THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL (SHRI R.P.N. SINGH): (a) and (b) The Government, through Indian Strategic Petroleum Reserves Limited (ISPRL), is setting up Strategic Crude Oil Reserves with total storage capacity of 5.33 Million Metric Tonnes (MMT) at three locations *viz.* Visakhapatnam (storage capacity: 1.33 MMT), Mangalore (storage capacity: 1 .5 MMT) and Padur (storage capacity: 2.5 MMT) to enhance the energy security of the country and to deal with any unforeseen circumstance.

(c) A detailed feasibility study for construction of additional 12.5 MMT of crude oil storages at Bikaner in Rajasthan, Rajkot in Gujarat, Chandikhol in Odisha and Padur in Karnataka is being undertaken by ISPRL through Engineers India Limited.

(d) The proposed storages alongwith the existing storages belonging to the oil companies are expected to meet the oil security concerns of the country.

Chawla Committee Report

1821. SHRI NANDI YELLAIAH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the main suggestions of the Chawla Committee which has pitched for Open Acreage Licensing Policy (OALP) for allocation of oil and gas blocks in move, that could bring the exploration and production business environment on a par with global standards;

(b) whether the suggestions of Chawla Committee have been implemented and, if not, the reasons therefor;

(c) whether a Trading platform/exchange board has been created for developing a roubst and transparent market for natural gas with regulatory oversight being exercised by the downstream regulator–the Petroleum and Natural Gas Regulatory Board; and

(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH): (a) and (b) Government has initiated action to formulate Open Acreage Licensing Policy (OALP) and offer open exploration acreages under OALP. Action has been initiated by Directorate General of Hydrocarbons to establish National Data Repository (NDR) which is a pre-requisite for formulation of OALP. Meanwhile DGH is also examining the possibilities of

gathering databases of National Oil Companies (NOCs) and private companies and linking them to a common database.

(c) and (d) Ministry of Petroleum and Natural Gas is in agreement with the development of natural gas trading platform to effect market discovery of gas prices except for fertilizers. This would require differential pricing of gas. In a condition of scarcity exchange traded domestic gas prices would tend towards LNG prices. This may make the gas unaffordable for some of the sectors like power. The present market is an emerging market with few players and oversight by downstream regulator may not be appropriate at this stage. Further, any trading platform or exchange will be relevant only when needs of fertilizer and power sector are fulfilled. This require increase in gas supply substantially in the country.

Coverage of CGD Network in UP

1822. SHRI AMBETH RAJAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the destricts and cities in Uttar Pradesh (UP) which are covered by the City Gas Distribution (CGD) network, through which PNG is distributed; and

(b) whether the Ministry intends to extend the network to any other districts and cities in the current financial year in the State?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI R.P.N SINGH): (a) As per information provided by Petroleum and Natural Gas Regulatory Board (PNGRB) 11 Geographical Areas in Uttar Pradesh namely, Meerut, Mathura, Agra, Kanpur, Bareilly, Lucknow, Moradabad, Noida, Greater Noida, Ghaziabad and Firozabad are covered by City Gas Distribution (CGD) network, through which Pipe and Natural Gas (PNG) supply is being made.

(b) The Ministry has setup PNGRB under the Petroleum and Natural Gas Regulatory Board Act 2006, which grants authorization for City and Local Area Natural Gas Distribution Networks in accordance with the provisions of the said Act and the PNGRB (Authorizing Entities to Lay, Build, Operate or Expand City or Local Natural Gas Distribution Network) Regulations, 2008. PNGRB has envisaged a roll out plan of CGD network development through competitive bidding in more than 300 possible geographical areas in the country, including the State of Uttar Pradesh on the basis of Expressions of Interest (EOI) submitted to the Board or on suo moto basis. The development of City Gas Distribution network in a GA is based on, *inter-alia*, the availability of natural gas through transmission pipelines in its vicinity.