

**GOVERNMENT OF INDIA  
PETROLEUM AND NATURAL GAS  
LOK SABHA**

UNSTARRED QUESTION NO:3383  
ANSWERED ON:24.08.2006  
CITY GAS DISTRIBUTION NETWORK POLICY  
Kalmadi Shri Suresh;Singh Shri Ganesh Prasad

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

- (a) whether the Government is preparing the City Gas Distribution Network Policy;
- (b) if so, the details thereof;
- (c) whether certain companies are insisting on exclusive rights of distribution whereas the Planning Commission is opposed to granting exclusive rights;
- (d) if so, the present status thereof;
- (e) whether the Government will reserve the construction of gas pipelines network in a city for single operator under the PNGRB Act;
- (f) if so, the details thereof; and
- (g) the steps taken by the Government to safeguard the interest of consumers from monopolistic pricing?

**Answer**

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) & (b): Yes, Sir. The policy has not been finalized yet.

(c) to (g): As per the provisions under the Petroleum and Natural Gas Regulatory Board Act, 2006, the Board may inter alia decide on the period of exclusivity to lay, build, operate or expand a city or local natural gas distribution network for such number of year as it may by order determine in accordance with the principles laid down by the regulations made by it in a transparent manner while fully protecting the consumer interests.

The draft policy, including the issue of providing exclusivity to the entities for city or local natural gas distribution networks, was discussed with the industry in meetings where Planning Commission was also represented. No final view in the matter has been taken as yet.