

# Glossary

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<b>Bi-Directional Pipeline</b>	Gas pipelines wherein gas can transmit from both ends of the pipeline. Depending on where gas is removed and where the Compressors create pressure differential gas may flow in either direction.
<b>Captive Consumption</b>	Captive Consumption means the consumption of goods/power manufactured/generated by same organization or related undertaking for manufacturing another product.
<b>CGD Network</b>	City Gas Distribution Network means an interconnected network of gas pipelines for transporting NG to the service pipes supplying NG to domestic, industrial or commercial premises and CNG stations.
<b>Common Carrier capacity</b>	Under common carrier system, designed capacity of NG pipeline, over and above the entity's own requirement and capacity allocated on a contract carrier basis, shall be available to third party on non-discriminatory basis.
<b>Contract Carrier capacity</b>	Under contract carrier system, capacity of NG pipeline, over and above the entity's own requirements, is available to any other entity subject to the latter entering into a firm contract for transportation of a volume of NG for a period of minimum one year, on such other terms and conditions as may be mutually agreed.
<b>Downstream Sector</b>	Downstream sector involves the actual processing, selling and distribution of NG and oil based products.
<b>Fallback Basis</b>	Fallback basis allocation of NG by Government of India to optimally use the temporary available surplus gas.
<b>Feedstock</b>	A feedstock is a material that can be used directly as a fuel, or converted to another form of fuel or energy product.
<b>Floating Storage and Re-gasification Unit (FSRU)</b>	Floating storage and re-gasification unit is an onboard system providing basic functions like receipt, storage, pressurization and re-gasification of liquefied NG, metering and send out of gas into onshore gas pipeline grid. FSRU are easier to implement, cheaper to build with fewer onshore planning procedure issues, more flexible location with relocation advantage.
<b>Gas field</b>	Within the contract area, a NG Reservoir/group of NG Reservoirs within a common geological structure.
<b>Hydrocarbon Gases</b>	Hydrocarbons are derived from crude oil/NG like ethane, propane and NG liquids obtained from NG.
<b>Hydrocarbons</b>	Organic chemical compounds of hydrogen and carbon atoms. There are a vast number of these compounds and they form the basis of all petroleum products. They may exist as gases, liquids or solids.

<b>Isolated Gas Fields</b>	Small discoveries where production is small and fields are isolated and peak production is less than 0.1 mmscmd and they are situated more than 10 Km away from the gas grid.
<b>Liquefied Petroleum Gas</b>	Liquefied petroleum gas is a flammable mixture of hydrocarbon gases (composed of propane or butane) used as a fuel in heating appliances, cooking equipment and vehicles.
<b>Liquid Fuel</b>	Liquid fuels are combustible or energy-generating molecules derived from fossil fuels.
<b>LNG</b>	NG condensed at minus 160.5° C at normal pressure to liquid form is known as LNG and is typically transported by specialized tanker with insulated walls and received at terminals.
<b>LNG Value Chain</b>	LNG supply chain consisting of four functions <i>viz.</i> NG exploration and production (E&P), liquefaction, shipping, receiving and distribution. E&P involves extraction of oil, NG from natural reservoirs. Liquefaction converts NG into liquid form through refrigeration processes at liquefaction plants reducing its volume, thus allowing for easy transportation to centers of demand. After liquefaction, LNG is loaded onto specifically designed ships built around insulated cargo tanks to keep the LNG in liquid state throughout the voyage. An LNG receiving terminal comprises LNG storage tanks and re-gasification facilities that convert LNG back to its gaseous state by the application of heat, also known as vapourisation. Thereafter it is sent into the pipeline system, for distribution to end-users.
<b>LNG Terminals</b>	An LNG receiving terminal comprises LNG storage tanks and re-gasification facilities that convert LNG back to its gaseous state by the application of heat, also known as vapourisation. Thereafter it is sent into the pipeline system, for distribution to end-users.
<b>Low Off-Take</b>	Low off-take is contrary to an Off take agreement wherein a buyer enters in to agreement with seller for buying a certain contracted quantity of future production.
<b>LSHS</b>	Low Sulphur Heavy Stock (LSHS) is a residual fuel processed from crude oil with advantage of having low sulphur content and high calorific value.
<b>Market Related Price</b>	Market price is the economic price for which goods or services are offered in the marketplace and is not influenced/subsidized by government.
<b>Naphtha</b>	Naphtha refers to a number of flammable liquid mixtures of hydrocarbons, i.e. a component of NG condensate or a distillation product from petroleum, coal tar, or peat boiling in a certain range and containing certain hydrocarbons. It is a broad term covering

	among the lightest and most volatile fractions of the liquid hydrocarbons in petroleum.
<b>NELP Blocks</b>	Award of oil/NG exploration blocks by GoI under different round of New Exploration and Licensing Policy based on international competitive bidding to any company either foreign, private or public sector company.
<b>Nominated Fields</b>	Oil/gas exploration fields offered by GoI to National Oil Companies on nomination basis prior to implementation of New Exploration and licensing policy. The price of gas so produced from nominated fields are regulated and priced at APM price regime.
<b>Non-APM gas</b>	NG priced at market rate or non-subsidized rate.
<b>Normative cost of production</b>	Normative price working is based on estimation of cost at acceptable level of efficiency parameters having bearing on cost such as capacity, capacity utilization and production level, raw material consumption, energy consumption etc.
<b>Petrochemicals</b>	Petrochemicals are hydrocarbons derived from crude oil and NG.
<b>Production Sharing Contract</b>	The contract between Government and International/National Exploration and Production (E & P) Company. The E&P Company bears the cost of exploration, drilling and production. The E&P Company is reimbursed for expenditures from the sale of oil/gas. After reimbursement, the oil/gas proceed is split by an agreed formula.
<b>Ras Gas</b>	RasGas Company Limited is a liquefied NG (LNG) producing company in Qatar.
<b>Re-gasification Facilities</b>	Re-gasification terminals/facilities are where the liquefied product is returned to the gaseous state after shipment by sea from the area of production and fed into transmission and distribution grids.
<b>Spot LNG</b>	Spot Cargo is purchase in a short period of less than one year
<b>Stage III of new pricing scheme</b>	New Pricing Scheme (NPS) Stage-III for urea introduced by GoI under New Urea Policy for the period October 2006 to March, 2010. NPS Stage-III seeks to promote the usage of NG, which is the most efficient and comparatively cheaper feedstock, for production of urea.
<b>Statutorily Notified Selling Price</b>	Statutorily notified selling price is generally lesser than the cost of production. The difference between the cost of production and the selling price is paid as subsidy/ concession to manufacturers.
<b>Subsidy</b>	Subsidy is an economic benefit or financial aid provided by a government to support a desirable activity, regulated the end consumer price and maintains the income of producers of critical and strategic products. Basic objective of subsidy is to reduce market price of an item below its cost of production.

<b>Take or Pay</b>	A take-or-pay contract is a rule structuring negotiations between companies and their suppliers. With this kind of contract, the company either takes the product from the supplier or pays the supplier a penalty.
<b>Transmission Infrastructure</b>	NG Transmission Infrastructure connects various gas sources to different gas markets/demand of various Power, Fertilizer, CGD and other industries and include pipeline, compressor station etc.
<b>Upstream Sector</b>	The upstream petroleum sector includes all petroleum exploration and extraction activities such as exploration, development and processing of crude oil and NG.
<b>Wheeling Arrangement</b>	Wheeling is the transportation of electric power over transmission lines. Under a wheeling arrangement power is transmitted through Licensee's distribution system and associated facilities.