

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

STARRED QUESTION NO:264

ANSWERED ON:15.03.2013

SWAPPING OF GAS

Gaikwad Shri Eknath Mahadeo;Paranjpe Shri Anand Prakash

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

- (a) whether the Government has formulated or proposes to formulate a policy for gas swapping between power and fertilizer production companies;
- (b) if so, the details thereof and the reasons therefor including the benefits likely to accrue to gas based power generating stations as a result thereof, State/UT-wise;
- (c) whether the swapping will increase the prices of gas;
- (d) if so, the steps being taken by the Government to protect the interest of the consumers;and
- (e) the time by which the said policy is likely to be implemented?

Answer

MINISTER OF PETROLEUM & NATURAL GAS (DR. M. VEERAPPA MOILY)

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

STATEMENT REFERRED IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 264 TO BE ANSWERED ON 15.03.2013 REGARDING SWAPPING OF GAS

(a) Madam, Swapping of natural gas is an arrangement whereby 'first party' supplies gas to 'second party' at a location sought for by the second party, "in exchange for" the second party agreeing to indemnify the first party from any additional financial liability, on account of supplying (directly or through transporter(s)), an energy equivalent quantity of gas to the first party or first party's representative at another location. General Guidelines on swapping have already been issued by the Ministry. No specific policy is under consideration only for Fertilizer and Power companies.

(b) to (e) Do not arise in view of (a) above.