

#### **Safety of oil installations**

231. SHRIMATI SHOBHANA BHARTIA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether in view of a major fire at the Indian Oil Corporation (IOC) terminal in Jaipur in December 2009, Government has charged certain officials of IOC for gross violation of the procedures laid down by the Oil Industry Safety Directorate and the IOC's safety manual;

(b) if so, the details thereof;

(c) whether the Oil Industry Safety Directorate has since investigated safety procedures of the other fuel depots in the country; and

(d) if so, the details of any loopholes that were found and further steps Government proposes to take to beef up the safety of oil installation across the country?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) and (b) In connection with the incident of fire at Jaipur Terminal during Oct, 2009, IOC has initiated disciplinary action against Shri K.N. Agrawal, Foreman (F) and Shri Ashok Gupta who was Shift In-charge on that day. Rajasthan State Police is also investigating the incident. Eight officers and one workman including the then General Manager, Rajasthan State Office of IOC were arrested on 2.07.2010.

(c) and (d) After the incident at Jaipur, OISD has reviewed the Self Safety Audit Reports of 656 Oil and Gas storage and distribution installations submitted by oil companies belonging to public as well as private sector. The major areas of improvement identified in the Self Safety Audit by these companies are:

1. Need for Revised Risk Analysis
2. Fire Fighting facilities
3. Layout

This Ministry has advised these oil companies for updation of their facilities accordingly.

#### **Exploration of Shale Gas**

232. SHRI MANI SHANKAR AIYAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that shale gas hitherto have been excluded from the ambit of Government's exploration policy notwithstanding India's vast reserves of shale;

(b) if so, the reasons therefor; and

(c) whether shale gas exploration will be permitted or encouraged under the proposed Open Acreage Licensing Policy?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) and (b) New Exploration Licensing Policy (NELP) for exploration of oil and gas and Coal Bed Methane (CBM) Policy for exploration of CBM were approved by the Government in 1997. Exploration of shale gas is not covered under the New Exploration Licensing Policy or CBM Policy of the Government since final assessment of shale gas resources in the country is now being made.

(c) Open Acreage Licensing Policy (OALP) is related to exploration of oil and gas resources wherein oil and gas acreages will be available round the year instead of cyclic bidding rounds floated under NELP. The inclusion of shale gas exploration under Open Acreage Licensing Policy (OALP) will depend upon assessment of shale gas resources in the country.

#### **Compensation of State-run oil companies**

233. SHRI VIJAY JAWAHARLAL DARDA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has firmed up a policy to compensate State-run oil companies for their losses on fuel sales;

(b) if so, whether issuing of bonds to these companies is one of the options; and

(c) whether views of the Public Sector Oil Companies have been taken into consideration so that their liquidity is not adversely affecting consequent built-in constraints for importing petroleum and petroleum products to maintain their regular and requisite supplies?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI JITIN PRASADA): (a) and (b) To compensate the under-recoveries incurred by the Public Sector Oil Marketing Companies (OMOs) on the sale of four sensitive petroleum products namely; Petrol Diesel, PDS Kerosene and Domestic LPG, the Government has been following a Burden Sharing