

**Import of LNG**

584. SHRI KANWAR DEEP SINGH:

SHRI N.K. SINGH:

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

- (a) whether it is a fact that the price of imported Liquefied Natural Gas (LNG) is cheaper than that of crude oil;
- (b) if so, the details thereof;
- (c) the estimated saving from importing additional LNG to meet existing crude oil requirements; and
- (d) the steps being taken by Government to increase LNG Port capacity in the country?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) and (b) Based on the information obtained from GAIL (India) Ltd., the average price of LNG from the international market during FY 2011-12 was USD 13.22/MMBTU whereas the average price of imported crude oil (Indian basket) for the same period taking into consideration the conversion factor (1 barrel = 5.8 MMBTU) worked out to be USD 19.28/MMBTU. Hence, on energy basis, the price of LNG was lesser as compared to crude oil by around USD 6/MMBTU. This difference would vary from consignment to consignment.

(c) While LNG cannot be a perfect substitute of crude oil, its use for specific applications, in place of crude oil, would result in corresponding savings as indicated above.

(d) As on date the available regasification capacity is 13.6 MMTPA (10 MMTPA at Dahej terminal of Petronet LNG Limited (PLL) and 3.6 MMTPA of Hazira LNG Pvt. Ltd. (HLPL), Hazira). The regasification capacity of Dahej terminal of PLL is expected to reach 15 MMTPA by 2015-16 and that of HLPL Hazira to 5 MMTPA by 2015-16. PLL is also adding 5 MMTPA regasification capacity at its upcoming Kochi Terminal. Moreover, Ratnagiri Gas Power Pvt. Ltd. (RGPP) is expected to commission its Dabhol LNG Terminal by end of 2012 with an initial regasification capacity of 1.5 MMTPA which will subsequently increase to 5 MMTPA. Besides GAIL is also planning for setting up Floating Storage and Regasification Unit (FSRU) on the East Coast of India at Kakinada in Andhra Pradesh.