

that the Government should take up the responsibility of developing those areas more and more. As I have already assured the House, I am going to step up the allocation for such activities. I will be very happy if such projects can be implemented with the peoples' participation. And if people form their own committee or if voluntary agencies are available, I am willing to fund them for the development of this area. (*Interruptions*)

SHRI SRIBALLAV PANIGRAHI : Will you associate MPs also?

SHRI P. A. SANGMA : Yes, certainly. Our priority areas are education, drinking water and health.

Gas-based Products in Amlapuram, Andhra Pradesh

*572. **SHRI G.M.C BALA YOGI** : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) whether the Government propose to set up any gas-based industries and storage projects in Amlapuram area of Andhra Pradesh in view of the availability of large quantity of natural gas;

(b) if so, the details thereof; and

(c) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS AND MINISTER OF STATE IN THE MINISTRY OF DEFENCE (SHRI S. KRISHAN KUMAR) : (a) to (c) No, Sir. Available natural gas has already been allocated for use to industries located in the region.

SHRI G.M.C. BALA YOGI : Hon. Speaker Sir, I am a new Member and for the first time, I am asking a ques-

tion. So please help me. Before putting my first supplementary, I would like to know the answer from the Minister, with regard to the main question. The hon. Minister has not replied anything to the question about the setting up of gas-based storage projects in the region.

As far as my first supplementary is concerned, I would like to know whether the ONGC is going to allot any funds for the laying of roads, construction of bridges at Vedurulanka, Yanam, Kotipalli, Mukteswaram, Bodasakurru and strengthening of flood banks, in order to protect flood banks and develop the Amalapuram area. Because, it is an Island having a population of about 20 lakhs and the ONGC is using the Roads, bridges and flood banks for running their heavy vehicles and causing damage

SHRI S. KRISHAN KUMAR : As regards the first part of the supplementary, the question could not have been answered in any other manner, because the ONGC or the Oil companies or for that matter the Oil Ministry do not set up any gas-based industries. The setting up of the industries is the responsibility of public and private sectors, including the State industrial promoting agencies. We only allocate the gas, when it is available.

As regards the second part of the question, the ONGC had asked, as part of its efforts for oil exploration and development in the region, the Government of Andhra Pradesh to take up the improvement of roads and bridges. The Government had in turn asked the ONGC to give them a loan. And we have recently negotiated and agreed to give them a loan of Rs. 4 crores, for the improvement of roads

and bridges, to be identified jointly by the State's P.W.D., and the ONGC and to recover this loan at 15 per cent interest later.

SHRI G.M.C. BALA YOGI : I would like to know whether the ONGC is going to supply gas to the gas-based projects of Amalapuram, Jegurupadu and Kakinada, in the region as asked by the Government of Andhra Pradesh.

SHRI S. KRISHAN KUMAR : Amalapuram forms part of the Krishna-Godavari sedimentary basin, where we hope to generate 6 million cubic meters per day of gas, when our present programme is completed within one or two years. Already, 6 million cubic meters of gas stands committed to 17 industries, identified in the region only. I have the list of those 17 industries. Since this gas has already been committed, there is no scope for giving gas to any other industries, unless at some future time, the gas supply can be increased or some of these industries are replaced by others, due to non-offtaking of gas.

SHRI DIGVIJAYA SINGH : Out of the total availability of gas allocated or committed, how much of it is being actually used by these industries today?

MR. SPEAKER : You are going from a specific question to a general one. The question is related to Andhra Pradesh.

SHRI DIGVIJAYA SINGH : No, Sir. This is a very specific question. He said 6 million cubic meters of gas has been allocated out of the available gas. Out of the total allocated gas in that area, how much is actually being used or is it being flared up?

SHRI S. KRISHAN KUMAR : 0.4 million cubic meters of gas per day is being used by the Vijjeswaram Power Plant. The 6 million cubic meters of gas stands committed. I would like to explain or clarify to the hon. Member that 6 million cubic meters of gas is projected, when the project is completed.

SHRI DIGVIJAYA SINGH : How much gas is actually being used?

SHRI S. KRISHAN KUMAR : 0.4 cubic meters of gas is being used.

SHRI DIGVIJAYA SINGH : Or is it being flared up?

SHRI S. KRISHAN KUMAR : No. The gas is not being produced. This is non-associated gas. Only that much is taken and the rest is in the reservoir. It is not flared up.

SHRI BOLLA BULLI RAMAIAH : Sir, out of the gas allocated for the industries in Andhra Pradesh, how many industries have refused to take or disconnected due to the unilateral power rate which you are increasing.

How much power is required for Andhra Pradesh for power generation? You would not allocate even though there is more potentiality.

SHRI S. KRISHAN KUMAR : This is too general a question. It is very difficult to answer it.

SHRI BH. VIJAYAKUMAR RAJU : Mr. Speaker, Sir, they are already supplying to some industries. The Hon. Minister says that he has allocated for 17 industries. But now because of rate increase from Rs. 900 to Rs. 1,400, the industries are not coming forward to take the gas. Is there any proposal with the Government to give it as they

gave previously at Rs. 900 per thousand cubic metre ?

SHRI S. KRISHAN KUMAR : The existing price of gas is Rs. 1,400 per thousand cubic metre for a long number of years. The rate of Rs. 900 was much before that. So, all these industries had come up when the price of gas was Rs. 1,400 per thousand cubic metre.

As per the report of the Kelkar Committee, which has gone into the issue of gas prices, the Government is considering to revise the price of gas. But we have proposed a price which is much lower than the global norms or economic price which will be economical for the oil producing countries companies and which is less than what was recommended by the Kelkar Committee.

We have not finally taken a view in this matter. It is pending for a decision with the Government.

MR. SPEAKER : Question No. 573.

SHRI BH. VIJAYAKUMAR RAJU : How much time will it take, Sir ?

MR. SPEAKER : Now we have gone to the other question.

Upper Kolab Power Project

*573. **SHRI ARJUN CHARAN SETHI :** Will the Minister of POWER AND NON-CONVENTIONAL ENERGY SOURCES be pleased to state :

(a) whether the installed capacity of Upper Kolab Power Project in Orissa is under utilised;

(b) if so, the reasons therefor; and

(c) the steps proposed to be taken

for optimum utilization of its installed capacity ?

THE MINISTER OF STATE IN THE MINISTRY OF POWER AND NON-CONVENTIONAL ENERGY SOURCES (SHRI KALP NATH RAD) : (a) to (c) A statement is laid on the Table of the House.

STATEMENT

(a) and (b) The present installed capacity of Upper Kolab Power Project of the Orissa State Electricity Board is 240 MW (3 × 80 MW). Unit-I is under forced outage since March, 1990 owing to operational problems of excessive vibration. The capacity presently available for generation is 160 MW.

(c) Based on investigation done by the Bharat Heavy Electricals Ltd. in association with other experts and project authorities, it has been decided to make certain design modification of the tailpool. These modifications are expected to take about 8 months. Rectification of the generating equipment of Unit-I and its re-erection would also be completed by then. It is expected that all three machines would be available for operation thereafter.

SHRI ARJUN CHARAN SETHI : Mr. Speaker, Sir, in the statement laid on the Table of the House, the Hon. Minister has stated that one of the units of the Upper Kolab Power Project is closed since March, 1990 and it will take another eight months to commission this unit.

May I know from the Hon. Minister when was this fact brought to the notice of the Central Government ?

Secondly, what are the specific reasons that this much time will be