

Oil leak in Tamil Nadu

1172. SHRI A. ELAVARASAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that due to oil leak by an ONGC pipeline in Nagapattinam district in Tamil Nadu oil drained into farmlands in 7-8 villages;

(b) whether it is estimated that the oil leak has affected 300 acres of cultivable land;

(c) whether the ONGC has neither a monitoring system in place nor any protocol to decommission old pipelines and it doesn't have a disaster management plan; and

(d) if so, the details thereof and the steps taken to compensate the affected farmers as their lands would not be tillable for a long time due to penetration of oil?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) Yes, Sir. An oil leak occurred on 2nd November, 2012 in paddy fields at Anaimangalam village only from an old, idle 4" dia trunk line between Adiyakamangalam-Narimanam in Nagapattinam district in Tamil Nadu.

(b) As per the assessment made by Revenue Divisional Officer, Nagapattinam, the affected area was only 5 acres and 18 cents, and another 8 acres and 42 cents was due to flow of oil slick through drainage channel.

(c) and (d) Supervisory Control and Data Acquisition (SCADA) system for flow measurement is already available for major trunk line of KMP — AKM — NRM (Kamalapuram — Adiyakamangalam — Narimanam). The installation of SCADA system for the remaining trunk lines is already in progress and schedule for completion by mid 2013. However minor pinhole leakages may become difficult to be detected even by SCADA system. Online leak detection system is also planned for entire trunk lines in Cauvery Asset.

For intensive patrolling of the entire pipeline network of Cauvery Asset, teams have been constituted for detection of line leakages and resort to quick remedial actions. In addition to the existing sources of information regarding leakages, line walkers are being hired exclusively for patrolling/line leakage detection.

ONGC has procedures for decommissioning old pipelines and do have Disaster Management Plan (DMP).

All installations of ONGC are Quality Health Safety Environment (QHSE) certified as per latest International standards. DMP including pipeline leakage is already available for any emergency at local level, regional level and corporate level which is integrated with National DMP. All actions as per DMP have been followed and complied with.

Revenue Divisional Officer, Nagapattinam has fixed compensation of Rs. 47,250/- per acre, in consultation with the Agriculture Department, and the same was paid to the 12 affected land owners, to the tune of Rs. 6,43,058/- on 12.11.2012. Steps are also taken to restore the land by Bio-remediation which will quickly mitigate non cultivation of land due to the spill.

Capping of crude oil price sold by PSC contractors

1173. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government has capped the price of gas being sold by Production Sharing Contract (PSC) contractors at \$ 4.2 per mmbtu until 2014;

(b) the reduction in subsidy on LPG, kerosene and diesel if the price of crude were capped at \$ 50 a barrel; and

(c) the reasons for Government not capping the price of crude oil being produced by PSC contractors at \$ 50?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRIMATI PANABAKA LAKSHMI): (a) Reliance Industries Limited (RIL), Operator of the block KG-DWN 98/3, had submitted a price proposal for approval of the Government. Empowered Group of Ministers (EGoM) was constituted to consider issues related to gas pricing under New Exploration Licensing Policy (NELP) regime on utilization of gas. On 12.9.2007, the EGoM approved the price formula for the gas produced from KG-DWN-98/3 block valid for 5 years from the date of commencement of supply. Based on the approval of EGoM, the current gas price works out to be US \$ 4.2 per mmbtu at crude price greater or equal to US \$ 60 per barrel. As per available information the prices of different gases are annexed.