



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/PP/Exis/17/HPCL/MDPL/01/12

Dated: 24.04.2012

To
Chairman & Managing Director,
M/s Hindustan Petroleum Corporation Limited
17, Jamshedji Tata Road,
Mumbai-400020

Subject: Terms and Conditions for Acceptance of Central Government Authorization for laying, building, operating or expanding Mundra-Delhi multi-product pipeline under regulation 17(1) of the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Petroleum and Petroleum Products Pipelines) Regulations, 2010.

Reference:

- (i) Your application dated 02.12.2010 seeking acceptance of Central Government authorization for Mundra-Delhi multi-product pipeline (MDPL).
 - (ii) Your communication dated 06.03.2012 submitting other details for MDPL.
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Sir,

This is in response to your application dated 2nd December, 2010 referred to above for consideration of the Board for acceptance of Central Government Authorization for laying, building, operating or expanding Mundra-Delhi petroleum and petroleum products pipeline (MDPL).

2. To substantiate your claim for authorization from the Central Government for the said pipeline project, you had furnished copy of approval by Government of India vide MOP&NG's letter no. R-31015/7/2003-OR.II dated 11.05.2004, copy of environmental clearance from MOE&F vide letter no. J.11011/93/2005-IA II (I) dated 20.06.2005 and copies of other statutory clearances. The completion date of the pipeline project as mentioned by HPCL in the above referred application is May, 2007. Considering your submissions, the Petroleum and Natural Gas Regulatory Board provisionally 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 Petroleum and Petroleum Products Pipelines) Regulations, 2010. 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 system.

3. Petroleum and Petroleum Products Pipeline System:

a) Technical Details of Mundra-Delhi multi-product pipeline:

(i) **Petroleum Products Transported:** HSD/ULHSD/SKO/MS/ULMS/ATF from Mundra Terminal

(ii) **Length: Total - 1054 Kms**

a) Mundra-Palanpur section: 328.71 Kms/18"

b) Palanpur-Ajmer section: 345.72 Kms /18"

c) Ajmer-Jaipur section: 111.66 Kms/18"

d) Jaipur-Rewari section: 193.84 Kms/18"

e) Rewari-Bahadurgarh section: 73.72 Kms/16"

(iii) **Diameter:** 18"/16"

(i) **Pumping Stations:** Mundra, Santhalpur, Palanpur, Awa, Ajmer & Jaipur

(ii) **Tap Off Points:** At Palanpur, Ajmer, Jaipur, Rewari & Bahadurgarh

(iii) **Terminal Station:** At Bahadurgarh

(iv) **Storage Tanks associated with the pipeline:** HPCL has confirmed that two interface tanks of total 1750 KL pump- able capacity are associated with the common usage Mundra-Delhi pipeline which are being used by MDPL pipeline operations regularly for storing interface product and subsequent online dosing.

b) The provisional system capacity of Mundra-Delhi multi-product pipeline shall be **5.0 MMTPA***. As per information provided by M/s HPCL, the capacity utilization of MDPL is more than 100% in FY 2010-2011. In view of the same, the Board has decided to declare the Mundra-Delhi multi-product pipeline network as common carrier with common carrier capacity of **1.0 MMTPA*** which is required to be made available to a third party on an open access and non-discriminatory basis.

Note: (*- These capacities are accepted as provisional and the final capacities shall be determined as per the provisions of the PNGRB (Determining capacity of Petroleum, Petroleum products or Natural Gas Pipeline) Regulations, 2010).

4. As indicated by HPCL, spur-lines from Bahadurgarh Terminal to Tikrikalan are for HPCL's own use and do not form part of common usage Mundra-Delhi pipeline project. In this regard, the Board has decided that the entity shall be required to submit separate application for spur-lines from Bahadurgarh Terminal to Tikrikalan under the relevant

provisions of the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand Petroleum and Petroleum Products Pipelines) Regulations, 2010.

5. 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.

6. The entity shall publish on its website the approved tariffs and other details as required under various regulations for the petroleum and petroleum products pipeline.

7. The entity shall furnish a performance bank guarantee of the amount as specified in Regulation 8(1) as a guarantee for meeting the quality of service obligations and requirements of PNGRB during operating phase of the project. The entity shall abide by the service obligations specified under relevant regulations.

8. 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 Petroleum and Petroleum Products Pipeline at the same level till another agency or entity appointed by the Board takes over the full control of the Petroleum and Petroleum Products Pipeline.

9. The entity shall comply with the provisions under-

- a. the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Petroleum and Petroleum Products Pipelines) Regulations, 2010;
- b. the Petroleum and Natural Gas Regulatory Board (Determination of Petroleum and Petroleum Products Pipelines Transportation Tariff) Regulations, 2010;
- c. the Petroleum and Natural Gas Regulatory Board (Determining capacity of Petroleum, Petroleum products and Natural Gas Pipeline) Regulations, 2010;
- d. the Petroleum and Natural Gas Regulatory Board (Codes of Practices for Emergency Response and Disaster Management Plan) Regulations, 2010;
- e. the PNGRB Act and any other regulations notified by the Board from time to time , as may be applicable.

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

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

Yours Faithfully,

Ratan Phatal

(Ratan P. Watal)
Secretary, PNGRB
Official Seal

Dated: 24/4/12

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

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

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 Petroleum and Petroleum Products Pipelines 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