thermal Unit (Rs./MMBTU) for the first contract year	30
2	Transportation rate for CNG - in rupees per kilogram (Rs. /kg) for the first contract year	2

Note - Annual escalation shall be considered from the second contract year and onwards based on the "Wholesale Price Index (WPI) Data (2011-12 = 100)" for "All Group / Commodity", as normally available on the website of the Office of the Economic Adviser, Government of India, Ministry of Commerce and Industry, Department of Industrial Policy and Promotion (DIPP) on the link "<http://eaindustry.nic.in/home.asp>."

11. The entity shall publish the applicable retail selling price of PNG for all categories 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 invoicing to CNG customers in Rs. / Kg at all natural gas dispensing stations.

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Manager - Gas Division



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1st Floor, World Trade Centre

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,

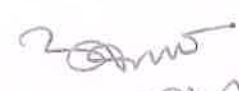
Dated:


तेजपाल सिंह चंडावत
TEJPAL SINGH CHUNDAWAT
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Manager - Gas Division



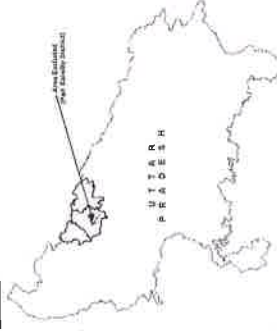
Name and Designation of Officer
On behalf of the PNGRB

Official Seal


29/07/2018
अरविन्द कुमार
ARVIND KUMAR
अपर सलाहकार
Additional Adviser
पेट्रोलियम और प्राकृतिक गैस विनियामक बोर्ड
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Babar Road, New Delhi-110001

**GEOGRAPHICAL AREA
BAREILLY (EXCEPT AREA ALREADY
AUTHORIZED), PILIBHIT AND RAMPUR
DISTRICTS**

KEY MAP



Total Geographical Area (Sq Km)	9,886
No. of Charge Area	15
Total Household	12,06,337
Total Population	75,14,650

CHARGE	NAME	CHARGE	NAME
AREA ID	AREA ID	AREA ID	AREA ID
CA-01	Tanda	CA-09	Aonla
CA-02	Swar	CA-10	Bareilly (Part)
CA-03	Rampur	CA-11	Fareedpur
CA-04	Shahabad	CA-12	Nawabganj
CA-05	Milak	CA-13	Pilibhit
CA-06	Bilaspur	CA-14	Bisalpur
CA-07	Bahedi	CA-15	Puranpur
CA-08	Meerganj (Part)		

LEGEND

VECTOR

- DISTRICT HEADQUARTER
- TOWN
- VILLAGE WITH POPULATION 5000 AND ABOVE
- NATIONAL HIGHWAY
- STATE HIGHWAY
- RAILWAY
- GA BOUNDARY
- DISTRICT BOUNDARY
- CHARGE AREA BOUNDARY
- WATER BODY
- AREA EXCLUDED
- INDUSTRIAL AREA

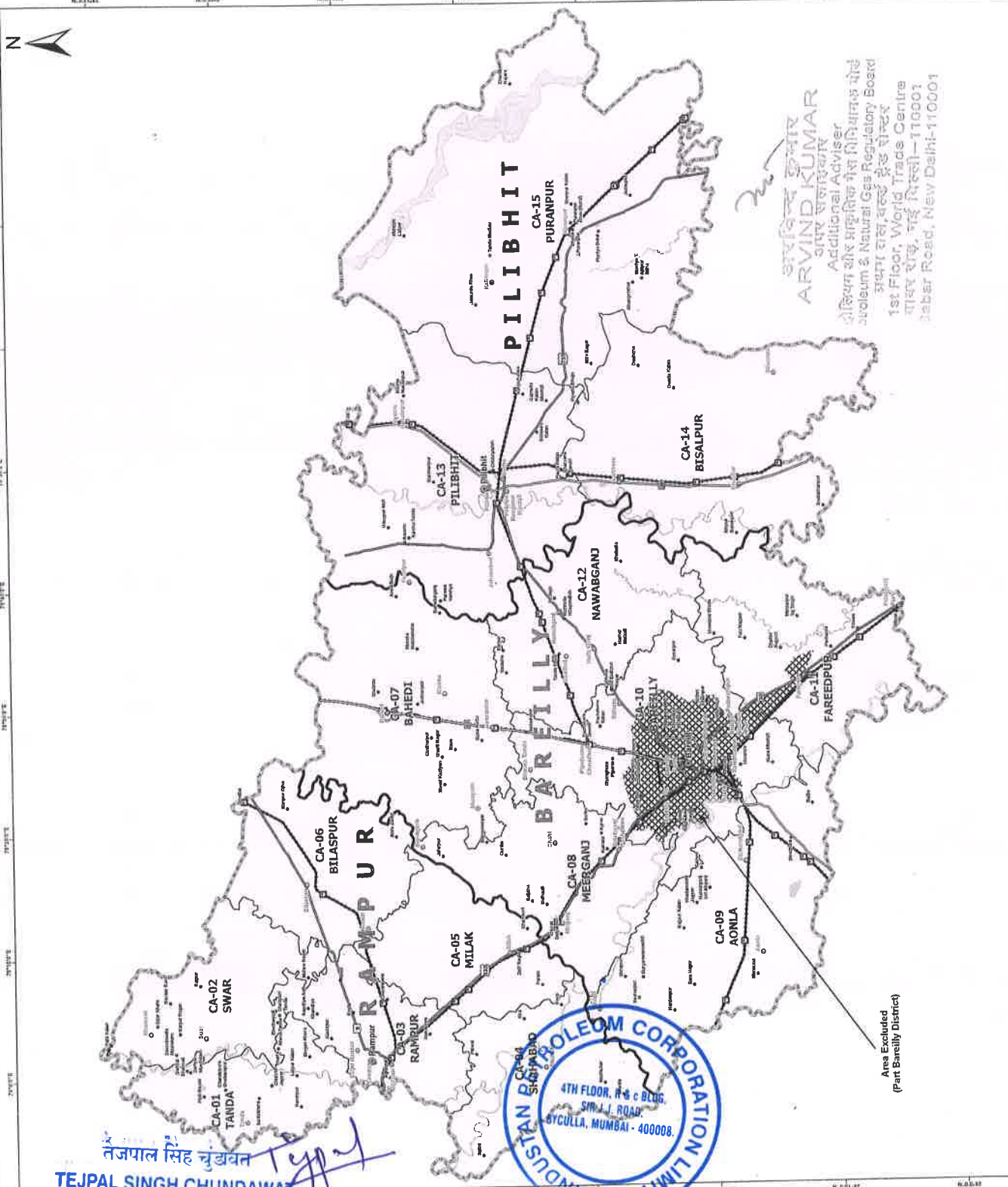
LANDMARK

- RAILWAY STATION



PETROLEUM AND NATURAL GAS REGULATORY BOARD
1st Floor, World Trade Centre, Babel Road, New Delhi-110001

Map No.	2018/1037
Date	Nov-18
Map Title	Geographical Area Bareilly (Except area already authorized), Pilibhit and Rampur District



तेजपाल सिंह चुंडावत
TEJPAL SINGH CHUNDAWAT
Manager - Gas Division



अतिरिक्त सचिव
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