



Pre-Bid Meeting for sale of CBM gas from EPS-2, Bokaro Block



Corp. Marketing Group, New Delhi

15.07.2022

➤ **Guideline dated 11.04.2017: Policy Framework for Early Monetization of Coal Bed Methane**

- Complete Marketing and Pricing freedom for CBM.

➤ **GoI guidelines dated 15.10.20 & 03.12.2020: Natural Gas Marketing Reforms**

- Following procedure shall be adopted for market price discovery of Mktg. & Pricing freedom gas:
 - Defined the process of discovery of Market Price for Natural Gas through e-bidding.
 - Mandated use of e-bidding portal of DGH empaneled independent agency.
 - Sale of gas to Affiliate allowed.

About Gas availability

- Quantity – 0.01 MMSCMD
- Term – 3 to 5 Years
- Readiness Date – 30.04.2023
- Pressure – 250 Kg /cm²
- GCV – ~8500 Kcal/SCM
- NCV – ~7700 Kcal/SCM
- Quality – PNGRB Quality for Pipeline Transportation (Non Combustible HC - CO₂ + N₂ 3.5 % Max)
- Delivery Point – Ex-EPS-2 (Cascade Ready Gas- Compressed & Dehydrated)



➤ **Bidding Process**

- H-1 Matching

➤ **Bidding Parameters**

- Price, Tenure and Volume

➤ **Eligibility Criteria**

- Net-worth: **+ve Net-worth**

➤ **Bidder needs to submit initial Bid containing**

- Slope to Dated Brent Price (greater than equal to 11%) with minimum ticker size (0.1%)
- Minimum Volume bid: 5,000 SCMD
- Volume can be increased in multiples of 1,000 SCMD
- Tenure to be quoted between 3 to 5 years

➤ **Contract Gas Price:** Higher of :

- **Reserve Price:** Quoted Slope (%) * Dated Brent Price
- **Floor price:** Domestic Gas Price (on GCV basis) notified by PPAC for the period + \$ 1 / MMBTU (Mark -Up)

➤ **Marketing margin:** No Marketing Margin

Salient features of RFP & GSA

- **Offtake Window period of 30 days from the ONGC's Readiness Date**
 - Supply could commence by providing 48 hours' notice
 - No ToP applicable during this period
- **Commissioning Period of 90 days, starts from later of**
 - Date of completion of offtake window period or date of actual commencement of gas off-take
 - MGO kept on buyer's nomination
 - Minimum of 50% of contracted quantity
- **Flexible Term of the contract, starts from earlier of**
 - Date of actual gas commencement or 15 days before expiry of offtake window
- **Signing of GSA**
 - To be signed within 15 days of issuance of NOA.



Salient features of RFP & GSA

- **Monthly Take Or Pay Obligations 70 % of DCQ**
 - MMGO would be adjusted on Financial year basis
- **Make-Up Gas Provision:**
 - Makeup right will be provided for annual MGO quantity
 - Additional Claim Period of 90 days after expiry of Contract
- **Security deposit**
 - Lump sum of INR 7 Lakhs
 - LC or BG
- **Payment Security equivalent of 45 days of gas supply**
 - LC or Bank transfer
 - To be submitted 60 days prior to ONGC's Readiness Date

Last but not the least

- **Replies to the queries of the respective Bidder will be uploaded in the Bidding Portal after this meeting**
- **Looking forward for your active participations**

Last date of submission of Bid	20.07.2022
Notification to techno-commercially qualified Bidders	27.07.2022
Price Bid Opening	29.07.2022

Thanks