ACTION TAKEN STATEMENT ON THE TWENTY FIRST REPORT OF THE STANDING COMMITTEE ON PETROLEUM AND NATURAL GAS (2022-23) ON ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE EIGHTEENTH REPORT (17th LOK SABHA) ON THE 'DEMANDS FOR GRANTS 2023-24'

INDEX

Recommendation	Topic	Page No.
No.	-	
CHAPTER-I		
4	Construction of ISPRL Phase-II Projects	1-2
5	LPG Connections to Poor Households (Pradhan	3-4
	MantriUjjwalaYojana	
6	Indian Institute of Petroleum Energy (IIPE),	5-7
	Visakhapatnam	
11	Numaligarh Refinery expansion Project	8-9
15	Rajiv Gandhi Institute of Petroleum and	10-12
	Technology (RGIPT) Centre	
19	City Gas Distribution Network	13-14
CHAPTER-V		
13	Capital Support to OMCs	15

Construction of ISPRL Phase-II Projects

The Committee note that an allocation of Rs 508 Cr has been made in the BE 2023-24 for construction of ISPRL Phase-II projects at Chandikhol (Orissa) and Padur (Karnataka) with storage capacity of 4.0 MMT and 2.5 MMT respectively using underground unlined rock caverns storage technology in PPP mode. Besides, provision of rs 202.81 Cr has been made for payment to ISPRL regarding O&M Expenditure for Mangalore (Padur) and Vishakhapatnam Projects. The Committee are also given to understand that the additional caverns in phase II, envisaged to be constructed shall be close to existing refineries respectively and the increase in capacity will add to increase in 12 days of crude oil requirement. In addition, 1.5-2 MMT capacity is proposed to be constructed adjacent to existing caverns at Mangalore. Feasibility of constructing above ground storage at Mangalore and Padur on the existing land is also being looked into. ISPRL is also examining storages in other locations in the country. It is also noted that since land allotment at both the locations is pending with respective State Governments in Odisha and Karnataka, the projects could not be started and consequently allocation of the outlays of Rs 600 Cr in BE 2022-23 could not be utilized. The Committee find that there has been inordinate delays in land acquisitions in respect of both the projects in the two states and the progress seems to be minimal. Taking note of the fact that the strategic petroleum reserves are projects of national importance to enhance energy security of the country, the Committee, therefore, desire the Ministry to take up the issue of land acquisition at the highest level in coordination with the two State Governments keeping in view interests of all stake holders. The Committee, therefore, recommend that these projects should be taken to their logical conclusion in a time bound manner and also desire that the Ministry should explore possibility of building more strategic petroleum reserves across the country particularly mini or small caverns wherever geological conditions are favourable for constructing such caverns. The Committee further desire that the Ministry should also explore the option of giving responsibility to OMCs/refineries to operate and maintain strategic petroleum reserves caverns while the Ministry bears the capital cost for construction.

REPLY OF THE GOVERNMENT

Cabinet had approved development of Commercial cum Strategic reserves under Phase II at Chandikhol (4MMT) and Padur (2.5 MMT) on Public-Private Partnership (PPP) mode along with dedicated Single Point Mooring (SPM) and associated pipelines during cabinet meeting held on 08th July 2021.

Land Acquisition is under process and discussions with the respective State Governments for expeditious completion of land acquisition are going on.

COMMENTS OF THE COMMITTEE

The Committee in their original report while pointing out the inordinate delay being experienced in land acquisition in respect of both the ISPRL projects at Chandikhol (Odisha) and Padur

(Karnataka) had desired the Ministry to take up the issue of land acquisition at the highest level in coordination with the two State Governments. The Committee had recommended that these projects should be taken to their logical conclusion and also to explore possibility of building more strategic petroleum reserves particularly mini or small caverns. Moreover, the Committee had also desired that the Ministry should explore the option of giving responsibility to OMCs/refineries to operate and maintain strategic petroleum reserves caverns while the Ministry bears the capital cost for construction.

In this regard, the Committee note that the Ministry have stated that land acquisition is under process and discussions with the respective State Governments for expeditious completion of land acquisition are going on and that the Cabinet had approved development of Commercial cum Strategic reserves under Phase II at Chandikhol (4MMT) and Padur (2.5 MMT) on Public-Private Partnership (PPP) along with dedicated single point mooring and associated pipelines. The Ministry has neither furnished details of steps taken towards solving vexatious issue of land acquisition nor it has furnished any road map or plan to construct strategic storage facilities for crude oil in association with Oil Marketing Companies (OMCs)/Refineries. The Committee are not satisfied with the reply of the Ministry and reiterate their earlier recommendation for expediting the process for completion of land acquisition in respect of both the projects. The Committee further desire the Ministry to explore feasibility of building mini or small caverns by engaging OMCs/refineries to operate and maintain strategic petroleum reserves caverns while the Ministry bears the capital cost for construction.

FINAL REPLY OF THE GOVERNMENT

In July 2021, Government of India approved the establishment of two additional commercial-cum-strategic petroleum reserve (SPR) facilities with total storage capacity of 6.5 MMT at Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT) in Karnataka, on a Public Private Partnership (PPP) mode. The current status of both projects is as follows:

Padur (Karnataka):

State Government of Karnataka has issued the final gazette notification for land acquisition in February 2023.

Chandikhol (Odisha):

State Government of Odisha had requested for an alternate site to be identified, which has been done and communicated to the State Government.

LPG Connections to Poor Households (Pradhan MantriUjjwlaYojana)

The Committee note that in BE 2023-24, only a token amount of Rs. 1 Lakh has been made in respect of PMUY scheme for providing LPG connections to poor households as against Rs. 800 cr provided in BE 2022-23 which was increased to Rs. 8010 Cr at RE stage in 2022-23. The Committee also note that the target of release of additional 60 lakh connections in addition to 9 crore already issued under PMUY was achieved by December, 2022. The Committee are also given to understand that as on closing of January 2023, OMCs have received 7.8 lakh cleared applications under Ujiwala 2.0 scheme which are pending for release of the connection. The Committee have been apprised that a proposal to provide PMUY connections to remaining applicants is under progress for due approvals. Besides, on perusal of the state-wise details regarding release of 60 Lakh connections under Ujjwala 2.0, the Committee observe that more efforts are needed to enhance LPG coverage. The Committee have been assured that funds would not come in the way of releasing pending applications under PMUY and that OMCs are fully capable of undertaking expenditure from their own sources for implementing the scheme and claim reimbursement later on. In this regard, the Committee while being satisfied with the achievement of the scheme, sincerely appreciate the efforts of the Ministry and OIVICs for the successful implementation of the scheme and also their readiness to further enhance coverage of the scheme keeping in view emergence of new households seeking connections under PMUY. The Committee recommend the Ministry/OMCs to strive for clearing pending 7.8 lakh applications under Ujjawala 2.0 and devise the required modalities at the earliest so that the scheme will be implemented for the new beneficiaries within the stipulated deadline. Further, the Committee also desire the Ministry to provide LPG connections on demand and include beneficiaries of poor households living in urban/rurban areas so as to make the PMUY benefit all stratums of the society and help build gas based economy across the country.

REPLY OF THE GOVERNMENT

Hon'ble Finance Minister during her Budget Speech for FY 2021-22 on 01.02.2021 had announced that Ujjwala Scheme which has benefited 8 crores households will be extended to cover 1 crores more beneficiaries. Accordingly, Ujjwala 2.0 was launched in the esteemed presence of the Hon'ble Prime Minister from Mahoba District of Uttar Pradesh on 10th August, 2021 on pan India basis to provide additional one crore LPG connections along with free first refill and stove to cover the left-out poor households. Subsequently, the Government decided to release 60 lakh more LPG connections under Ujjwala 2.0 and as on 01.01.2023, the target of 1.60 crore Ujjwala 2.0 connections has already been achieved. OMCs have received 8.4 lakh cleared applications under Ujjwala 2.0 scheme which are pending for release the connection. A proposal to provide PMUY connections to remaining applicants is under progress. Once the proposal is approved by competent authorities, necessary action to seek additional budget for the additional PMUY connections will be initiated.

COMMENTS OF THE COMMITTEE

The Committee in their original Report had recommended the Ministry/OMCs to strive for clearing pending 7.8 Lakh applications under Ujjwala 2.0 within the stipulated deadline. Further, the Committee had also desired the Ministry to provide LPG connections on demand and include beneficiaries of poor households living in urban/rurban areas so as to ensure that the PMUY benefit all stratums of the society. The Ministry in their action taken reply have stated that OMCs have received 8.4 lakh applications under Ujjwala 2.0 scheme, which are pending for release the connections, and a proposal to provide PMUY connections to remaining applicants is under progress. Once the proposal is approved by competent authorities, necessary action to seek additional budget for the additional PMUY connections will be initiated.

The Committee are not satisfied with the reply of the Ministry as the aspect related to identification of new beneficiaries belonging to poor households living in urban/rurban areas under PMUY scheme has not been touched upon in the reply. Moreover, no mention about the likely time frame by which the pending applications will be cleared for release of connection points towards a non-serious attitude of the Ministry as well as OMCs towards clearing pending applications. The Committee, therefore, reiterate their earlier recommendation and exhort the Ministry for expediting the approval process for clearing the pending 8.4 lakhs applications under Ujjwala 2.0 and also desire that OMCs should make proactive efforts in getting in additional budget once the requisite approvals are obtained.

FINAL REPLY OF THE GOVERNMENT

Cabinet Committee on Economic Affairs, headed by Hon Prime Minister, in its meeting held on 13th September 2023, has approved release 75 lakh LPG connections under PMUY spread over three years from 2023-24 to 2025-26. Ministry has issued necessary instructions to OMCs to prepare and plan their logistics for implementation of the Cabinet decision.

Indian Institute of Petroleum Energy (IIPE), Visakhapatnam

The Committee note that the Government has made a provision of Rs 168 Cr in respect of IIPE during the financial year 2023-24. The Committee further note that while Rs 150 Cr allocation was made in BE 2022-23 which was reduced to Rs 100 Cr during RE 2022-23, the actual expenditure upto 1.1.2023 has been shown as 'nil'. The Committee have been informed that since its inception, the Institute is operating from temporary campus situated at Andhra University College of Engineering, Visakhapatnam as the land allocated for the construction of a permanent campus of IIPE was under litigation. Further, it has been learnt that consequent upon the order passed by Hon'ble High Court of Andhra Pradhesh on 15.12.2022 preventing any sort of interference, hindrance or obstruction in the construction activities by IIPE, APIIC has now resumed the construction activities of the boundary wall in the alienated land and the conceptual drawings for the buildings have been facing time and cost overrun as the original outlay for construction of permanent campus and infrastructure development was pegged at Rs 655.47 Crore and was to be completed in two phases by financial year 2020-21 has now been revised to be estimated to Rs 928.66 Crore due to GST and inflation and is now proposed to be completed by financial year 2026-27.

In this regard, the Committee while welcoming the adjudication by the Hon'ble High Court, recommend the Ministry to fast track the construction activities on the allocated land for IIPE by undertaking proper coordination with implementing agencies like APIIC and CPWD to avoid any further cost and time over run. The Committee may be kept abreast of the progress.

REPLY OF THE GOVERNMENT

The MoP&NG has released the amount of Rs. 29,24,90,810/- on 31.03.2023 for the financial year 2022-23. The expenditure incurred by the Institute during the financial year 2022-23 towards construction of permanent campus and infrastructure development was Rs. 17.781 crores.

The original outlay for setting up of IIPE was pegged at Rs. 655.47crores which includes for construction of buildings, infrastructure, purchase, of machinery, equipment, software/Hardware, Furniture & Fixtures etc. However, due to pending Court cases litigated by the farmers and as land could not be handed over to the Institute till mid of March, 2023, the Institute could not start the construction activities within the time frame. Further, as per the Detailed Project Report (DPR) which was prepared by M/s KPMG, the construction estimates per unit rates were bases on CPWD plinth area rates (PAR) 2012 and Cost Index 2014. The estimated rates as provided in the DPA are of 10 years old which will not match with the latest construction cost due to time lag, inflation, introduction of GST regime, etc. and hence it has been revised to be estimated to Rs. 928.66 crores for construction activities, excluding land cost.

However, in this regard, based on the recommendations of the Finance Committee of the Institute, the Board of Governors, IIPE during the 16th meeting held on 17.03.20023 approved for entrusting M/s Education Consultant of India Ltd. {EdCIL}, a Central PSU, under Ministry of

Education, for carrying out the study and preparing a Revised DPR to enable the Nodal Ministry to revise the total project cost and timeline of completion of project. The same is under process at the Institute level. On submission of the revised DPR by the proposed firm, the final estimates for setting of the permanent campus of IIPE will be confirmed.

Consequent, upon the order passed by the Hon'ble High Court of Andhra Pradesh on 15.12.2022, the Andhra Pradesh Industrial Infrastructure Corporation (APIIC) has resumed the construction activities of the boundary wall.

Based on the finalized drawings of buildings of the permanent campus, CPWD has submitted the Preliminary Estimates for Rs. 383 crores of Phase-1 construction on 13.03.2023 and the same was approved by the Board of Governors, IIPE during its meeting held on 17.03.2023. The Institute has accorded the AA & ES for the preliminary estimates and communicated the same to the CPWD on 22.03.2023. The Institute has released a total amount of Rs. 38.3 crores being advance 10% of AA&ES (Rs. 25.7 crores released in FY 2021-22 &Rs. 12.6 crores released in FY 2022-23 on 29.03.2023), to the CPWD, as per agreement terms and conditions.

The CPWD is in process of hiring the Consultant for development of Bulk Services which consists of design and schematic drawings for road network, water supply, sewerage system, capacity calculations for WTP, STP etc/ in the permanent campus of the Institute. The report is expected to be submitted by the CPWD by end May, 2023. Subsequently, the CPWD will initiate the tendering process for construction activities.

COMMENTS OF THE COMMITTEE

The Committee in their original report had recommended the Ministry to fast track the construction activities on the allocated land for IIPE by undertaking proper coordination with implementing agencies like APIIC and CPWD to avoid any further cost and time over run.

The Ministry in their action taken reply have interalia submitted that the amount of Rs 29,24,90,810/- has been released as on 31.3.2023 for the financial year 2022-23. The expenditure incurred by the Institute during the financial year 2022-23 towards construction of permanent campus and infrastructure development was Rs 17.781 Crore. Further, it has been stated in the reply that based on the recommendations of the Finance Committee of the Institute, the Board of Governors, IIPE during the 16th meeting held on 17.03.2023 approved for entrusting M/s Education Consultant of India Ltd. (EdCIL), a Central PSU, under Ministry of Education, for carrying out the study and preparing a Revised DPR to enable the Nodal Ministry to revise the total project cost and timeline of completion of project. The same is under process at the Institute level. On submission of the revised DPR by the proposed firm, the final estimates for setting of the permanent campus of IIPE will be confirmed. The Ministry have further stated in their reply that CPWD is in process of hiring the Consultant for development of Bulk Services in the permanent campus of the Institute. The report is expected to be submitted by the CPWD by end May, 2023. Subsequently, the CPWD will initiate the tendering process for construction activities.

The Committee while accepting the reply of the Ministry opine that there has been considerable delay in operationalization of the Institute, which has resulted in both time and cost overrun. The Committee, therefore, reiterate their earlier recommendation to fast track the construction activities by undertaking proper coordination with implementing agencies like APIIC and CPWD and also with M/s Education Consultant of India Ltd. (EdCIL) which has been entrusted with preparing a revised Detailed Project Report (DPR) to enable the Nodal Ministry to revise the total project cost and timeline of completion of project. The Ministry may also apprise the Committee about the action taken in the matter within six months of presentation of this report.

FINAL REPLY OF THE GOVERNMENT

The Government of Andhra Pradesh transferred land of 201.80 acres at Vangali Village, Sabbavaram Mandal, Anakapali District (erstwhile Visakhapatnam District) on the name of the Institute in March, 2023 for construction of permanent campus.

The work for construction of buildings at the permanent campus has been entrusted to the CPWD. CPWD hired the Consultant for development of Bulk Services which consists of design and schematic drawings for road network, water supply, sewerage system, capacity calculations for WTP, STP etc., on the month of April, 2023. Post submission of the report by the Consultant, the CPWD called for tenders for construction of buildings, on 07.07.2023 and opened the technical bids on 31.07.2023. The award of the contract is presently in process.

The construction of the boundary wall around the alienated land is being carried out by the Andhra Pradesh Industrial Infrastructure Corporation (APIIC). The APIIC intimated that 65% of the work was completed and the balance work would be completed in all aspects by 30.11.2023.

Further, based on the recommendation of the Finance Committee of IIPE, the Board of Governors, IIPE during the 16th meeting held on 17.03.2023 approved for entrusting M/s Education Consultant of India Ltd (EDCIL), a Central PSU, under Ministry of Education, for carrying out the study and preparing a Revised DPR to enable the Nodal Ministry to revise the total project cost and timeline of completion of project.

The concerned authorities are continuously coordinating with CPWD and APIIC to fast track the construction activities.

Numaligarh Refinery Expansion Project

The Committee note that outlays of Rs 245 Cr and Rs 500 Cr have been made in RE 2022-23 and BE 2023-24 respectively for Numaligarh Refinery Expansion Project. The Committee further note that the Numaligarh Refinery Limited (NRL) was established in 1993 in accordance with historic Assam accord signed on 15th August, 1985 as an economic package which led to setting up of Numaligarh Refinery. The NRL was dedicated to the nation by the former Prime Minister late Atal Bihari Vajpayee on the 9th of July, 1999 and the 3 MMTPA capacity refinery was commissioned on the 1st October, 2000. The Committee further note that the refinery has embarked on a major integrated expansion project to treble its capacity from 3 MMTPA to 9 MMTPA at an estimated investment of more than Rs 28000 Cr. Out of this amount, the Central Government has committed Rs 1020 Cr as Viability Gap Funding (VGF). The remaining cost of the project is being funded through addition equity from Promoters (Rs 3165 Cr), internal accruals (Rs 4937 Cr) and commercial borrowings (Rs 18904 Cr). The Committee also observe that the target date of completion of the project is January, 2025. However, as on 31st January, 2023 the physical and financial progress of the project is only 28.8% and 28.3% respectively. The Committee, therefore, recommend to Ministry of petroleum & Natural Gas and Numaligarh Refinery Limited to take all necessary steps to complete the project as per schedule and obviate any possibility of cost escalation due to time overrun.

REPLY OF THE GOVERNMENT

As on 31st May, 2023, physical and financial progress of the project is 39.43% and 39.05% respectively. All efforts are being made to expedite the project.

COMMENTS OF THE COMMITTEE

The Committee in their original report while observing that the target date of completion of the Integrated expansion project of Numaligarh Refinery Limited (NRL) is January, 2025, had recommended the Ministry and NRL totake all necessary steps to complete the project as per schedule and obviate any possibility of cost escalation due to time overrun.

The Ministry in their action taken reply have submitted that as on 31st May, 2023, physical and financial progress of the project is 39.43% and 39.05% respectively and that all efforts are being made to expedite the project.

The Committee while accepting the reply of the Ministry are concerned to note that there is no clarity in the reply as to whether the target date of completion of the project i.e January 2025 will be achieved or not. The Committee, therefore, reiterate their earlier recommendation and exhort the Ministry to closely monitor the progress of the project and to make all out efforts to complete the project as per schedule without any time and cost overrun.

FINAL REPLY OF THE GOVERNMENT

As on 15 October, 2023, physical and financial progress of the project is 48.8% and 46.2% respectively. Out of Rs 1020 Crore towards Viability Gap Funding (VGF) for the project, Rs 495 Crore has been released till 30.9.2023. NRL Board has approved the revised project completion dates for the 6 Million Metric Tons Per Annum (MMTPA) Refinery in July 2025 and for Crude oil Pipeline in March 2025. All Project is being monitored at the highest level in the Ministry and all efforts are being made to expedite the project.

Rajiv Gandhi Institute of Petroleum and Technology (RGIPT) Centre

The Committee note that in respect of RGIPT, Sivasagar, Assam, no budgetary allocation has been made in BE 2022-23 and BE 2023-24 whereas expenses of the Institute are metthrough budgetary support from Government, OIDB and funding from Oil PSUs. The Committee have been apprised that the sanctionedstrength of Teaching Staff is 36 whereas the actual strength is 23. In respect of Non-Teaching Staff the strength is 40 and the actual strength is 11. Presently, RGIPT Sivasagar offers Diploma courses and PhD whereas in RGIPT, Amethi offers courses in B.Tech, M.Tech, PhD and MBA in the domain of Petroleum and Energy.

The Committee observe that the prime objective behind setting up of RGIPT at Amethi and at Sivasagar is to provide excellent education, training and research to generate efficient human resources to meet growing requirement in petroleum and energy sector. In this regard, the Committee are of the view that both the centres of RGIPT should have similarity in offered courses as the institution has been accorded the status of being an institution of National Importance. The Committee, therefore, recommend the Ministry to ensure offering of B.Tech and M.Tech courses apart from undertaking revision of sanctioned strength and filling vacant posts in RGIPT, Sivasagar in view of the fact that Assam is a oil and gas hub where extensive oil field activities are being carried out in its vicinity. The Committee also desire that the Ministry should facilitate the Institute to emerge as premier Skill Development Centre for hydrocarbon industry with introduction of courses like high-tech welder, x-ray technicians, Robotics, Artificial Intelligence, etc.

REPLY OF THE GOVERNMENT

Rajiv Gandhi Institute of Petroleum Technology, ShivSagar Assam is being developed with the help of funds made available by Oil PSUs & OIDB and a grant of Rs. 100.00 crore received by Government of India in 2021-22.

The Centre (AEI) is at present offering five 3-year Diploma Courses and after its campus becomes fully functional, B.Tech. and other programmes may also start in subsequent years to fulfil human resource needs of hydrocarbon and energy sectors.

The Assam Energy Institute (AEI), Sivasagarhas been established with the objective to cater to the skilled and trained human resource need of oil and gas industries. To cater this need, AEI commenced its academic programmes from Academic Session 2017-18 by offering 3-year Diploma Courses.

Institute is currently offering 5 Nos of Diploma level courses and Ph.Dprogrammes in relevant discipline from AEI, Sivasagar and there is a plan to offer undergraduate programmes also considering the manpower requirements of energy industries.

The AEI has an Endowment Fund of Rs. 249.50 crore. These funds have been contributed by Oil PSUs. The Assam centre meet out its recurring expenses from the interest earned on the investment of Endowment Fund.

The courses offered at Assam Energy Institute (AEI), Sivasagar are not same and are complementary nature to that of courses offered at RGIPT, Jais, Amethi. Currently, AEI offers 3-years Diploma programmes in the domain areas of Petroleum and Natural Gas. Whereas at RGIPT, Jais B. Tech., M. Tech. and MBA courses are offered in the domain of Petroleum and Energy. Further to that there is a lateral entry scheme for the Diploma pass out students of AEI to acquire B. Tech. degree at Rajiv Gandhi Institute of Petroleum Technology (RGIPT), Jais, Amethi.

COMMENTS OF THE COMMITTEE

The Committee in their original report had recommended the Ministry to ensure offering of B.Tech and M.Tech courses on the lines of RGIPT, Amethiwhich offers courses in B.Tech, M.Tech, PhD and MBA in the domain of Petroleum and Energy and also to undertake revision of sanctioned strength and filling vacant posts in RGIPT, Sivasagar. Besides, the Committee had also desired the Ministry to facilitate the Institute to emerge as premier Skill Development Centre for hydrocarbon industry in the North-East with the introduction of courses like high-tech welder, X-ray technicians, robotics, Artificial Intelligence, etc.

The Ministry in their action taken reply have inter-alia stated that the Institute is currently offering 5 nos. of Diploma level courses and Ph.D programmes in relevant disciplines and there is a plan to offer undergraduate programmes also considering the manpower requirements of energy industries. Further, the reply states that the courses offered at Assam Energy Institute (AEI), Sivasagar are not same and are complementary in nature to that of courses offered at RGIPT, Jais, Amethi.

In this regard, the Committee observe that the reply of the Ministry is vague as there is no commitment for developing the RGIPT (AEI) Sivasagar as premier Skill Development Centre in North-East for petroleum and energy studies within a stipulated time period. Moreover, it can not be discerned from the reply as to whether presently there is lack of demand for undergraduate courses at RGIPT, Sivasagar or it is the lack of will power on the part of the RGIPT to offer similar courses. The Committee, therefore, reiterate their earlier recommendation and desire that the Ministry should help the Institute in emerging as premier Skill Development Centre for hydrocarbon industry with introduction of new courses B.Tech courses and also by provide sufficient grants of money under the union budget for the purpose.

FINAL REPLY OF THE GOVERNMENT

The Rajiv Gandhi Institute of Petroleum Technology, Jais, Amethi, an Institution of National Importance has been established by an Act of Parliament i.e. 'RGIPT Act, 2007'. The Act empowers the Board to establish campus and academic centres at any place within or outside

India. Accordingly, two centres have been established, i.e., Assam Energy Institute (AEI), Sivasagar and Energy Institute Bangalore (EIB), Bengaluru.

The authority to award degree is vested in the Board of Governors of RGIPT for all students of the Institute and its centers. Accordingly all degree/diploma are awarded by the RGIPT only.

Diploma programmes were started at AEI for the students of Assam only and from Academic Session 2023-24, it has been opened to other states of Northeast part of the country. Presently, the centre has a regional character.

The B.Tech programmes are currently offered by RGIPT to the students at all India level through JEE Advance/Mains. International students are also admitted. A few students of AEI also get admission by lateral entry after completing their diploma programme.

It is envisaged to strengthen the existing diploma programmes on the lines as recommended for strong Skill Development Centre.

However, the existing three year diploma programmes is being considered to be converted to six year IDD (Integrated Dual Degree) in line with the New Education Policy 2020. The entry level will remain the same as of current diploma programme. A student will have an option to exit after three year with diploma or six year with degree and diploma both.

City Gas Distribution Network

The Committee note from the information provided by the Ministry that the target dates of completion of Piped Natural Gas (PNG) connections in 31 geographical areas of the country were upto 30 September 2022. In this regard, the Committee observe that the implementation of City Gas Distribution Network Programme is behind the schedule. The Committee further note that PNGRB has so far authorized 297 Geographical Areas (Gas) for development of CGD network which cover 98% of the country's population and 88% of its geographical area. The last concluded 11th and 11 A CGD Bidding rounds, wherein authorization for 67 Gas has been awarded for the development of CGD network, which covers 28.47% of the country's population and 34.66% of its geographical area. The projects need to be completed as per schedule same is part of the vision of the Hon'ble Prime Minister of India to make the country a gas based economy by 2030 by increasing the share of natural gas in India's Energy Mix from present 6.3% to 15%. In view of the above, the Committee recommend the Ministry of petroleum and Natural Gas to review the progress of CGD network projects with CGD entities and so as to ensure the progress of the programme as per schedule.

REPLY OF THE GOVERNMENT

Upto 28.2.2023, a total 107.56 lakh PNG domestic connections and a total 5283 CNG Stations have been commissioned across the country by the various entities, authorized by the Petroleum and Natural Gas Regulatory Board (PNGRB). The work of laying and expanding CGD networks in all the Geographical Areas (GAs) is being carried out by the entities, authorized by Petroleum & Natural Gas Regulatory Board (PNGRB). PNGRB carries out monitoring and progress review of the Minimum Work Programme on periodic basis. In line with the regulations, the entities failing to meet the target have been issued notices and remedial time period has been given to achieve their targets. The cases of entities who have failed to meet their target will be dealt in accordance with the provisions of the PNGRB Act and the extant regulations. Moreover, MoP&NG also takes periodic review on the progress made by CGD entities from time to time.

COMMENTS OF THE COMMITTEE

The Committee in their original report had observed that the implementation of City Gas Distribution Network in the country is behind scheduled and that PNGRB has so far authorized 297 Geographical Areas (gas) for development of CGD network which cover 98% of the country's population and 88% of its geographical area. The Committee had recommended the Ministry of Petroleum & Natural gas to review the progress of CGD network projects with CGD entities sos as to ensure the progress of the programme as per schedule.

The Ministry in their action taken reply have submitted that upto 28.2.2023, a total 107.56 lakh PNG domestic connections and a total 5283 CNG Stations have been commissioned across the

country by the various entities, authorized by the Petroleum and Natural Gas Regulatory Board (PNGRB). The work of laying and expanding CGD networks in all the Geographical Areas (GAs) is being carried out by the entities, authorized by Petroleum & Natural Gas Regulatory Board (PNGRB). PNGRB carries out monitoring and progress review of the Minimum Work Programme on periodic basis. In line with the regulations, the entities failing to meet the target have been issued notices and remedial time period has been given to achieve their targets. The reply also states that the cases of entities who have failed to meet their target will be dealt in accordance with the provisions of the PNGRB Act and the extant regulations and Ministry also takes periodic review on the progress made by CGD entities from time to time.

The Committee while accepting the reply expect the Ministry to closely monitor the progress of the CGD projects and also take proactive steps for addressing the challenges/difficulties being faced by the CGD entities in obtaining various statutory clearances from various State and district level authorities and complete the projects as per schedule.

FINAL REPLY OF THE GOVERNMENT

Providing Piped Natural Gas (PNG) connections is part of the development of City gas Distribution (CGD) Network and the same is carried out by the entities authorized as per Minimum Work Program (MWP) targets provided by the Petroleum and Natural Gas Regulatory Board (PNGRB) and techno-commercial feasibility. Upto 30.7.2023, a total 114.4 lakh PNG domestic connections and a total 5899 CNG Stations have been commissioned across the country by the various entities, authorized by the Petroleum and Natural Gas Regulatory Board (PNGRB).

The work progress of the authorized entities is being monitored both by PNGRB and the Ministry on regular basis. Failure to abide by the terms and conditions is being dealt in accordance with the PNGRB (Authorizing Entities to Lay, Build, operate or Expand City or Local Natural Gas Distribution Networks) Regulations, 2008 as amended from time to time.

Further, the authorized entities have proposed for a standardization of statutory charges levied by local bodies. The same is under consideration of the Ministry. This will help in expeditious development of the network and completion of projects as per schedule.

Recommendation No. 13

Capital Support to OMCs

The Committee note that an outlay of Rs 30000 Cr has been made in BE 2023-24 as capital support to Oil Marketing Companies. The Committee further note that the Ministry of Petroleum and Natural Gas would support the Capital expenditure of three Public Sector Oil Marketing Companies viz IOCL, HPCL and BPCL, to the tune of Rs 30,000 Crore as available in the budget 2023-24, in their endeavour for energy transition, meeting net zero objectives and the energy security of the country. The OMC wise allocation would be made depending on the requirement, availability of IEBR, financial position, etc, of these OMCs for the various Capex projects. In this regard, the Committee observe that the details of the CAPEX projects of the OMCs and methodology of distribution of funds to them are yet to be finalized. Accordingly, the Committee recommend the OMCs and the Ministry to finalise details of the CAPEX projects and methodology of distribution of fund at the earliest so that the fund earmarked in BE 2023-24 for above purpose may be fully utilized. The Committee also recommend the Ministry to constantly monitor the proper utilization of the same.

FINAL REPLY OF THE GOVERNMENT

An outlay of Rs 30000 Cr has been made in BE 2023-24 as capital support to Oil Marketing Companies. Ministry of Petroleum and Natural Gas would support the Capital expenditure of three Public Sector Oil Marketing Companies viz IOCL, HPCL and BPCL for capital investment towards Energy Transition, Net Zero objectives and Energy Security. The OMC wise allocation would be made depending on the requirement, availability of IEBR, financial position, etc, of these OMCs for the various Capex projects and is being worked out in consultation with all stakeholders. Expenditure Finance Committee (EFC) Memo was prepared after Inter Ministerial Consultation and forwarded to Finance Secretary, Ministry of Finance with a request to convene the meeting of EFC. Department of Expenditure, Ministry of Finance has sought further details and clarification which are being submitted.