

SESSION 10

CONSUMER AFFAIRS DIVISION



**RAKESH KUMAR
SHAHI**



**AJITESH
SINGH**



पी एन जी आर बी
PNGRB

"Consumer protection has been an integral part of governance for ages in India. Consumers' protection finds mention in our Vedas written thousands of years ago."

"इमा मात्रा मिमीम हे यथ परा न मासातै"

**CONSUMER AFFAIRS
DIVISION**



Need for Consumer Protection framework in the Oil & Gas sector



- To safeguard the rights and interests of consumers against unfair trade practices
- Ensure fair, transparent, and accountable service delivery
- Provide time-bound and effective grievance redressal mechanisms
- Enhance consumer awareness, education, and empowerment
- Promote trust and confidence in the gas-based economy
- Support the Government's vision of increasing the share of natural gas in India's energy mix





PNGRB's Role In Promoting Consumer Rights



1. Protection of Consumer Interests

Section 11(a): PNGRB is mandated to **protect the interest of consumers** by ensuring fair trade and competition among entities.

Section 11(f): Ensures **adequate availability** of petroleum products and natural gas to consumers at **fair prices and** prevent restrictive trade practice by the entities.

2. Grievance Redressal and Dispute Resolution

Section 12(1): PNGRB can **adjudicate disputes** between entities or between an entity and any other person (including consumers).

Section 25: Allows **filing of complaints** before the Board for violations of the Act or regulations.

Section 26: Powers for **investigation and inquiry** into complaints, ensuring consumer grievances are addressed.

3. Transparency and Market Conduct

Section 12(2): PNGRB is empowered to **monitor performance standards** and enforce compliance to protect consumer interests as it deems fit.

Section 21: Introduces the **Affiliate Code of Conduct**, preventing anti-competitive practices and ensuring **transparent dealings** with consumers.

4. Safety and Technical Standards

Section 11(i): PNGRB ensures entities comply with **technical and safety standards**, protecting consumers from hazardous operations.



Consumer Affairs Division



The Petroleum and Natural Gas Regulatory Board (PNGRB), in line with its mandate under Section 11 of the PNGRB Act, 2006, established a dedicated **Consumer Affairs Division** in April 2024 with the vision of safeguarding and promoting consumer interests in the Oil & Gas sector.

Since its inception the Division has undertaken several strategic initiatives, thereby strengthening consumer rights, enhancing transparency, and ensuring accountability across the downstream petroleum and natural gas value chain





Key Framework for Consumer Protection



Consumer Rights & Transparency

Grievance Redressal Mechanism & Enforcement

Pricing Transparency

Regulatory Oversight & Monitoring

Safety & Quality Enforcement



PNGRB Consumer Centric Initiatives



**Consumer Protection
Regulations**

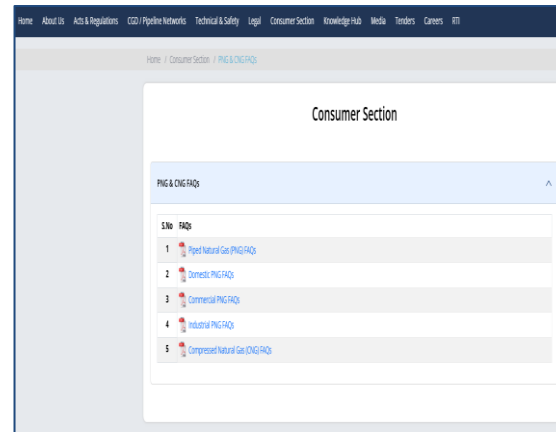


**Standardisation of D-PNG
Billing**

**Consumer Rights &
Transparency**



**Consumer Information
Booklet**



**Awareness through
Consumer Section**





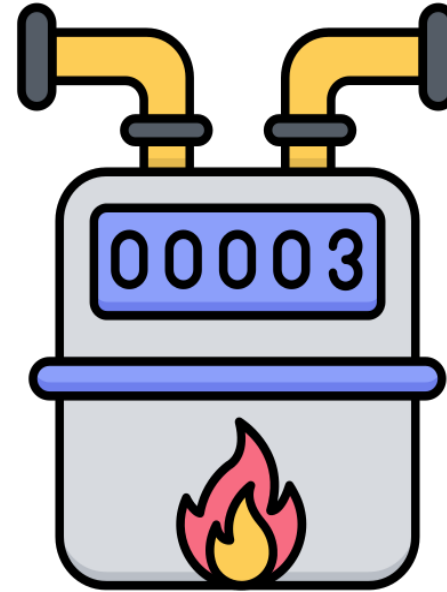
PNGRB Consumer Centric Initiatives



Grievance Management System for Oil & Gas Sector

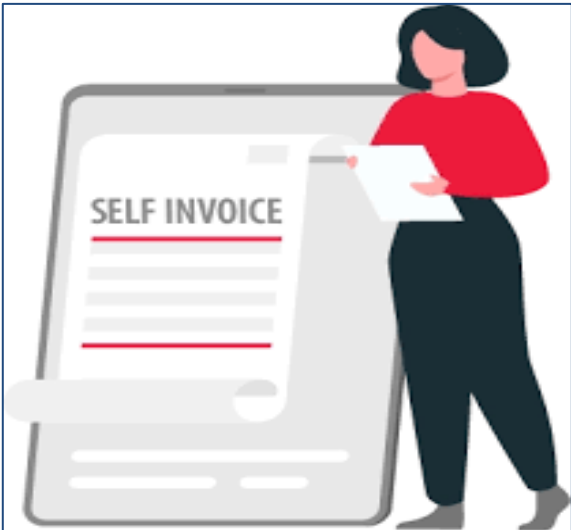


Monthly Complaint Data Bank



Billing on Actual Readings

Grievance Redressal Mechanism & Enforcement



Self Billing Advisory



Development plan

CGD Development Plan





PNGRB Consumer Centric Initiatives

Webhosting of Price Build Up

LNG Pricing Buildup (Crude linked)			
\$ to INR conversion		85.50	
Conversion Kg / MMBTU			
S.No.	Parameters / Assumptions	Unit	Price
1	Crude Price	\$/mmbtu	70.00
2	LNG Price including shipping	\$/mmbtu	9.39
3	Customs Duty (@2.75%)	\$/mmbtu	0.26
4	Handling Losses (@.66%)	\$/mmbtu	0.06
5	Before Re-gas, ex-Terminal Price, PLL Dahej	\$/mmbtu	9.71
6	Regasification Charges by PLL, Dahej @ 62.91/mmbtu	\$/mmbtu	0.736
7	GST on Re-Gas on Brent volume @12%	\$/mmbtu	0.09
8	Price after Regas	\$/mmbtu	10.54
9	Gujarat VAT (15%)	\$/mmbtu	1.58
10	Marketing Margin of Seller @ Rs 16.62/mmbtu	\$/mmbtu	0.194
11	Transportation Tariff for pipeline - Zone -2 @ Rs. 80.08	\$/mmbtu	0.987
12	GST on Transportation Tariff @ 12 %	\$/mmbtu	0.118
13	Total	\$/mmbtu	13.416
14	State Vat in UP @10%	\$/mmbtu	1.342
15	Delivered Price to CGD entity	\$/mmbtu	14.76
16	Delivered Price to CGD Entity	Rs/SCM	47.07
17	Supply & Distribution Cost of CGD Entity	Rs/SCM	8.55
18	CGD Entity's Margin	Rs/SCM	0.73
19	Basic Selling Price	Rs/SCM	56.35
20	VAT (14.5%)	Rs/SCM	8.17
21	Delivered Price to Industrial Customer	Rs/SCM	64.52

Assumptions: Crude price is assumed at 70\$. \$ to INR conversion is assumed at 85.5. Price is considered for delivery to an entity in UP.

LNG Pricing Buildup (Henry Hub linked)			
\$ to INR conversion		85.50	
Conversion Kg / MMBTU			
S.No.	Parameters / Assumptions	Unit	Price
1	Henry Hub price (assumed)	\$/mmbtu	3.00
2	LNG Price including shipping	\$/mmbtu	10.10
3	Customs Duty (@2.75%)	\$/mmbtu	0.28
4	Handling Losses (@.66%)	\$/mmbtu	0.07
5	Before Re-gas, ex-Terminal Price, PLL Dahej	\$/mmbtu	10.45
6	Regasification Charges by PLL, Dahej @ 62.91/mmbtu	\$/mmbtu	0.736
7	GST on Re-Gas on HH volume @12%	\$/mmbtu	0.09
8	Price after Regas	\$/mmbtu	11.27
9	Marketing Margin @ Rs 16.62/mmbtu	\$/mmbtu	0.194
10	Transportation Tariff for pipeline - Zone -2 @ Rs. 80.08	\$/mmbtu	0.987
11	GST on Transportation Tariff @ 12 %	\$/mmbtu	0.118
12	Total	\$/mmbtu	12.571
13	State Vat @10%	\$/mmbtu	1.257
14	Delivered Price to CGD entity	\$/MMBTU	13.828
15	Delivered Price to CGD entity	Rs/SCM	44.10
16	Supply & Distribution Cost	Rs/SCM	8.55
17	Entity's Margin	Rs/SCM	0.73
18	Basic Selling Price	Rs/SCM	53.38
19	VAT (14.5%)	Rs/SCM	7.74
20	Delivered Price Industrial Customer	Rs/SCM	61.12

Assumptions: Henry Hub is assumed at 3\$ and shipping charges at 3\$ for purpose of calculation. \$ to INR conversion is assumed at 85.5. Price is considered for delivery to an industrial entity in UP.

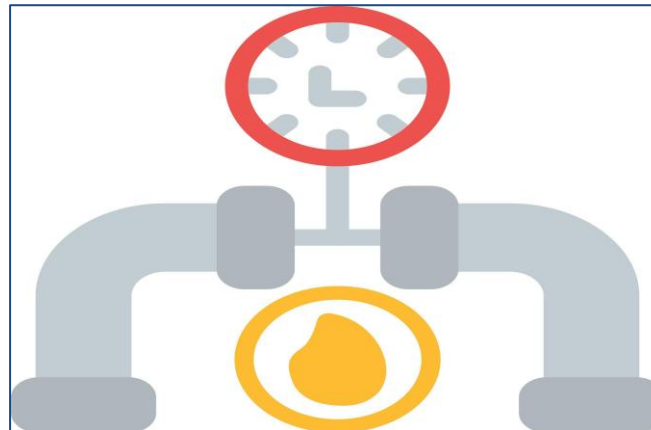
Pricing and Tariff



Webhosting of PNG & CNG Prices



Unified Tariff



PNGRB Consumer Centric Initiatives



**Consumer Satisfaction
Survey (CSS)**



Periodic GA visits & Inspections



**Regulatory Impact
Assessment Study**

**Regulatory Oversight
and Monitoring**



**National Hydrocarbon
Infrastructure Monitoring
System**



**PNG Drive 2.0
Campaign**





PNGRB Consumer Centric Initiatives



Periodic Safety Audits



Insurance in CGD Sector



AWARENESS

Safe usage of PNG & CNG

**Safety and Quality
Enforcement**





PNGRB Consumer Centric Initiatives



**Empanelment of NGO &
VCO**



**Compensation for
deficiency of Services**



**Pass on Savings on
Self Billing**



**Non-Levy of Additional
Charge on Physical Bills**





Pilot Study on PNG Stoves



- ❑ To evaluate efficiency, performance, and gas consumption patterns of consumers transitioning from LPG retrofitted stoves to new PNG stoves
- ❑ Preliminary analysis shows a 15% - 20% improvement in gas savings after switching to energy-efficient PNG stoves



Expert Committee's constituted under division





Constituted Expert Committee's

High-Level Expert Committee

Constituted HLEC Committee to review the Consumer Protection framework of the Oil & Gas sector

CSRM Committee

Industry Committee on Complaint Standardization and Redressal Mechanism (CSRM) constituted to develop a uniform and standardized consumer redressal mechanism for Oil & Gas sector

Expert Advisor Committee

To examine the feasibility, scope and framework of an Ombudsman mechanism tailored to the specific needs of the petroleum and natural gas ecosystem.



Committees Recommendations



HLEC Committee

- Structured Consumer Protection regulations
- Appointment of Ombudsman
- Uniformity and Standardisation of grievance redressal mechanism across the Oil & Gas sector
- Development of Centralized Grievance Portal
- Conduct of outreach programs through NGO & VCOs
- Conducting sessions & conferences for creating awareness
- Consumer Awareness Booklet

CSRM Committee

- Standardization of complaint categories, definitions, and classification across Oil & Gas sector
- Unified grievance redressal mechanism with defined Turnaround Times (TATs) and escalation matrix
- Development of a centralized PNRB Grievance Portal for unresolved complaints
- Display of QR codes at CNG stations and customer touchpoints for instant complaint registration
- Consumer awareness and outreach initiatives to educate consumers on grievance redressal mechanisms



Consumer Protection Regulations, 2025





Consumer Protection Regulations, 2025

- In line with the recommendations of the HLEC Report, the Consumer Protection Regulations, 2025 formulated as a structured and comprehensive framework to strengthen consumer protection across the Oil & Gas sector
- All Consumer-related provisions into a single, unified framework, ensuring consistency, clarity, and effective implementation across the petroleum and natural gas sector





Salient Features of Consumer Protection Regulations, 2025



- Comprehensive Consumer Coverage (PNG, CNG, LPG & RO)
- Defined Consumer Rights
- Multi-Tier Grievance Redressal Mechanism
- Time-Bound Complaint Resolution (TAT)
- Mandatory Consumer Complaint Cell & CRM System
- Standardized Complaint Categorization
- Compensation Framework
- Transparency & Information Disclosure
- Consumer Satisfaction Surveys
- Consumer Awareness & Education
- Strict Penalty Provisions





Salient Features of Consumer Protection Regulations, 2025

Grievance Redressal

Right to have complaints addressed

Petrol and Diesel Consumer Rights

Specific rights at retail outlets

LPG Consumer Rights

Specific rights for LPG consumers



Fundamental Rights

Basic rights applicable to all consumers

PNG Consumer Rights

Specific rights for PNG consumers

CNG Consumer Rights

Specific rights for CNG consumers

Rights Of Consumers

Right to Safety

Right to Information

Right to Choose

Right to be Heard

Right to Consumer Education

Right to Redressal

Right to Quality & Assured Supply

Right to Fair Trade Practices





Salient Features of Consumer Protection Regulations, 2025

Grievance Redressal Mechanism

Four (4) Tier Grievance redressal framework

Tier 1: Consumer Complaint Cell / Customer Care (First Point of Contact)

Tier 2: In-charge Customer Care / Nodal Officer

Tier 3: Appellate Authority

Tier 4: PNGRB Escalation Portal (IGMS) / Ombudsman / Board

Tier 1 – 3 – Entity level

Tier 4 – Ombudsman / PNGRB

Turnaround Time (TAT) for resolution



Category	Type of Complaint	TAT
Category A (Emergency/Critical)	Gas leakage, fire, complete supply failure, billing errors >25%	Immediate action; resolution within 24 hours
Category B (High Priority)	Activation, partial supply failure, pressure, metering, billing, payment issues	7 working days
Category C (Normal)	Service quality, minor issues, general complaints	15 working days



7 working days
for all categories



Category	TAT
Category 1 (Emergency /Leakage)	Immediate response; mechanic dispatch within 30 minutes
Category 2 (Service-Related)	Within 24 hours for initial response; 14 days for resolution



Grade	Initial Response	Resolution TAT
G1 (General)	Within 72 hours	7 working days
G2 (Critical)	Within 72 hours	15 working days

Non-resolution within TAT

Interim reply, revised timeline for resolution & progress of complaint to the consumer to be informed



Global Best Practices



**United
Kingdom**

**Office of Gas and
Electricity Market**

Consumer Centric Global Best Practices

Guaranteed Standards of Performance (GSoP)

- ❑ Minimum service standards that all suppliers must meet for specific services; if they fail to comply, consumers are automatically entitled to **£40 compensation**

Protecting Vulnerable Consumers

- ❑ **Consumer Vulnerability Strategy** focuses on ensuring energy suppliers support consumers in vulnerable situations (e.g., low income, health issues, disability)

Support for Customers in Payment Difficulty

- ❑ Ofgem's guidance to suppliers to assist customers struggling financially:
 - Proactive identification of payment difficulties
 - Offering flexible repayment plans
 - Engaging vulnerable customers

24/7 Support Requirements (Emergencies & Fault Support)

- ❑ Mandate suppliers provide around-the-clock support for significant supply issues

Consumer Confidence Programme

- ❑ Strategic initiative to raise trust and satisfaction among energy consumers by improving customer service standards across the UK energy



Consumer Centric Global Best Practices

Strong Transparency & Public Disclosure

- ☐ Mandatory public disclosure of fuel prices, tariffs, and quality standards
- ☐ Nationwide fuel price comparison transparency, enabling consumers to compare prices across regions

Weekly Fuel Price Survey

- ☐ Conducts and publishes weekly fuel price surveys, including natural gas, LPG, and CNG, providing location-wise retail price information to consumers

Consumer Complaint Resolution System

- ☐ ANP, in coordination with SENACON (National Consumer Secretariat), operates integrated consumer complaint portals for natural gas and fuel-related service issues

Dynamic Natural Gas Quality Dashboard

- ☐ Dashboard providing data on the quality of natural gas production and imports, improving transparency for industrial and retail consumers



Brazil

**Brazilian
National Agency
of Petroleum,
Natural Gas and
Biofuels**



Consumer Centric Global Best Practices

Consumer Hardship Policy

- ☐ Mandatory guidelines that directs energy retailers to create policies helping customers in financial difficulty, ensuring protections, standardized communication (including 'Easy English'), and offering payment plans, all subject to AER approval

State / Territory Ombudsman Schemes

- ☐ Energy Ombudsman schemes are free for consumers, independent of energy companies, and funded by industry

Energy Made Easy

- ☐ AER first launched Energy Made Easy in 2012 as a retail price comparison site for consumers and encourages all households and small businesses to shop around and get the best deal in the competitive energy retail market

Stakeholder Engagement

- ☐ AER adopts a structured Stakeholder Engagement Framework ensuring consultation at all stages of regulatory decision-making
- ☐ Engages Consumers, Customer Consultative Group (CCG) & Consumer Reference Group (CRG), Industry, and Governments through consultations, workshops and online forums with published responses to stakeholder inputs



Australia

**Australian Energy
Regulator**



Cross Sector Consumer Centric Initiatives



Comparative of Consumer Centric Best Practices Across Regulators

Parameters	PNGRB	RBI	TRAI	DERC	IRDAI
Existence of Consumer Charter / Rights	Defined under the Consumer Protection Regulations, 2025 – In Public Consultation	Mandatory Board-approved Customer Charter for banks (rights, service timelines, compensation)	Rights & service benchmarks embedded in QoS regulations (no single standalone Charter)	Explicit consumer rights defined under Electricity Act, 2003 and Supply Code Regulations	Policyholders' Charter mandating fair treatment, disclosures & claims servicing
Transparency & Disclosure	- Mandatory display of PNG & CNG Prices on Entity Website - GA wise CGD Development Plan - PNG price breakup on Invoices	Interest rates, fees & charges, product suitability, grievance mechanisms	Mandated service provider to publish Tariff plans, Telecom Services Performance Indicators, Survey Report & Study Report	- Category-wise consumer tariffs - Network reliability indicators of Interruption - Consumer category-wise subsidy	Policy terms, benefits, exclusions, premium, claim procedures, grievance process
Grievance Redressal Framework	3 Level Escalation Matrix within the Entity → PNGRB IGMS Portal / Ombudsman	3-tier system within Bank → RBI CMS Portal / Ombudsman → Appellate Authority	Telecom Service Provider → Appellate Authority of TSP → DOT	DISCOM Internal Grievance Cell → CGRF → Ombudsman	Insurer → IRDAI → Insurance Ombudsman
Ombudsman Mechanism	Constituted Expert Advisor Committee on Ombudsman for framing regulations	RBI Integrated Ombudsman Scheme	No Ombudsman in Telecom Sector ✗	Electricity Ombudsman	Insurance Ombudsman
Guaranteed Service obligation	Right to compensation part of Consumer Protection Regulations, 2025, to address consumer grievances arising from deficiencies in service.	Provision for customers to claim compensation is under RBI's Integrated Ombudsman Scheme (RB-IOS)	No Provision for Compensation ✗	DERC Supply Code and Performance Standards, Regulations, 2016 mandates "Guaranteed Standards of Performance & Compensation"	- Provision for interest payment @2% for deficiency in service - Compensation through Insurance Ombudsman



Comparative of Consumer Centric Best Practices Across Regulators

Parameters	PNGRB	RBI	TRAI	DERC	IRDAI
Grievance Portal	Integrated Grievance Management System (IGMS Portal)	Complaint Management System (CMS Portal)	Telecom Consumers Complaint Monitoring System (TCCMS)	No Dedicated Complaint Portal ✗	BIMA Bharosa Portal
Consumer Representation	- With the empanelment of Consumer Groups (NGO & VCO) - Public Consultations - Open House Discussions (OHDs) - Stakeholder Comments	Primarily indirect and expert-driven, No direct representation ✗	- Mandatory Public Consultations - Open House Discussions (OHDs) - Stakeholder Comments - Registered consumer Groups	Through Public hearings ✗	Collaborates with industry and consumer stakeholders, but no direct representation ✗
Consumer Survey	1 st Consumer Satisfaction Survey completed for 62 GA's	Consumer Confidence Survey	- Consumer Perception & Awareness Surveys - Quality of Service (QoS) Performance Audits - Policy Surveys & Studies	Consumer Satisfaction Survey (Not Regularly) ✗	Insurance Awareness Surveys
Impact Assessment Study	1 st Regulatory Impact Assessment Study for the Oil and Gas sector is in process through a Knowledge Partner	✗	TRAI has initiated the process for conducting a Regulatory Impact Assessment and issued an Expression of Interest	✗	✗
Provision for Penalty	Under Section 28 of PNGRB Act, 2006 Board empowered to impose Civil penalty	RBI has direct powers to impose penalties under various acts	TRAI imposes financial disincentives (fines) under Section 29, TRAI Act 1997 but challengeable in court ✗	Under Section 142 of the Electricity Act, 2003, the Commission is empowered to directly impose penalties for non-compliance	IRDAI empowered under Section 102, Insurance Act, 1938 to impose financial penalties

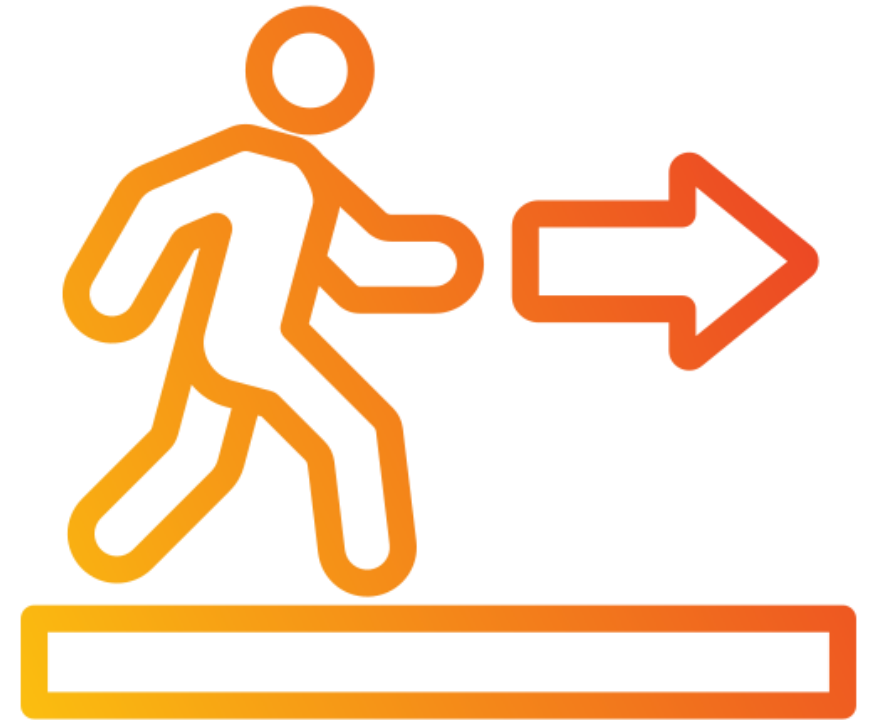


Comparative of Consumer Centric Best Practices Across Regulators

Parameters	PNGRB	RBI	TRAI	DERC	IRDAI
Consumer Education Materials	• PNG & CNG FAQs, • Consumer Information Booklet • LNG Price Buildup • Consumer Centric Social Media Posts	• Awareness booklets on safe banking practices • Pictorial Booklets • Awareness Video on financial literacy	• Consumer Outreach Materials • Consumer Handbooks • Awareness on Apps and Tools	Public awareness bulletins on electricity matters	• Yearly Consumer Affairs Booklet • IRDAI Journal • Email & Mobile push notification alerts
Consumer Awareness Programme	Conducted National 1 st Consumer Conclave	RBI Kehta Hai	TRAI Workshops, MyCall App	Public Awareness Bulletins	Bima Bemisaal



Future Way Forward





Way Forward

- 1 Outreach Programs through NGOs & VCOs
- 2 Conduct of 2nd Consumer Conclave
- 3 Regulations on Ombudsman & Appointment
- 4 Compliance and monitoring of provisions under the Consumer Protection Regulation, 2025
- 5 Development of Mobile App for IGMS Portal
- 6 Conduct of conference / programs for the sector
- 7 Publish a Quarterly Consumer Bulletin under PNGRB's Consumer Affairs framework





Thank You

