

LOK SABHA
UNSTARRED QUESTION No. 20
TO BE ANSWERED ON 29th January, 2026

NATIONAL GAS GRID AND CGD EXPANSION IN TAMIL NADU

20. THIRU DAYANIDHI MARAN:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether Tamil Nadu is connected to the National Gas Grid and whether City Gas Distribution (CGD) expansion in the State continues to rely on higher-cost LNG or LCNG supply models, if so, the details thereof;
- (b) the status of CGD rollout in Tamil Nadu during the last three years including household PNG connections provided, CNG stations commissioned, pipeline (inch-km) laid and targets versus achievements, district-wise;
- (c) whether Petroleum and Natural Gas Regulatory Board (PNGRB) National Drive 2.0 provides any preferential support, viability gap funding or time-bound connectivity assurance for States like Tamil Nadu that remain outside the grid, if so, the details thereof;
- (d) whether the Government is likely to publish a time-bound roadmap for connecting Tamil Nadu to the National Gas Grid and ensuring the full benefits of "One Nation, One Grid, One Tariff" to consumers, if so, the details thereof; and
- (e) the steps taken to curb pricing opacity, ensure strict safety compliance and protect consumer interests in Tamil Nadu under ongoing CGD expansion drives?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्यमंत्री
(श्री सुरेश गोपी)

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

(a) to (e) Natural gas is supplied through a network of natural gas pipelines and through City Gas Distribution (CGD) Network. Petroleum & Natural Gas Regulatory Board (PNGRB) is the authority to grant authorization to the entities to lay, build, operate or expand Gas Pipeline as per PNGRB Act, 2006. The status of operational as well as under construction/ partially commissioned natural gas pipelines passing through the state of Tamil Nadu is at **Annexure-I**.

Providing Piped Natural Gas (PNG) connections, establishment of Compressed Natural Gas (CNG) stations and laying of pipeline infrastructure is part of the development of City Gas Distribution (CGD) Network, which is carried out by the entities authorized by PNGRB as per their Minimum Work Programme (MWP) and techno-commercial feasibility. After completion of 12/12A CGD bidding round, PNGRB has authorized entities for the development of CGD network in 307 Geographical Areas (GAs), covering the entire mainland area (including the state of Tamil Nadu) for the development of CGD network across the country.

PNGRB has authorized 18 GAs in state of Tamil Nadu (including 1 GA spread over Andhra Pradesh, Karnataka & Tamil Nadu and 1 GA spread over Puducherry & Tamil Nadu). As per MWP, authorized entities have to provide approx 2.30 crore PNG(D) connections, establish 2,825 CNG stations and lay 37,374 inch-km pipeline infrastructure in the state of Tamil Nadu by 2032. As on 30.11.2025, authorised CGD entities have provided 1,31,745 PNG(D) connections, established 494 CNG stations and laid 18,939 inch-km pipeline in Tamil Nadu. The status of CGD progress in the state of Tamil Nadu during the last three years is at **Annexure-II**.

PNGRB, in collaboration with CGD entities, has launched the National PNG Drive 2.0 from 1st January 2026 to 31st March 2026. PNGRB has informed that the initiative aims to ensure optimal utilization of existing infrastructure, promote new connections and activate non-billed customers, with an overall objective to increase the usage of natural gas across the diverse user categories. PNGRB has also informed that as part of PNGRB's National PNG Drive 2.0, all authorized entities in Tamil Nadu are actively undertaking targeted consumer outreach and promotional initiatives which inter alia includes enhanced stakeholder engagement, consumer outreach, and operational focus across the GA to accelerate the adoption of domestic PNG connections.

Government have taken various steps to ensure the availability of Natural Gas to CNG (Transport)/ PNG (Domestic) sector in the country (including Tamil Nadu) which, *inter-alia*, includes allocating domestic gas on priority basis to CNG (T)/ PNG(D); diverting domestic gas from non-priority sectors to meet the requirement for CNG (T)/PNG(D) sector, expansion of CGD network, grant of Public Utility Status to CGD projects, notification for supply of domestic gas through available mode (including cascade mode) for CNG(T)/ PNG(D) purpose, allocating domestic natural gas for CNG (T) and PNG (D) segments on a two-quarter advance basis, expansion of National Gas Grid Pipeline, setting up of Liquefied Natural Gas (LNG) Terminals, Sustainable Alternative Towards Affordable Transportation (SATAT) initiatives to promote Bio-CNG, etc. Government has also notified that gas produced from discoveries in Deepwater, Ultra Deepwater and High Pressure-High Temperature areas, in any situation which may require proportionate distribution of the gas offered under the bidding process, the contractor shall offer gas to bidders belonging to CNG (T)/ PNG (D) sector on priority.

The Government have approved the revised domestic natural gas pricing guidelines in 2023 for gas produced from nomination fields of ONGC/OIL, New Exploration Licensing Policy (NELP) blocks, and pre-NELP blocks, where the Production Sharing Contract (PSC) provides for Government approval of prices. Under the revised guidelines, the price of such natural gas is determined as 10% of the monthly average of the Indian Crude Basket and is notified on a monthly basis. For gas produced by ONGC and OIL from their nomination blocks, the APM price is subject to a floor of \$4.0/ Metric Million British Thermal Unit (MMBTU) and a ceiling of \$6.5/MMBTU. The ceiling would be maintained for the next two financial years (2023-24 and 2024-25) and then increased by \$0.25/MMBTU each year. Further, Government also permitted a premium of 20% over the Administered Price Mechanism prices on gas produced from new well and well interventions of Oil and Natural Gas Corporation Limited & Oil India Limited from their nomination fields. This has led to price stability for consumers.

Further, PNGRB, has rationalised the Unified Tariff by reducing tariff zones from three to two and notified transportation tariffs of Rs. 54/MMBTU for Zone-1 (up to 300 km) and Rs. 102.86/MMBTU for Zone-2 (beyond 300 km), effective from 01.01.2026. Zone-1 tariff has been extended nationwide for CNG (T) and PNG (D), resulting in nearly 50% reduction in transportation

charges for consumers beyond 300 km. This reform further improves affordability and equity in access to natural gas.

Like other States/ Geographical Areas, CGD entities of Tamil Nadu are also being allocated domestic gas as per the extant guidelines for gas allocation to CNG (T)/ PNG(D) segments of CGD network. The retail selling price (RSP) of CNG in any GA is determined by the concerned CGD entity authorized by PNGRB after considering cost of gas procured, state taxes, tariff and other components. However, the allocation of domestic natural gas for CNG(T)/ PNG(D) segments of CGD network plays a crucial role in determining the RSP to the consumer. After considering domestic gas allocation, any additional requirement beyond the allocated domestic gas is being sourced by individual CGD entity through market priced gas.

To enhance pricing transparency, the Government, in 2014, directed all CGD entities to display break-up of CNG price at CNG stations and to furnish the break-up of PNG (D) price in invoices, indicating Cost of gas to the CGD entity, Supply and Distribution Cost, Entity's margin, Excise Duty, VAT, any other Tax. Further, PNGRB is mandated under the PNGRB Act to lay down safety standards for CGD networks. The entities are regulated in this regard by relevant safety standards and guidelines prescribed by PNGRB, including the Technical Standards and Specifications including Safety Standards (T4S), Integrity Management System (IMS) for City or Local Natural Gas Distribution Networks, Codes of Practices for Emergency Response and Disaster Management Plan (ERDMP) Regulations. Further, in order to address the grievances of individual consumers, every authorized CGD entity (in accordance with the PNGRB regulations) is required to create a Consumer Complaint Cell for registration of complaints/grievances personally, over telephone or through e-mail (emergency contact numbers and Consumer Care numbers of all entities are hosted on the PNGRB website). The consumers can also lodge their grievances 24x7 to the public authorities on any subject related to service delivery on Centralized Public Grievance Redress and Monitoring System (CPGRAMS) portal.

ANNEXURE-I

ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 20 TO BE ANSWERED ON 29.01.2026 REGARDING NATIONAL GAS GRID AND CGD EXPANSION IN TAMIL NADU.

Details of the Common Carrier Natural Gas Pipelines passing through the state of Tamil Nadu.

Operational NGPL passing through the state of Tamil Nadu									
S. No	Name of the Natural Gas Pipelines	Auth. Entity	Date of Authorization	Target Date of Completion	State/UT Passing through	Authorised Length (Km)	Capacity (MMSCMD)	Operating (Km)	Under Construction (Km)
1	Cauvery Basin Network	GAIL	04.11.2009	Completed	Tamil Nadu	240	4.33	242	-
Under Construction NGPL passing through the state of Tamil Nadu									
S. No	Name of the Natural Gas Pipelines	Auth. Entity	Date of Authorization	Target Date of Completion	State/UT Passing through	Authorised Length (Km)	Capacity (MMSCMD)	Operating (Km)	Under Construction (Km)
1	Ennore Nellore	GTIL	02.12.2014	30.04.2020*	Tamil Nadu	220	36	0	220
*Authorisation was cancelled vide PNGRB order dated 20.10.2022, which has been set aside by APTEL vide judgement dated 04.10.2023.									
Partially Commissioned NGPL passing through the state of Tamil Nadu									
S. No.	Name of the Natural Gas Pipelines	Authorized Entity	Date of Authorization	Target Date of Completion	State/UT Passing through	Authorised length (Km)	Capacity (MMSCMD)	Operating Length (Km)	Under Construction (Km)
1	Kochi Koottanad Bangalore Mangalore Pipeline	GAIL	31.05.2012	31.12.2025	Kerala, Tamil Nadu, Karnataka, UT of Puducherry	1104	16	644	460
2	Ennore-Thiruvallur-BengaluruPuducherry-Nagapattinam Madurai-Tuticorin Pipeline	IOCL	10.12.2015	31.03.2025	Tamil Nadu, Karnataka, Andhra Pradesh, UT of Puducherry	1431	84.67	1094	337

(Source: PNGRB)

ANNEXURE-II

ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (e) OF LOK SABHA UNSTARRED QUESTION NO. 20 TO BE ANSWERED ON 29.01.2026 REGARDING NATIONAL GAS GRID AND CGD EXPANSION IN TAMIL NADU.

Status of CGD progress in the state of Tamil Nadu during last three years

	March, 2024			March, 2025			November, 2025		
	PNG (Domestic)	CNG Stations	Pipeline Infrastructure (Inch KM)	PNG (Domestic)	CNG Stations	Pipeline Infrastructure (Inch KM)	PNG (Domestic)	CNG Stations	Pipeline Infrastructure (Inch KM)
MWP Target	2,30,94,884	2,825	37,374	2,30,94,884	2,825	37,374	2,30,94,884	2,825	37,374
Pro-Rata Target	16,07,849	315	6,825	3315097	616	10968	4717706	822	14897
Achievements	35,152	364	10,616	88583	468	16573	131745	494	18939

Note: Including 1 GA spread over Puducherry (UT) & Tamil Nadu and 1 GA spread over Andhra Pradesh, Tamil Nadu and Karnataka

(Source: PNGRB)
