

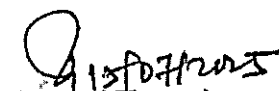
Bihar Government
Food and Consumer Protection Department

Notification

Notification No. Pra.7-LPG (CGD)-02/2025 1505 Food, Patna/dated 15-7-2025

In view of the rapidly growing energy demand in India, and in accordance with the provisions of the Petroleum and Natural Gas Regulatory Board Act, 2006, as well as the imperative for clean and environmentally sustainable energy, natural gas is being promoted as a preferred alternative. Accordingly, the City Gas Distribution Policy, 2025, is hereby notified.

By the order of Governor of Bihar

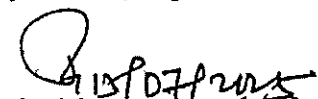

(Pankaj Kumar)

Principal Secretary to the Govt.

Memo No. Pra.7-LPG (CGD)-02/2025 1505 Food, Patna/dated 15-7-2025

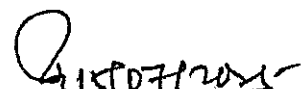
- Copy to - Incharge E-Gazette, Finance Department, Bihar, Patna with Soft copy in MS-Word and with two hard copy for information and sent for immediate publication of extra ordinary Bihar Gazette.

It is requested to make available the notification in 100 (Hundred) copies.


Principal Secretary to the Govt.

Memo No. Pra.7-LPG (CGD)-02/2025 1505 Food, Patna/dated 15-7-2025

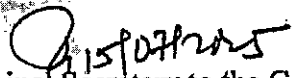
Copy to - Chief Secretary, Bihar/Development Commissioner, Bihar/All Additional Chief Secretaries/All Principal Secretaries/All Secretaries/All Divisional Commissioners /All District Magistrates/Managing Director, Bihar State Food and Civil Supplies Corporation, Patna /Director, Information and Public relations Department, Bihar, Patna/ Personal Secretary to Hon'ble Minister, Food and Consumer Protection Department, Bihar, Patna for information and necessary action.


Principal Secretary to the Govt.

Memo No. Pra.7-LPG (CGD)-02/2025 1505

Food, Patna/dated 15-7-2025

Copy to - Additional District Magistrate (Supply), Patna/Special Officer Rationing, Patna/All District Supply Officers/ All Sub-Divisional Officers for information and necessary action.


Principal Secretary to the Govt.

Memo No. Pra.7-LPG (CGD)-02/2025 1505

Food, Patna/dated 15-7-2025

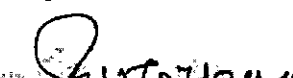
Copy to - Executive Director & State Head (Bihar & Jharkhand)-cum-State Level Coordinator, Indian Oil Corporation Ltd./ General Manager (Construction), Indian Oil Corporation Ltd. /General Manager (CGD), GAIL (India) Ltd. / General Manager, Bharat Petroleum Corporation Ltd./General Manager, Hindustan Petroleum Corporation Ltd., Bihar, Patna/ Think Gas Pvt. Ltd. Patna/ Indian Oil-Adani Pvt.Ltd/ Deputy Chief Controller of Explosives, PESO, Ashiana Digha Road, Patna-800025 for information and necessary action.

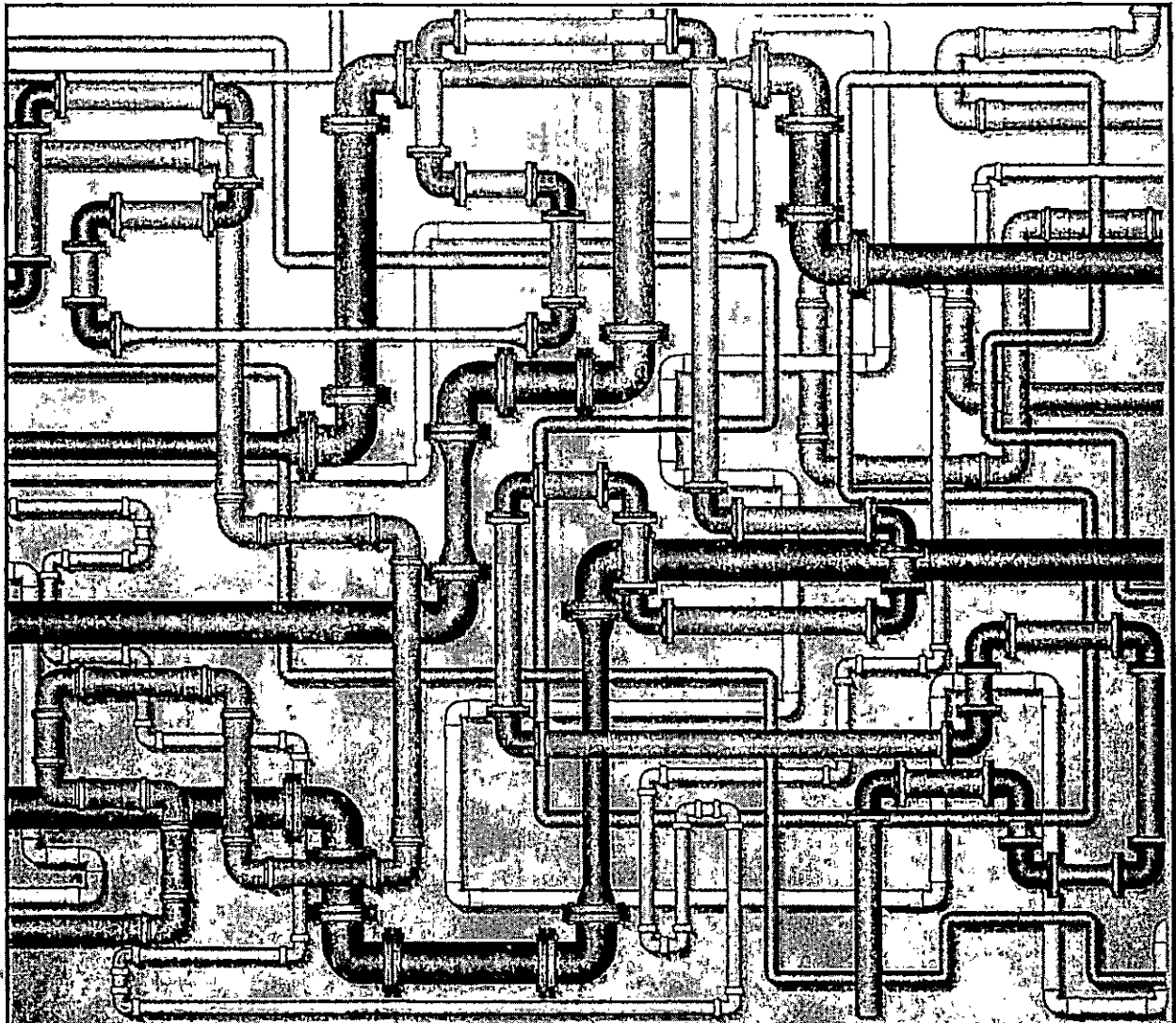

Principal Secretary to the Govt.

Memo No. Pra.7-LPG (CGD)-02/2025 1505

Food, Patna/dated 15-7-2025

Copy to - Copy of Notification to I.T. Manager, Food and Consumer Protection Department, Bihar, Patna sent for e-mail and uploading on the departmental website.


Principal Secretary to the Govt.



BIHAR CITY GAS DISTRIBUTION POLICY, 2025

TABLE OF CONTENTS

1. Introduction.....	1
1.1. Overview.....	1
1.2. Definitions.....	1
1.3. Initiatives taken by Govt of India to promote the City Gas Distribution sector. 4	
1.4. Recent Developments in City Gas Distribution Sector	4
2. Objective of the Policy	5
3. State Level City Gas Distribution Policy.....	5
3.1. Nodal Officers:	5
3.2. Monitoring Committee:.....	7
3.3. General Conditions:.....	8
3.4. Applicability of State CGD Policy	14
3.5. Application Submission for Right of Use/ Right of Way	15
3.6. Application Disposal Procedure for Pipeline network laying	17
3.7. No Objection Certificate:.....	18
3.8. Land Allocation for District Regulating Stations (DRS), Metering and Regulating Stations (MRS), De-compression Units (DCU), Odorization Stations, City Gas Station (CGS) and Office Spaces for CGD Entities	20
3.9. Allotment of land for CNG Station	24
3.10. Promotion of CNG/LNG as preferred greener fuel	25
3.11. Grievance Redressal Mechanism.....	26
3.12. Arrangement of Safety Measures at Work Site	27
3.13. Single-Window Online Portal for CGD Infrastructure Approvals	28
3.14. Revision of Policy.....	29

CITY GAS DISTRIBUTION POLICY, BIHAR

1. Introduction

1.1. Overview

India is an emerging economy with the world's largest population, and our energy demand is growing swiftly. To meet the energy demand, increasing the share of cleaner energy sources to its fuel mix is critical for having sustainable economic growth. In addition to renewable energy sources, natural gas, being an alternative cleaner fossil fuel, is going to play a significant role and provide solutions to the environmental challenges along with meeting our growing energy demands in a sustainable manner. Global use of natural gas as fuel for cooking, industrial use, and transport has resulted in significant change in environmental conditions. With the impetus coming from the Government of India, natural gas is steadily growing as a fuel of choice.

The Government of India (GOI) has set a target to increase the share of natural gas in the country's primary energy mix from 6.2% to 15% by 2030. The Government of India through Petroleum & Natural Gas Regulatory Board (PNGRB) has authorized 307 Geographical Areas to various CGD Entities, covering about 99 % of India's population and 99% of the areas.

The Government of Bihar recognized the importance of the development of CGD infrastructure in urban, rural, and industrial areas for providing eco-friendly clean energy to domestic, industrial, commercial, and transport segments. Providing natural gas to domestic households has become an essential service, like water, electricity, etc., for which the Central Government has granted utility status to CGD services. To put thrust on the development of the CGD network for providing the uninterrupted supply of pipeline natural gas and transport fuel to the public at large, it is necessary to bring uniformity, clarity, and simplification of process for providing permissions to the authorized entity (CGD entity) for the development of City Gas Distribution (CGD) infrastructure in urban, rural, and industrial areas in the state of Bihar.

Under this, the City Gas Distribution (CGD) Entities have the obligation to develop the City Gas Distribution network to supply Piped Natural Gas (PNG) to domestic households and commercial & industrial segments and Compressed Natural Gas (CNG) as fuel to automobiles through CNG Stations. The City Gas Distribution Project has been categorized by the Government of India as a public utility project.

1.2. Definitions

In this Policy, unless the context otherwise requires,

- a) "Act" means the Petroleum and Natural Gas Regulatory Board Act, 2006 .
- b) "Board" means the Petroleum and Natural Gas Regulatory Board, established

CITY GAS DISTRIBUTION POLICY, BIHAR

under sub-section (1) of section 3 of the Act.

- c) "Regulations" means regulations made by the Board, under PNGRB Act, 2006.
- d) "PNGRB" means Petroleum & Natural Gas Regulatory Board.
- e) "CGD" means City Gas Distribution
- f) "GA" means Geographical Area.
- g) "MDPE" means Medium Density Polyethylene
- h) "Authorized Entity" means any person, association of persons, firm, company or cooperative society, by whatsoever name called or referred to, authorized by PNGRB, to set up City Gas Distribution (CGD) infrastructure in the State of Bihar.
- i) "Para" means the Para of this Policy.
- j) "Local Body" means a Municipal Corporation, Municipal Council or Municipal Board in a Municipal area, a Development Authority or Urban Improvement Trust in an urban area declared under the relevant law (excluding the Municipal area), and Gram Panchayat for Rural areas (excluding the area under the jurisdiction of an Urban Improvement Trust or a Development Authority).
- k) "Authorized Area" means the specified geographical area for a city or local natural gas distribution network (hereinafter referred to as CGD network) authorized under PNGRB regulations for laying, building, operating or expanding the CGD network which may comprise of following categories, either individually or in any combination thereof, depending upon the criteria of economic viability and contiguity, namely, 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.
- l) "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 Regasified liquefied natural gas, (ii) compressed natural gas, (iii) gas imported through transnational pipe lines, including CNG or liquefied 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.
- m) "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

CITY GAS DISTRIBUTION POLICY, BIHAR

natural gas to domestic, industrial or commercial premises and CNG stations situated in a specified geographical area "development of a CGD network" means laying, building, operating or expanding a city or local natural gas distribution network.

- n) **"Piped Natural Gas"** (hereinafter referred to as PNG) means natural gas transported through pipelines, cascades, or any other permitted mode within a CGD network for consumption by customers in domestic, commercial, or industrial segments. It also includes natural gas supplied to an online CNG station before compression.
- o) **"Compressed Natural Gas" or "CNG"** means natural gas used as fuel for vehicles, typically compressed to a pressure ranging from 200 to 250 bars while remaining in a gaseous state.
- p) **"CNG station"** means filling station where one or more dispensing units are provided for sale of compressed natural gas.
- q) **"CGD 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;
- r) **"Work programme"** 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.
- s) **The Defect Liability Period (DLP)** for roads typically refers to the duration during which the contractor or service provider is responsible for repairing any defects or issues in the road construction after the completion and handover of the project.
- t) **"Right Of Use (ROU) or Right Of Way (ROW)"** means the area or portion of land within which the pipeline operator or owner has acquired the right through the relevant provisions of law or in accordance with the agreement with the land owner or agency having jurisdiction over the land to lay and operate the natural gas pipelines.
- u) **"CGS"** means, City gate stations.
- v) **"DRS"** means, District Regulating Station.
- w) **"MRS"** means, Metering and Regulating Station.

CITY GAS DISTRIBUTION POLICY, BIHAR

- x) "DCU" means, Decompression Unit.
- y) "Line Department" For the purpose of this Policy, "line department" shall refer to any department, agency, or authority of the Government of Bihar that has a direct functional, regulatory, administrative, or operational role in the planning, approval, facilitation, or oversight of City Gas Distribution (CGD) activities.
- z) Words and expressions used and not defined in these regulations but defined in the Act or in the rules or regulations made thereunder, shall have the meanings respectively assigned to them in the Act or in the rules or regulations, as the case may be.

1.3. Initiatives taken by Govt of India to promote the City Gas Distribution sector.

Government of India (GOI) has set a target to increase the share of natural gas in country's primary energy mix from 6.2% to 15% by 2030. In order to promote the expansion of City gas networks and enhance the usage of natural gas, the Government has allocated domestically produced natural gas, which is cheaper than imported natural gas (Liquefied Natural Gas - LNG), to meet the requirement of Domestic (Piped Natural Gas) and Transport (Compressed Natural Gas) segments of CGD sector and it has been kept under no cut category. Many other initiatives have been taken by the Government to increase gas consumption.

1.4. Recent Developments in City Gas Distribution Sector

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 (up to the 12th round of bidding) has been expanded to 307 Geographical Areas which has been authorized to various CGD Entities, covering about 99% of India's population and 99% of the areas.

In the state of Bihar, CGD infrastructure is operational in 38 districts through six CGD entities, with a commitment to provide approximately 30 lakh PNG (domestic) connections and around 650 CNG stations within eight years from the date of authorization by PNGRB. There is an investment potential of ₹ 10,772 crores and an employment generation opportunity for around 8,000 persons due to the expansion of CGD infrastructure.

PNGRB has notified relevant regulations related to CGD infrastructure development, including service norms for providing new PNG connections under the PNGRB (Code of Practice and Quality of Service for CGD Networks) Regulations, 2010. As per these regulations, CGD entities are obligated to provide new PNG connections within 90 days from the date of demand registration.

There is a need to facilitate the development of CGD infrastructure across various states. Generally, permissions are required from land-owning agencies, civic

CITY GAS DISTRIBUTION POLICY, BIHAR

agencies, municipal corporations, district magistrates (for No Objection Certificates to set up CNG stations), fire departments, and other authorities. These processes often involve multiple departments, leading to significant delays in project execution and the overall development of the natural gas value chain.

It has been identified as a mandate that city/town planning master plans should include the City Gas Distribution network and should have the provision of CNG stations. The Town Planning Departments / Municipalities / Corporations / City & Town Development Authorities / Panchayats, etc. should make necessary provisions to include PNG infrastructure while giving building plan approvals.

2. Objective of the Policy

This policy aims at achieving the following objectives:

1. To ensure faster implementation of CGD infrastructure in the Bihar State by supporting the CGD entities to execute the Committed Work Programme.
2. Make permissions/clearances/charges, standardized and uniform in a time bound manner for the CGD entities by providing policy framework and necessary support mechanism.
3. To promote the adoption of natural gas in Bihar as a green and clean fuel and encourage its use for industrial, commercial, transport, and household purposes, thereby contributing to India's commitments to reducing carbon emissions.
4. To assist CGD entities in ensuring safe operations and the reliable, uninterrupted supply of natural gas by maintaining asset integrity.

The state government, through the policy, will endeavour to accelerate the development of the CGD network and increase the use of natural gas as a fuel in the form of Piped Natural Gas (PNG) for domestic, commercial, and industrial sectors and compressed natural gas (CNG) for the transport sector and take necessary steps to increase the coverage of CGD infrastructure across the state along with benefits from value-added services and opportunities. It is primarily intended that the benefit of the CGD should reach the public at the earliest.

This policy will come into effect from

3. State Level City Gas Distribution Policy

3.1. Nodal Officers

3.1.1 State Level Nodal Officer: The Additional Chief Secretary/ Principal Secretary/ Secretary of the Food and Consumer Protection Department of Bihar shall be the Nodal Officer at the state level. In case of delays in obtaining

CITY GAS DISTRIBUTION POLICY, BIHAR

permissions or approvals beyond the timelines prescribed in this policy, the CGD entity may escalate the matter to the State Nodal Officer.

- 3.1.2 **District Level Nodal Officer:** The District Magistrate shall be the Nodal Officer at District level. The district Nodal Officer shall discharge the duties under this policy ensuring rapid and timely approvals.
- 3.1.3 **Additional District Nodal Officer:** The Executive Engineer, designated as the Additional District Nodal Officer from the relevant line department, shall be responsible for receiving and acknowledging all Right of Use (RoU) / Right of Way (RoW) applications submitted by the CGD entity, conducting joint surveys, estimating restoration charges, or determining Bank Guarantee (BG) amounts, and granting approvals for pipeline laying activities. Upon satisfactory completion of restoration work and quality checks, the Additional District Nodal Officer shall issue No Objection Certificates (NoCs). The officer shall provide technical support, maintain detailed records of all applications, approvals, surveys, and restoration activities, and submit periodic reports to the District Magistrate to ensure transparency and accountability in the execution of the CGD project. Matters requiring higher-level intervention shall be escalated to the District Nodal Officer for resolution. In areas under the jurisdiction of Urban Local Bodies (ULBs), the responsibility for granting Right of Use (RoU) or Right of Way (RoW) permissions, processing applications, and issuing No Objection Certificates (NOCs) shall lie with the Executive Officer of the respective ULB.
- 3.1.4 **Nodal Officer for Properties of Cooperatives, Autonomous Bodies, and PSUs:** The senior most officer of the Cooperative body, Autonomous body or a PSU posted in the district shall be the Nodal Officer for the properties belonging to that Cooperative body, Autonomous body, or a PSU, as the case may be.
- 3.1.5 **Escalation Mechanism:** All District Nodal Officers and Additional District Nodal Officers shall ensure compliance with the prescribed timelines for granting approvals. In cases of delay related to permissions for Right of Use (RoU) or Right of Way (RoW), the matter shall first be escalated to the District Nodal Officer for resolution. If unresolved at this stage, it shall be escalated to the State-Level Nodal Officer for timely resolution. However, in cases of delay related to the allotment of land for District Regulating Stations/ Metering and Regulating Stations/ Decompression Units/ Odorization Stations/ Office Space or Compressed Natural Gas Stations, the issue shall be directly escalated to the State Nodal Officer for resolution.
- 3.1.6 **Technology Integration and Monitoring:** A centralized digital dashboard shall be implemented to monitor all approval processes, enabling efficient tracking and automatic escalation of any delays. This will ensure timely intervention and streamlined communication across all levels of authority.

CITY GAS DISTRIBUTION POLICY, BIHAR

3.2. Monitoring Committee

3.2.1 A District City Gas Monitoring & Coordination Committee (DCGMCC) shall be established in each district, along with a State City Gas Monitoring & Coordination Committee (SCGMCC) at the State level. These committees will be responsible for monitoring the progress of permissions and addressing related issues on a monthly basis, involving all City Gas Distribution (CGD) entities.

3.2.2 District City Gas Monitoring & Coordination Committee (DCGMCC): The DCGMCC will comprise of the members as mentioned below, the Chairman of DCGMCC is authorized to co-opt any expert as necessitated to address specific challenges or provide guidance on technical, legal, or operational aspects of CGD implementation.

Designation	Role
District Magistrate	Chairman
Superintendent of Police	Member
Deputy Development Commissioner (DDC)	Member
Additional District Collector	Member
Municipal Commissioners/Executive Officers, Urban Local Bodies	Member
Divisional Forest Officer	Member
Executive Engineer, Public Health Engineering Department (PHED)	Member
Executive Engineer, Road Construction Department (RCD)	Member
Executive Engineer, Rural Works Department (RWD)	Member
Executive Engineer, Water Resource Department	Member
District Transport Officer	Member
Additional District Magistrate, Disaster Management	Member
Project Director-National Highway Authority of India	Member
Representative of the Authorized Entity	Member
District Supply Officer, Food and Consumer Protection Department	Member Secretary

Note: The Chairman retains the authority to co-opt up to two additional experts or officers as needed to address technical, regulatory, or operational concerns

3.2.3 The State City Gas Monitoring & Coordination Committee (SCGMCC), responsible for overseeing the implementation and monitoring of the City Gas Distribution Network (CGDN) at the state level, will comprise the following members:

CITY GAS DISTRIBUTION POLICY, BIHAR

Designation	Role
Development Commissioner	Chairman
Additional Chief Secretary/Principal Secretary/Secretary, Food and Consumer Protection Department	Convener
Additional Chief Secretary/Principal Secretary/Secretary, Department of Revenue and Land Reforms	Member
Additional Chief Secretary/Principal Secretary/Secretary, Urban Development & Housing Department	Member
Additional Chief Secretary/Principal Secretary/Secretary, Environment, Forest & Climate Change Department	Member
Additional Chief Secretary/Principal Secretary/Secretary, Commercial Tax Department	Member
Additional Chief Secretary/Principal Secretary/Secretary, Transport Department	Member
Additional Chief Secretary/Principal Secretary/Secretary, Road Construction Department	Member
Additional Chief Secretary/Principal Secretary/Secretary, Rural Works Department	Member
Additional Chief Secretary/Principal Secretary/Secretary, Water Resources Department	Member
Regional Officer- National Highway Authority of India	Member
Representative of the Authorized Entity	Member

Note: The Chairman retains the authority to co-opt up to two additional experts or officers as needed to address technical, regulatory, or operational concerns

3.2.4 State-Level Review of CGD Development: A state-level meeting should be conducted at least once a month, or as deemed necessary, to ensure the expeditious development of the CGD network.

3.2.5 District-Level Review of CGD Development: A district-level meeting should be held at least once a month, or as deemed necessary, to facilitate the swift progress of the CGD network.

3.3 General Conditions

3.3.1 Permission for Laying Underground Gas Pipelines: The CGD Entity shall obtain the necessary permissions for laying underground gas pipelines from the Additional District Nodal Officer, who shall not be below the rank of Executive Engineer of the concerned line department responsible for the ownership of the road. This provision applies to all types of roads, including those under the Defect Liability Period. In areas falling under the jurisdiction of Urban Local Bodies (ULBs), the responsibility for granting such permissions

CITY GAS DISTRIBUTION POLICY, BIHAR

shall rest with the Executive Officer of the concerned ULB.

3.3.2 Road Restoration: After laying/ lowering of the pipelines, the restoration of roads shall be done either by the Department which is responsible for construction, operation, and maintenance of that road (i.e., Departmental Restoration) or by the respective CGD entity themselves (Self Restoration). Restoration charges in case of both Departmental Restoration and Self-Restoration are as specified below:

3.3.2.1 Departmental Restoration: Departmental Restoration refers to road restoration undertaken by the department responsible for the construction, operation, and maintenance of the respective road. For example, for National Highways, it may be the National Highways Authority of India (NHAI), National Highways & Infrastructure Development Corporation Limited (NHIDCL). For State Roads, it may be the Road Construction Department (RCD), Rural Works Department (RWD), Public Health Engineering Department (PHED), or the concerned Municipal Body. In cases of Departmental Restoration, the respective department shall collect restoration charges from service providers as per the rates specified in Table-I before granting permission for road cutting to lay gas distribution pipelines.

Table 1: Rates for Departmental Restoration of Roads

Sl. No.	Types of Method/Type of Surface	Road Restoration Charges (INR)/Sq. Mtr.
Open Cutting Method/HDD Method/Milling Method		
1	Bituminous Roads (BT) Roads- Highway	4565.00
2	BT Roads-Rural	2077.00
3	Cement Concrete Roads (CC) Roads- Highway	3563.00
4	CC Road-Municipal	2468.00
5	CC Road-Panchayat	2715.00
6	Foot Paths/Paver Blocks	2775.00
7	Earthen Road/ Shoulder	319.00

Note:

- The above rates are applicable for the year 2025-26. These rates shall be revised by 10 % every three years, with the revised rates coming into effect from April 1st of the year immediately after the completion of each three-year period.
- The above fees are exclusive of GST and Labour Cess. GST [at the currently applicable rate] on the Restoration Charges (subject to change as per the directions of the Government of India from time to time) and Labour Cess @ 1% must be paid in addition to the Restoration Charges.

CITY GAS DISTRIBUTION POLICY, BIHAR

- The Road Restoration Charges mentioned in the above table shall be used solely by the concerned line department for the purpose of recovering restoration charges from the CGD Entity (Service Provider). The cost estimation and actual payment for the restoration work carried out by the concerned line department shall be done strictly in accordance with the relevant provisions of the PWD Code and the Bihar Financial Rules.

3.3.2.2 Self-Restoration: Self-Restoration refers to the process where the authorized CGD entity independently undertakes the restoration of road-cutting portions after laying pipelines, in compliance with the prescribed standards and specifications. The entity assumes full responsibility for the quality and timely completion of the restoration work.

The authorized CGD entity may carry out self-restoration of roads only with prior approval from the concerned Additional District Nodal Officer and in compliance with applicable self-restoration guidelines for Public Utility Projects, provided they submit a Performance Bank Guarantee (PBG) equivalent to 10% of the total estimated road restoration cost for the applicable road type as detailed in Table 2. The PBG must remain valid for one year and shall be submitted to the department responsible for the construction, operation, and maintenance of the respective road.

The CGD entity must restore the road to its original profile and ensure the stability of the restoration at their own cost. Upon satisfactory restoration (and re-restoration, if required), the PBG shall be returned to the Service Provider within 15 days of the (No Objection Certificate) NOC issuance by the concerned line department or the ULB.

If the CGD entity fails to restore the road as per the specified standards or causes damage to utilities and does not rectify the same, the concerned department shall invoke the Performance Bank Guarantee to cover the costs for rectifying the damages or defects in restoration.

Table 2 Performance Bank Guarantee-Self Restoration

Sl. No.	Types of Method/Type of Surface	Performance Bank Guaranteed Charges in INR/ Sq. Mtr.
Open Cutting Method		
1	BT Roads- Highway	456.00
2	BT Roads-Rural	208.00
3	CC Roads- Highway	356.00
4	CC Road-Municipal	247.00
5	CC Road-Panchayat	271.00
6	Foot Paths/Paver Blocks	278.00
7	Earthen Road/ Shoulder	32.00

CITY GAS DISTRIBUTION POLICY, BIHAR

Note:

- The above rates are applicable for the year 2025-26. These rates shall be revised by 10% every three years, with the revised rates coming into effect from April 1st of the year immediately after the completion of each three-year period.
- The above fees are exclusive of GST and Labour Cess. GST [at the currently applicable rate] on the Restoration Charges (subject to change as per the directions of the Government of India from time to time) and Labour Cess @ 1% must be paid in addition to the Restoration Charges.

3.3.3 Technical Specifications for Restoration: The Ministry of Road Transport and Highways (MoRTH) Specifications for Road and Bridge Works and Indian Roads Congress (IRC) standards shall serve as the foundational guidelines for road restoration undertaken under the Dig and Restore Method. The road safety and security shall be ensured by the applicant licensee as per IRC guidelines. Additionally, the road restoration guidelines of the concerned line department are to be followed by the CGD entity.

3.3.4 Dig and Restore Method for Pipeline Laying: Permission for laying underground gas pipelines will be granted exclusively under the Dig and Restore method. In the case of departmental restoration, the CGD entity shall pay the road restoration charges to the concerned line department as per the rates specified in Table 1. For self-restoration, the CGD entity shall submit a Performance Bank Guarantee amounting to 10% of the total road restoration cost, as indicated in Table 2, to the concerned line department. The security deposit, in case of self-restoration, will be released upon receipt of a No Objection Certificate (NOC) from the concerned authority of the line department, confirming satisfactory restoration by the CGD entity.

Permissions will be categorized into:

3.3.4.1 Departmental Restoration:

- Restoration will be undertaken by the department responsible for the construction, operation, and maintenance of the road.
- The cost for departmental restoration of roads will be calculated based on the "Rates for Departmental Restoration of Roads" as specified in Table 1, and the CGD entity shall deposit the amount in advance through the prescribed mode of payment.

3.3.4.2 Self-Restoration:

- Restoration will be carried out by the CGD entity itself.
- A Performance Bank Guarantee amounting to 10% of the total road restoration cost, as outlined in Table 2, shall be payable by the concerned CGD entity to the respective line department. The Performance Bank Guarantee shall be submitted prior to the

CITY GAS DISTRIBUTION POLICY, BIHAR

commencement of actual work, preferably during the approval process for laying the pipeline by the concerned line department.

- The Performance Bank Guarantee (PBG) shall be released within 15 days of the issuance of the No Objection Certificate (NOC) by the concerned Additional District Nodal Officer or the Executive Officer of the Urban Local Body (ULB), confirming satisfactory completion of the road restoration work by the CGD entity.

For roads of significant importance, departmental restoration shall be the preferred option, subject to applicable conditions. The mode of payment for restoration charges shall be communicated by the concerned authority.

- 3.3.5 Implementation of Call before You Dig App** with all departments as per GOI circular to be followed to avoid utility damage. The "Call Before You Dig" app will facilitate coordination between excavators and asset owners through SMS/email notifications and have click-to-call options. This will help in executing planned excavations and ensure that the concerned authorities are informed before any digging takes place.
- 3.3.6 Methods for Laying Underground Gas Pipelines:** Open trench and trenchless method are allowed for laying underground gas pipeline works. However, Horizontal Directional Drilling (HDD) / Manual Milling method shall be considered by the entity wherever possible to reduce excavation / damage of roads for laying of Natural Gas pipeline.
- 3.3.7 Road Damage Repair and Performance Bank Guarantee Validity:** Damages to roads and filling of pits caused during the laying of underground gas pipelines shall be repaired by the concerned CGD entity within the specified time. A completion certificate or No Objection Certificate (NOC) will be issued by the concerned authority upon satisfactory restoration. The Defect Liability Period shall be for a duration of 12 months from the date of issuance of the Completion Certificate. The Performance Bank Guarantee shall initially be valid for a period extending 28 days beyond the Defect Liability Period.
- 3.3.8** The permission for laying the pipeline will be granted for the entire proposed pipeline network in one go, within the jurisdiction of the concerned District. However, the CGD entity is permitted to excavate no more than 20% of the total permitted length or 5 kilometres, whichever is less, at any given time. The CGD entity must submit a phased work plan to the concerned authority, with a copy to the District Nodal Officer. Upon satisfactory completion of the initial phase, the concerned CGD entity may proceed with excavation for the subsequent phase.
- 3.3.9** The CGD Entity shall deposit the Refundable Performance Bank Guarantee in advance for all the work proposed to be carried out as per the application submitted.

CITY GAS DISTRIBUTION POLICY, BIHAR

- 3.3.10 Laying of CGD Pipelines along and across Roads: In order to lay the pipelines along any road, the authorized Service Provider company can opt for either Open Cut Method or Molling method or Horizontal Directional Drilling (HDD) method. However, Open Cut method shall not be generally allowed for crossing of the State and National Highways and major Municipal Roads; and Horizontal Directional Drilling (HDD) method or Molling method only shall be followed therein. Open Cut method may be allowed for crossing only in case of minor rural roads with the permission of the concerned Executive Engineer of the Department/Agency of the State Government.
- 3.3.11 Laying of "Gas Pipeline" through Molling / HDD (Horizontal Directional Drilling) / Trenchless Method shall be allowed during monsoons, provided that the applicant takes all safety and security measures and plans for immediate restoration of the damage caused if any.
- 3.3.12 The number of gas pipelines to be laid under the roads in any stretch, for which permission is granted, shall be determined based on the requirements of the CGD entity. The concerned line departments (such as RCD/RWD) and the CGD entity shall collaborate to ensure the pipeline installation complies with technical and regulatory standards while minimizing disruptions to existing infrastructure.
- 3.3.13 The CGD Entity shall exercise utmost caution to prevent any damage to underground utilities during the laying of gas pipelines. In the event of any damage caused due to the negligence of the CGD Entity, it shall be solely responsible for rectifying the damage at its own cost. Furthermore, if any damage to the utility is caused by another agency due to incorrect identification of utility locations, the responsibility for rectification shall lie with that agency. Any disputes arising in this regard shall be reported to the District Nodal Officer for resolution.
- 3.3.14 Before commencing any road digging for pipeline installation, the CGD Entity shall obtain the route map and relevant details of existing underground utilities and installations, including water supply, sewerage systems, telecommunication lines, electricity supply, and other pipelines, while ensuring appropriate site supervision. To facilitate smooth coordination and minimize delays, each agency, department, authority, or entity with existing utilities in the proposed work area shall nominate a single point of contact (SPOC), with whom the CGD Entity shall coordinate directly to ensure the protection of underground utilities.
- 3.3.15 The CGD Entity shall also be responsible to intimate the concerned supervisory authority of such underground utilities before undertaking digging.
- 3.3.16 The cost of shifting existing underground utility & gas pipeline, wherever required, shall be borne by the requesting agency / authority / CGD entity.
- 3.3.17 Each land or road-owning department shall appoint an Additional District

CITY GAS DISTRIBUTION POLICY, BIHAR

Nodal Officer, not below the rank of Executive Engineer, to serve as the single point of contact for all CGD-related work within their jurisdiction. This officer will facilitate coordination, approvals, and oversight for CGD activities.

3.3.18 In case of shifting utility services due to road improvement/widening or construction of a flyover/bridge, the road-owning authority shall submit a detailed shifting proposal to the District Level Monitoring Committee. Based on the Committee's recommendation, the authority shall issue a notice for shifting. The shifting and restoration of utilities shall be carried out at the sole cost and risk of the CGD entities.

3.3.19 The CGD Entity shall designate a District-Level Nodal Officer to ensure effective coordination with the State Government and all relevant stakeholders.

3.4. Applicability of State CGD Policy

3.4.1 This Policy shall be applicable to all State Government department, state authorities, all land/road owning agencies including but not limited to Municipal Corporation, Municipal Council, Municipal Board in a Municipal area, industrial promotion bodies, Road Construction Department (RCD), Rural Works Department (RWD), Bihar Housing Board & Urban Development Authority in an urban area declared under the relevant law (excluding the Municipal area), and Gram Panchayat for Rural areas (excluding the area under the jurisdiction of an Urban Improvement Trust or a Development Authority), Water Resource Department, Pollution Control Board, and all applicable bodies which involves in CGD network.

3.4.2 Any authorized licensee of the Petroleum and Natural Gas Regulatory Board is eligible to seek / avail Right of Use (ROU) facility / permission. However, enforceability of the permission so granted shall be restricted to the extent of provisions/ scope of service contained/ defined in the license agreement of that licensee and for the purpose for which it is granted subject to compliance of the terms and conditions fixed by Government of India or any Competent Authority from time to time.

3.4.3 Either by content or by intent, the purpose of extending Right of Use facility / permission is not to enhance the scope of license of a licensee and such ROU permissions shall be only enabling in nature.

3.4.4 The responsibility to obtain No Objection Certificate from various Departments and Authorities, other than the State Government as and when required, shall be of the applicant licensee.

3.4.5 In cases where pipeline laying involves forest areas, the applicant licensee shall be solely responsible for obtaining a separate No Objection Certificate (NOC), if required, from the Forest Department, notwithstanding that the road may belong to State Government Departments, Local Bodies, or State

CITY GAS DISTRIBUTION POLICY, BIHAR

Authorities. The extant guidelines and regulations of the Government of India relating to the use of forest land shall apply in such cases.

3.5. Application Submission for Right of Use/ Right of Way

3.5.1 The application for permission to lay an underground gas pipeline shall be submitted to the Additional District Nodal Officer of the concerned line department, preferably the Executive Engineer of departments such as the Road Construction Department (RCD), Rural Works Department (RWD), Public Health Engineering Department (PHED), or any other applicable department responsible for the operation, maintenance, and development of the respective road. In areas under the jurisdiction of Urban Local Bodies (ULBs), the application shall be submitted to the Executive Officer of the concerned ULB.

3.5.2 **Application Submission Requirements for CGD Pipeline Laying:** The application must be submitted in the prescribed format (Common Application Form or CAF) and shall include:

- i. A copy of the authorization letter issued by the Petroleum and Natural Gas Regulatory Board (PNGRB).
- ii. A locality-wise route plan and Google Earth/AutoCAD map in "shapefile format (.shp)" or "Keyhole Markup Language (KML)" format. The map should detail the location, route, and land/property ownership where pipelines are to be laid.
- iii. Detailed work plan specifying the area-wise and time-wise schedule, along with the proposed methodology for laying pipelines (e.g., Horizontal Directional Drilling (HDD), open trenching, or both).
- iv. Information regarding the dimensions (length, width, depth) of the trench, depth of the pipeline, and other relevant specifications.
- v. The CGD entity shall also submit a soft copy of the application along with all the forms, statements, and documents.

3.5.3 Undertakings: Undertakings by the applicant licensee confirming

- i. All precautionary measures will be taken during pipeline laying to ensure safety of roads, vehicles, and road users.
- ii. Full liability for any hazards, damages, or leaks during pipeline operations, including repair costs and compensation.
- iii. Commitment to restore the road and surrounding areas to their original condition post-execution of work.

CITY GAS DISTRIBUTION POLICY, BIHAR

- iv. No utility service shall be laid over existing culverts and bridges, except through designated utility ducts where such provisions exist. In the absence of such provisions, the licensee shall make independent arrangements for crossing cross-drainage structures, rivers, etc., entirely at their own cost. In such cases, utility services may be carried outside the railings/parapets and bridge superstructure. The fixing and supporting arrangements, along with all technical details, shall require prior approval from the concerned administrative authority.
- v. Assurance to obtain all required environmental clearances or permissions if the project impacts ecologically sensitive areas.
- vi. Submission of additional details if requested by the permission issuing authority.
- vii. **Penalty Acceptance:** Failure to adhere to the undertakings will attract penalties, which may include suspension of work, revocation of permissions, and forfeiture of the Performance Bank Guarantee.

3.5.4 Application Processing Timeline: The designated line department's Nodal Officer, not below the rank of Executive Engineer and Executive Officer in case of Urban Local Bodies, shall serve as the Additional District Nodal Officer and ensure that the application is processed within 15 days and under no circumstances later than 30 days from the date of submission of the application by the CGD entity. If permission is neither granted nor explicitly rejected within this 30-day period, the applicant licensee shall have the right to escalate the matter to the District Magistrate cum-District Nodal Officer for further review and consideration.

3.5.5 Review of Pending Applications: The District Magistrate shall review all pending applications on a monthly basis to identify and address bottlenecks.

3.5.6 Compliance: Authorized Service Providers must adhere to all relevant Acts, Rules, and Regulations prescribed by the State and Central Government, including compliance with the Petroleum and Minerals Pipeline (Acquisition of Right of User in Land) Act, 1962.

3.5.7 Ownership: The CGD entity shall only have a Right of User (RoU) for operational purposes as per applicable laws. Ownership of the road or land where the pipeline is installed shall remain with the respective authority.

3.5.8 Upon granting digging and RoU permission, the Additional District Nodal Officer of the respective line department (such as RCD, RWD, PHED, etc.) shall notify the applicant CGD entity and mark a copy to the District Magistrate. Additionally, when granting RoU permission to other agencies in areas where a gas pipeline already exists, the Additional District Nodal Officer shall inform the CGD entity with an existing pipeline in the area and mark a copy of the RoU permission to the concerned CGD entity.

CITY GAS DISTRIBUTION POLICY, BIHAR

- 3.5.9 Periodic Policy Review:** This policy shall be reviewed periodically by the State City Gas Monitoring & Coordination Committee to incorporate stakeholder feedback, advancements in technology, and best practices.

3.6. Application Disposal Procedure for Pipeline network laying

3.6.1 The CGD entity shall submit the application to the Additional District Nodal Officer of the concerned line department, or in the case of Urban Local Bodies (ULBs), to the Executive Officer, with an advance copy to the District Magistrate. Upon receipt of the application, the Additional District Nodal Officer or the Executive Officer of the concerned ULB, as applicable shall prepare a Feasibility Assessment report and coordinate a joint inspection with the designated representative of the CGD entity within 15 days. Following the inspection, the necessary permissions may be granted to the CGD entity, subject to the submission of the Departmental Restoration Charges or Performance Bank Guarantee (PBG) in accordance with Table 1 or Table 2, the provision of all required documents, and the fulfilment of other relevant conditions as stipulated in this Policy.

3.6.2 Feasibility Assessment Report Submission and Communication: The concerned line department, under whose control the proposed road lies, shall communicate the following with the requesting CGD entity for acceptance within fifteen (15) working days:

- i. The type of restoration proposed, whether to be carried out by the concerned department or by the requesting CGD entity.
- ii. The proposed method for laying pipelines—whether Open, Cutting Method, Horizontal Directional Drilling (HDD) and Molling Method.
- iii. The recommendation regarding the applicable Restoration Charges or Performance Bank Guarantee (PBG).

Upon receipt of this communication, the concerned CGD entity shall deposit the required PBG or Departmental Restoration Charges, as applicable, within seven (7) days.

3.6.3 Upon submission of the prescribed Restoration Charges and/or PBG, and the acceptance of the Feasibility Assessment report by the requesting CGD entity, the Additional District Nodal Officer shall grant the permission to lay the gas pipeline within one (1) month from the date the CGD entity submits the application.

3.6.4 Submission of Performance Bank Guarantee (PBG) or Restoration Charges: The applicant shall submit the necessary Performance Bank Guarantee (PBG) or restoration charges, as applicable, to the Additional District Nodal Officer of the concerned line department under whose jurisdiction the road lies. The applicant shall also provide a copy of the receipt

CITY GAS DISTRIBUTION POLICY, BIHAR

of submission to the District Nodal Officer.

- 3.6.5 The Additional District Nodal Officer, not below the rank of Executive Engineer of the concerned line department, or the Executive Officer of the relevant Urban Local Body (ULB), as applicable, shall grant permission for pipeline laying within 7 (Seven) working days from the date of submission of the Performance Bank Guarantee (PBG) or payment of restoration charges and acceptance of the Feasibility report by the concerned CGD entity to the concerned Additional District Nodal Officer or the Executive Officer, as the case may be.
- 3.6.6 In the event that permission for RoU/RoW is not granted by the Additional District Nodal Officer or the Executive Officer of the Urban Local Body (ULB) within 30 (thirty) days of the initial application submission, the CGD entity may escalate the matter by submitting a formal representation to the District Nodal Officer, requesting expedited approval. The CGD entity shall not proceed with any pipeline laying activities until explicit authorization is obtained from the District Nodal Officer-cum-District Magistrate, in accordance with the prescribed procedures.

3.7 No Objection Certificate:

- 3.7.1 In the event of self-restoration by the CGD entity, the Additional District Nodal Officer of the concerned line department or the Executive Officer of the Urban Local Body (ULB), as the case may be, shall appoint a technical expert, not below the rank of Assistant Engineer, to inspect the restoration work and ensure adherence to the prescribed standards. The technical expert shall submit a report and issue the No Objection Certificate (NOC) upon satisfactory restoration. Based on the inspection report and the NOC, the Additional District Nodal Officer or the Executive Officer of the ULB, as the case may be, shall initiate the process for releasing the Performance Bank Guarantee (PBG) to the CGD entity within 15 days of granting NOC.
- 3.7.2 For arterial, sub-arterial, and other high-traffic roads, the entity responsible for excavation shall ensure that temporary restoration measures, including backfilling, compaction, and the application of a temporary road surface, are completed within 24 to 48 hours of the excavation. Permanent restoration for these roads shall be treated as a priority and must be completed within the timelines specified in the Common Application Form (CAF).
- 3.7.3 The entity after laying of pipeline & restoration thereon for the part of pipeline laid shall intimate in writing to the designated officer/ Additional District Nodal Officer for inspection of restoration & issuance of NOC.
- 3.7.4 The designated officer/ Additional District Nodal Officer shall inspect the work of restoration within 07 days of written intimation from the CGD entity and advise for rectification if any within 07 (seven) days.

CITY GAS DISTRIBUTION POLICY, BIHAR

- 3.7.5 The CGD entity shall rectify the restoration as per direction or the comments and intimate to the designated officer within 10 days.
- 3.7.6 The designated Officer/ Additional District Nodal Officer thereafter inspects the work again and issue NOC for restoration within 07 (seven) days.
- 3.7.7 If the NOC is not granted even after re-inspection & without any comments by the designated officer within 07 days of intimation by the entity for satisfactory restoration & inspection, the entity may represent the matter to the District Nodal Officer.
- 3.7.8 After the issuance of the No Objection Certificate (NOC) for the complete area under the jurisdiction of an authority, the concerned authority shall return the Performance Bank Guarantee (PBG) or, upon request of the concerned CGD entity, the same may be retained and treated as a PBG deposit for subsequent permissions.
- 3.7.9 The NOC issued by the designated authority/ Additional District Nodal Officer shall remain valid for a specified duration (e.g., one year) unless any substantial modification or damage to the restored area is observed or reported.
- 3.7.10 For minor modifications to the existing plot sizes of CNG stations to facilitate the installation of CNG equipment adjacent to an existing CNG station, the District Magistrate shall directly issue the No Objection Certificate (NOC) after due diligence. Since these Retail Outlets or CNG stations have already received clearances from the relevant authorities, the NOC process may be expedited with minimal additional scrutiny.
- 3.7.11 **Escalation Mechanism for Delay in Processing and Approval of Right of Use/Right of Way:** This escalation mechanism outlines the process for addressing delays in the processing and approval of Right of Use (RoU) and Right of Way (RoW) permissions for City Gas Distribution (CGD) entities. The mechanism ensures timely approvals and clear accountability at each stage, with a structured escalation pathway.

Stage	Responsible Authority	Timeline	Action	Escalation Point	Resolution Timeline
Application Submission	CGD Entity to Additional District Nodal Officer	Day 0	Submission of RoU/RoW application	N/A	N/A
Joint Survey	Additional District Nodal Officer of the concerned line department/ Assistant Engineer and CGD Entity Representative	Within 15 days of application submission	Conduct joint survey of the identified road	N/A	N/A

CITY GAS DISTRIBUTION POLICY, BIHAR

Stage	Responsible Authority	Timeline	Action	Escalation Point	Resolution Timeline
Estimation of Road Restoration Charges	Additional District Nodal Officer	Within 15 days of application submission	Estimate road restoration charges based on the type of restoration and notify the CGD Entity	N/A	N/A
Deposit of Departmental Restoration Charges or PBG in case of self-restoration	CGD Entity	As per notification from Additional District Nodal Officer	Deposit the Road Restoration Charges or Performance Bank Guarantee (PBG)	N/A	N/A
Approval for Pipeline Laying	Additional District Nodal Officer	Within 30 days of application submission	Provide approval for laying the gas pipeline in accordance with policy terms and conditions	District Nodal Officer	Within 7 days of escalation
Escalation to District Nodal Officer	District Nodal Officer	If approval is delayed beyond 30 days	Review and approve the pending application	State Nodal Officer	Within 10 days of escalation
Escalation to State Nodal Officer	State Nodal Officer	If issue remains unresolved beyond 40 days	Final review and resolution or response to the pending issue	N/A	N/A

3.8. Land Allocation for District Regulating Stations (DRS), Metering and Regulating Stations (MRS), De-compression Units (DCU), Odorization Stations, City Gas Station (CGS) and Office Spaces for CGD Entities

3.8.1 Type of land considered for allotment:

- Purani Parti
- Gair Mazarua (Aam, Khas & Malik)
- Educational Institutes
- Hospital Premises
- Nagar Nigam & Nagar Parishad

CITY GAS DISTRIBUTION POLICY, BIHAR

- vi. Khata
- vii. Road Construction Department/National Highway Authority of India/Rural Works Department/ Water Resources Department/ Rural Development Department
- viii. Gram Panchayat
- ix. Block/ Anchal/ Thana/ Jail Premises
- x. Transport department.
- xi. Industrial Authority
- xii. Electricity department
- xiii. All other type of land falls under any State Government department.

3.8.2 Demarcation of land: The State Government and/or authority or the concerned line department shall have the right to declare any area or part of it to be reserved for a specific activity and in that case, that area or part of that would be allotted only for that specific activity, unless changed or de-reserved by the Government authority.

The responsibility of identifying and proposing the land lies with the CGD entities. However, CGD entities may seek help of district administration in identifying the land.

3.8.3 Competent authority for land allocation : The District Magistrate (DM) shall be the competent authority to allocate land to CGD entities for the establishment of District Regulation Stations (DRS), Meter Regulating Stations (MRS), and De-compression Units (DCU), Odorization Stations and Office Space for CGD entity. Such allocation shall be made in consultation with the concerned district-level officer of the land-owning department and shall be subject to obtaining the requisite clearance from the said department. The District Magistrate shall be authorized to allocate land up to a maximum of 500 square meters for each individual case.

3.8.4 Process of application: The CGD entity shall submit an application to the District Nodal Officer, with an advance copy to the concerned local authority, for the installation of Pressure Regulating Stations, including but not limited to District Regulation Stations (DRS) (approx. 10m x 8m), Meter Regulating Stations (MRS), De-compression Units (DCU) (approx. 13m x 18m), Odorization Stations (20m x 18 m), City Gate Station (CGS) and , LNG/ L-CNG hub/ CBG (as per the norms- Area required) for CGD entities. The application must include the detailed design, safety protocols, technical specifications, estimated timelines for installation, a map marking the proposed location, and a copy of the authorization letter issued by PNGRB.

3.8.5 Permission and Lease for Setting Up Pressure Regulating Stations: Permission for establishing Pressure Regulating Stations — including but not

CITY GAS DISTRIBUTION POLICY, BIHAR

limited to District Regulating Stations (DRS), Metering Regulating Stations (MRS), or De-compression Units (DCU), Odorization Stations — shall be granted at strategic locations along the pipeline. These locations may encompass roadside areas, public parks, utility zones, Government premises, or other suitable sites, as identified in consultation with the concerned local authority and the City Gas Distribution (CGD) entity. The selection of sites shall prioritize public safety, ensure accessibility, and minimize disruption to existing infrastructure and public utilities.

To support the effective implementation of the City Gas Distribution (CGD) Network, land measuring 20 meters by 18 meters shall be earmarked for the establishment of odorization stations near the District Regulating Stations (DRS). In accordance with the mandate of the Petroleum and Natural Gas Regulatory Board (PNGRB), Odorization pumps will be installed at selected DRS locations based on operational requirements, without the necessity for every DRS to have an odorization pump. The allocation of land for these odorization stations shall be coordinated by the District Nodal Officer in consultation with the relevant line department responsible for the land.

The initial lease period shall be 25 years, with an annual lease rent set at 5% of the Minimum Valuation Register (MVR) of the residential category of land of that area, subject to necessary approvals. Lease rent payments shall be made annually on or before April 15 of each financial year or prior to the contract's expiration, whichever is earlier. The lease period may be further extended with the approval of the government.

Additionally, the annual lease rent charges shall be subject to revision every three years, based on the prevailing MVR of the residential category of land. The District Magistrate shall be the designated authority responsible for receiving lease rent payments from the concerned CGD entity.

- 3.8.6 Allocation of Government Land for Office Space:** Subject to availability, Government land may be allocated to oil companies / CGD entity for the establishment of office spaces. The oil companies/ CGD entity shall bear all costs associated with the allotted land. Any structures developed on the Government land are likely to be permanent in nature. The allotment of land, along with the applicable rental or lease charges, shall be determined on a case-by-case basis.
- 3.8.7** District Magistrate shall ensure that specific provisions for plots of land for DRS station (10m X 8m) or DCU station (13m x 18-m) are included in the Master plan for the respective areas. The State Government shall allot Government plots along the pipeline at any location including, but not limited to, roadside, Public Parks, Utility Areas, Government Premises, within municipal wards/villages etc. as per CGD entity requirement without any cost to reduce cost of PNG/CNG, which attract customers towards cleaner, cleaner fuel.

- 3.8.8** To further facilitate the CGD project, if no suitable Government land is

CITY GAS DISTRIBUTION POLICY, BIHAR

available, the District Nodal Officer shall assist in identifying and securing appropriate private land through acquisition or lease agreements, ensuring the timely implementation of the CGD project while maintaining adherence to all applicable regulations and standards.

- 3.8.9 The District Nodal Officer shall direct the authority/ line department concerned for a joint survey along with the representative of CGD entity & shall submit the report within 15 days. The joint survey shall evaluate the suitability of the land, assess potential impacts on existing infrastructure, and ensure compliance with environmental regulations and public safety standards. The survey report must include detailed findings, accompanied by photographs and relevant supporting documentation.
- 3.8.10 On the receipt of the report from the concerned local authority/ Additional District Nodal Officer of the concerned line department, the District Nodal Officer shall decide the annual rent and shall intimate the entity with deposition of rent for an initial 3-year period and in multiples of 03 years thereafter.
- 3.8.11 The annual rent for land used for the installation of DRS/MRS/DCU shall be calculated at 5% of the Residential Reserve Price or the Residential DLC (District Level Committee) rate applicable to the area where the land is located. The "Residential Reserve Price / Residential DLC rate" shall be reviewed every three years, with adjustments made for inflation to ensure the rent remains reflective of fair market value.
- 3.8.12 The CGD entity shall deposit the rent to the concerned local authority and intimate the District Nodal Officer.
- 3.8.13 The District Nodal Officer will ensure the grant of permission for installation of Pressure Regulating Stations within 07 days from the date of deposition of rent to the local authorities concerned.
- 3.8.14 The registration charges while purchasing the land for DRS/MRS/DCU to be paid by CGD entity as per the Commercial land type and no further charges will be applicable for conversion of land from agriculture to commercial category for obtaining the Change of Land Use Certificate (CLU) certificate.
- 3.8.15 In case of temporary set-up of DCU required then short term lease, maximum a period of 5 years will be applicable till the time steel pipeline laid.
- 3.8.16 If the permission is not granted within 30 (Thirty) days from the date submission of application, the CGD entity may raise the issue with State Nodal Officer. The State Nodal officer will dispose of the application and recommend the District Nodal Officer concerned for granting the necessary permission within 7 days.
- 3.8.17 The lease deed shall be executed only after the final allotment of land and payment of yearly rental in advance.

CITY GAS DISTRIBUTION POLICY, BIHAR

- 3.8.18 The land will be allotted on lease for 25 years period on an As-Is, Where-Is basis with a provision of further extension.
- 3.8.19 In the event of any conflict arising, the District Magistrate shall act as the competent authority. The decision of the District Magistrate shall be final and binding on all parties involved.
- 3.8.20 If the allottee fails to pay the rent charges within the stipulated time, undertakes construction contrary to the approved plan, or engages in activities detrimental to industries, the District Magistrate, shall have the authority to cancel the land allotment.

3.9. Allotment of land for CNG Station

- 3.9.1 The CGD entities are committed to set-up certain fixed number of CNG retail outlets as part of Minimum Work Programme (MWP) committed to PNGRB during first 8 years from grant of authorization in their respective Geographical Areas.
- 3.9.2 District Nodal Officer shall ensure that specific provisions for plots of land for CNG stations are included in the master plan for the respective urban areas at key traffic corridors measuring (minimum 40m x 30m).
- 3.9.3 The allotment of land for the CNG station shall be granted by the District Magistrate on a case-by-case basis. The plots required for completing MWP at key traffic corridors within city limits, national highways, state highways, and other roads shall be allotted.
- 3.9.4 Necessary amendments must be made to the Bihar Industrial Area Development Authority (BIADA) for making provisions for allotment of plots of land for CNG stations.
- 3.9.5 Earmarking of land/plot for development of CNG stations at the planning stage of town/city and the same being specified in the Master Plan by Housing & Urban Development Authority.
- 3.9.6 Earmarking of land/plot for development of CNG stations at the planning stage of bus stands and the same being specified in the Master Plan by the Transport Department, Government of Bihar.
- 3.9.7 **Inclusion of Gas pipeline infrastructure in the road infrastructure of urban local bodies:** The urban local authorities while executing road infrastructure projects including projects under Smart City and Tender SURE (specifications for urban roads execution), shall invariably include provisions for the gas pipeline infrastructure along with other utilities.
- 3.9.8 **Provisions for the inclusion of PNG pipelines/networks by the local bodies at time of approval of building plan:** Urban Development and Housing Department, Government of Bihar shall make necessary amendments to the

CITY GAS DISTRIBUTION POLICY, BIHAR

by-laws for providing gas pipeline infrastructure in residential & commercial buildings at the plan approval stage. All the Government Quarters, Guest Houses, and Office buildings should have the provisions of PNG connectivity.

- 3.9.9 All the residential area buildings of Bihar Government shall use PNG. Modifying relevant building by-laws for providing gas pipeline infrastructure in residential & commercial buildings at architectural design stage.

3.10. Promotion of CNG/LNG as preferred greener fuel

- 3.10.1 Adoption of CNG/LNG as preferred transportation fuel with a view to promote usage of clean and green fuel in the transportation sector. State Transport Corporations accord priority to CNG/LNG buses while purchasing new buses and retrofitting in present alternate fuel fleet, in order to actively promote the usage of CNG/LNG in public transport. Efforts will be taken to convert vehicles being utilized/engaged in Government Departments (Cars, Buses, Ambulances, Delivery Vans, Goods Carrier, etc.) to CNG vehicles where CNG infrastructure is available.

- 3.10.2 **Conversion of Diesel Generators in Government Buildings, Telecom service towers, Industries or other establishments in the Authorized area with gas generators:** Telecom towers are located all over the Bihar state and draw primary and backup energy from a myriad of conventional sources. The Diesel Generator sets are polluting sources of power backup and leave a carbon footprint. With the expansion of the CGD network, a readily available alternative is to switch over from diesel-based generators to natural gas-based generators, especially in urban areas, which provide an environmentally friendly alternative, at a lower cost. The State Level committee will take steps to facilitate conversion of Diesel sets to CNG generators by bringing in appropriate rules/regulations.

- 3.10.3 **Banning polluting fuels in the Industrial areas connected with Gas Pipeline Network:** 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 the Delhi NCR area may be adopted. The greater use of natural gas will bring down carbon emissions, helping the nation meet its COP-26 (Conference of the Parties) commitments.

- 3.10.4 **Monitoring and Promoting CNG/LNG Adoption:** The State Government will establish a monitoring and reporting framework to track the progress of CNG/LNG adoption in public transport, Government vehicles, and industrial areas. Regular assessments will be conducted to ensure compliance with the conversion goals, and corrective actions will be taken where necessary. Public awareness campaigns will also be conducted to encourage stakeholders to adopt CNG/LNG for cleaner, more sustainable energy solutions.

- 3.10.5 **Marketing and awareness campaign:** CGD entity will approach customers to

CITY GAS DISTRIBUTION POLICY, BIHAR

create awareness among the public about the benefits of PNG and CNG through awareness campaigns, display of advertisements & hoardings on buildings, display of CNG direction markers on Highways.

3.11. Grievance Redressal Mechanism

3.11.1 The District Nodal Officer shall take a monthly review for all the complaints / grievances lodged by the public / Authority / CGD entity.

3.11.2 The complaint lodged by the public / Authority/ Line Department shall be forwarded to the concerned CGD entity within three (03) days and the CGD entity shall address the same and will submit compliance for each complaint within seven (07) days to the District Nodal Officer.

3.11.3 The complaints lodged by CGD entities to the District Nodal Officer shall be forwarded to concerned authorities within three (03) days and the concerned authority shall address the complaint and submit compliance to the District Nodal Officer within seven (07) days.

3.11.4 In the event that complaints or grievances lodged by the public, concerned authorities, or CGD entities are not resolved by the District Nodal Officer within the stipulated time period, such matters shall be escalated to the State City Gas Monitoring & Coordination Committee (SCGMCC) for further consideration and appropriate resolution.

3.11.5 **Dispute Resolution Mechanism:** In the event of any dispute, disagreement, or difference arising between CGD entities and any line department of the Government of Bihar, or between CGD entities themselves, in connection with the implementation, operation, or interpretation of provisions under the City Gas Distribution Policy, all parties shall first make every effort to resolve the matter amicably through direct, informal negotiations.

If the dispute cannot be resolved through mutual negotiation within a period of thirty (30) days from the date on which one party notifies the other of the existence of such dispute, the matter shall be referred to arbitration. The dispute shall be referred to a sole Arbitrator appointed by mutual consent of the parties involved. In the event of failure to agree on a sole Arbitrator within thirty (30) days, the Arbitrator shall be nominated by the Law Secretary, Department of Law/Legal Affairs, Government of Bihar.

The arbitration proceedings shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996, and any subsequent amendments, re-enactments, or rules framed thereunder. The arbitral award shall be final and binding on all parties, subject to any legal remedies available under applicable laws. The venue of arbitration shall be Patna, Bihar, and the proceedings shall be conducted in English.

CITY GAS DISTRIBUTION POLICY, BIHAR

3.12. Arrangement of Safety Measures at Work Site

3.12.1 The CGD Entity shall take appropriate safety measures to ensure public safety during the establishment, post-establishment, maintenance, and other activities related to the laying of gas pipelines. It shall also implement necessary precautions to safeguard structures, including crossings over rivers and canals. In the event of any accident or damage to life or property during or after execution, the CGD Entity shall cooperate with the Local Authority to address and resolve the issue in accordance with applicable regulations.

3.12.2 Restoration of Essential Services: In the event of damage to essential services by CGD entity such as water supply, sewerage systems, telecommunication lines, or electricity supply, the concerned CGD entity shall ensure the services are restored by the concerned service provider at the earliest. All costs incurred for the restoration shall be borne by the concerned CGD entity. The decision regarding restoration costs, as determined by the respective State Government Departments, Local Bodies, or State Authorities, shall be final.

The Emergency Response Vehicles (ERV) used by CGD Entities for responding to gas pipeline leaks, damage, or other emergencies shall be considered for designation as Emergency Vehicles by the Transport Department to facilitate prompt response and minimize delays.

3.12.3 Compliance with Safety Standards: The CGD entity shall adhere to all safety standards and measures prescribed by the Petroleum and Natural Gas Regulatory Board or any other Competent Authority, as outlined in the terms and conditions of the NOC, approvals, or clearances. Any utility laid after the establishment of a gas pipeline network on a road shall be installed at a safe distance from the gas pipeline, with necessary safeguards as per applicable norms. If existing utilities are already present before the gas pipeline is laid, the CGD Entity shall ensure the pipeline is installed with adequate safety precautions and necessary safeguards in compliance with the prescribed standards.

3.12.4 Public Utility Status and Display of Notice: CNG mobile cascade carrier vehicles shall be treated as public utility vehicles. Additionally, the CGD Entity shall ensure that appropriate notices are displayed at the site before commencing any work.

3.12.5 Open-Cut System Guidelines: When the gas pipeline is to be laid using an open-cut system, the area must be properly barricaded, and adequate shoring shall be provided. The work should be carried out in a manner that minimizes disruption to traffic. Road safety and security measures must be implemented by the licensee in accordance with IRC guidelines.

3.12.6 Liability for Accidents, Damages, and Unauthorized Interference: The CGD Entity shall be held responsible for any accidents or damages resulting from its actions, omissions, or negligence during the execution or operation of the gas

CITY GAS DISTRIBUTION POLICY, BIHAR

pipeline network. In the event of damage to the gas pipeline or related installations by an unauthorized person or entity, the CGD Entity may submit a written complaint, prompting the Police to take appropriate action as per the law.

Any unauthorized tampering or modification of the PNG system shall be subject to investigation by the relevant authorities, and if found to be caused by the consumer, the liability shall rest with them. Additionally, any obstruction, nuisance, or harm caused to CGD personnel by unauthorized individuals or entities during project execution or O&M activities shall be considered an offense against public utility service operations and addressed under relevant legal provisions.

3.12.7 Emergency Response and Disaster Management: The District Authorities, in coordination with the concerned CGD entities operating within their respective Geographical Areas, shall be responsible for the preparation and periodic updating of Emergency Response and Disaster Management Plans. These plans shall specifically address potential risks such as gas pipeline leakages or damages. To ensure preparedness for such eventualities, the District Authorities and CGD entities shall jointly conduct mock drills at least once every year.

3.13. Single-Window Online Portal for CGD Infrastructure Approvals

3.13.1 To streamline the approval process for City Gas Distribution (CGD) infrastructure, a single-window online portal shall be developed and implemented by CGD entities within the next six months. This portal will serve as a centralized platform for submitting applications related to CGD infrastructure development.

The online system will facilitate the granting of various permissions at the district level, including Right of Use (ROU) permissions and land allotment for CNG stations, by the Additional District Nodal Officer and District Nodal Officer.

All relevant stakeholders at both the district and state levels will have access to the portal, with role-based permissions assigned to ensure an efficient, transparent, and structured approval workflow.

CITY GAS DISTRIBUTION POLICY, BIHAR

3.14. Revision of Policy

- 3.14.1. Based on the recommendations of the State City Gas Monitoring & Coordination Committee, the Food and Consumer Protection Department, Government of Bihar, reserves the right to amend any clause or modify the provisions of this policy.
- 3.14.2 The Government of Bihar reserves the right to periodically review and adjust the charges, Performance Bank Guarantee amount, lease terms and related conditions, as necessary.
- 3.14.3 This policy shall come into effect from 15.07.2025, the date on which it is notified by the State Government.



