



No. O-27018/1/2014-ONG D.V(Pt.I)/GP-II

भारत सरकार

Government of India

पेट्रोलियम एवं प्राकृतिक गैस मंत्रालय

Ministry of Petroleum & Natural Gas

Shastri Bhawan

New Delhi-110001

Dated: the 25th August, 2015

To,

1. CMD,
ONGC,
New Delhi.
2. CMD,
OIL,
New Delhi
3. CMD,
GAIL,
New Delhi.

Subject: New Domestic Natural Gas Pricing Guidelines, 2014 - Supply of Natural Gas by OIL & ONGC in North Eastern Region - applicability of 40% subsidy - clarification regarding.

Sir,

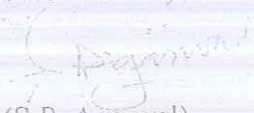
I am directed to refer to OIL's letter No.OIL/44/9/3/3700 dated 11th February, 2015 on above subject and to say that as per the New Domestic Pricing Guidelines, 2014, the existing scheme of NE subsidy is only applicable on the quantity of APM gas supplied (maximum up to GLC allocation) by NOCs to APM consumers. In the given policy environment it will not be possible to extend the subsidy to all customers in North East. In view of above, it is clarified that 40% North Subsidy will be available as per earlier policy on quantity of APM gas supplied (maximum up to GLC allocation) by NoCs to APM consumers.

2. Regarding CCEA decision to continue the 40% North East subsidy for the quantity supplied by ONGC/OIL and extending the same to private sectors, it is clarified that the new operator has to supply gas to those consumers having APM allocation from GLC to make them eligible for NE subsidy. Further, supply beyond GLC allocation by new operator will not be eligible for any subsidy. Thus applicability of 40% North East

subsidy on supply of gas other than APM gas allocated by GLC to APM consumers in North East region is not possible as per new domestic gas pricing guidelines.

3. This issues with the approval of MoS(I/C), P&NG.

Yours faithfully,


(S.P. Agarwal)

Under Secretary to the Government of India
Tele. No. 23388652

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1. DS(E.II) for information.
2. Technical Director, NIC with request to upload this on Ministry's website under 'Natural Gas – Orders, Notifications & Amendments'.
3. Guard file.