

Supply of PNG in districts of Andhra Pradesh

2293. SHRI NANDI YELLAIAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the names of main places Ranga-Reddy district in Andhra Pradesh including Nacharam area and Hyderabad District, which will be supplied with eco-friendly Piped Natural Gas (PNG); and
- (b) the time likely to be taken towards the supply of natural gas in the said areas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) and (b) The entire district of Ranga Reddy has been identified for the development of local area/City Gas Distribution (CGD) network which includes piped natural gas (PNG) as well. Some parts of the Ranga Reddy district have been included in the authorized geographical area of M/s Bhagyanagar Gas Ltd. (BGL) and remaining part of Ranga Reddy district has been included in the 4th round of CGD bidding, which is currently under bidding. The Hyderabad geographical area, which also includes Nacharam area and Hyderabad district, have already been authorized to M/s BGL for the development of CGD network including PNG, and as per the acceptance of authorization given to M/s BGL, the entity has to reach all charge areas by 2014.

Impact of decontrolling petro-price of petro-product prices

†2294. SHRI UPENDRA KUSHWAHA: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether it is a fact that the proposal for decontrolling the prices of diesel, L.P.G. and Kerosene is under consideration of Government;
- (b) whether it is also a fact that the problem of consumers will increase immensely after decontrolling the prices of diesel, L.P.G. and Kerosene; and
- (c) if so, Government's opinion in view of problems of the general consumers?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) The Kirit Parikh Committee had recommended that the price of Diesel may be made market-determined. Government on 25.06.2010 took a decision 'in principle' that its price

†Original notice of the question was received in Hindi.

would be made market-determined, both at Refinery Gate and Retail Level. However, in order to insulate the common man from the impact of rise in oil prices in the international market and in view of the domestic inflationary conditions, the Government continues to modulate the retail selling prices (RSPs) of Diesel, PDS Kerosene and Domestic LPG and the present RSPs of these petroleum products are below the required market price. As a result, as per the current refinery gate prices, the Public Sector Oil Marketing Companies (OMCs) are incurring under-recovery of ₹ 4.97 per litre on the sale of Diesel, ₹ 23.74 per litre on PDS Kerosene and ₹ 247 per cylinder of Domestic LPG. At these rates, the OMCs are incurring daily under-recovery of ₹ 235 crore. At present, there is no proposal under consideration before the Government to decontrol the prices of Domestic LPG and PDS Kerosene.

(b) to (c) Does not arise.

Prioritisation of gas supply from KG-D6 fields

2295. SHRI RANJITSINH VIJAYSINH MOHITE PATIL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government has asked Reliance Industries Limited (RIL) to meet the demand of priority users like power, fertilizer, city gas and LPG plants before supplying to non-core industries;

(b) if so, whether the Ministry has received any request from Reliance Industries Ltd. (RIL) to review the prioritization worked out while imposing cuts on KG D6 gas supplies to non-core users;

(c) whether the main reason for taking such steps is due to fall in the output of KG D6 fields; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) Yes, Sir.

(b) Representations were received by this Ministry from affected consumers.

(c) and (d) The production of gas from KG D6 field was envisaged to go upto 60 million standard cubic meter per day (mmscmd) but when the production went down around 50 mmscmd, the contractor was directed to supply KG D6 gas in full, upto firm allocation, to core-sectors namely, Fertilizers, L.P.G., Power and City Gas Distribution (Domestic & transport), apart from the gas needed for pipeline operations.