

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM & NATURAL GAS

RAJYA SABHA
UNSTARRED QUESTION NO. 1735
ANSWERED ON 18/12/2023

PNG CONNECTIONS TO BPL FAMILIES

1735 SMT. KANTA KARDAM:

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

- (a) the measures Government has taken to provide subsidized Piped Natural Gas (PNG) connections to Below Poverty Line (BPL) families across the nation;
- (b) whether Government could provide an overview of the progress made in providing PNG connections to BPL households in each State and Union Territory;
- (c) the steps which have been taken to ensure the affordability of PNG for BPL families, including the pricing structure and subsidy mechanisms; and
- (d) the initiatives which are in place to create awareness and educate BPL families about the benefits and usage of PNG, along with safety precautions?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI RAMESWAR TELI)

(a) to (c) Providing Piped Natural Gas (PNG) connections is part of the development of City Gas Distribution (CGD) network and the same is being carried out by the entities authorised by Petroleum and Natural Gas Regulatory Board (PNGRB) as per Minimum Work Programme (MWP) and techno-commercial feasibility. PNGRB has authorized 300 Geographical Areas (GAs) covering about 98% of the population including BPL families and 88% of total geographical area of the country spread over around 630 districts in 28 states/UTs for the development of CGD network with MWP target of establishing approx. 12.50 crore PNG connections across the country by 2032. As on 31.10.2023, 1.19 crore PNG connections (including those provided to the BPL families) have been provided by the authorised CGD entities across the country.

To ensure the affordability of PNG, Government has approved the revised domestic natural gas pricing guidelines vide gazette notification dated 07.04.2023 for gas produced from nomination fields of ONGC/OIL, New Exploration Licensing Policy (NELP) blocks and pre-NELP blocks, where Production Sharing Contract (PSC) provides for Government's approval of prices. The price of such natural gas shall be 10% of the monthly average of Indian Crude Basket and shall be notified on a monthly basis. For the gas produced by ONGC & OIL from their nomination blocks, the Administered Price Mechanism (APM) price shall be subject to a floor and a ceiling of \$ 4.0/MMBTU & \$ 6.5/MMBTU respectively. The reforms have led to significant decrease in prices of Piped Natural Gas (PNG) for households and Compressed Natural Gas (CNG) for transport. Further, allocation of domestic gas to PNG (Domestic)/CNG (Transport) has been kept in no cut category. Government has increased the

allocation for CNG (T)/ PNG (D) segment of CGD sector from 8.32 MMSCMD in first half of 2013-14 to 21.143 MMSCMD for July-September 2023-24.

Government has taken various steps, including, increasing domestic gas allocation to about 250% of the allocation in 2013-14, diverting domestic gas from power and other non-priority sectors to meet the requirement for CNG (transport) and PNG (domestic) segments, declaring CNG(T)/PNG(D) segment as the first priority for allocation of domestic natural gas, etc. Government has also notified that gas produced from discoveries in Deepwater, Ultra Deepwater and High Pressure-High Temperature areas, in any situation which may require proportionate distribution of the gas offered under the bidding process, the contractor shall offer gas to bidders belonging to CNG(T)/PNG(D) sector on priority.

(d) PNGRB is mandated under the PNGRB Act to lay down safety standards for downstream activities related to natural gas including supply of PNG to households. The authorised entities undertake various awareness/educational programme to propagate the benefits of PNG and the safety protocols among people.
