



# Operator for Common Gas Pipelines Soon: Petroleum Secy

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**New Delhi:** India will soon have an independent operator of common carrier gas pipelines to ease access to transport infra, deepen the local gas market and meet the longstanding industry demand for separating content and carriage.

"We plan to have a transport system operator (TSO) in place, which will manage the common carrier part of the entire gas pipeline system in the country," Petroleum Secretary Tarun Kapoor told ET. Multiple ownership models are being evaluated and likely to be finalised in six months for the TSO, which will manage a transparent digital system of

booking pipeline capacity for suppliers and customers.

Some gas suppliers have complained in the past that the current system gives state-run GAIL undue advantage due to its dominance in the pipelines and gas marketing business.

Strengthening natural gas distribution is a key priority area for Kapoor who took over as the petroleum secretary seven months ago. Other priorities include increasing biofuel's share in the country's energy mix, boosting oil and gas production, improving state firms' management, and enhancing customer experience at petrol pumps and for cooking gas consumers.

Gas price reforms and recently set-up gas-trading exchange will further help develop the local market for the

**TARUN KAPOOR**  
Petroleum Secretary



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fuel. "With recent reforms, all gas, except those produced from nomination fields, enjoy marketing and pricing freedom," said Kapoor.

The government also wants the management of state-run firms to watch their share prices, which have

been hammered for a long time and often underperform their private-sector peers. "The management should start caring about share prices. They should be attentive to forces that drive companies' valuation," said Kapoor.

In the past few years, the government has often sold shares of state oil firms to meet its annual revenue targets but with falling share prices the realization has been lower year after year. Share price movement is a key criterion to judge a CEO's performance in the private sector.

Kapoor also wants state oil firms to become more efficient. "With private players like Jio-BP competing in the fuel retail, state oil marketing companies can't afford to operate in their usual ways," he said. He has helped

set up a group of HR chiefs of all oil PSUs. "The group meets every month to discuss new ideas and best practices to improve things. I am a regular listener in those meetings," Kapoor said.

In a bid to attract big investments to the upstream sector, the government has introduced several policy reforms and gathered more and quality geological data that can now be offered to explorers.

The government is also studying some of the key demands ExxonMobil has made for participating in the Indian upstream sector. "They are interested in making some big bets. They have sought more quality data as well as certain regulatory changes. We are looking at their demands," Kapoor said.