



MADHYA PRADESH CITY GAS DISTRIBUTION (CGD) NETWORK DEVELOPMENT AND EXPANSION POLICY 2025



**FOOD, CIVIL SUPPLIES &
CONSUMER PROTECTION DEPARTMENT,
GOVERNMENT OF MADHYA PRADESHA**



The Madhya Pradesh government is implementing the City Gas Distribution (CGD) Policy 2025 to revolutionize the energy sector. Under this policy, the distribution network of piped natural gas (PNG) and compressed natural gas (CNG) will be expanded in the state, making clean and affordable fuel available to every household. The state government aims to attract investors and establish Madhya Pradesh as India's leading green energy hub.



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Food, Civil Supplies & Consumer Protection
Department, Government of Madhya Pradesh

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1. Overview :

- 1.1.1 India is an emerging economy, with the largest population in the world, and the demand for energy in the country is increasing rapidly. To meet this growing energy demand, it is necessary to increase the share of clean energy sources in the fuel mix to ensure sustainable economic growth. Apart from renewable energy sources, natural gas is playing an important role as an alternative clean fossil fuel and providing solutions to environmental challenges.
- 1.1.2 The Government of India (GOI) has taken several steps to promote natural gas and aims to increase the share of natural gas in the country's primary energy mix from 6.2% to 15% by 2030. The Petroleum and Natural Gas Regulatory Board (PNGRB) has approved authorized entities to set up CGD networks in various cities and towns, thereby increasing the consumption of natural gas.
- 1.1.3 CGD project is classified as a public utility project by the Government of India. The project provides facility for supply of Piped Natural Gas (PNG), Compressed Natural Gas (CNG) for commercial and industrial use and transportation. Apart from this, it will also be helpful in sustainable development of industries and environmental protection.
- 1.1.4 The CGD Policy of Madhya Pradesh aims to provide clean and affordable fuel to the domestic, commercial and industrial consumers, reduce pollution levels in cities, streamline CGD operations, provide necessary permissions and provide a framework for the land allotment process. Also, the policy seeks to attract investment in the state and create employment opportunities in various sectors such as construction, engineering, maintenance and customer services.

1.2 Background :

- 1.2.1 The Government of India notified the Petroleum & Natural Gas Regulatory Board (PNGRB) Act 2006, which provides the legal framework for the development of the natural gas pipelines and city or local gas distribution networks. Petroleum and Natural Gas Regulatory Board (PNGRB) has issued authorization to develop CGD infrastructure in a defined Geographical Area to various CGD Entities through bidding process with following salient feature:
 - I. These Geographical Areas (GAs) may contain a part of district or a district or more than a district.

- II. Authorized CGD Entity shall follow the Minimum Work Program (MWP) schedule set by PNGRB, which include development of the Steel Pipeline Network (Inch-KM), Number of CNG Stations and Number of Domestic-PNG connections in the authorized area and there are also penalty provisions on CGD Entities in case of not meeting the MWP targets. This makes the CGD projects as time bound projects.
- III. Exclusivity of CGD infrastructure as common carrier is available to the CGD Entities in their authorized Geographical Areas for a period as specified in their respective authorization letter.

1.2.2 The Government of India, in public interest, notified on 20.12.2006, the Policy for Development of Natural Gas Pipelines and City or Local Natural Gas Distribution Networks. The objective of the GOI policy is to promote investment in natural gas pipelines and city or local natural gas distribution networks from the public as well as the private sector, to facilitate open access for all players to the pipeline network on a non-discriminatory basis, to promote competition among entities thereby avoiding any abuse of the dominant position by any entity, and secure the consumer interest in terms of gas availability and reasonable tariff for natural gas pipelines and city or local natural gas distribution networks.

GOI Policy covers various issues faced by CGD Entities for the states, as mentioned below-

- I. Demarcation of land/plots for CNG stations in the cities and village planning areas as proposed under master plan.
- II. Setting standard permission charges for road restoration and time bound permissions in accordance with local conditions.
- III. Incorporation of gas pipeline infrastructure in the Architectural design of residential and commercial buildings.
- IV. Issuance of instructions to PWD and other concerned departments to have provision of PNG in all Govt./Public sector colonies.

1.3 Benefits

- I. Availability of clean, green and less polluting fuel, emits lower greenhouse gases, reduces carbon footprint, improve air quality index, and reduce the health impacts of air pollution on its citizens.

- II. City gas distribution provides uninterrupted, convenient and reliable source of clean energy to households, commercials, industries, and transport sectors.
- III. It enhances ease of living concept.
- IV. It supports economic growth.
- V. It creates infrastructure in each district by huge capital investment.
- VI. It creates employment generation.
- VII. It ensures the “energy security” of the country.
- VIII. It reduces dependency on imported crude Oil.
- IX. It promotes indigenous products but also provide pathway to sustainable development.

1.4 Technical requirements for the Development of the CGD

The basic technical requirements for the successful implementation of the City Gas Distribution network in any Geographical Area (GA) are as follows:

- I. CGD entity needs to follow all regulations laid by PNGRB & PESO.
- II. The CGD entity requires connectivity with the National Gas Grid. This is the lifeline for any CGD project. This may be either already operational cross country gas pipelines or LNG Tankers.
- III. The CGD entity needs to have a City Gate Station (CGS) at the GA as receiving terminal.
- IV. The CGD needs to lay Steel (High Pressure / Primary Network) and MDPE - Medium Density Poly Ethylene (Medium Pressure / Secondary Network) gas pipeline infrastructure up to the burner of the domestic households and in case of Industries/Commercial establishments up to their premises. The grant of permission by any authority/agency/ Board etc to lay gas pipeline network should be time-bound.
- V. In case of MDPE network, the CGD entity has to put up District Regulation Station (DRS) at regular intervals because it has limited radius of operation.

1.5 Initiatives of the Government of India to promote CGD sector

- 1.5.1 With a vision to promote the expansion of City gas networks and enhance the usage of natural gas, Government has allocated domestically produced natural gas, which is cheaper than imported natural gas (Liquefied Natural Gas-LNG), to meet the entire requirement of Domestic (Piped Natural Gas) and Transport (Compressed Natural Gas) segments of CGD sector. This has been kept under the no cut category. Many other initiatives have been taken by the Government to increase gas consumption. The details of such initiatives are attached as Annexure 2.
- 1.5.2 Ministry of Petroleum and Natural Gas (MoP&NG) along with Petroleum and Natural Gas Regulatory Board (PNGRB) is focusing on the development of natural gas infrastructure across the country. The overall coverage of CGD networks has been expanded to 307 Geographical Areas covering about 100 % of India's area excluding Islands.

1.6 Progress of CGD infrastructure development in Madhya Pradesh:

- 1.6.1 The process of expanding the infrastructure of city gas distribution network has been started in 25 geographical areas of all 55 districts in state of Madhya Pradesh, which includes a minimum work program to setup about 60 Lakh domestic PNG connections and to establish 1207 CNG stations which attracts investment of about Rs.40000 cr. in coming 6-8 years. There is a possibility of continued investment in upcoming value addition services in the natural gas value chain which will also provide more employment generation opportunities.
- 1.6.2 PNGRB has notified the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 for authorization and development of CGD infrastructure in the country. Further, PNGRB (Code of Practice for Quality of Service for City or Local Natural Gas Distribution Networks) Regulations, 2010 inter alia includes standards for providing domestic PNG connections and providing new domestic PNG connection within three months of receiving the application.
- 1.6.3 With a view to facilitate CGD network infrastructure in Madhya Pradesh and overall development of value-added services within stipulated time schedule, there is a need to issue all permissions under an online single window system.

- 1.6.4 Overall, the CGD policy in Madhya Pradesh is aimed at promoting the use of natural gas as a clean and efficient source of energy, and encouraging the development of infrastructure to support its use in various sectors of the economy.

2. Objectives of the Policy for CGD Network Development & Expansion-

The State Government endeavors to increase the use of Piped Natural Gas as a fuel for domestic, commercial and industrial sectors while Compressed Natural Gas for the transport sector and to facilitate development of CGD infrastructure in authorized area along with development of value addition services and other opportunities. In order to achieve the above requirements, the State Government sets the state policy for speedy implementation of city gas distribution network, value-added services and opportunities to expand in safe and sustainable manner.

- 2.1 The objective of development of city gas distribution network is to increase the availability of clean and safe cooking fuel (PNG) and clean transportation fuel (CNG) to the citizens of the state.
- 2.2 Establish asset integrity and ensure uninterrupted and safe supply of natural gas.
- 2.3 Creating a policy framework for city gas distribution entities and providing standardized and time-bound permission/approval through necessary Single window system.
- 2.4 Encourage use of natural gas for the industrial / commercial, transport and household purposes.
- 2.5 Ensure speedy implementation of city gas distribution infrastructure in the state.

3. Obligations of the CGD Entities:

- 3.1 The CGD entity will develop the CGD network in their respective Geographical Areas in time bound manner as per the terms of the authorization.
- 3.2 The CGD entities shall regularly carry out mega publicity campaigns through media for generating awareness in the public about the benefits of PNG and CNG and to do customer registrations in their respective authorized Geographical Areas.

- 3.3 The CGD Entities will submit the online progress report quarterly of their respective Geographical Areas to Directorate Food civil supplies and consumer protection M.P. Bhopal. Further, the entities shall comply to the Government guidelines issued to them time to time, in public interest.
- 3.4 The CGD Entities should create awareness to the CNG customers at their CNG filling stations that they should use only the standard CNG kits in their vehicles fitted through Government authorized retro-fitment centers only. The retro-fitment centers should be expanded in all districts of MP in a phased manner. Further, they should also insist customers to produce cylinder testing certificates as per Government norms.
- 3.5 CGD Entities should carry- out the committed Minimum Work Programme (MWP) as per the yearly schedule. The annual work progress will be reviewed time to time by the State Government.
- 3.6 The CGD entity should promote awareness towards the usage of public and commercial transport vehicles to run on CNG in the district.
- 3.7 The CGD Entity should promote awareness towards the usage of PNG and CNG among Domestic, Industrial and Commercial consumers.
- 3.8 The CGD Entity should ensure safe operations of CGD Network.

4. Employment and training status due to development of city gas distribution network -

- 4.1 CGD entity will enter into an agreement (MoU) with the Department of Technical Education and Skill Development to start employment-oriented courses (duration-06 months) for CGD operations and after completion of the course, such trained people will be employed by the company/authorized CGD entity. Employment will be given on priority basis.
- 4.2 Under the CGD project, training will be provided in trades like Plumber, Electrician, MDPE Technician, Civil Engineering Assistant, Office Administration, Welder, Computer Operator, surveyor, Building Construction Supervisor Fitter etc. On an average 05 persons per district will be provided skill training per trade per year.
- 4.3 Skilling Plan and Employment Plan under the sectors will be as follows:-

Sectors	Direct Employment (approx.)	Indirect employment/ contract basis (approx.)
CNG (Operation & Maintenance)	2 Persons/GA	6 Persons/CNG Station
D-PNG (Operation & Maintenance)	4 Persons/GA	1 Person/100 PNG Connections
Steel Line (Operation & Maintenance)	2 Persons/GA	1 Person/10 km
C-PNG and L-PNG (Operation & Maintenance)	2 Persons/GA	1 Person/ Connection
Misc, Admin, Security etc, (Operation & Maintenance)	2 Persons/GA	1 Person/CGD Office

- 4.4 The authorized CGD entities in each district will collaborate as a knowledge partner with the Department of Technical Education and Skill Development to develop curriculum for the courses related to CGD operations and projects.

5. Permissions for City Gas Distribution Infrastructure Development;

CGD network is a vital public utility, and supply of natural gas to domestic, commercial, industrial and transport sectors is one of its major civic services. Laying of pipelines on National Highways/State Highways/Village Roads/District Roads and roads under the jurisdiction of Municipal Corporation/Panchayat bodies requires obtaining permissions from various concerned authorities. Since CGD pipeline network is a time bound project, obtaining these permissions in a time bound manner is essential for its speedy development. In addition, maintaining uniformity in various types of charges, standardizing the permission process and developing a work Oriented payment system is also an important part of this process.

5.1 Type of Permissions/No Objection Certificate (NOC):

- I. An NOC from the District Magistrate (DM) is required to operate a stand-alone CNG station, LNG station, L-CNG station, or de-compression unit. However, if the CNG installation is within the license area of an existing Oil Marketing

Companies (OMC) retail outlet, no separate NOC is needed. If the license area is modified or revised, a new or revised NOC from the District Magistrate will be required for the modified area.

II. ROU Permissions: This is required to lay the pipelines in the ROW of owner department attached as Annexure-3

5.1.1 Time limits for issuing required permissions/No Objection Certificate as per clause 5.1 - attached as Annexure-3

5.2 Documents to be submitted for No Objection Certificate for CGS (City Gate Station)/LCNG/LNG/CNG/DCU:

I. Covering letter (signed by GA Head or authorized person)

II. Authorization letter from PNGRB

III. Site plan (layouts, dimensions, description of surroundings, details of buildings and equipment and facilities etc.)

IV. Land ownership documents/sale deed/other Documents

V. Khasra/Map/Mutation Certificate/Lease Documents

VI. LOI/EOI (for CNG station) issued by CGD entity

5.3 ROU Permissions attached as Annexure -3.

5.3.1 Documents to be submitted for District Magistrate permission:

The CGD entity shall submit the application in the prescribed format for laying of pipeline to District Magistrate or Road Authority in a detailed file with following drawings/ documents:

I. Authorization letter from PNGRB

II. Detailed Project Report (DPR)

III. Planimetry Drawings/Route map with detailed pipeline length and name/type of road

IV. Pipeline details, size, thickness, design details etc.

V. Pipeline laying methodology i.e open trenching or trenchless methodology

VI. Length of pipeline to be laid in different sections of the road for estimate preparation for restoration purpose i.e length to be laid in carriage way, hard

shoulder, soft shoulder and earthen surface etc.

- 5.3.2 The CGD unit will repair the road and bring it to its original condition. The road surface will also be brought to the same condition as it was before the work. The Entity will have to ensure repair of the road within the stipulated time frame and at any point of time, the road cannot be left open for more than 5 km without repair. Further digging will be allowed only after the already dug up roads have been repaired to a motorable condition.
- 5.3.3 At the time of issuing permissions, permission issuing department/ board shall take a single bank guarantee for the work in its jurisdiction for entire GA i.e. the amount of security deposited once will not be charged again by the concerned office/department for more than one place within the district but the amount will be carried forward. If the length/area of work exceeds with previous permitted length/area due to network expansions at any point of moment, additional security amount shall be deposited by CGD Entity.
- 5.3.4 In case city gas infrastructure development work is being executed in more than one district, a lump sum amount may be deposited by the CGD entity as bank guarantee in the state office of the department/body.
- 5.3.5 On satisfactory restoration of roads, the security deposit/Bank Guarantee(BG) will be refunded as per the rules of the concerned department and the remaining amount will remain with the department as defect liability for a period as per the rules of the concerned department, from the date of restoration of roads.
- 5.3.6 CGD entity to carry out restoration via DIG & RESTORE methodology” (herein entity carries out both excavation and restoration work) for which only Bank Guarantee shall be submitted.

Or

In areas particularly sensitive from a security point of view, authorized entity to carry out work via “PAY & DIG methodology” (here in the fixed amount will be paid by the entity for road restoration and the repair work shall be done by the concerned permission issuing department).

- 5.3.7 No separate permissions are required in the areas where MDPE gas pipeline network already exist. In this case, Last Mile Connectivity (LMC) will be allowed only on basis of permission given earlier. As per the need of consumers, the PNG

connections are provided by tapping it from the underground pipeline network laid earlier. Those pits shall be restored by CGD Entity within 2 days of time.

- 5.3.8 While laying underground pipeline, the CGD Entity will ensure that no damage is inflicted on already existing utilities. If gas pipeline is damaged by any other Entity/Department/ Individual, the cost of repair of gas pipeline shall be borne by the agency who damaged it.
- 5.3.9 While laying underground pipeline in concrete roads Tunnelling/road cutter (HDD methodology) shall be used instead of open excavation.
- 5.3.10 Permissions are given to CGD entities for laying of pipeline and road cutting/ excavation and road restoration via the Urban Development and Housing Department's circular no. F-10-11/2022/18-2 dated 16.08.2022. Fee and Bank Guarantee amount will be calculated in line with these guidelines. In this regard, various guidelines issued by the department from time to time will be applicable.
- 5.3.11 Permissions are given to Government Departments and private institutions for road cutting/excavation at the end of ROW parallel to the road constructed by the Public Works Department via its circular no. 157/2712/19/2025 dated 16.01.2025. Fee and Bank Guarantee amount will be calculated in line with these guidelines. In this regards, various guidelines issued by the department from time to time will be applicable.
- 5.3.12 For the roads constructed by Madhya Pradesh Road Development Corporation, fees and bank guarantee regarding issuance of NOC for setting up CNG station/ ROU permission for laying gas pipeline will be applicable as per circulars of Ministry of Road Transport and Highways, Government of India number RW/NH-33023/19/99-DO-III dated 24.07.2013, number RW/NH-33044/29/2015/S&R (R) dated 22.11.2016, number 385/230/PP/MPRDC/2020 Bhopal dated 18.05.2020 and circular issued by Madhya Pradesh Road Development Corporation number 12421/230/PP/MPRDC/2024 Bhopal dated 23.12.2024 and guidelines issued by the Department from time to time will be applicable.
- 5.3.13 In respect of the pending cases for laying gas pipeline along or below the roads of MP Rural Road Development Authority, the circulars of MP Rural Road Development Authority by letter No. 10763/22/वि-12/ग्रामप्रा/Maint-2/19Bhopal dated 05-08-2019, letter No. 1047/22/V-12/GM(M-II)/2020 Bhopal dated 20.01.2020

and letter No. 4144 dated 17.03.2020, shall be applicable. In this regards various guidelines issued by the department from time to time will be applicable.

- 5.3.14 Regarding fees in issuance of NOC from Madhya Pradesh Pollution Control Board for setting up a CNG station by the applicant (CGD Entity) the Board's circular number 317/1027/2021/32-3 Bhopal dated 31.03.2022 and guidelines issued by the department from time to time will be applicable.
- 5.3.15 Madhya Pradesh Bhumi Vikas Niyam 2012, published in the Gazette on 13.04.2012 by Department of Housing and Environment, Mantralaya, Bhopal, will be applicable for fees in relation to the issuance of NOC for setting up a CNG station within planning area of Town and country planning of Madhya Pradesh and guidelines issued by the department from time to time will be applicable.
- 5.3.16 CGD Entities shall inform their gasified network to the concern ROW owner departments (Nagar Nigam/ Palika, PWD and others) so that any digging by such department shall be allowed with information to CGD Entities in the vicinity of Gas Pipeline Network.
- 5.3.17 The organization developing the city gas distribution network shall register itself on the portal called C-BuD (Call Before U Dig) and before starting work, it shall inform the concerned agencies about its infrastructure
- 5.3.18 For planning the network, use of Gatishakti Portal of Central Government should be ensured.
- 5.3.19 Whenever the city gas distribution entity sets up its network, it should be updated accordingly on the Gatishakti Portal.
- 5.3.20 In CGD infrastructure, DRS (District regulating Stations) about 10x8 sq. meter or De-Compression (DCU) unit about 20x20 sq. meter of land are required to be installed to cater PNG supply. DRS/DCU is a unit requiring land which ensures supply of PNG per DRS to about 2000-5000 households, it will be allowed to be installed in abandoned public parks, unused piece of Government lands, along roadside etc.
- 5.3.21 Sectionalizing valves & Service Regulators are required to be installed in CGD pipeline networks at certain intervals to isolate and regulate the gas supply in case of emergency. Separate permissions shall not be required to install these facilities.

6. Online permission System -

Permission for CGD network will be issued in the same way as permissions for laying optical fiber line, water pipeline and sewage pipeline are issued.

6.1 Single Window System:

Department of Food, Civil Supplies & Consumer Protection will develop online dashboard portal for submissions of online applications for implementation of CGD infrastructure. Single window online portal will be developed in next 06 months.

The collector is authorized as a single window mechanism to give various types of permissions at the district level. The CGD entity will submit application to district Collector for obtaining ROU facility / permission on a single window system. The applicant entity shall obtain the necessary no-objection certificate from the departments/undertakings of the Central Government.

7. Requirement of land for the development of City Gas Distribution

In the development/expansion of city gas distribution network, the authorized entity will require land for the following works in their authorized area-

- I. City Gate Station (CGS)- 50x50 sq. meter (approx)
- II. District Pressure Regulating Station (DRS)-10x8sq. meter (approx)for every 2000 to 5000 households
- III. De-Compression Unit (DCU)- 20x20 sq. meter (approx)
- IV. CNG station-Minimum area requirement is 35x35 sq. meter (approx) for each station.
- V. LNG/ L-CNG hub-Area requirement is 5600 to 7500 sq. meter. (approx)

8. Process of land allotment:

- 8.1 The allocation of Government land to the investor will be done as per Part C of Chapter 3 of Madhya Pradesh Nazul Bhumi Nivartan nirdesh 2020. The investor will select land from the land pool determined by the District Collector and submit an application to the Department and after examination by the Department, the application will be forwarded to the Collector for land transfer. The Collector

will transfer the land to the department as per the prescribed procedure of the above nirdesh 2020, for which the lease will be executed to the investor as per the direction's of the department. Permanent lease will be given for 30 years, which can be renewed as per the requirement with the consent of both the parties. Determination of interest (Prabyaji), land rent (Bhu-Bhatak) can also be ensured as per Part C of Chapter 3 of Madhya Pradesh Nazul Bhumi Nivartan nirdesh 2020. The format of application and lease will also be in accordance with the above nirdesh. In this regards, various guidelines issued from time to time will be applicable.

8.2 Transfer of land owned by ULB(urban local bodies) –

Transfer of land owned by local bodies in urban areas shall be governed by Madhya Pradesh Municipality (Immovable Property Transfer) Rules 2023.

9 Procedure for laying underground pipeline, cable or duct by CGD entities–

As per the Revenue Department's circular dated August 17, 2017, for laying underground pipeline, cable or duct by CGD entities, the license for laying underground pipeline, cable or duct inside the government land will be followed. In this regards various guidelines issued from time to time will be applicable.

10 Provision of CGD Network at the Planning Stage:

10.1 Earmarking of land for development of CNG Stations at the planning stage of town/city in the Master Plan:

The Development Authorities while preparing their City/Town master plans shall invariably include provisions for the PNG network and provisions for CNG stations. The CGD entity shall approach the respective authorities under their respective Geographical Areas for the same and work jointly with the concerned authorities for this purpose.

10.2 Inclusion of Gas Pipeline infrastructure in the Road Infrastructure Projects of Urban Local Bodies:

The ULB Authorities while executing road infrastructure projects including projects under Smart Cities shall invariably include provisions for the gas pipeline infrastructure along with other utilities.

10.3 Provisions for inclusion of PNG pipeline/network at the time of approval of building plan by local bodies (urban bodies and gram panchayats):

Town and Country Planning Department, Housing Department etc. will make necessary amendments in the bye-laws to provide gas pipeline infrastructure in residential and commercial buildings at the plan approval stage and ensure provision of PNG connectivity in all government housing, guest houses and office buildings.

- 10.4 Provisions will also be made for supply of PNG/CNG in industrial areas to be developed in future under the Department of Industrial Policy and Investment Promotion.

11 Adoption of CNG as one of the preferred transport fuel:

With a view to promote the usage of clean and green fuel in the transportation sector, policy thrust is required to make CNG as one of the preferred transportation fuel in Public Transportation. In this regard, the following steps may be taken by various departments

- 11.1 For the retrofitted vehicles, all vehicles shall have a CNG Kit and a cylinder fitted which is approved in accordance with the guidelines of the Ministry of Road Transport and Highways, Government of India, and installed and tested by a retrofitter agency authorized by the Transport commissioner/Regional Transport Office (RTO) of the State Government and will be issued a fitness certificate for its suitability for CNG use. It will be mandatory for the retrofitted agency to be authorized and registered on the 'Vahan' portal of the Transport Department. A vehicle once retrofitted would also require an RTO approval/endorsement on the Registration document before it is permitted to ply on the roads. These certificates are essential to be shown to the CNG station operator before each refill of the cylinder. The cylinder with stainless steel valves and connected facilities fitted in the vehicle shall be in accordance with effective Gas Cylinder Rules. These Cylinders should be subjected to a hydro test atleast once every three years.
- 11.2 To promote CNG vehicles, 1% lifetime motor vehicle tax exemption is being given. This exemption is only for lifetime motor vehicle tax and does not include

exemption in registration fee. Registration fee of vehicles will remain unchanged. This exemption will be applicable for one year after the implementation of the policy and will be allowed for only factory-fitted full CNG vehicles and not for hybrid vehicles.

- 11.3 In ecologically sensitive areas like Forest areas, Mining areas, etc. the CNG transport vehicles may be promoted as an initiative to improve the environment. Heavy diesel machinery being used in these areas can be converted to CNG.
- 11.4 Since natural gas is greener available fuel, CGD projects may be considered under White Category Industry from existing Green category.
- 11.5 State Level Apex Committee shall take necessary steps to facilitate the conversion of Diesel Generators in Telecom Service Towers, Apartments, Commercial Buildings and Industrial areas in the authorized area to CNG generators by bringing in appropriate rules/regulations.
- 11.6 The industrial areas must be encouraged to be connected by the gas pipeline network. In the industrial areas where gas pipeline connectivity has been developed, all the polluting fuels may be banned. Further, a list of approved fuels in line with Delhi NCR area may be adopted. The greater use of natural gas will bring down carbon emissions helping the nation to meet its COP-26 commitments.

12. Safety of gas pipeline network:

- 12.1 MP State Disaster Management Authority has prepared District Disaster Management Plan for each district. District authorities will organize mock drills annually with CGD entities in their respective geographical area to deal with any future eventuality in case of gas pipeline leakage/damage as per Emergency Response and Disaster Management Plan (ERDMP). It will be mandatory for all departments to participate in this mock drill.
- 12.2 All the other utilities being laid after the gas pipeline network has been established in a road, shall lay the same, at safe distance from the gas pipeline with necessary safeguards as per the norms. In case, the other utilities are already present before the gas pipelines are laid, then the CGD entity shall lay the gas pipeline with adequate safety precautions with necessary safeguards as per the norms.

- 12.3 If any unauthorized person/entity damages the gas pipeline/installations, then based on the CGD entity's written complaint the Police will immediately file the case as mandated under the relevant Acts related to gas pipelines and their safety.
- 12.4 The Emergency Response Vehicles used by the CGD Entities for responding to the gas pipeline leakage/damage, etc will be given the status of Emergency Vehicles by the Transport Department so that they can reach the spot without any delay.
- 12.5 The CGD Entity will put up the gas pipeline markers as per the government safety regulations/norms all along the gas pipeline routes and the same shall be maintained annually by them.
- 12.6 The CGD entity shall carry out regular periodic safety awareness camp/newspaper campaigns with all Local Authorities and Utility Providers to sensitize about safety aspects related with gas pipeline networks.
- 12.7 The CGD Entity shall take all precautionary measures for safety of the gas pipelines along the roads during the operation period or during maintenance. Similarly, they should take all the precautionary measures for safety of the structure/crossing of river or canal.
- 12.8 Due to the possibility of accident due to leakage from the gas pipeline, it will be necessary to get third party insurance and public liability insurance as per the provisions prescribed by the CGD entity.
- 12.9 CGS/DCU/LNG Hub shall be declared as prohibited area.
- 12.10 CNG Mobile cascade carrier vehicle shall be treated as public utility vehicle.
- 12.11 No separate permission is required by Town and Planning Commission/Nagar Palika/ Nagar Nigam for construction of CGS/DCU/CNG as per layout approved earlier in District Magistrate NOC.

13. Implementation/Monitoring Committee of City Gas Distribution Network

13.1 State Level Monitoring Committee (SLMC)-

State level Monitoring committee is constituted under the chairmanship of Chief Secretary, which will simplify the process for implementation of City

Gas Distribution Network; facilitate development of the CGD infrastructure and its allied value-added services and encouraging ease of doing business by establishment of suitable mechanism and formulation of policies.

1	Chief Secretary	Chairman
2	Additional Chief/Principal Secretary, Transport	Member
3	Additional Chief/Principal Secretary, Water Resources	Member
4	Additional Chief Secretary/Principal Secretary, Public Works Department	Member
5	Additional Chief Secretary/Principal Secretary, Panchayat and Rural Development	Member
6	Additional Chief Secretary/Principal Secretary, Urban Development and Housing	Member
7	Additional Chief Secretary/Principal Secretary Revenue	Member
8	Additional Chief/Principal Secretary Food, Civil Supplies and Consumer Protection	Nodal officer
9	Commissioner/Director, Town and Country Planning	Member
10	Principal chief conservator of forest	Member
11	Commissioner/Director, Food, Civil Supplies and Consumer Protection.	Member Secretary
12	Chairman Madhya Pradesh State Pollution Control Board.	Member
13	PNGRB Nominee	Member
14	Representative of PESO	Member
15	Representative of Authorized CGD entity	Member
16	Representative of oil companies	Member

The nodal officer and member secretary of the committee will do all necessary coordination with other concerned Ministries/Departments of the State Government.

13.1.1. Key Functions:

The committee shall decide measures which may, inter alia include the following:

- I. Development of CGD infrastructure in all parts of the Madhya Pradesh in alignment with various Government initiatives.
- II. Encouraging the usage of PNG and CNG through the conversion for city buses, auto-rickshaw, public transport vehicles and long-distance buses to CNG.
- III. Promote usage of PNG and CNG by all segments of consumers including industrial and commercial as a preferred fuel.
- IV. Addressing the issues related to safe CGD operations and all interfaces with the Government of Madhya Pradesh arising out of safe operations and emergency management.
- V. To deal with issues related to land allotment, utility and infrastructure status, ease of rolling out CGD business in line with that of other Utility programs such as telecom, electricity, water, etc.,
- VI. To coordinate with all the stakeholders for faster implementation of the Policy objectives set out here.
- VII. To implement suitable modification in Building Plan Rules for providing gas pipe line infrastructure in residential & commercial buildings at the architectural design stage itself to facilitate readiness of the buildings for “Gas-In” at the end of their construction.
- VIII. To develop suitable policy guidelines/framework for earmarking/allotment of feasible Government lands to accommodate the District Regulating System (DRS) and Pressure Regulating System (PRS) for setting up of CNG stations, etc., by the CGD entities.
- IX. The nodal Department will conduct training for other Departments at the state level as per requirement.

13.2 District Level Monitoring Committee (DLMC)-

District level Monitoring committee has been constituted by order no. F 19-66/2021/1/4 Bhopal dated 25 November, 2021 by General Administration Department, Government of Madhya Pradesh for the implementation of CGD network at

the district level. This committee as constituted below will be responsible for continuous monitoring of the implementation of CGD network expansion and regular review and provide resolution of inter-departmental difficulties.

1	District Magistrate	Chairman
2	Superintendent of Police	Member
3	District Forest Officer	Member
4	Chief Executive Officer	Member
5	General Manager/Manager Pradhan Mantri Gram Sadak Yojana	Member
6	Executive Engineer PWD/Water Resources	Member
7	Commissioner Municipal Corporation/Chief Municipal Officer	Member
8	District Officer, TnCP	Member
9	Regional Transport Officer	Member
10	Regional Officer, Madhya Pradesh Pollution Control Board	Member
11	Representative of authorized CGD entity	Member
12	District Supply Officer/Controller	Member secretary
13	Divisional Manager, MPRDC	Member

13.2.1. Periodicity of meetings:

The District Level Monitoring Committee (DLMC) shall be convened once in a month or more frequently whenever needed, during the implementation of the project. The status update on the review meeting shall be submitted to the Directorate of Food & Civil Supplies, Madhya Pradesh.

13.2.2. Key Functions:

The DLMC, headed by the District Magistrate concerned, will coordinate with the line Departments and monitor the progress of CGD works implemented in their District/Region and shall update the status to the State Nodal Agency periodically. The key functions include:

- I. To facilitate allotment of feasible Government land parcels to the CGD entities for establishing DRS/PRS/SRS stations and CNG/LNG stations including the issuance of the necessary permissions as per prevailing Government norms.
- II. To facilitate the provision of Government Lands under various categories available for consideration, in the pipeline alignment, submitted by the CGD entities.
- III. To facilitate the issuance of permissions/clearances and NOCs related to establishing CNG stations and laying pipelines in a time-bound manner.
- IV. To address the issues related to the seamless execution of CGD field works by CGD entities at different stretches in Cities/ Towns/Rural Area.
- V. To facilitate the provision of details covering various aspects viz. future road expansion, co-existence with other utilities, period of pipeline laying and public safety etc. in consultation with road-owning authorities concerned and as per synchronization of work envisaged under PM Gati Shakti Framework.
- VI. To deal with matters related to the adoption of all safety norms/measures by the CGD entities during the execution of pipeline laying works at various stretches, preferably road cutting and restoration work. In case any suitable manpower required by the District Administration for such supervision, the CGD entities shall assist in providing manpower at their cost.
- VII. Ensuring submission of ERDMP (Emergency Response Disaster Management Plan) by the CGD entities.
- VIII. Nodal Department will time to time conduct training to the officers of the concerned Departments with the help of the District Magistrate.

14. Grievance Redressal Mechanism:

- 14.1 There is a provision for CGD entities to redress all the complaints/issues raised by general public/authorities/other public utilities within 07 days.
- 14.2 The complaint lodged shall be forwarded to the one concerned CGD entity and the CGD entity shall address the same and submit the compliance against each complaint within seven (07) days to the District Nodal Officer.

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- 14.3 The State/District Level Monitoring Committee/Nodal Department will review all the complaints/grievances lodged by the public/authority/CGD entity on a quarterly basis

14.4 Dispute Resolution-

In the event of any dispute, controversy or claim arising out of or relating to the interpretation of this policy shall be resolved by Additional Chief Secretary/ Principal Secretary Food, Civil Supplies and Consumer Protection Department.

15. Validity of the policy:-

The validity of the said policy will remain effective for 05 years from the date of its inception.

Definitions

In this policy, unless the context otherwise requires, -

- a) “Act” means the Petroleum and Natural Gas Regulatory Board Act, 2006;
- b) “Authorized area” means the specified geographical area for a city or local natural gas distribution network (hereinafter referred to as CGD network) authorized under these regulations for laying, building, operating or expanding the CGD network which may comprise of the following categories, either individually or in any combination thereof, depending upon the criteria of economic viability and contiguity as stated in Schedule A, namely: - (i) geographic area, in its entirety or in part thereof, within a municipal corporation or municipality, any other urban area notified by the Central or the State Government, village, block, tehsil, sub-division or district or any combination thereof;
- c) “Board” means the Petroleum and Natural Gas Regulatory Board established under sub-section (1) of section 3 of the Act;
- d) “City or local natural gas distribution network” means an interconnected network of gas pipelines and the associated equipment used for transporting natural gas from a bulk supply high pressure transmission main to the medium pressure distribution grid and subsequently to the service pipes supplying natural gas to domestic, industrial or commercial premises and CNG stations situated in a specified geographical area
- e) “Compressed natural gas or CNG” means natural gas used as fuel for vehicles, typically compressed to the pressure ranging from 200 to 250 bars in the gaseous state;
- f) “CNG station” means filling station where one or more dispensing units are provided for sale of compressed natural gas;
- g) “Development of a CGD network” means laying, building, operating or expanding a city or local natural gas distribution network;
- h) “Entity” means a person, association of persons, firm, company or cooperative society, by whatsoever name called or referred to, other than a dealer or

distributor, and engaged or intending to be engaged in refining, processing, storage, transportation, distribution, marketing, import and export of petroleum, petroleum products and natural gas including laying of pipelines for transportation of petroleum, petroleum products and natural gas, or laying, building, operating or expanding city or local natural gas distribution network or establishing and operating a liquefied natural gas terminal;

- i) “Local distribution entity” means an entity authorized by the Board under section 20 to lay, build, operate or expand a city or local natural gas distribution network
- j) “Natural gas” means gas obtained from bore-holes and consisting primarily of hydrocarbons and includes- (i) gas in liquid state, namely, liquefied natural gas and degasified liquefied natural gas, (ii) compressed natural gas, (iii) gas imported through transnational pipe lines or through tankers/ any other means, including CNG or liquefied compressed natural gas, (iv) gas recovered from gas hydrates as natural gas, (v) methane obtained from coal seams, namely, coal bed methane, but does not include helium occurring in association with such hydrocarbons; It also includes blended forms of natural gas with Bio Gas (BG) and Hydrogen ;
- k) “Piped natural gas” (hereinafter referred as PNG) means natural gas transported through pipelines or cascades or any other permitted mode in a CGD network for consumption by any customer in domestic, commercial or industrial segments and includes natural gas supplied to an online CNG station before its compression;
- l) “Regulations” means regulations made by the Board under PNGRB Act, 2006;
- m) “Workprogram”, until issuance of authorization letter, means number of domestic PNG connections, number of CNG stations and Inch-kilometer of steel pipeline network as quoted by the bidder in the bid and after such issuance means number of domestic PNG connections, number of CNG stations and Inch-kilometer of steel pipeline network as mentioned in the authorization letter as per Schedule-D of CGD Authorization Regulations;

Measures taken by various Ministries of the Government of India to promote CGD sector

- 1 Domestically produced natural gas, which is cheaper than imported natural gas (Liquefied Natural Gas - LNG), has been allocated to meet the entire requirement of Domestic (Piped Natural Gas) and Transport (Compressed Natural Gas) segments of CGD sector and it has been kept by Ministry of Petroleum and Natural Gas under no cut category.
- 2 The CGD projects have been accorded “Public Utility Status” by the Ministry of Labour and Employment.
- 3 Ministry of Defence has issued guidelines for use of PNG in its residential complexes.
- 4 Department of Public Enterprises has issued guidelines to Public Sector Enterprises (PSES) to have provisions for PNG connectivity in their respective residential complexes.
- 5 Ministry of Housing and Urban Affairs has issued an advisory to State Governments on the following aspects
 - 5.1 Standardizing the Road Restoration/permission charges along with time-bound permission in accordance with the local conditions.
 - 5.2 Earmarking of land/plot for development of CNG Stations at the planning stage of town/city and same being specified in the revised Master Plan.
 - 5.3 Modifying relevant building by-laws for providing gas pipeline infrastructure in residential & commercial buildings at the architectural design stage
- 6 Further, the Ministry of Housing and Urban Affairs has directed Central Public Works Department & National Building Construction Corporation to have provisions of PNG in all Government Residential complexes,
- 7 Department for Promotion of Industry and Internal Trade (DPIIT) (Earlier DIPP) has notified Gas Cylinder (Second amendment) Rules, 2018 to ease out the process for setting up CNG dispensing facilities at existing Retail Outlets for Petrol & Diesel.
- 8 Ministry of Petroleum and Natural Gas facilitated Distribution of Natural Gas by allocation of Domestic Gas through Swapping of Natural Gas and transportation by LNG tankers and Cascades.

Annexure-3

Permissions for City Gas Distribution Infrastructure Development

No.	Type of permission	Competent authority	Activity	Time line in Working days
1	No objection certificate for operation of CNG/ LNG/ LCNG station	District Magistrate	1. Scrutiny of application and forwarding it to concerned departments (Police, Urban Administration & development, Panchayat & Rural development, Forest Department, Revenue Department, Industrial Health & Safety, Town & Country Planning, Road Authority /PWD/ MPRDC, Energy Department (Electricity Distribution Company), MPPCB, Food Civil Supplies & Consumer Protection and other departments. or In case of incomplete application, forward to the concerned applicant (CGD Entity).	Within 7 days of receipt of application
			2. In case of clarification the applicant (CGD Entity) will send the reply on the raised clarification along with complete documents to the District Magistrate	Next 5 working days (Total 12 days)
		Concerned Departmental Authority	3. Complete application will be sent to the concerned Department by District Magistrate	Next 3 working days (Total 15 days)
			4. Concerned department will scrutiny the received application/document and will receive fee and send the NOC to the District Magistrate Or In case of incomplete/improper application/documents concerned department will send it to the Applicant (CGD Entity) for clarification along with the required documents	Next 30 working days (Total 45 days)
			5. In case of clarification the applicant (CGD Entity) will send the reply along with complete documents to the concerned Department	Next 5 working days (Total days 50)
			6. Post scrutiny of the reply on the clarification sought from the applicant (CGD Entity), the concerned Department will send the NOC to the District Magistrate.	Next 5 working days (Total days 55)
		District Magistrate	7. Post scrutiny of the NOC received from all concerned departments Issuance/Rejection of Final NOC from District Magistrate office	Next 5 working days (Total 60days)

No.	Type of permission	Competent authority	Activity	Time line – in Working days
2	ROU Permission	Concerned department	1 Submission of application by the applicant (CGD Entity) on single window portal along with application fee payment to the respective Department and the documents as required by the Department/concerned road authority- PWD, MPRDCL, local body, MPRRDA, Water Resource and other Departments. Department will scrutiny the application and may conduct joint inspection if required. Post verification, Department will send the application to the District Magistrate with its opinion or In case the application is found incomplete/or clarification required, CGD will be intimated to provide the required clarification.	Within 30 days from the receipt of the application
			2. In case of clarification applicant (CGD Entity) will send reply on the raised clarification/provide complete documents to concerned department	Next 5 working days (Total 35 days)
			3. On receipt of clarification/complete documents from the applicant (CGD Entity), the concerned Department will forward consent to the District Magistrate with its opinion along with BG required as per the Department’s policy/circular to the entity or Reject the application with reasons	Next 10 working days (Total 45 days)
			4. Entity will submit the BG as per Department’s demand	Next 5 working days (Total 50 days)
			5. District Magistrate after examining the application may approve /seek clarification from the CGD Entity or may reject the application with reasons.	Next 15 working days (Total 65 days)
			6. In case of clarification the applicant (CGD Entity) will provide the necessary clarification/complete documents to the District Magistrate	Next 5 working days (Total 70 days)
	District Magistrate	7. After scrutiny by the District Magistrate, final permission will be issued to CGD Entity	Next 7 working days (Total 77 days)	
Note- The CGD entity itself will be responsible for obtaining any type of permission/no objection certificate from the Central Government Departments.				



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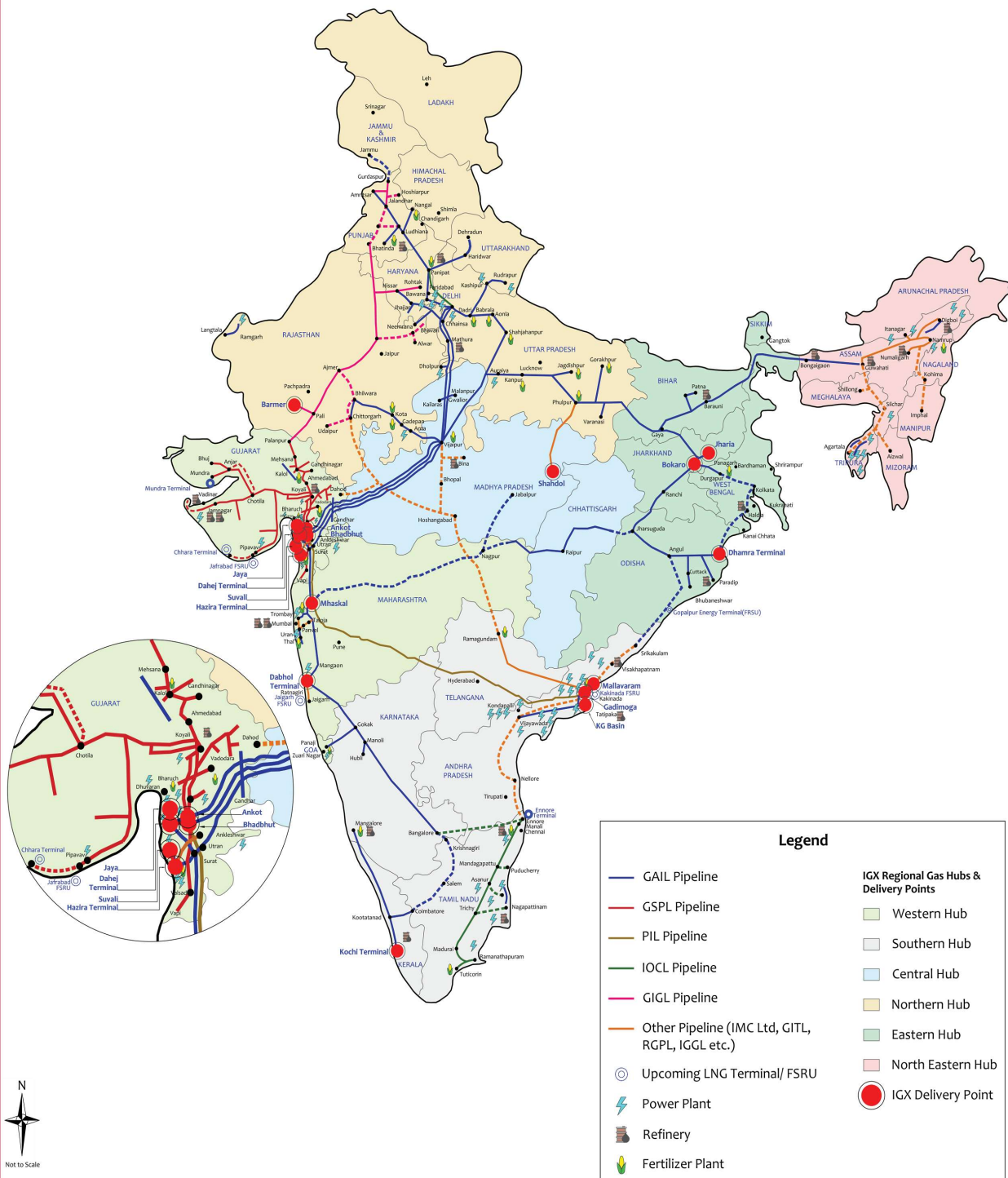
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NATURAL GAS INFRASTRUCTURE



Disclaimer: This map of natural gas infrastructure in India has been prepared as an illustrative and indicative material using information/data readily available in the public domain. Entities are advised to use the map at their own discretion. Indian Gas Exchange (IGX) take no responsibility for the correctness or completeness thereof or any liability or loss derived due to reliance upon the map.

