

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

UNSTARRED QUESTION NO:664

ANSWERED ON:24.11.2011

PRICE OF PNG

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

- (a) whether the Piped Natural Gas (PNG) is cheaper than Liquefied Petroleum Gas (LPG) in the country;
- (b) if so, the details thereof;
- (c) whether the number of PNG customers are less than those of LPG customers;
- (d) if so, the details thereof and the reason thereof; and
- (e) the steps being taken by the Government for laying the pipelines and increase PNG connectivity in the country?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (SHRI S. JAIPAL REDDY)

(a & b): PNG is currently being sold to households in Delhi at a rate of Rs.22 per scm (upto consumption of 30 scm in two months) and at Rs.34 per scm (beyond consumption of 30 scm in two months). The price of domestic LPG (at Delhi) is Rs.399 for a 14.2 kg cylinder. The corresponding energy equivalent price of PNG is Rs. 391 (at Rs.22/scm) and Rs. 605 (at Rs.34/scm) as compared to Rs. 399 for a 14.2 kg LPG cylinder.

(c) & (d): Against a total of 1328 lakh LPG customers, there are only 15.88 lakh PNG customers in the country. Domestic LPG cylinders are being sold to the customers for several decades whereas development of City Gas Distribution (CGD) project is only starting, and depends, inter alia, upon pipeline connectivity, availability of gas and commercial viability of the project.

(e): Government of India has enacted the "Petroleum and Natural Gas Regulatory Board (PNGRB) Act, 2006", wherein PNGRB is entrusted with the responsibility of, inter alia, authorization of entities to operate CGD networks. PNGRB has envisaged a rollout plan of CGD Network Development over the next five years in more than 300 Geographical Areas (GAs) in the country.