



Government of India
Ministry of Petroleum and Natural Gas
Shastri Bhawan, New Delhi-110001 (Fax: 23389985)

Ref No. L-16013/3/2012-GP-II

Dated: August 20, 2014

To,

1. CMD
GAIL (India) Ltd.
New Delhi
2. Director General,
PPAC,
New Delhi.

Subject: Revised Guidelines for allocation/supply of domestic natural gas to CGD entities for CNG (transport) and PNG (domestic) segments.

Sir,

This Ministry has revised the Guidelines dated 3.2.2014 on allocation/supply of domestic natural gas to CGD entities [CNG (transport) and PNG (domestic)]. A copy of the revised Guidelines dated 20.8.2014 is enclosed herewith for strict compliance.

Yours faithfully,

 20.08
(Prashant Lokhande)
Deputy Secretary
☎: 23073069

Copy to:

1. Secretary, PNGRB for information
2. All CGD entities for information
3. Technical Director (NIC) for hosting on the website



Government of India
Ministry of Petroleum and Natural Gas
Shastri Bhawan, New Delhi-110001 (Fax: 23389985)

Ref No. L-16013/3/2012-GP-II

Dated: August 20 , 2014

Subject: Revised Guidelines for allocation/supply of domestic natural gas to CGD entities for CNG (transport) and PNG (domestic) segments.

The undersigned is directed to say that the Ministry has reviewed Guidelines dated 3.2.2014 for allocation/supply of domestic natural gas to CGD entities for CNG (transport) and PNG (domestic) sector and keeping in view the periodical exercise of revising the domestic gas allocations of CGD entities for CNG (transport) and PNG (domestic) segments, it has been decided to authorise GAIL for diverting domestic gas from non-priority sector to meet the requirement of CNG (transport) and PNG (domestic) segments as per their actual consumption subject to the following conditions:

- (i) The allocation exercise will be undertaken by GAIL after end of every six months. PPAC shall within completion of 20 days of a half year submit the average consumption of gas by each CGD entity in CNG (transport) and PNG (domestic) segments to GAIL. Further to meet fluctuation in demand of CGD sector (CNG transport & PNG domestic) GAIL is authorised to supply domestic gas 10% over and above the 100% requirement of CNG (transport) and PNG (domestic) of individual CGD entity calculated as per the last half yearly consumption. GAIL will accordingly divert domestic gas (except NELP gas) from Non-Priority sector by applying prorata cuts to meet the above requirement of CNG (transport) and PNG (domestic) of individual CGD entities. As clarified vide Ministry's letters dated 3.2.2014 and clarification dated 5.3.2014, prorata cuts shall not be applied on supply upto a maximum of 5000 scmd to small consumers having allocation of domestic gas upto 50,000 scmd and 1.1 mmscmd of APM gas allocated to TTZ. The whole exercise should be completed by GAIL within 1 month from the completion of the half year and after completion of the exercise GAIL shall submit a compliance report to MoP&NG giving the details of the quantity of domestic gas allocated to CGD sector for consumption in CNG (transport) and PNG (domestic) segments.
- (ii) The gas shall be supplied at uniform base price to each CGD entity.
- (iii) The additional requirement of gas, if any, between the two review periods over and above the domestic gas being supplied shall be sourced by individual CGD entities.
- (iv) Only those CGD entities in their respective geographical areas will be considered for allocation who have been allocated domestic gas as per MoP&NG guidelines dated 03.02.2014. GAIL shall seek permission of MoP&NG before making supply of domestic gas under the above guidelines to any new CGD entity / any new geographical area of an existing CGD entity.
- (v) The guidelines will be applicable till divertible gas from non-Priority sector is available with GAIL and GAIL shall submit statement on cuts imposed on the non-priority sector for meeting the requirement of CNG (transport) and PNG (domestic) segments.
- (vi) The guidelines shall not be applicable to TNGCL and AGCL in view of operational issues.

:2:

- (vii) As previous allocation in accordance with the guidelines dated 3.2.2014 had been made based on actual consumption figure of H1 2013-14, GAIL shall revise the allocation as per actual consumption during H2-2013-14.
- (viii) The halfyearly review could be started from the April to September, 2014.
2. The clarification dated 16.4.2014 may be treated as withdrawn.
3. This issues with the approval of the competent authority.


20.08
(Prashant Lokhande)
Deputy Secretary