

8.2 AUTHORIZING ENTITIES TO LAY, BUILD, OPERATE OR EXPAND NATURAL GAS PIPELINES, AMENDMENT REGULATION, 2009

gao-33004/99 REGD. NO. D. L.-33004/99 Che Gazette of India 6101 No. 6101 EXTRAORDINARY PART I I—Section 3—Sub-section (i) PUBLISHED BY AUTHORITY Part I, 20, 2009/3-TTfVa7 28, 1931 NEW DELHI, TUESDAY, OCTOBER 20, 2009/ASVINA 28, 1931 3i-v f«T, 20 2009 769(3T). 2006 (2006 19) 61 ah-é, fi#l, fafivxq, 2008 fü--g•H, fi-q-frJT, 2009 I ft-q-to-r, 2008 8 "8. (1) 19 -q-r(t 3778 GI/2009 I % AT 20 Fq-q I 10 ft-# -at -qi-g a-q# 3Äfr4 (1) 2 THE GAZETTE OF INDIA : EXTRAORDINARY [PART II—SEC. 3(i) 14(1) i, 3iX FT. g+YVTT./11/8/200942-g-l] : 340(30 6 T4é, 2008 802(3T), 19 2008 I PETROLEUM AND NATURAL GAS REGULATORY BOARD NOTIFICATION New Delhi, the 20th October, 2009 G.S.R. 769(E).—In exercise of the powers conferred by Section 61 of the Petroleum and Natural Gas Regulatory Board Act, 2006 (19 of 2006), the Petroleum and Natural Gas Regulatory Board hereby makes the following regulations to amend the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008, namely : (1) These Regulations may be called the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2009. (2) They shall come into force on the date of their publication in the Official Gazette

2. In the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand Natural Gas Pipelines) Regulations, 2008, for regulation 8, the following shall be substituted, namely :—"8 Performance bond. (1) Acceptance to the grant of authorization given by the Central Government referred to in proviso to sub-section (1) of Section 17 and grant of authorisation by the Board under Section 19 of the Act shall be issued to the (2) (3) entity after it furnishes a performance bond of an amount equal to 1% of the estimated project cost for the project under execution or 1 % of the project capitalized cost for the completed projects rounded off to the nearest lakh rupees or Rs. 20 crores, whichever is less and it shall be applicable to all pipelines authorized under regulation 4, 17, 18 or 19: Provided that in case the pipeline capacity is expanded for more than fifty per cent of its authorized capacity, the performance bond shall be increased in proportion to the increase and shall be rounded off to the nearest lakh rupees subject to a total ceiling of Rs. thirty crores. Explanation—The amount of the performance bond shall be revised by applying the above basis. In case the estimated project cost undergoes a change on completion of the financial closure as per regulation 10 and subsequently based on the project capitalized cost. Whenever there is expansion or extension of the pipeline system the modified project capitalized cost shall be taken into account. The performance bond shall be initially valid for a period of three to five years and shall be renewed by the entity for the next block of three to five years, at least one month before the due date, upto the economic life of the project. The performance bond has been prescribed for guaranteeing the timely commissioning of the proposed natural gas pipeline as per the targets laid down in sub-regulation (3) and also for meeting the service obligations by the entity during the operating phase of the project as the case may be. The performance bond shall be encashed by the Board for all pipelines in the similar manner as prescribed under regulation 14(1) under the bidding process. The entity shall be allowed a maximum period of thirty six months from the date of grant of authorization for commissioning of the natural gas pipeline project as the case may be. However, if the Board is of the opinion that the reasons for delay are beyond the control of the entity implementing the project, the Board may take an appropriate view in a fair and transparent manner, and may also allow certain extension period which it may deem fit for the commissioning of the project". Foot Note Printed by the Manager, Government of India Press, Ring Road, and Published by the Controller of Publications, [F. No. S-AdmW11/8/2009-V01.11 RATAN P. WATAL, secy. :— The principal regulation were notified vide No. G.S.R. 340(E), dated 6th May 2008 and subsequently amended vide No. G.S.R. 802(E), dated 19th November, 2008. Mayapuri, New Delhi-110064 Delhi-110054.