

PUBLIC NOTICE

TO WHOM SO EVER IT MAY CONCERN

1. This is with reference to clarification on Piped Natural Gas (PNG) as Natural Gas. It has come to the notice of Petroleum and Natural Gas Regulatory Board (PNGRB) that certain State authorities have raised concerns regarding classification of PNG as Natural Gas due to odorization and pressure reduction.

2. In this regard, PNGRB Act, 2006 & PNGRB (Technical Standards and Specifications including Safety Standards for City or Local Natural Gas Distribution Networks) Regulations, 2008 (CGD T4S Regulations) is referred. The following is highlighted: -

i. **Definition of Natural Gas.** The PNGRB Act, 2006, is inter alia quoted as under:
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Quote

"natural gas" means gas obtained from bore-holes and consisting primarily of hydrocarbons and includes-

gas in liquid state, namely, liquefied natural gas and degasified liquefied natural gas, compressed natural gas, gas imported through transnational pipelines, including CNG or liquefied natural gas, gas recovered from gas hydrates as natural gas, methane obtained from coal seams, namely, coal bed methane, but does not include helium occurring in association with such hydrocarbons;

Unquote

ii. **Technical Standards as per PNGRB Regulations.** The Regulations 2 (n), 2 (p) & 2 (r) of the CGD T4S Regulations are inter alia quoted as under: -

Quote

(n) "primary network" means a part of CGD network that operates at pressure above 100 psig (7 bar) and below 711 psig (49 bar) and pipelines forming part of this network called Gas Main or Distribution Main or Ring Main shall be designed to ensure uninterrupted supply of gas from one or more City Gate Stations to supply gas to the secondary gas distribution network or service lines to bulk customers through service lines;

(p) “secondary network” means a part of CGD network that operates at a pressure below 100 psig (7 bar) and above 1.5 psig (100 mbar) and pipelines forming part of this network shall be called low-Pressure Distribution Mains which shall be designed to ensure uninterrupted supply to tertiary network or to industrial consumers through service lines;

(r) “tertiary network” means a part of CGD network that operates at pressure less than 1.5 psig (100 mbar) and pipelines forming part of this network to service Pressure Distribution Mains shall be designed to ensure uninterrupted gas supply to service lines;

Unquote

iii. Odorization and Leak Detection Requirements. The Regulation 5 (b)(ii) of the CGD T4S Regulations is inter alia quoted as under: -

Quote

(b) The continuation of operation of existing CGD network shall be allowed only if it meets the following requirements, namely: -

The CGD system has leak detection system in position and is operative. For pipeline network it shall be odorization based and for enclosures such as CGS, above ground DPRS, it shall be gas leak detection based.

Unquote

3. In view of the above, it is clarified that the definition of natural gas as per the PNGRB Act, 2006 explicitly includes PNG, without any distinction arising from pressure regulation or odorization. Further, as per the Regulations 2 (n), 2 (p) & 2 (r) & 5(b)(ii) of the CGD T4S Regulations (as quoted above), it is essential to highlight that these processes are standard safety and operational requirements as per PNGRB's regulations and do not alter the fundamental nature of natural gas. The continuous supply of PNG at varying pressures is necessary to maintain system integrity and cater to consumer requirements across different segments.

Secretary