

राजस्थान सरकार
परिवहन एवं सड़क सुरक्षा विभाग
परिवहन भवन, सहकार मार्ग, जयपुर (राज.) 302005

Draft Notification for publication of CNG policy

Rajasthan is being one of the foremost states across the country which is coming up with a CNG policy on light motor vehicles. The Policy aims to control vehicular pollution by promoting CNG as an eco-friendly fuel and defining the key policy enablers, incentives, implementation plan while ensuring safety. It also highlights special provisions for non-attainment cities/ Smart cities in Rajasthan. There have been multiple rounds of consultations with stakeholders while drafting the policy. It also included discussions with City Gas Distribution (CGD) entities along with Industrial and Commercial institutions like PHD Chamber of Commerce & Industry.

The following draft policy is hereby published for information of all persons likely to be affected thereby; and notice is hereby given that the said draft policy shall be taken into consideration after the expiry of fifteen days from the date on which the copies of this notification, as published in the Official Gazette, are made available to the public;

Feedback to this draft policy, if any, may be sent to the Joint Transport Commissioner (Pollution Control), email: transport.pollution@rajasthan.gov.in, Department of Transport and Road Safety, Parivahan Bhawan, Jaipur – 302005.

The feedback which may be received from any person in respect of the said draft policy before the expiry of the aforesaid period will be considered by the Transport Department.

The document is being posted on public portal for receiving suggestions as well as amendments to make it more contextual and purposeful.



Rajasthan Compressed Natural Gas (CNG) Policy 2022

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1. Executive Summary

With a rising threat of air pollution and poor air quality, it is imperative to evolve a CNG policy framework for Rajasthan. The Policy aims to control vehicular pollution by promoting CNG as an eco-friendly fuel and defining the key policy enablers, incentives, implementation plan while ensuring safety. For transition towards CNG and having proper infrastructure, below provisions are recommended:

- Diesel vehicles having more than ten years of age can be provided five years of extension on retrofitment of CNG
- Facilitation from transport department for new CNG vehicles / Conversion of Vehicles from alternate fuels to CNG by having Dedicated window
- Issue of Registration Certificate and approval of CNG RFCs in defined time
- City transport corporations to be advised/permitted to set up CNG stations on their access land parcels Relaxation of DM NOC for CNG station installation and commissioning
- The State shall facilitate City Gas Distribution (CGD) entities in leasing, acquisition, and land-use conversion of land

Jaipur, Jodhpur, Ajmer, Kota, and Udaipur account for more than 50% of the vehicle registration and 60% of the on-road vehicle stock. Hence special provisions for non-attainment cities/ Smart cities are suggested as described below:

- The state government should endeavour to convert their fleet on clean fuel. All new hired/leased vehicle by various government department should be based on CNG.
- Educational Institute and other private transport buses shall switch to CNG in two years in the non-attainment cities.
- Re-registration of vehicles including schools' buses (after ten years in case of diesel vehicles and after 15 years in case of petrol vehicles) shall be allowed only in case such vehicles switch over to CNG
- City Transport Services companies etc. and other local city transport corporations promote CNG use, including retrofitting existing buses and buying new buses.
- Registration of new commercial vehicles like three-wheelers, taxis, goods carriers etc. shall be allowed only on clean fuel, including CNG fueled. Sale of diesel autos shall be banned where CNG is available. The Diesel autos from outstation shall be banned completely.
- Areas of high tourist attractions/ historic importance should be delineated, and commercial vehicles running only on CNG should ply in such areas.

For smooth implementation of Policy, a dedicated CNG Cell shall be established within Department of Transport and Road Safety for effective day-to-day functioning.

From a safety perspective, awareness program, ban on vehicle running on domestic LPG gas cylinder, monetary penalties for non-compliance of guidelines, installation of only certified kits, regular inspection, and a maintenance program is proposed

2. Strategic Context

Preamble

- The transport sector is the second-largest energy consumer in the country and has a major share in environmental pollution.
- To address the rising concerns of deteriorating air quality, the Government of India, in partnership with NITI Aayog, launched the *Cleaner Air Better Life Initiative* in November 2016¹.
- Under the initiative, four task forces for Clean Transportation, Clean Fuel, Clean Industry and Biomass Management have been set up by NITI Aayog.
- Under the National Clean Air Programme, comprehensive clean air action plans are implemented in five non-attainment cities of Rajasthan, including Jaipur, Jodhpur, Kota, Udaipur, and Alwar. The objective is to reduce particulate pollution by at least 20-30 per cent from the 2017 level by 2024.
- The Rajasthan State Pollution Control Board (RSPCB) has taken the lead to enhance the implementation strategies for an effective impact. In this regard, the RSPCB, in collaboration with the Center for Science and Environment (CSE), has initiated an assessment of the current challenges, identification of the gaps, and next steps to inform and enhance more granular strategies.
- This multi-sector strategy targets vehicles and transportation in public transport and household.

Need of Policy

- The Ambient Air Quality of the State Capital Jaipur is poor now, while the same was moderate in 2020 as per Ambient Air Quality Monitoring data for the year 2020.
- Similarly, the Ambient Air Quality for other prominent cities/towns is moderate, which may turn into poor/bad in the coming few years given the rising pollution levels in the State.

¹ Action Plan for Clean Fuel, NITI Aayog, Government of India, 2018

- Given the same, there is a dire need for promulgation and implementation of green fuel policy initiatives incentivising/promoting the use of CNG in the road transport sector across Rajasthan.
- It is pertinent to incentivise long-term Policy to achieve a better Air Quality Index for the State of Rajasthan.
- Considering the rising threat of air pollution and poor air quality, evolving a policy framework for the State of Rajasthan becomes imperative.

Objectives

- To create an eco-friendly environment by promoting CNG through exemption in taxes/permit fee etc., and setting up pump infrastructure.
- Workout seamless action plan for adoption of CNG as a clean fuel in the State with special focus on non-attainment cities as classified by NGT
- Control vehicular pollution and emission of Green House Gases (GHG) to provide a healthy and sustainable environment
- Defining the key policy enablers/drivers may prove a catalyst in achieving a better Air Quality Index, thereby healthy life quality of the citizen of the State of Rajasthan.

Vision

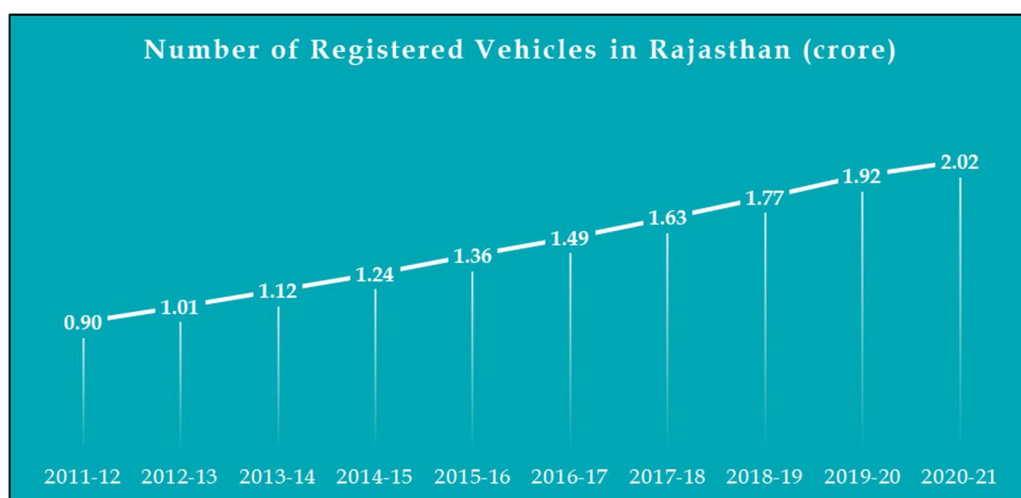
- The Government of Rajasthan envisions being a leader in the country by adopting clean fuel, including CNG, in the next five years.
- To encourage a transition to clean fuel for different categories of non-transport and transport vehicles.
- To boost the transition process by incentivising the shift from conventional to clean fuel and offering subsidies to purchase new clean fuel vehicles.
- To assist the transition mechanism by developing ample infrastructure to meet the CNG demand.

3. Policy Context

- Both rapid urbanisation and seamless transportation are independent yet inseparable development scenarios. Urbanisation demands faster transport mediums, and speedier transportation catalyses the rate of urbanisation.

- The number of registered motor vehicles in Rajasthan have almost grown 2.24 times in the last decade and has crossed 2.0 crore as of March 2021.
- Government of Rajasthan (GoR) is committed to achieving inclusive and sustainable development and recognises the need to transition towards cleaner mobility in the State.
- Therefore, GoR has decided to support initial adoption and facilitate the development of adequate infrastructure to promote clean fuel under this Policy.
- The growth in vehicle population in the State during the past ten years is presented in Figure 1.

Figure 1: Growth in Number of Vehicles in Rajasthan (2011-12 to 2020-21)



- Jaipur, Jodhpur, Ajmer, Kota, and Udaipur account for more than 50% of the vehicle registration and 60% of the on-road vehicle stock. A preliminary assessment suggests vehicular pollution has been recorded maximum in Jaipur, Jodhpur, Udaipur, and Kota.
- Further, an assessment of vehicle stock in the cities suggests Diesel Buses, 2W, Diesel 4W and Diesel 3W are top contributors to vehicular emissions in these cities. The CNG Policy of Rajasthan focuses on promoting the transition to clean fuel across the State in the vehicles as mentioned above in the Policy.

Advantage of conversion to CNG:

- **Environmental Benefit :** CNG emits less carbon dioxide and other pollutants in comparison to other fuels

- **Cost Advantage** : CNG is a cheaper alternative to other fuel types like petrol or diesel. In case of CNG fitted car, the lifespan of the engine will increase as there is less contamination of the motor oil due to the fuel.
- CNG buses shall also ensure Legal compliance of emission norms all the time.

4. Key Enablers

Provisions for a transition towards clean fuels

- Commercial passenger vehicles with diesel fuels which are more than 10 years of age may be issued extension for five years on retrofitment with CNG that too on issue of fitness certificate. STA shall issue suitable directions for executing extension.
- Approval of new CNG vehicles within 15 days of submission of application by OEM
- CNG kits approved by Automotive Research Association of India (ARAI) / International Centre for Automotive Technology (ICAT) for conversion to CNG from Petrol / Diesel / Auto LPG should be approved within 15 days from the date of receipt of application. Their need to be validity checks in every 3 years for such kits.
- Dedicated window in RTO offices in the State for Endorsement of conversion from Petrol / Diesel / Auto LPG into CNG shall be made in the Registration Certificate (RC) within 7 days
- Approval of CNG RFCs (CNG Retro-fitment Centres) within 15 days from the date of submission of application.
- To promote use of clean fuel, the VAT on CNG, which is currently highest in Rajasthan (14.5%) across India, shall be reduced to 5% as applicable in other state like Delhi.

Infrastructure

- State Transport Undertaking (STU) or other local city transport corporations to be advised/permited to set up CNG stations on their access land parcels available at depots/ land for future expansion.
- Relaxation of DM NOC for CNG station installation and commissioning

- Priority allocation of Government owned land / plot for development of CNG stations similar to Delhi Government facilitating quick rollout of large CNG stations which can also cater Buses and LCVs etc
- Plots/lands can be allotted to CGD entities on long term lease basis to the CGD entity for a period of 30 years on free to use basis or for a nominal monthly rental basis.
- State shall facilitate CGD entities in acquisition and land use conversion of land

Incentive

- The State may consider providing finances under the National Clean Air Program (NCAP) for conversion of State Road Transport Buses and city buses to offset the emissions considering the Vehicle Kilometres Travelled (VKT) and emissions released in commutation per passenger.
- Retro-fitment incentive at 15% of the retro fitment cost capped at Rs.15,000 per vehicle for the first 5,000 retrofit 3-seater auto rickshaws and commercial motor-cabs / maxi-cabs, running on diesel or petrol. A suitable mechanism need to defined based vehicle population in each city. The fund from National Clean Air Programme (NCAP) may be earmarked for this purpose in non-attainment cities.
- NCAP funding can also be used to provide subsidy for procurement/ retro fitment of STU buses / Local City Transport buses to CNG. In absence of this provision, state government should provide for the funding.
- 100% exemption on Road Tax/Registration charges for vehicles getting registered on CNG fuel in Rajasthan.
- Transport department to 100% subsidise re-registration of old vehicles when converted to cleaner fuels viz CNG/ LPG.

Special provision for non-attainment cities/ Smart cities in Rajasthan (Alwar, Jodhpur, Jaipur, Kota, Udaipur, and Ajmer)

- Educational Institute and other private transport buses shall switch to CNG in a period of two years in the non-attainment cities and in towns where population is more than 5 lakhs. A suitable policy guideline shall be issued in this regard.
- City Transport Services companies etc. and other local city transport corporations promote CNG use by retrofitting existing buses and buying new buses.

- Registration of new commercial vehicles like three-wheelers, taxis, goods carriers etc. shall be allowed only on clean fuel, including CNG fuelled
- Registration/ re-registration of school buses should be allowed only for those buses which are on clean fuel, including CNG fuelled
- The state government should endeavour to convert their fleet on clean fuel. All new hired/leased vehicle by various government department should be based on CNG.
- If buses used by private local city buses and operators fail the pollution test, license renewal for such private local city buses should be allowed only after the vehicle switches over to cleaner fuel.
- Areas of high tourist attractions/ historic importance should be delineated, and commercial vehicles running only on CNG should ply in such areas.

5. Policy Framework and Implementation

There shall be a definite framework with timelines and rollout plan.

- Within next 6 months from the date of notification of policy, STU/ JCTSL/ other local city transport authorities should prepare a plan for conversion of their existing fleet on CNG.
- After six (6) months from the date of notification of policy, only commercial vehicles plying on cleaner fuels including CNG should be allowed to enter the city limits for Non-attainment/ Smart cities in Rajasthan as may be decided by STA
- Registration of auto riskshaws/ taxis (except MPV/ SUV where CNG variants are not available)/ goods carriers should be permitted only on cleaner fuels including CNG as may be decided by STA
- 25 – 50% % procurement of all new buses by STU/ JCTSL/ other local city transport authorities should be CNG vehicles as may be decided by STA

The following practices shall be undertaken to ensure an efficient implementation of various proposals in the Rajasthan CNG policy:

- Department of Transport and Road Safety shall be appointed as Nodal agency with Transport Commissioner as Nodal Officer in Rajasthan. A dedicated CNG cell shall be established within the Transport Department for the effective day-to-day implementation of the Policy and comprises staff with relevant technical expertise to exclusively deal with all related matters.
- A financial fund structure shall be created which will constitute 50% funding from the government and 50% funding from Corporates/stakeholders like CGD entities to promote use of CNG in the state.

- A committee shall be constituted wherein all CGD entities can be the members and Transport Commissioner can be the Chairman of the committee. Other members may be finalized later with mutual consent with government departments
- The committee shall conduct quarterly/half yearly review, to measure performance under the Policy and take further steps, as necessary, for successful implementation to achieve the policy objectives.
- It is proposed to conduct six monthly periodic review under Chairmanship of ACS Transport, and thereby put in place an effective policy review mechanism so that implementation of policy can be more effective.

6. Ensuring Safety

Safety Measures

The Government should impose strict measures to ensure vehicular and public safety. Following steps are suggested to ensure continued safety in CNG vehicles:

- From a public safety perspective, vehicles plying illegally on domestic LPG gas cylinders should be banned completely and heavy penal provisions should be imposed.
- State Government to publicise the use of cleaner fuels Viz CNG, LPG etc. to keep pollution under check in Rajasthan State
- Hydro-testing certificate of CNG cylinder should be mandatory to carry along-with RC certificate.
- Vehicle owners often get retrofitting done from roadside dealers and mechanics. However, substandard quality kits and improper fitting can cause leakage, resulting in fire. Therefore, an authorised dealer network should be established to ensure the use of an authentic CNG kit approved by ARAI/CIRT/ICAT/ VRDE or any other equivalent government agency or any other vehicle notified eligible by the Transport Department, Government of Rajasthan.
- Transport Offices (RTO/DTO) would prepare a list of CNG approved vehicles for ready reference to check if the vehicle is compatible with fuel customisation before installing a CNG kit.
- The Government would establish vehicle testing and certification centres for retrofitted CNG vehicles.
- A list of approved CNG Testing stations would be made available at the Department of Road Transport portal to ensure information to the vehicle owners.

- Transport Department would ensure that all CNG vehicle owners have compliance plates fitted from the concerned authorised Retro fitment Centres for refuelling.
- Inspection and maintenance facilities would be set up for periodic check-ups of the CNG vehicles.
- The transport department and private sector would start a comprehensive Inspection and Maintenance programme.
- Monetary penalties shall be levied for non-compliance with guidelines and policy framework.
- The Transport Department shall introduce checklist stickers for ready reference by vehicle owners.

Awareness Program

- A regular CNG awareness workshop needs to be conducted, bringing together stakeholders from major vehicle manufacturers, large-scale users of CNG vehicles, the petroleum & gas industry, the retro fitment industry, and the concerned government bodies.
- Periodic campaigning need to be conducted for Truck owners and Fleet drivers in heavy fleet areas
- The workshop intends to bring the latest technologies and safety measures to the notice of the vehicle users, technicians, and authorities.
- A frequent announcement at CNG filling Stations advising safety instructions for CNG vehicle users like CNG vehicle should not smoke inside the vehicle, regularly checking for leakages etc.