GOVERNMENT OF INDIA POWER LOK SABHA

UNSTARRED QUESTION NO:1199
ANSWERED ON:17.08.2012
POOLING OF DOMESTIC GAS BY POWER PRODUCERS
Sugumar Shri K.

Will the Minister of POWER be pleased to state:

- (a) whether major power producers in the private and public sector have opposed the proposal floated to pool domestic gas with Regasified Liquefied Natural Gas (RLNG);
- (b) if so, the details thereof;
- (c) whether it has been alleged that the proposed move would lead to higher tariffs;
- (d) if so, the details thereof;
- (e) whether any submission has been made to Central Electricity Authority in this regard; and
- (f) if so, the details thereof?

Answer

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

- (a) to (d): Yes, Madam. NTPC, Projects Developers of State Sector and some private power developers were not in favour of price pooling of domestic gas with RLNG as it was felt that pooling of RLNG is possible only if domestic supply is increased substantially so that RLNG blending is limited to about 20-25% only. Beyond this, the cost of generation will be very high and power can not be scheduled as per merit order dispatch mechanism.
- (e) & (f): In order to know the views of major gas power producers in the private and public sector in the country and to explore the possibility of pooling, a meeting was convened in Central Electricity Authority (CEA) on 26th March, 2012 under the Chairmanship of Chairperson, CEA. In the above meeting no consensus on pooling could be arrived due to divergent views of various developers and major power producers in the private and public sector and some opposed the proposal floated to pool domestic gas with Regasified Liquefied Natural Gas (RLNG).