

[1 August, 2006]

RAJYA SABHA

Supply of natural gas to Eastern States

803. SHRI TAPAN KUMAR SEN:
SHRIMATI BRINDA KARAT:

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

(a) whether the Eastern States *i.e.* West Bengal, Bihar, Jharkhand and Orissa are totally starved of natural gas supply from sources within the country;

(b) if so, whether any provision is being made to supply gas to their prospective source of gas in Krishna-Godavari basin and other areas through GAIL;

(c) if not, the reasons therefor;

(d) whether priority is being given to Haldia and Paradeep Ports for LNG terminal for LNG supply to these States as an alternative to natural gas;and

(e) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): (a) Due to non availability of natural gas in the Eastern States, gas linkages could not be made in the areas of West Bengal, Bihar, Jharkhand and Orissa.

(b) and (c) In KG Basin, against an allocation of 17 MMSCMD, the projected availability is only around 6.5 MMSCMD. As such, at present no supplies from the KG Basin to these States are possible. While certain new discoveries have been reported from New Exploration Licensing Policy (NELP) Blocks in KG Basin, under NELP the producers have marketing freedom and therefore the supplies would depend upon finalization of commercial arrangements between the producers and potential marketers/transporters including GAIL.

(d) and (e) Import of LNG is on Open General Licence (OGL) and 100% FDI is permissible for setting up LNG terminals. The development of LNG terminals at Haldia and Paradeep will depend on the commercial viability of such projects.