

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

STARRED QUESTION NO:100

ANSWERED ON:14.07.2014

SUPPLY OF PNG

Birla Shri Om;Mullappally Shri Ramachandran

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

- (a) the details of existing network of Piped Natural Gas (PNG) across the country including the number of houses/industrial units covered in each cities under this network, State/UT-wise;
- (b) whether the Government has received demands from various States particularly Rajasthan for supply of PNG in their States and if so, the details thereof and the follow-up action taken by the Government thereon;
- (c) whether the Government has formulated any time-bound scheme for providing PNG to houses/industrial units in various States/UTs including Rajasthan;
- (d) if so, the details thereof indicating the number of applications received for the purpose, the number out of which connections provided and the number of applications for PNG still pending along with the reasons for the pendency State/UT-wise; and
- (e) the steps taken/being taken by the Government for development of distribution network of PNG in the entire country within a stipulated time frame ?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (INDEPENDENT CHARGE) (SHRI DHARMENDRA PRADHAN)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 100 TO BE ANSWERED ON 14.07.2014 REGARDING SUPPLY OF PNG

(a): There are 24,61,393 Domestic Piped Natural Gas (PNG) connections and 5,579 Industrial PNG connections in the country as of 01.06.2014. State-wise/GA-wise details are at Annex-I.

(b) to (e): Government has received requests from the State Governments of Kerala and Karnataka for supply of Piped Natural Gas (PNG). Petroleum & Natural Gas Regulatory Board (PNGRB) has already granted authorization through bidding process for development of CGD network in Kota Geographical Area (GA) in Rajasthan. Another 13 cities/ towns viz. Banswari, Dungarpur, Udaipur, Chittorgarh, Bhilwara, Jaipur, Jodhpur, Jhunjhunu, Bikaner, Sri Ganganagar, Ajmer, Badmer and Jaisalmer have been identified on the basis of Expressions of Interest (EOIs) submitted to the Board and on Suo Moto basis for inclusion in the CGD bidding rounds in a phased manner depending on the natural gas pipeline connectivity and gas availability for grant of authorization to develop CGD networks.

PNG connections are provided through the City or Local Natural Gas Distribution (CGD) networks. In order to promote the development of PNG network in the country, the Government has set up PNGRB under the Petroleum & Natural Gas Regulatory Board Act 2006, which grants authorization for City and Local Area Natural Gas distribution networks in accordance with the provisions of the said Act and the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Network), Regulations, 2008.

PNGRB has envisaged a phased roll out plan of CGD network development in several Geographical Areas (GAs) in various States. Depending on the natural gas pipeline connectivity/ gas availability, PNGRB includes these GAs in a phased manner in the bidding rounds for grant of authorization to develop CGD networks. The authorized entities provide PNG connections to houses/industrial units within the respective authorized areas.

The retail price of CNG & PNG in any city is fixed by the concerned City Gas Distribution Company operating in that particular city. The CGD entities also supply gas for industrial and commercial use. The Government has vide revised guidelines dated 03.02.2014 agreed to meet the entire requirement of CNG (transport) and PNG (domestic) through supply of cheaper domestic gas at a uniform base price to all the CGD entities. The price of CNG (transport) and PNG (domestic) is therefore a function of the base price and the different state and local taxes and levies and the pipeline transportation tariff. The price of CNG for supply to industrial and commercial sectors is a function of the proportion of domestic gas, long term RLNG and spot RLNG, the transportation tariff and the different state and local taxes and levies.

