

**GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA**

UNSTARRED QUESTION NO:573
ANSWERED ON:15.03.2012
PRODUCTION OF GAS BY ONGC
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) the quantity of gas being produced by Oil and Natural Gas Corporation (ONGC) in Gujarat and the gas distributed out of this to industrial houses and other sectors;
- (b) the number of requests/applications sent to ONGC from industrial houses and the details of sanctioned and pending applications out of these and the reasons of pendency thereof;
- (c) whether some quantity of gas produced in Gujarat is not being utilised properly; and
- (d) the efforts being made by the Government for proper utilisation of gas?

Answer

Minister of state in the Ministry of PETROLEUM AND NATURAL GAS (SHRI R.P.N. SINGH)

(a) Oil and Natural Gas Corporation Limited (ONGC) has produced 1433 Million Metric Standard Cubic Metre (MMSCM) natural gas in Gujarat during the current year 2011-12 from April, 2011 to December, 2011. Gas produced by ONGC, after meeting internal consumption, is supplied in bulk to GAIL(India) Ltd. for further transportation and distribution to various consumers and during the period from April, 2011 to December, 2011 approximately 930 MMSCM gas has been sold to GAIL (India) Ltd. However, presently around 5.79 Lakh Cubic Metre per day (LCMD) gas is supplied to 54 various consumers under direct marketing in Gujarat.

(b) Although, ONGC was not empowered to allocate natural gas to consumers, ONGC had received requests/applications from 85 industries in Gujarat since December, 2008. In January, 2012, Ministry of Petroleum & Natural Gas (MoP&NG) has issued guidelines for selection of customers for domestic gas available from small/isolated and marginal fields having peak production of 0.1 Million Metric Standard Cubic Metre per day (MMSCMD), allowing ONGC to identify consumers for such gas through a process of tendering.

(c) Out of 1433 MMSCM gas produced by ONGC in Gujarat from April, 2011 to December, 2011, only 46 MMSCM gas was flared. Besides, out of 201.02 MMSCM gas produced in Gujarat under Production Sharing Contract (PSC) regime from April' 2011 to January, 2012, only 2.87 MMSCM gas was flared, mostly as technical flaring.

(d) Natural Gas is presently allocated by the government as per the Gas Utilization Policy in the following order of priority:

1. Gas-based fertilizers plants
2. Gas-based LPG plants
3. Gas-based power plants
4. City Gas Distribution (CGD) entities for supply to domestic (PNG) & transport (CNG) sectors
5. Other including, Steel plants (only for feedstock & not for captive power requirement), Petrochemicals plants (only for feedstock & not for captive power requirement), Refineries, CGD entities for supply to commercial & industrial sector customers consuming up to 50,000 scmd (standard cubic meters per day), Captive power plants etc.

ONGC is installing compressor for reduction of gas flaring in Ahmadabad Asset and maximizing gas utilization. In addition, efforts are being made by the Private/ Joint Venture companies under the Production Sharing Contract (PSC) regime to maximize the utilization of gas by selling even the small amount of gas produced to the nearby small industries (like ceramic plants etc.) in Gujarat.