

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

UNSTARRED QUESTION NO:3725
ANSWERED ON:02.12.2010
SETTING UP OF CNG STATIONS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether number of State Governments have set up several CNG stations without prior permission of the Union Government;
- (b) if so, the details thereof;
- (c) the rules under which the said stations have been set up; and
- (d) the reaction of the Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) to (d): No State Government has set up any CNG station. However, some State Public Sector Undertakings and other companies have set up CNG stations without the permission of the Central Government.

The Government has enacted "Petroleum and Natural Gas Regulatory Board Act, 2006" and has constituted Petroleum and Natural Gas Regulatory Board (PNGRB) thereunder. PNGRB Act provides that no entity shall lay, build, operate or expand any city or local natural gas distribution network without obtaining authorization from PNGRB under the Act. The Act also provides for punishment and penalty if a person lays, builds, operates or expands a city or local natural gas distribution network without obtaining authorisation required under the Act. PNGRB has formulated Petroleum and Natural Gas Regulatory Board (Authorizing entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 to inter alia consider authorisation to entities, which have been operating without Central Government's authorization.