

(e) Natural gas is emerging as the preferred fuel of the future in view of it being an environmental friendly economically attractive fuel and also a desirable feedstock. The Government is taking following steps in this regard:

- Encouraging use of natural gas, in various sectors.
- Ensuring adequate availability by a mix of domestic gas imports through pipelines and import of LNG.
- Tapping unconventional sources of natural gas like coal bed methane, natural gas hydrates, underground coal gassification etc.
- Timely and continuous review of gas demand and supply options to facilitate policy interventions.
- Provide a level playing field for all the gas players and ensure reasonable transportation tariffs.

(f) Petronet LNG Limited (PLL) has a 7.5 MMTPA Liquefied Natural Gas (LNG) supply agreement with RasGas, Qatar on long term basis for 25 years. The supply under the agreement commenced in 2004. Recently, PLL has successfully negotiated the revised price formula for the said contract effective from 01.01.2016 thereby aligning prices with market. Earlier, the prices during 2015 were in excess of USD 12/MMBTU. The current price applicable under the contract works out to less than USD 5.00/MMBTU. This revision has lead to substantial savings for the country and also made the LNG affordable for the end consumers. Further, PLL has also executed agreement for additional supply of 1MMTPA of LNG from RasGas, Qatar for a period of about 12 years *w.e.f.* January 1, 2016 at the prevailing market prices.

Levy of special fuel upgradation cess on petrol and diesel

2192. SHRI A. W. RABI BERNARD: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether an expert committee report-Auto Fuel Vision and Policy, 2025 had proposed to levy a special fuel upgradation cess of 75 paise per litre on all petrol and diesel sold in the country upto 2021;

(b) if so, the details thereof;

(c) whether the Ministry has decided not to levy any cess to make the investment needed to roll out clear Bharat Stage (BS)-V and VI grade fuel in the country in a relief to consumers; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) and (b) The Expert

Committee under the Chairmanship of Shri Saumitra Chaudhuri, in its report, namely, Auto Fuel Vision and Policy 2025 submitted in May, 2014 has proposed to levy a special fuel upgradation cess of 75 paise per litre on all gasoline and diesel sale in India upto 2021-22.

(c) and (d) When recommendations were made by the Committee, Government was regulating the diesel prices. However, since the deregulation of diesel prices *w.e.f* 19.10.2014 (and petrol prices *w.e.f* 26.06.2010), presently, the price of petrol and diesel are decided by Oil Marketing Companies based on international prices and other market conditions.

**Delay in setting up of LNG terminal at
Gangavaram Port, Andhra Pradesh**

2193. DR. K. V. P. RAMACHANDRA RAO: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the reasons for delay in setting up a LNG Terminal proposed at Gangavaram Port near Visakhapatnam; and

(b) what steps Government will take to realise the project which would help speedy industrialisation of North Coastal Andhra?

THE MINISTER OF STATE OF THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DHARMENDRA PRADHAN): (a) Petronet LNG Limited (PLL) had planned setting up of a Liquefied Natural Gas (LNG) terminal at Gangavaram Port in the State of Andhra Pradesh with an approximate investment of ₹ 4500 crore. However, in the absence of firm commitment for buying regasified LNG/capacity booking from the end consumers, the project has been put on hold.

(b) RLNG terminals are developed based on techno-commercial viability by the concerned entities.

Investment by ONGC in extracting gas below coal seams

2194. DR. K. P. RAMALINGAM: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Oil and Natural Gas Corporation (ONGC) will invest ₹ 3,500 crores in extracting gas laying below coal seams in three Coal Bed Methane blocks in eastern India;

(b) if so, the details thereof;

(c) whether it is also a fact that the ONGC seeks a peak production of 3.2 million standard cubic meters per day of gas from the three Coal Bed Methane Blocks (CBM); and