Presentation Covers:

1. Regulatory Framework in downstream Petroleum & Natural Gas Sector; and

2. Development of Natural Gas
Transmission & Distribution
Networks in Uttar Pradesh

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Regulatory Framework In Downstream Petroleum & Natural Gas Sector

PNGRB Act, 2006

- •Petroleum and Natural Gas Regulatory Board (PNGRB) Act was enacted by Parliament in March'06
- •Government of India established PNGRB w.e.f. 1.10.2007
- •One Chairperson and four full time Members

Basic Objectives of PNGRB Act, 2006

- ✓To protect the interest of consumers and entities
- ✓To ensure uninterrupted and adequate supply in all parts of the country
- ✓ To provide level playing field
- ✓ To promote competitive markets

Salient Functions of PNGRB

Fostering fair trade & competition amongst entities

Register entities for-

marketing petroleum, petroleum products & natural gas

establishing & operating LNG terminals

establishing storage facilities

Authorize entities for-

Laying, building, operating or expanding a common carrier or contract carrier for transportation of natural gas or petroleum products

Laying, building, operating or expanding city or local natural gas distribution network

Salient Functions of PNGRB (contd.)

Declaring pipelines as common carrier or contract carrier & specify access code for allowing access to such pipelines

In respect of notified petroleum, petroleum products & natural gas -

Ensure adequate availability

Monitor prices & take corrective measures to prevent restrictive trade practices

Enforce retail service obligations & marketing service obligations

Lay down technical standards & specifications including safety standards in activities relating to petroleum, petroleum products & natural gas

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PNGRB Act, 2006



Empowers
Central
Government to
prescribe Rules



Empowers
PNGRB to notify
Regulations

Development of **Natural Gas** Transmission & Distribution Networks in UP

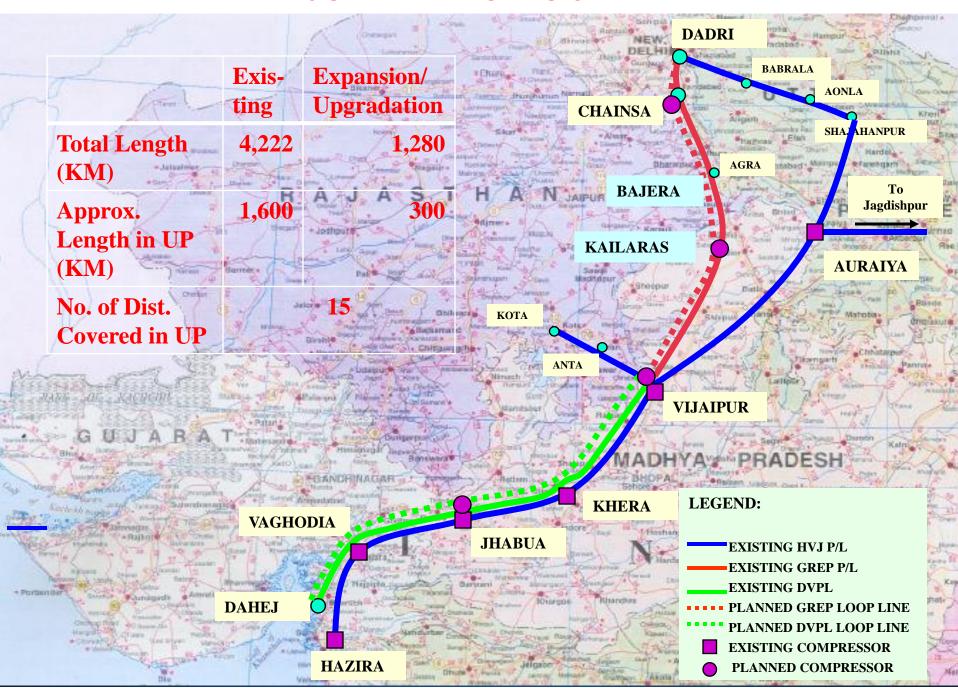
Natural Gas

- •In the context of energy security, Natural Gas is emerging as key and increasingly dominant source.
- •Other fuels are likely to be costly, if subsidy is scaled down
- •Natural Gas is eco-friendly; For an equivalent amount of heat, gas produces 30% less carbon dioxide compared to petroleum and 45% less carbon dioxide than coal
- While, Natural Gas is a Central subject, action by State Government for development of infrastructure is required

Natural Gas Pipelines Connecting U.P.

- Four Natural Gas Pipelines are connecting UP
- Approximately 2,250 KM of natural gas pipelines in UP
- These natural gas pipelines cover 17 major districts in UP

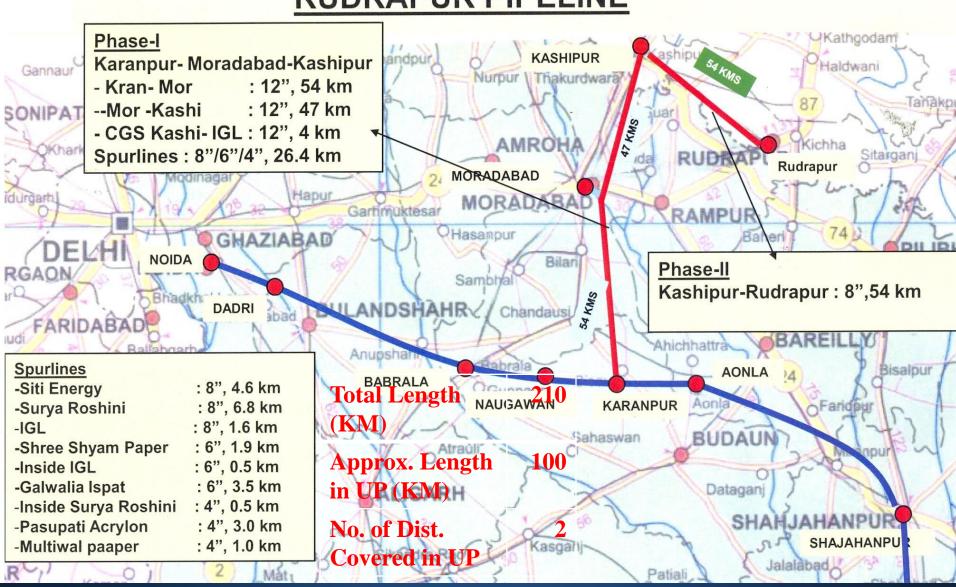
HVJ-GREP-DVPL NATURAL GAS PIPELINE



Dadri-Bawana-Nangal Natural Gas Pipeline



ROUTE MAP - MORADABAD - KASHIPUR - RUDRAPUR PIPELINE



Development of CGD Networks in UP

• At present, CGD networks are under development in the following 13 Geographical Areas (GAs) in UP:

S.	Name of the GA	S.	Name of the
No.		No.	GA
1.	Lucknow	8.	Ghaziabad
2.	Kanpur	9.	Moradabad
3.	Ferozabad	10.	Agra
4.	Meerut	11.	Mathura
5.	Noida & Greater Noida	12.	Khurja
6.	Allahabad	13.	Bareilly
7.	Jhansi		

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Other Areas identified *suo motu* for development of CGD Networks in UP

S.	GA covering	S.	GA covering
No.	cities/towns	No.	cities/towns
1.	Shahjahanpur	10.	Etawah
2.	Dadri	11.	Jagdishpur
3.	Hapur	12.	Badauan
4.	Jhansi	13.	Aligarh
5.	Auraiya	14.	Hathras
6.	Dibiyapur	15.	Bulandshahr
7.	Phaphund	16.	Modinagar
8.	Babarpur	17.	Muzafarnagar
9.	Mainpuri	18.	Allahabad

(Contd.....)

Other Areas identified *suo motu* for development of CGD Networks in UP

(Contd....)

S. No.	GA covering cities/towns	S. No.	GA covering cities/towns
19.	Ballia	26.	Akbarpur
20.	Mirzapur	27.	Faizabad
21.	Bhadohi	28.	Saharanpur
22.	Mau	29.	Garhmukteshwar
23.	Jaunpur	30.	Rampur
24.	Sultanpur	31.	Ghazipur
25.	Azamgarh	32.	Gorakhpur

Action Required From Government of UP

- Consider common ducting/corridor for all utilities including CGD network
- Development of skilled manpower through ITIs
- Notify Single Window Clearance Mechanism at State/District/Municipality levels
- Notify Nodal Officers at State/District/Municipality levels
- Mandate use of CNG in all commercial vehicles in GAs where CGD networks and CNG facilities being developed
- Exempt / Reduce Trade Tax on Natural Gas

- While development of natural gas transmission and distribution networks is necessary for the growth of the State, all the stakeholders including the State Government must ensure compliance of technical standards & safety standards and regular monitoring of integrity of the infrastructure to prevent disasters
- All the stake holders including State Government agencies must also ensure preparation and implementation of emergency disaster management plan to effectively handle the disasters and reduce loss of human lives and property



Thank you