

Name of the pipeline	Anticipated Completion in
Bawana Nangal Pipeline (BNPL)	March 2012
Vijaipur-Kota Pipeline and Spurlines to Chittorgarh	Financial Year 12-13
Karanpur-Moradabad-Kashipur-Rudrapur Pipeline (Phase-II)	Financial Year 12-13
Ludhiana-Jalandhar section and Saharanpur-Haridwar, Rishikesh Dehradun.	Financial Year 13-14
Dabhol-Bangalore Pipeline	Financial Year 13-14
Kochi-Koottanad-Bangalore/Mangalore Pipeline	Financial Year 13-14
Jagdishpur-Haldia Pipeline	Financial Year 14-15
	onwards [36 months from 1st 3(i) Notification]
Jhajjar-Hissar Pipeline	Financial Year 14-15
BGL Kakinada	FY 12-13
Pipeline to PY-1 and 3 fields of Hindustan Oil Exploration Company Limited	FY 12-13
KG Basin, Pipeline to Panduranga Energy Ltd.	FY 13-14
KCJP-GVK-Vemagiri Pipeline Project	FY 12-13
Interconnection of Lingala- Kaikaluru Isolated Field with KG Basin Network	FY 12-13

Cut in gas production from RIL'S KG-D6 block

1504. SHRI D. RAJA:

SHRI M.P. ACHUTHAN:

Will the MINISTER OF PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that the Reliance Industries Ltd (RIL) has cut the production of gas from Krishna Godavari (KG) basin D-6 Block from 70 mmcmd to about 35 mmcmd:

(b) if so, the details thereof and how it will impact the industries to which the KG-D6 gas is allocated; and

(c) the reasons for cutting the production and the reaction of Government of thereto?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) Directorate General of Hydrocarbons

(DGH) under this Ministry has reported that the average natural gas production from D1, D3 and MA fields of the block KG-DWN-98/3 operated by the consortium of Reliance Industries Limited (RIL) and Niko Resources Limited (NIKO) during February, 2012 is about 35.57 MMSCMD, as against the planned production of 70.38 Million Metric Standard Cubic Meter Per day (MMSCMD) in D1, D3 and MA fields in the year (2011-12) as per approved Field Development Plans (FDPs) of D1, D3 and MA fields .

The breakup of current gas production in above block is as under:

D1 and D3 fields	:	28.93 MMSCMD
MA field	:	6.64 MMSCMD
TOTAL	:	35.57 MMSCMD

(b) In view of decline in production of KG-D6 gas, Ministry of Petroleum and Natural Gas issued an order on 12.7.2010 to apply pro-rata cuts in the supply against firm allocation to all customers on days when the total production is less than the signed Gas Sale and Purchase Agreements (GSPAs).

As the gas production continued to fall, the Ministry of Petroleum and Natural Gas, in the larger public interest vide order dated 30.3.2011 directed the KG D6 Contractors that:

- (i) Supply to core sectors viz., Fertilizer, LPG, Power and CGD (domestic and transport) sectors, apart from gas needed for operation of East West Pipeline (EWPL) should be fully met up to their firm allocations before any supply is made to other sectors, irrespective of the production levels,
- (ii) Further, if there is any short fall in meeting the firm demand of remaining sectors due to fall in production, pro-rata cuts should be imposed on non-core sector customers;
- (iii) If the KG D6 gas production is still insufficient to meet the demand of core sector, then cuts would be imposed in the reverse order i.e, in the sequence of CGD (domestic and transport), Power, LPG, and lastly Fertilizer.

(c) Directorate General of Hydrocarbons (DGH) under this Ministry has reported that the reasons for lower gas production from D1 and D3 fields in the block KG-DWN-98/3 may be attributed to drilling of less number of development wells (producers) as compared to that envisaged in the Management Committee (MC) approved Addendum to Initial Development Plan (AIDP). DGH has further reported that the reasons for decline in gas production from D1 and D3 fields in the block KG-DWN-98/3 is due to drilling of only 22 wells (18 gas producing wells and 4 wells drilled but not connected or put on production) as against the 31 producing

wells approved for drilling upto March, 2012 as per the Field Development Plan (FDP). In addition, five out of total 18 gas producing wells in D1 and D3 fields have ceased to produce gas due to water loading/sand ingress in the wells. One oil/gas producing well in MA field out of 6 oil/gas producing wells has ceased due to water loading. The Contractor has expressed inability to firm up appropriate drilling locations on plea of geological complexities. DGH has not agreed to the Contractor's contention and asked the Contractor to comply with the approved FDP by drilling more number of gas producing wells in D1 and D3 gas fields and achieved the FDP approved gas Production Profile.

Benefits of dismantling of APM

1505. DR. T.N. SEEMA:

SHRI P. RAJEEVE:

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

- (a) the reasons for dismantling Administered Price Mechanism (APM) of petroleum products;
- (b) whether this move has benefited the common man;
- (c) if so, the details thereof; and
- (d) the number of times the price of petrol has risen since APM was dismantled on 26 June, 2010?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) to (c) With effect from 1.4.2002, the Administered Pricing Mechanism (APM) for petroleum products was dismantled and it was decided that the prices of all petroleum products, except PDS Kerosene and Domestic LPG, would be market-determined. The primary objective behind the reforms undertaken by the Government was the growing imperative for fiscal consolidation, the need for reducing the subsidy burden on petroleum products so as to allocate more funds to social sector schemes for the common man, and for ensuring country's energy security in the long term. However, in view of the steep increase and high volatility in the international oil prices since 2004-05, the Government started modulating the Retail Selling Prices (RSPs) of the four sensitive petroleum products; namely Petrol, Diesel, PDS Kerosene and Domestic LPG sold by the three Public Sector Oil Marketing Companies (OMCs) to protect the consumer from the inflationary impact of international oil prices.

In the light of the recommendations made by the Expert Group set up to advise on a viable and sustainable system of pricing of petroleum products under the Chairmanship of Dr. Kirit S, Parikh, the price of Petrol has been made market-determined with effect from 26.6.2010

- (d) The details of revision in RSP of Petrol at Delhi since 26.06.2010 are given in Statement.