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PETROLEUM AND NATURAL GAS REGULATORY BOARD

NOTIFICATION

New Delhi, the _____, 2026

F. No. PNGRB/Monitoring/7/Misc(12)/2024 (E-5613) - In exercise of the powers conferred by section 61 of the Petroleum and Natural Gas Regulatory Board Act, 2006 (19 of 2006), the Petroleum and Natural Gas Regulatory Board hereby makes the following regulations to further amend the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, namely: -

1. Short title and commencement: -

(1) These regulations may be called the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2026.

(2) They shall come into force on the date of their publication in the Official Gazette.

2. In the Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, -

1) In **Regulation 9, after Sub-Regulation (3)**, following shall be inserted –

"(4) Upon achievement of the Minimum Work Programme (MWP) target and consequent reduction of the Performance Bank Guarantee (PBG) value to forty percent (40%) of its original value, the authorised entity shall be eligible for a further reduction of twenty-five percent (25%) of the reduced PBG amount upon achievement of an additional ten percent (10%) of Domestic PNG (DPNG) household connections, calculated on the basis of household data of the GA as per the Census 2011.

(5) The authorised entity shall be eligible for a further reduction of twenty-five percent (25%) of the reduced PBG value, subject to the condition that the PBG value shall not fall below the minimum threshold of ₹10 crore.

(6) Further, for every subsequent achievement of an additional five percent (5%) of household DPNG connections, the PBG value shall be reduced by twenty-five percent (25%) of the remaining PBG amount, on a progressive basis, subject to the condition that at no stage shall the PBG value fall below the minimum prescribed threshold of ₹10 crore. The minimum threshold PBG limit of ₹10 crore shall be retained till the period of Authorization.

Illustration: Consider the XYZ GA, which has 16,69,272 households and a PBG value of ₹2,212 crore.

Households as of 2011 census	***16,69,272***	***% of PBG Reduction***					
% Reduction Value	*100%*	*40%*	*25%*	*25%*	*25%*	*25%*	*25%*
PBG Values (in cr)	*2,212.00*	*884.80*	*663.60*	*497.70*	*373.28*	*279.96*	*209.97*
DPNG Target	*24,445*	*24,445*	*1,91,372*	*2,74,836*	*3,58,299*	*4,41,763*	*5,25,227*

2) In **Regulation 12 (2), "EXCLUSIVITY PERIOD**", in fourth para "the difference in the actual and scheduled natural gas flow in the transmission pipeline serving the authorized geographical area or the date when CGD network is ready to take gas, whichever is less" shall be substituted with the following, namely: -

"the difference between the actual commissioning date of natural gas flow in the designated pipeline of the GAs to the date on which the CGD entity was ready to take gas"

3) **In Regulation 12, "EXCLUSIVITY PERIOD**", the following sub-regulation (3), be inserted, namely: -

*"**Incentive for laying of steel pipeline (inch-km) beyond the assigned MWP target**.*

An authorised entity laying steel pipeline (inch-km) network beyond its assigned MWP target shall, in addition to any extension of exclusivity period otherwise admissible under these regulations, be eligible for an extension of the exclusivity period, subject to the following conditions, namely: -

(a) Up to 250 additional inch-km of steel pipeline laid beyond the assigned MWP target: – No extension of exclusivity period shall be granted;

(b) From 251 inch-km up to 1,000 inch-km additional of steel pipeline laid beyond the assigned MWP target: An extension of the exclusivity period by one (1) year shall be granted, subject to fulfillment that all districts falling within the authorised geographical area at the time of authorisation are connected through the steel pipeline network;

(c) More than 1,000 inch-km additional of steel pipeline laid beyond the assigned MWP target: An extension of the exclusivity period by two (2) years shall be granted, subject to fulfillment that all districts falling within the authorised geographical area at the time of authorisation are connected through the steel pipeline network;

Explanation – For the purposes of this sub-regulation (3) under Regulation 12, 'additional inch-kilometre of steel pipeline (inch-km)' shall mean the inch-kilometre of steel pipeline network laid by

the authorised CGD entity in the authorised geographical area, over and above its assigned MWP target of inch-kilometre of steel pipeline."

Note: This will be applicable to all authorised entities having multiple districts within their GA at the time of authorisation and having only Steel (inch-km) as the MWP target irrespective of the year of bidding or authorisation and only applicable GAs.

4) **In Regulation 14, "SERVICE OBLIGATIONS OF AUTHORIZED ENTITY (POST COMMISSIONING)" before Sub-Regulation (1)**, following shall be inserted –

"(1) The entity may levy a registration fee of amount not exceeding ₹1,000 (Rupees One Thousand only) from a technically feasible domestic PNG customer, provided that the requisite PNG infrastructure has been laid and the entity is in a position to provide the PNG connection within the stipulated timeframe as specified in the regulation."

Explanation: *For the purposes of these Regulations,* ***"registration"*** *shall mean the issuance by the authorised entity of a dated and numbered receipt acknowledging the receipt and acceptance of a duly filled application form submitted by an applicant for obtaining a new PNG connection.*

The said amount shall be adjusted against the interest-free, refundable security deposit collected from the domestic PNG customer towards securing the equipment and facilities provided by the authorised entity.

*(2)*****

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*(13)*****

[No. _____]

ANJAN KUMAR MISHRA, Secy.

Foot Note:

1. The principal regulations, Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008, was published in Gazette of India, Part II, Sec. 3(i) on 19th November, 2008, vide G.S.R. 196(E).
2. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2008, was published in Gazette of India, Part II, Sec. 3(i) on 19th November, 2008, vide G.S.R. 800(E).
3. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2009, was published in Gazette of India, Part II, Sec. 3(i) on 30th April, 2009, vide G.S.R. 295(E).

4. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2010, was published in Gazette of India, Part II, Sec. 3(i) on 7th June, 2010, vide G.S.R. 478(E).
5. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2010, was published in Gazette of India, Part II, Sec. 3(i) on 19th July, 2010, vide G.S.R. 605(E).
6. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2013, was published in Gazette of India, Part III, Sec. 4 on 21st June, 2013, vide F. No. PNGRB/ CGD/ REGULATIONS/REVIEW-2011/2012-III.
7. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2014, was published in Gazette of India, Part III, Sec. 4 on 7th April, 2014, vide F. No. PNGRB/CGD/BID/4/2013-PRE BID.
8. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2014, was published in Gazette of India, Part III, Sec. 4 on 1st January, 2015, vide F. No. L-MISC/VI/ I/2007.
9. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2015, was published in Gazette of India, Part III, Sec. 4 on 13th February, 2015, vide F. No. PNGRB/CGD/REGULATIONS/AMEND-2015.
10. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2015, was published in Gazette of India, Part III, Sec. 4 on 11th December, 2015, vide F. No. PNGRB/CGD/Amendment/2015/2.
11. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016, was published in Gazette of India, Part III, Sec. 4 on 29th March, 2016, vide F. No. VKS/DB/03/CGD.
12. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2016, was published in Gazette of India, Part III, Sec. 4 on 26th April, 2016, vide F. No. PNGRB/CGD/Amendment/2015/2/SC.
13. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2018, was published in Gazette of India, Part III, Sec. 4 on 6th April, 2018, vide F. No. PNGRB/Auth./CGD/Amd/2018.
14. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Second Amendment Regulations, 2018, was published in Gazette of India, Part III, Sec. 4 on 27th April, 2018, vide F. No. PNGRB/Auth./CGD/Amd/2018/2.
15. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Third Amendment Regulations, 2018, was published in Gazette of India, Part III, Sec. 4 on 6th November, 2018, vide F. No. PNGRB/Auth./CGD/Amd/2018/3.
16. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Fourth Amendment Regulations, 2018, was published in Gazette of India, Part III, Sec. 4 on 21st November, 2018, vide F. No. PNGRB/Auth./CGD/Amd/2018/4.
17. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2020, was

published in Gazette of India, Part III, Sec. 4 on 30th September, 2020, vide F. No. PNGRB/Auth/1-CGD(07)/2020 (P-884).

18. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2021, was published in Gazette of India, Part III, Sec. 4 on 7th September, 2021, vide F. No. PNGRB/Auth/1-CGD(79)/2019(P-770).
19. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2022, was published in Gazette of India, Part III, Sec. 4 on 14th February, 2022, vide F. No. PNGRB/Auth/1-CGD(79)/2019 (P-770).
20. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2023, was published in Gazette of India, Part III, Sec. 4 on 29th March, 2023, vide F. No. PNGRB/Auth/1-CGD(08)/2020(P-894).
21. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2024, was published in Gazette of India, Part III, Sec. 4 on 26th December, 2024, vide F. No. PNGRB/Auth/1-CGD(5)/2024(E-5303).
22. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025, was published in Gazette of India, Part III, Sec. 4 on 25th April, 2025, vide F. No. PNGRB/Auth/1-CGD(10)/2024.
23. The Petroleum and Natural Gas Regulatory Board (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Networks) Amendment Regulations, 2025, was published in Gazette of India, Part III, Sec. 4 on 17th September, 2025, vide F. No. PNGRB/Comm/7 Misc (5)/2025 (E-5743)/01.