

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

STARRED QUESTION NO:109  
ANSWERED ON:13.07.2004  
NATURAL GAS FOR POWER GENERATION  
Maken Shri Ajay

**Will the Minister of POWER be pleased to state:**

- (a) whether the Government has any plan to generate power by using LNG and CNG;
- (b) if so, whether any study has been conducted and if so, the salient features thereof;
- (c) the amount of natural gas available for power generation in the country;
- (d) the viability of natural gas as compared to other sources of generating power; and
- (e) the advantages/disadvantages of Natural Gas as a fuel over other fuels for power generation?

**Answer**

THE MINISTER OF POWER ( SHRI P.M. SAYEED )

(a) to (e) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO.109 TO BE ANSWERED IN THE LOK SABHA ON 13.07.2004 REGARDING NATURAL GAS FOR POWER GENERATION.

(a) : Yes, Sir. During 10th Plan, out of total capacity addition target of 41110 MW, 7378.94 MW is envisaged to be developed through gas based projects. Out of this, 722 MW has already been commissioned. As on 30.6.2004, total installed capacity of gas based power generation plants was 11840 MW.

(b) : With a view to facilitating development of new power projects, CEA has been entrusted, inter-alia with the responsibility of identification of suitable sites for setting up of gas based power projects, keeping in view the availability of gas and economics of power generation. The study carried out by Expert Committee on Fuels for Power Generation has concluded that at prevailing prices gas based power projects along the pipeline is an attractive option.

(c) : The total estimated reserves of natural gas in the country in 2003 were 854 Billion Cubic Meters. The average production at present is 90 Million Metric Standard Cubic Meter Per Day (MMSCMD). Out of this nearly 21 MMSCMD is internal consumption of gas companies and remaining 69 MMSCMD gas is available to various users. Average supply of gas for power generation is of the order of 26 to 27 MMSCMD.

(d) : The viability of Natural Gas / LNG for power generation is a function of its price and the confidence of the investors in its long term availability and price stability.

(e) : The key advantages of the Gas Based Power Plants are :-

(i) Capital cost of gas based Combined Cycle Power Plant is lower.

(ii) Combined Cycle Power Plants have better efficiency or heat rate.

(iii) The gestation period of setting up a Gas Based Combined Cycle Power Station is comparatively less.

(iv) Transportation of natural gas to the power stations through gas pipelines is relatively easier and cheaper.

However, the higher maintenance cost and lower life span constitute the key disadvantages of these plants.