0.11		OMPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	
S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
1	What is Compressed Bio Gas or CBG?	CBG or Compressed Bio Gas consist of mainly methane (more than 90%) and other gasses like carbon dioxide (less than 4%), etc. CBG is produced by anaerobic digestion of biomass and waste sources like agricultural residue, cattle dung, sugarcane press mud, municipal solid waste, sewage treatment plant waste, etc. This Biogas can be purified to remove hydrogen sulphide (H2S), carbon dioxide (CO2), water vapor and when this purified biogas (methane content more than 90%) is compressed to maximum 250 bar and filled up in cascades (group of high pressure cyllinderical vessels) it is called Compressed Bio Gas or CBG.	
2	Is CBG same as CNG or is there any difference. Ca CBG be filled in the vehicle which are currently running on CNG. In other words, can a vehicle running on CNG be straightway filled with CBG without any modification in the vehicle?	CBG has properties almost similar to CNG and hence a vehicle running on CNG can straightway be filled with CBG without any modification in the vehicle.  Ministry of Road Transport and Highways, Government of India, vide Gazette Notification no. 395 dated 16.6.2015 has permitted usage of CBG for motor vehicles as an alternate of CNG.  BIS has issued IS 16087 2016 standards on CBG which is similar to BIS specifications IS 15958:2012 for CNG.	
3	I am interested in setting up CBG Plants. How to apply for the SATAT scheme on CBG ?	Expression of Interest for production and supply of Compressed Bio Gas (CBG) are being floated on monthy basis. EOIs to IndianOil may be accessed from the e-Tendering portal https://iocletenders.nic.in by searching "CBG" in the tender search box. The EOI is free of cost and EMD amount is NIL. The EOI can be accessed anytime from anywhere using the link https://iocletenders.nic.in.  Similarly, BPCL website (www.bharatpetroleum.com/) and HPCL website (www.hindustanpetroleum.com) may be visited for respective EOIs  The filled application along with annexures (compiled and merged in one single pdf file) should be submitted online on the e-Tendering portal.	
4	What are the application fees, EMD, Security Deposit, etc. for applying under SATAT scheme?	There is no application fees,EMD, Security Deposit, etc. while applying for the issue of LOI under SATAT scheme.  However, the successful applicant after receiving Letter of Intent from the concerned Oil & Gas Marketing Company has to submit a BG of Rs 5 lakh per plant for proposed Plant, if the proposed Plant is yet to come or yet to be set up or BG of Rs. 1 lakh per plant if the proposed Plant is already existing.	
5	What are the qualification criteria. How will I be evaluated through the Expression of Interest on SATAT scheme. What is the process after EOI evaluation?	In case of the individual applicant, the applicant should be of minimum 21 years of age. The same will be ascertained in case of individual applicant on basis on any Government issued identification with age / date of birth mentioned.  In other cases applicant shall be of Indian nationality and/or a company registered in India and/or Non-Resident Indians/Persons of Indian Origin and/or a Multi National Company having its registered office in India / Overseas Corporate Bodies having its registered office in India.  Evaluation of the EOIs shall be carried out of a total of 100 marks as described in the EOI document. The prospective applicant has to score minimum of 35 marks to qualify.  After submission of the documents through the e-tender portal, a committee of a perticular OMC/GMC evaluates the EOI and awards Letter of Intent (LOI) to the successful applicant who had scored 35 marks or more on evaluation criteria  The LOI holder has to submit a bank guarantee of Rs. 5 lakh/plant for proposed new Plant or Rs. 1 lakh/plant for existing Plant. After submission of the bank guarantee, the LOI holder can immediately execute a Commercial Agreement with OMC/GMC for production and supply of CBG.	

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6	What are the terms by which we can supply CBG to Oil & Gas Companies ?	As per the EOI, OMC/GMC has offered a procurement price of CBG of Rs. 46/kg + applicable taxes purified as per IS 16087: 2016 standards, compressed to 250 bar pressure and delivered to OMC/GMC Retail Outlets in cascades upto one way distance of 25 kms from the CBG Plant to the Retail Outlet. The procurement price of CBG shall remain valid from 1.10.2018 to 31.3.2024. There will be periodic revision in procurement price with effect from 1.4.2024, however minimum procurement price will not be lower than Rs. 46/kg + applicable taxes for the period from 1.4.2024 to 31.3.2029. Additionally, OMC/GMC shall also execute a Commercial Agreement of 15 years with the CBG Plant owner, to be extended on mutual consent.  The detailed Commercial Agreement on CBG is available with the EOI document	
	What are the various enablers by Government of India under SATAT scheme ?	<ul> <li>Reserve Bank of India has notified inclusion of CBG projects under Priority Sector Lending vide directives to Banks dated 4.9.2020.</li> <li>Inclusion of Bio-manure produced from CBG Plants under Fertilizer Control Order 1985 has been approved and notified vide Gazette Notification dated 14.7.2020.</li> <li>Ministry of New and Renewable Energy has extended Central Financial Assistance (CFA) Scheme on CBG</li> </ul>	
		State Bank of India and Bank of Baroda have launched products for financing of CBG Plants	
8	Are there any future enablers under consideration for	. Inclusion of Digested Bio Gas Slurry is under consideration by Central Fertilizer Committee	
	the CBG sector by Government of India ?	. Single window facility for approvals	
		. Biomass supply chain by State Governments	
	How can I know more about MNRE subsidy on SATAT scheme ?	Please visit https://biourja.mnre.gov.in/ where MNRE Central Financial Assistance on CBG has been provided in detail.	
		The MNRE subsidy is as followings:- Rs 4 crore for Plant producing 4.8 Ton per day of CBG (i.e 12000 Cubic Meter of Bio Gas per day) capped to Rs 10 Crore per Plant for 12 Ton Per Day or more per CBG plant. The details are available at above web site which may be refferred to for exact information and interpretation.	
10	Is there Long-term purchase commitment?	The purchase of CBG by OMC/GMC (Oil Marketing Company / Gas Marketing Company) from the plant owner shall be governed through a firm commercial Agreement signed by OMC/GMC & CBG plant owner for supply of CBG under SATAT and initially will be valid for the period of fifteen (15) years from the date of signing. Further, before the expiry of commercial agreement, both the Parties may agree to extend the same for a further period on mutually agreed terms and conditions.	-
	What are the terms of the offtake of CBG. Is there 100% buy back of CBG produced from the CBG plant?	Oil and Gas Companies shall try to off-take and market the entire amount of CBG produced by the CBG Plant. However, the actual off-take of CBG shall entirely depend on the actual quantity of CBG sold in a particular market.	Clause 8.4
	In SATAT, is there a provision for 100% offtake of CBG from the day one i.e. from the first day of commissioning; by oil PSUs ? As the very nature of anaerobic process do not allow it to be switched on / off frequently to meet the fluctuating demands for	The CBG market, particularly in unseeded market, is expected the grow gradually and therefore, the supply of CBG from a particular CBG plant is also expected to increase gradually. Accordingly, the mutually agreed CBG supply plan shall befinalised and accordingly the production of CBG from a particular CBG plant shall be synchronised. Indian Oil shall take the CBG quantity only that much which are being sold in the market.  In the event Buyer is not able to off-take CBG as per Supply Plan for a period of three (3) months, the Buyer shall endeavor to facilitate in sale of CBG at other retail outlet(s) of the Buyer or industrial bulk customers of the Buyer. Such sale to industrial bulk customers of Buyer will be as per mutual agreement by both parties.	
	Offtake of CBG in-case demand is not	It is being clarified that, there is no take-or-pay arrangement under SATAT scheme.	
	commensurate with the production?  Is there any take-or-pay arrangement under SATAT scheme?		

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12	Why is there no take or pay clause in the Commercial Agreement ?	OMC/GMC can provide "Take or pay" gaurantees to the CBG plant owners, only when, there is there is a "Take or Pay" guarantee from its CBG end users or customers. Since, Indian Oil or other Oil & Gas companies does not receive any such guarantees from its end users or customers, they can not provide any such "Take or Pay" guarantee to the CBG plant owners.	
13	continue the filling-cycle on a "top-up" basis. This will result in better utilization of cascade and reduction of total transportation cost. Is such facility allowed	The cascade of CBG Plant used for delivery of CBG at Retail Outlet must be connected to the inlet of booster compressor at Retail Outlet. The cascade of CBG plant can be disconnected either when the stationary cascade of retail outlet is filled or the cascade of CBG plant is emptied in the stationary cascade. Hence, for larger capacity cascades of the CBG plant, when the stationary cascade is completely filled, the CBG plant's cascade can then be disconnected and can be used to service to other Retail Outlets for better capacity utilization.  However, LOI Holder should ensure that the Retail Outlet remains supplied with CBG at all times and there should not be a disruption in supply of CBG due to the above mentioned procedure. Accordingly, CBG plant owner may, at their sole discreation, deploy cascades of multiple capacities (small and large) for ease in operations.	Clause 2.2.4
14	times, be stored and transported through Cascades conforming to IS 7285 (Part 2) & IS 15935/equivalent Standards. Our CBG Plant proposes to increase the	It is clarified that we can accept 3000 water litre metal cascades or cascades of higher capacity for delivery of CBG to the Retail Outlets. For steel cylinder cascades, IS 7285 shall be applicable. If type-3 or type-4 composite cascades are used, respective BIS specifications like IS 15935 or relevant specifications shall be applicable. The safety standards mentioned in IS 16087 2016 (or its latest version) should be adhered to all the times during transportation of CBG.  Accordingly,CBG plant owner may, at their sole discreation, deploy cascades of multiple capacities (small and large) for ease in operations.	(lender version): Clause 6.4
15	of LOI or execution of commercial agreement ?	Change in constitution of firm is permitted by Indian Oil as a matter of routine affair either before/after award of LOI or execution of commercial agreement under SATAT scheme.  The process of reconstitution of firm is simple and the applicant has to only approach OMC/GMC through formal letter before effecting such changes and give commitment that the old and new reconstituted firm shall abide by the terms of EOI, LOI and commercial agreement. Further the old firm shall also give a parent guarantee undertaking along with request letter.  Approvals of reconstitution shall be provided as routine unless and untill there is any compelling reasons, (like proposed changes not in conformity with the prevalent law of the country) due to which Indian Oil may refuse to grant the proposed reconstituion in the firm. In case the permission of reconstituion of firm is not granted by Indian Oil, citing the reasons, why approvals for proposed reconstituion of firm is not granted shall be conveyed to the applicant.	Clause 19.1.9
16	· · ·	Retail Outlet(s) outside the radius of 25 kilometers from the CBG Plant can be selected for sale of CBG without any additional liability and financial implication to Oil & Gas Company. The additional cost incurred on transportation of CBG beyond 25 Kms shall be fully accountable to the CBG Plant owner.	Clause 2.1.3
17	transportation cost for transport of CBG beyond 25 km? The daily production of large units cannot be absorbed by filling stations within a radius of 25 Kms.	Retail Outlet(s) outside the radius of 25 kilometers from the CBG Plant can be selected for sale of CBG without any additional liability and financial implication to Oil & Gas Company. The additional cost incurred on transportation of CBG beyond 25 Kms shall be fully accountable to the CBG Plant owner.  The SATAT Scheme was designed for utilization of local feedstock like waste and biomass to create CBG which can be used locally for vehicles, thereby creating a circular economy. The major consideration in creation of this green supply chain was than feedstock shall be sourced locally and product shall be sold locally thereby reducing transportation cost and related emissions. Only through creation of local supply chain can higher logistic cost & emission due to large distance transport be reduced making CBG a near zero emission affordable vehicular fuel	

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S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
18	What will be the point of sale from the CBG Plant owner to OMC/GMC?	The CBG Plant shall sell CBG to Buyer at the meter installed in the CBG dispensing unit(s) at the Retail Outlet, which shall be the "Point of Sale".	Clause 2.2.3
19	The transfer of ownership of CBG from the Seller to the Buyer shall take place at the Point of Sale which is totalizer of Retail Outlet. Who will account for any losses in the compressor at Retail Outlet?	Sale of CBG is in a closed system with almost no chance of any leakage in the CBG Dispensing Equipment i.e. Compressor, Cascade and Dispenser. Hence there is no envisaged risk/ loss to anyone during CBG dispensing process as the entire process is certified by PESO / Weights & Measures. Therefore, transfer of ownership of CBG from the Seller to the Buyer shall take place at the Point of Sale which shall be the meter installed in the CBG dispensing unit(s) at the retail outlet	Clause 7.1
20	Presently transfer of ownership of CBG from the Seller to the Buyer shall take place at the Point of Sale. It is requested that this to be changed to "The transfer of ownership of CBG from the Seller to the Buyer shall be at the flow-meter installed at intake point of Retail Outlet intake points." The Seller has no control on the equipment being maintained by the Retailers, appointed by the Buyers and therefore, should not be made responsible for their performance including leakages etc.	Since sale of CBG is in a closed system with almost minimal chance of any leakage in the CBG Dispensing Equipment i.e. Compressor, Cascade and Dispenser. Hence there is no envisaged risk / loss to anyone during CBG dispensing process as the entire process is certified by PESO / Weights & Measure.  Therefore transfer of ownership of CBG from the Seller to the Buyer and point of sale will remain at the CBG dispensing pump's metering unit as described in Commercial Agreement terms and conditions and decided uniformly on Industry basis.	Clause no 7.1-Title Transfer of CBG
21	Our CBG Plant capacity may be increased at a later date. The CBG Plant may not want to provide the additional CBG quantity to the Oil & Gas Company who has awarded LOI. What is the provision for the same?	In future, if CBG Plant increases their production capacity then respective OMC/GMC, shall not have any claim over the CBG quantity in excess of LOI quantity. This clearly means that it will be the sole discretion of CBG Plant owner to sell their CBG to any party for the quantity which are outside the purview of commercial agreement unless and until the commercial agreement quantity is suitably revised with mutual consent.  As per terms of the LOI awarded, LOI holder shall not enter into any agreement with a competitor of OMC/GMC with respect to the subject CBG Plant for which both Parties have entered into or are endeavoring to enter into a Commercial Agreement on supply of CBG.	Clause 8.1 & Clause 12 of LOI
22	The transportation of CBG through Cascades may not be a long term solution for pressurized gas transportation especially in smaller rural area road network and it should ensure possibility of gas evacuation and sale through gas pipeline network. Are any steps being taken for the same?	Exploration of possibility of gas evacuation & sale through gas pipeline network or injection of CBG into CGD gas network is under consideration. In future, if any such policy is made for CBG injection in CGD network or CBG transportation through pipeline system, the same shall be intimated to the LOI holders by the respective OIL & Gas Marketing Companies.	
23	The CBG price break-up in terms of fixed and variable component should be provided. In case of no off-take or lower off take of CBG due to reasons solely attributed to OMC/GMC /licensed buyer the fixed component of the CBG should be paid by OMC/GMC to the CBG seller in order to mitigate the risk of the CBG project investor. Are there any provisions on the same?	There is no such concept of CBG price break-up in terms of fixed and variable component under SATAT scheme. No payment shall be made if no CBG is supplied	
24	Is third party sale of CBG should be allowed if 100% off-take of CBG is not provided by OMC/GMC?	As per the Commercial Agreement on CBG, in the event that Buyer (Oil & Gas Company) is not able to off-take the additional quantities of CBG through its retail outlet(s) or facilitate CBG sale to any industrial bulk customers, the Seller shall have complete liberty to supply / sell CBG to any other person(s) or any companies, entity, etc. at its sole discretion.	
25	It is proposed that the pricing be altered to an exfactory price with Transportation cost at actual or based on pre-agreed rate/ Km so as to make it winwin for both the parties?	As per the SATAT model agreed on Industry basis, the transportation of CBG is to be done by the CBG Plant owner and the pricing of Rs. 46/kg of CBG + applicable GST is including transportation of CBG from CBG Plant to Retail Outlet / Consumer Point situated at maximum 25 km distance from the CBG Plant.  If in certain situation, the Retail Outlet identified is beyond 25 km, additional transportation cost shall be reimbursed at mutually discussed & agreed rates for actual expenses beyond 25 Km transportation. This additional transportation costs shall be recovered from the market through inclusion in the Retail Selling price (RSP) build-up of CBG.	

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26	Can payment be made to the CBG Plant owner (Seller) in case of failure of Buyer to lift the CBG quantity ?	There is no take or pay clause in SATAT. Even if the reason for not lifting the CBG from the CBG Plant is on OMC/GMC (buyer) account, there cannot be any payment made to the CBG Plant owner (seller)	Clause no 8.8 to 9.0– Guarantee on offtake
27	Agreement, which are not recoverable from end customers in pricing, these shall also be borne by the Seller". Can this be passed through for the Seller to	The payment to the Plant owner shall be governed by the procurement price of Rs. 46 / kg of CBG + applicable taxes upto 31.3.2024 for CBG delivered (at Retail Outlet situated within 25 km from CBG Plant) in a cascade with 250 bar pressure. This price is to be revised from 1.4.2024. However, the procurement price shall not be less than Rs. 46 / kg of CBG + applicable taxes from 1.4.2024 to 31.3.2029.  The price of Rs. 46 / kg of CBG is exclusive of applicable taxes i.e. GST presently @5%. Suppose in future this GST is revised from current rate of 5% / replaced by any other tax mechanism, accordingly the same shall be duly considered in the pricing mechanism. That is why we always state that CBG procurement price is Rs. 46 / kg + applicable taxes.	Clause no 14.2 - Taxation
28	· · · · · · · · · · · · · · · · · · ·	The moving cascade of the seller shall be the complete liability of the seller and accordingly any insurance liability arising out of it is the complete liability of the seller i.e. Plant owner immaterial of the fact that this moving cascade is standing anywhere	Clause no 15.1 – Insurance
29	What are the safety standards to be followed and where can they be accessed from?  Where can we get "Standards" like, IS 15130 (Part 3), ISO 6326-3, IS 15319, AIS 024, Petroleum and Explosives Safety Organization (PESO) Standards, safety Standards as per IS 16087: 2016 and any other applicable national or international standards relevant to the CBG business.	The specifications for CBG is governed by IS 16087 2016, which also contains various guidelines and specifications detailing issues like safe handling of CBG, transportation of CBG, storage of CBG, supply and/or sale/dispensation of CBG.  These guidelies can be procured from BIS website https://bis.gov.in.	Clause no. 1.1.1 and 1.1.13
30	_	As per normal operating procedure, Seller/its agents/servants shall bring the Cascade to the Retail Outlet and hence any damage to the Retail Outlet by the Seller/its agents/servants shall be the responsibility of the Seller. There is no vice-versa case as OMC/GMC's agents/servants shall not be delivering anything to the CBG Plant.	Clause no. 4.3.1.
31	As per the Commercial Agreement, the date of commercial supply of CBG shall be a date on which the Seller shall commence actual supply determined in accordance with Clause 5.1, but such date shall not be later than 2 years from the date of LOI.  In the above mentioned Clause, an additional line "if the extension under Clause 5.4 is not granted by the Buyer" can be included?	There is no need to include any additional line in the commercial agreement because, if OMC/GMC grants any extension to the LOI holder for any specific period, the same shall be considered and applicable in all the relevant clauses of the LOI & Commercial Agreement.	Clause no. 5.2.
32	As per the Commercial Agreement, it is agreed between the Parties that if at any time, the Seller is not able to commence Commercial Supply within 2 years from the date of LOI, the Seller shall notify the Buyer of the same and request for extension of time within three (3) months of the expiry of the 2 year period from the date of LOI, explaining the reasons of delay. The Buyer may consider such request of the Seller for future probability of supply from the CBG Plant and the same shall be at the sole discretion of the Buyer.  It should be clarified that the Buyer shall not unreasonably decline such request of extension.	The extension clause already implies that Buyer shall not be unreasonably declined any time extension request for CBG Plant construction and CBG commercial supply. All valid and genuine requests for time extension for setting up CBG Plant shall be granted as a routine matter.	Clause no. 5.4.

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S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
33	Please provide the specifications / standards for cascade delivery by CBG Plant to Retail Outlet?	The present specifications for cascades are IS 7285 / IS 15490. You may also refer to IS 16087 2016 for the same. The mentioned standards can be accessed from BIS website - https://bis.gov.in/.	Clause no. 6.1
34	As per the Commercial Agreement, Within a period ofdays of execution of this Agreement, the Parties shall mutually draw out a detailed plan so as to determine the monthly quantities for supply and off-take of CBG for the entire tenure of this Agreement (Supply Plan) at the procurement rate as may be determined as per the terms of this Agreement, from the date of Commercial Supply.	As per the Commercial Agreement a detailed plan is to be worked out between OMC/GMC and CBG Plant owner as to determine the long term, monthly and daily quantities for supply and off-take of CBG. This shall provide an indication regarding supply and off-take quantities of CBG to the Selller and Buyer. Based on the same, daily off-take schedules shall be planned to accurately determine number of cascades to be supplied to the Retail Outlets.	Clause no. 8.4
35	Please explain the clause?  In addition, the Buyer shall also have the right to install quality assurance equipment and/or test the samples of CBG independently at any laboratories accredited for conducting quality check on the CBG. The quality assessment by the Buyer shall be final and binding upon the Parties.  Please explain the clause?	OMC/GMC shall be installing gas analyser at its Retail Outlet to ascertain the quality of gas supplied and dispensed. The quality of gas should be as per IS 16087 2016 specifications.	Clause no. 10.7
36	The Seller shall bear in full, all liabilities of Taxes or statutory levies/duties including interest, penalties etc., arising from supply of CBG to the Buyer. Should any Taxes/ levies/ duties be imposed by statutory authorities under this Agreement, which are not recoverable from end customers in pricing, these shall also be borne by the Seller. To the extent that the Buyer is required to pay any Taxes in the first instance, the Seller shall promptly reimburse the same to the Buyer. What shall be the present tax treatment?	At present, GST is applicable on CBG. The same shall be collected from the end customer by OMC/GMC and CBG Plant owner's portion of GST shall be passed on to CBG Plant owner as Input Tax Credit.	Clause no. 14.2
37	OMC/GMC has started to sell CBG at various locations. How is the customer experience? What does global studies say on effeciency of CBG?	OMC/GMC has initiated marketing of CBG from various retail outlets and Industrial customers.  The feedback received from customers using CBG for their vehicles are encouraging. Improvement in mileage and ease of driving are the two common factors for which customers have expressed their satisfaction during recent survey.  As per a study in Camden, UK on CBG and CNG vehicles, it was observed that the CGB vehicle displayed a 6% efficiency improvement in fuel consumption when compared with the CNG vehicle. This trial also supported the assumption that biomethane can be directly substituted for natural gas as a road transport fuel with no apparent maintenance or operational difficulties.	

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38	As per existing EoIs issued under SATAT program, the term of commercial agreement is 15 years where CBG price will be reviewed at the end of 31.3.2024.  What is the validity of agreement and pricing beyond the above mentioned period	<ul> <li>Procurement price of CBG from 1.10.2018 to 31.3.2024: Rs. 46/kg + applicable taxes, as mentioned in the above table.</li> <li>There will be periodic revision in procurement price with effect from 1.4.2024, however minimum procurement price will not be lower than Rs. 46/kg + applicable taxes for the period from</li> </ul>	
		Although the initial term of the commercial agreement is for 15 years, there is a provision to renew the agreement on mutually agreed terms & conditions.	
39	It is not clear how the payments will be made if two suppliers are delivering CBG to one filling station based on one installed meter at the CBG dispensing unit?	As per the present business plan it is envisaged that one CBG supplier shall be supplying CBG at one particular Retail outlet and multiple CBG supplier to a single CBG outlet shall be avoided.  However, in rare cases due to any exigency, if a single retail outlet is supplied CBG from multiple CBG Plants, the totalizer readings shall be accounted for everytime a particular supplier's cascade is connected or disconnected with the booster compressor and stationary cascade of the Retail Outlet and accordingly, payment to the individual CBG Plant shall be made as per the totalizer reading of the dispensing unit at the time of connection and disconnection of that particular cascades of that particular CBG Plant.	Clause 2.2.7 & Clause 7.2
40	Does the clause also cover case for fraud and wilful misconduct?	Buyer can only be responsible towards its own employees or towards it's own Dealer's and their employees for any possible damage to the cascades of CBG Plant owner taking place at Retail Outlet due to the reasons purely attributed on their account.	Clause 6.8
41	OMC/GMC will support to maximize offtake for industrial and commercial customers; additionally CBG Plant will have the flexibility to develop own customers in the industrial/commercial sector. And the volumes already committed to Industrial customers will be not available for SATAT offtake in future?	As clarified in Clause 8.7 in the event that OMC/GMC is not able to off-take the additional quantities at any retail outlet(s) or facilitate in sale to industrial bulk customers, the Seller (CBG plant owner) shall have the complete liberty to sell CBG from his plant to any other person(s) or any companies, entity, etc at its sole discretion.	Clause 8.7
42	For how long do we have to preserve the test certificates for the cascades?	They are to be preserved for 1 month or till the payment has been made on the cascade, whichever is greater.	Clause 10.5
43	As per IS 15319; it describes the organic sulfur compounds which are to be used as odorants in natural gas. The need of odorants in CNG is required as CNG is odorless and to detect leak the requirement of odorants via organic sulfur compounds is necessary. The product to be supplied under this agreement is CBG which is generated/cleaned from Biogas. The CBG supplied shall be as per IS 16087; which will have Total Sulphur (including H2S) maximum upto 20 mg/m3. The presence of Sulphur (H2S) will serve the requirement of odorant. So, no additional odorant is required in CBG.		Clause 10.8
44	each RO as mentioned in clause 13.2?	Daily sale register shall be maintained at RO as per Meter Readings of the totaliser of the dispensing unit which shall be noted before connection and before disconnection of each particular cascade and also as per opening & closing meter reading for the day. The payment to the CBG suppliers shall be made based on fortnighly joint meter reading of the totaliser of the dispensing unit(s) at the RO.	Clause 11.3
45	Could you please explain this point? We have an obligation to pass all existing advantages from taxes to OMC/GMC, normally this needs to aligned with the share of investment involved of the 2 parties or 50:50 share at minimum?		Clause 14.8

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46	What are the payment terms for CBG?	Based on the joint ticket prepared recording the of CBG quantities sold, fortnightly invoices shall be raised by the Seller on the Buyer. Buyer shall make payments to the Seller in Indian Rupees, within15 Business Days from the date of receipt of the original invoice from the seller.	
47	CBG Plant owner cannot be responsible for any quality problems resulting from the equipment at the Retail Outlet (for example: oil in the gas from the compressor, water in the gas); this needs to be clarified due to clause 20.1?	As it is a closed system at the Retail Outlet, there should not be any quality issues in CBG due to equipments installed for dispensing CBG at Retail Outlet.  However, if the CBG plant owner through available evidence could conclusively and unambiguishly prove that the quality of the supplied CBG has got altered due to the faults in the dispensing system of CBG installed by buyer at RO, the seller shall not be held responsibile for such problem in the quality of supplied CBG.	Clause 17.6
48	Does the clause also include the case for fraud and wilful misconduct?	Clause include case for fraud and wilful misconduct	Clause 20.2 and 20.3
49	What is the max. and min. unloading pressure of our cascades before the compressor of the Retail Outlet?	The maximum unloading pressure shall be 250 Bar. The minimum pressure of unloading is tentatively expected to be around 30 bar. This also is expected to be varying from one RO to other RO depending upon installed Compressor's configuration and settings.	Annexure-III(CA)
50	Deliveries will be based on certified PESO regulations applicable to CBG Plant. In certain cases PESO is not providing permission to compress CBG upto 250 Bar at the Plant?	PESO certifications are statutory guidelines and has to be strictly adhered to. However, CBG Plant owner should endeveour to obtain PESO lisence at 250 Bar from PESO authorities.	Annexure-IV(CA)
51	As per exclusivity clause of existing PNGRB guidelines, only CGD entity is authorised to sell CNG for next 5 years in the allocated Geographical Area. Is it necessary to apply only to such specific CGD entities for particular Geographical Area for production and supply of CBG.	CBG does not comes under the purview of PNGRB. CBG can be sold in existing CGD areas as is already being done by OMC/GMC.  In other words, there is no PNGRB permission required for selling CBG in any part of India.	
52	I want to install my own CNG / CBG station. Where should I apply?	Applicant may apply to Indian Oil through a formal application to install their CBG equipments at OMC/GMC RO and their such willingness wil be duly considered.	
53	I want to get CBG plant installed by OMC/GMC. What will be the total EPC cost and where should I apply?	There are various CBG Plant manufacturers in the market doing EPC for Plants and supplying CBG equipments. The same may be approached for comperative analysis. In addition there are a number of CBG Plants already marketing CBG or where there is work in progress. LOI holders can be put in touch with all such Plants for a better understanding of the sector.	
54	Please provide list of CBG production / Compression / Purification technology providers ?	Brief on various technologies have been described in our white paper enclosed along with EOI document. Applicant may go through the document for better understanding. As of now, we have not empanneled any technology providers on CBG.	
55	Are there any empanelled vendors of OMC/GMC?	No	
56	Which is best CBG technology in India?	The technology selection should be done based on type of proposed feedstock to be used, proposed Plant Location, cost of technology, yield of CBG for particular technology, running operation and maintenance cost of the proposed Plant due to use of particular technology etc.	
57		CBG Plants are finacially viable if they get assured cheap organic waste or biomass locally on long term basis. Applicant may assess the quantity of feedstock available in its area for the purpose of setting up CBG plant. The CBG Plant may be designed as per local feedstock considering feed transport cost.	

	CO	MPENDIUM OF FREQUENTLY ASKED QUESTIONS (FA	Qs) ON COMPRESSED BIO GAS (CBG)	AND SATAT SCHEME	
S.No.	Query		Comments / Clarifications		Commercial Agreement's Clause
	Will LOI holders be given an opportunity to select location of a Retail Outlet ?	Feedback from the LOI holder shall be taken before finalisation of Retail O dimensions of Retail Outlet, Type of Retail Outlet, Sale potential etc.	utlet by OMC/GMC. Selection of a Retail Outlet shall b	oe done by OMC/GMC based on various factors like	
59	Which feedstock is best for CBG production and should be used to get maximum financial viability of plant?  The type of feedstock to be used for CBG production and financial viability of a plant depends on many factors like cost of input feedstock, location of plant, etc. As per SATAT scheme, the responsibility of setting up of CBG plant lies with the entrepreneur and therefore applicant is requested to assess CBG production and financial viability of its plant by itself.  The following tentative yield of various feedstocks are normally considered as per discussion with various existing and proposed CBG Plants and various technology providers. However these are only directional in nature and actual yield may vary substantially depending on quality of feed stock.				
		Feedstock	CBG Production(Ton)	Feedstock requirement (Tentative)	
		Agriculture Residue	1	10 Ton	
		Press Mud	1	25 Ton	
		Spent Wash	1	10 KL	
		Bagasse	1	10 Ton	
		Municipal Solid waste	1	20 Ton	
		Cow Dung	1	50 Ton	
		Chicken Litter	1	25 Ton	
		Forest Residue	1	15 Ton	
		Napier Grass	1	10 Ton	
		Sewage Waste	1	15 MLD	
		As per the Commercial Agreement on CBG (copy attached), the OMC/GM period of xx days of execution of the Commercial Agreement, the Parties stentire tenure of this Agreement (Clause 8.3). Based on the monthly quantit Hence, the supply shall be as per the daily off-take schedule prepared as p	nall mutually draw out a detailed plan so as to determines as agreed upon, daily off-take schedules shall be n	ne the monthly quantities for supply and off-take of CBG for the nade in mutual consultation (Clause 8.4).	
	·	Considering the spread of OMC/GMC's Retail Network, it is expected that the Expression of Interest on SATAT scheme, an indicative maximum distance beyond 25 kms from CBG Plants and based on specific requests from variable henceforth, clarified, that there is no such restrictions or limitations on support	of 25 km for supply of CBG has been mentioned. How ous CBG Plant owners, OMC/GMC have already allow	wever, the CBG Plant owners are free to deliver CBG even	
	We understood that there is re-imbursement of transportation cost of CBG to producers but there is no mention of same in EOI.	The CBG delivery price of Rs. 46 + GST is for CBG as per IS 16087 2016 transportation of CBG is already built in the CBG delivery price of Rs. 46 +			

S.No.	Query	Comments / Clarifications	Commercial
			Agreement's Clause
63	The transfer of ownership of CBG from the Seller to the Buyer shall take place at the Point of Sale (POS) upon delivery to the Buyer's Equipment with prior correct quantity and quality check by the parties.	The Point of Sale by the CBG Plant to the Oil & Gas Company shall be the totalizer in the Dispensing Unit at the Retail Outlet	7.1 & 7.2
	The transfer of ownership of CBG from Buyer/Dealer to the end customer shall take place at the end of CBG delivery nozzle when the CBG is dispensed to the end customer's Vehicle at the Retail Outlet.		
	Consideration of Receipt of cascade at the pump station as sales and not POS. The delivery of cascade at the station will be the POS for buyer and seller.		
64	The indemnity provisions herein contained shall survive the expiry or termination of this Agreement.	The indemnity shall be applicable to events during the term of the agreement but shall survive the expiry or termination of this Agreement.	20.4
	Seller cannot indemnify the buyer upon expiry or termination of Agreement due to any reason whatsoever.		
65	In the event the Buyer opts not to sell the unsold CBG lying in the Cascades at the Retail Outlet, the Buyer shall intimate the Seller about the same and the Seller shall, immediately and no later than thirty (30) days from the date of termination, remove the Cascade(s) and unsold CBG from the Retail Outlet at its own cost and without affecting the routine operations of the Retail Outlet.	There is no take or pay in the SATAT scheme. Payment shall be made only as per sale noted in totalizer readings	22.2.4
	The buyer has to pay in full for remaining gas in the cascade irrespective of sales at the Buyers end.  Thereafter, the Seller can remove its equipment from Buyers place within 30 days. What are views on the same?		
66		There are already Force Majure clause in the Commercial Agreement .	22
	In any event the plant undergoes partial shutdown due to wear and tear or any reason beyond the control of Seller, a time of 30 days to be granted to remediate and resolve the issue at the Seller's premise. The duration may be further extended by the Buyer after receiving valid request from the Seller. In any such event the Buyer shall not encash the Bank Guarantee or terminate the contract as given in Clause 22 of this Agreement.		
67	be included	This clause protects any intentional & unintentional damage by the appointed agents or person of the Sellers at the Buyer's or its agent's properties / equipment / persons. In case of any damages to the properties/ equipment /persons of retail outlet due to the reason purely attributed to the seller or its appointed person or agencies, it is the responsibility of seller to bear the costs of losses as well as all consequences for the same.	4.3

	CO	MPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	
S.No.	Query	Comments / Clarifications	Commercial Agreement's Clause
68			6.8
69			9
70		As a Stakeholder any changes in constitution happening within the Firm must be informed to the Buyer. Buyer shall approve the proposed reconstitution of firm as a routine matter unless and until there are compelling reasons for not approving any such proposed reconstitution like reconstitution not proposed to be done in accordance with the prevailing rules of the laws etc.	19
71	Can "losses & damages" be changed to "actual losses and damages " in the clause ?	The seller shall be responsible only upto the point which is purely attributed to any action / consequences taken by the seller like failure to supply quality CBG etc.	20

• • •	COMPENDIUM OF FREQUENTLY ASKED QUESTIONS (FAQs) ON COMPRESSED BIO GAS (CBG) AND SATAT SCHEME	
S.No.	Query Comments / Clarifications	Commercial Agreement's Clause
72	The Seller shall indemnify and keep indemnified Buyer for the actual losses or damages that may be suffered or incurred by the Buyer, its directors, employees, Dealer and Dealer's employees and representatives on account of use of or damage due to Cascade and/or other facilities installed /brought by Seller at the Retail Outlet/ Site unless such losses or damages arise due to negligence or any act of ommission or commission of the Buyer.	20.2
73	The Seller shall indemnify and keep indemnified Same reason as to Clause 20.1 and 20.2 Already covered in Clause 6.8 and Clause 4.3 Buyer and its Dealer, their employees, officers and directors against any losses or damages that may be suffered or incurred by the Buyer on account of loss or injury to any person in connection with performance of this Agreement, unless such losses or damages arise due to negligence or acts of omission or commission of the Buyer.  Changes requested are highlightes?	20.3
74	Neither the Buyer nor the Seller shall, in any way, except for any payment-related obligations, be held liable for non-performance either in whole or in part of this Agreement or for any delay in the performance thereof in consequence of any Act of God, pandemic, epidemic, lawful strike, lock out, lock-down, delivery interruptions, orders including administrative orders or decrees of any Government or Governmental Authority, revolutions, wars, acts of enemies, embargoes or other import restrictions or by any other acts, whether or not of the same class or kind as those set forth above, not within the control of the Party, fulfillment on whose part is interfered with and which by exercise of reasonable diligence, the said Party is unable to prevent.  Can pandemic, epidemic, lockdown be included in the clause considering present situation?	23.1

		JIVIPEI	NDIUM OF FREQUENTLY A	SKED QUESTIONS (FA	QS) ON COMPR	ESSED BIO GAS (CBG)	AND SATAT SCHEME	
S.No.	Query	Comments / Clarifications						Co Agreei
75	If a new firm is constituted for application in the EOI, will experience in earlier entities be considered during evaluation of the EOI.	Only experience of the applying party shall be considered during during evaluation of the EOI.  Experience of parent company of a subsidiary / SPV or experience of directors in earlier firms / related companies will NOT be considered.						
	If a Special Purpose Vehicle (SPV) of the parent or a Subsidiary is made, then will experience of the parent company be considered during evaluation of the EOI.	ou may	go through the qualification criteria in	n the EOI, as new entities can a	ilso qualify under tern	ns of the EOI.		
76	Does the applicant need to change the land use for setting of CBG plant?	Change the Land use is mandatory for setting up the CBG plant.  CBG plant can only be constructed on commercial land.						
77	What are all the approvals required for setting up the	/hat are all the approvals required for setting up the Following major approvals are required. However the list are not exhaustive and State / district Authorities may be approached for further clearances required (if any)						
	CBG plant?		Approvals Required	Before Construction (New Factory )		Annual Renewal		
		1	Land conversion to Non Agricultural (applicable for non-industrial land)	Conversion and registration	Not Applicable	Not Applicable		
		2	DIC (District Industry Centre)	Registration as MSME(Micro, Small & Medium Enterprises)	Not Required	Not Required		
			Fire			Required		
		4		NOC		Required		
		5	IOF( Indian Ordinance Factories) - Plan approval	, ·	License (Sub contractor License)	Required		
		6	DTCP - District Town & Country Planning		Not Required	Not Required		
		7	Local Panchayat	Plan submission, NoC and Tax payment based on construction area	Yearly tax (if applicable)	Not Required. Tax to be paid (if applicable)		
		8	BDO( Block Development Officer) - Running License	Not Required	Running License	Required		
		9	PCB( Pollution Control Board)	Consent for Establishment	Operation	Required		
		9	PESO( Petroleum and Explosives Safety Organization)	Consent for Establishment	Operation	Required		
		10	MNRE ( Ministry of New and Renwable Energy)	CFA( Central Financial Assistance) Approval	CFA approval after 72 hours plant operation	Not Required		