

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3904
ANSWERED ON:27.04.2012
GAS PRICE POOLING MECHANISM
Thamaraiselvan Shri R.

Will the Minister of POWER be pleased to state:

- (a) whether the gas price pooling mechanism within the power sector is not a workable proposition;
- (b) if so, the details thereof;
- (c) whether the Government proposes to adopt any other method for making gas available to power plants; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) & (b) : Ministry of Power having consulted power producers feels that pooling of Re-gasified Liquefied Natural Gas (RLNG) with domestic gas may not be a viable option for power sector under present scenario especially in view of the limited availability of domestic gas. It is felt that a pool can envisage about 20-25% of RLNG with 75-80% of domestic gas in view of higher cost of imported RLNG and its impact on power tariff for Discoms & Consumers. The pool may be viable when additional domestic gas production comes through.

(c) & (d) : Ministry of Petroleum & Natural Gas (MOP&NG) has intimated that domestic gas will be allocated as per the priority of Government as & when additional domestic gas is available.