

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO. 941
ANSWERED ON 08/12/2025

THE DRAFT PETROLEUM AND NATURAL GAS RULES, 2025

941 # SHRI TEJVEER SINGH:

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

- (a) the objective and significance of the proposed "stability clause" in the Draft Petroleum and Natural Gas Rules, 2025, and the kind of protection it would actually provide to investors;
- (b) the reason for introducing a provision for pipeline sharing in the new regulations, and the manner in which this would benefit the natural gas distribution network and domestic gas consumers; and
- (c) the manner in which the "petroleum products exchange" and "unified pipeline tariff (One Nation, One Tariff)" proposed in the PNGRB's 2025-26 Action Plan are planned to enhance transparency and competition in the energy market and the public?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS
(SHRI SURESH GOPI)

(a) & (b): The Oilfield (Regulation and Development) Amendment Act, 2025 (ORD Act) was enacted and came into effect in 2025. Section 5(3) of the Amended Act provides for stability, wherein the terms and conditions of a petroleum lease remain stable and not be altered to the disadvantage of the lessee during the period of the lease providing operational and economic stability to the lessee.

Section 6(2) (k) of the Amended Act provides for sharing of production and processing facilities & other infrastructure for more efficient development of oilfields/ production of mineral oils. The Petroleum and Natural Gas Rules, accordingly reflect the provisions of the Amended ORD Act.

(c): PNGRB has informed that it aims to establish a National Petroleum Product Exchange for discovery of wholesale prices.

PNGRB notified the Unified Tariff effective from 01.04.2023 for all pipelines that are part of the National Gas Grid System and for which the respective entities are contractually entitled to recover approved tariffs so that the customers are indifferent to transportation tariff differences when choosing gas sources, thereby fostering greater market competition.
