

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

UNSTARRED QUESTION NO:3498
ANSWERED ON:10.12.2009
SUPPLY OF NATURAL GAS TO NTPC S PLANTS
Singh Shri Sushil Kumar

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

- (a) whether the Ministry of Power had requested the Government to intervene in the matter of supply of natural gas by Reliance Industries Ltd. to NTPC's Kawas and Gandhar Power Plants;
- (b) if so, the details thereof and the reasons therefor; and
- (c) the details of the action taken by the Government thereon?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) to (c): Ministry of Power's proposal for distribution of KG D6 gas to power sector vide their letter dated 17.3.2009, inter alia, recommended that existing power plant outside Andhra Pradesh be supplied KG D6 gas to enable them to operate at 60.5% Plant Load Factor (PLF), entailing allocation of 1.76 mmscmd and 0.30 mmscmd to Kawas & Gandhar power plants respectively. Accordingly, the mentioned quantity was allocated to NTPC's Kawas & Gandhar plants.

Subsequently, Ministry of Power vide their letter dated 8.6.2009 informed that, in view of litigation between RIL and NTPC regarding supply of gas for the latter's expansion projects in Kawas & Gandhar, NTPC would not take any KG D6 gas for their existing plants at Kawas & Gandhar. It was requested that gas earmarked for NTPC's Kawas & Gandhar plants be supplied to NTPC's plants in Northern part of the country and an equivalent quantity of Administered Price Mechanism (APM)/ Panna-Mukta-Tapti (PMT) gas should be diverted from NTPC's plant in the Northern part of the country to its Kawas & Gandhar power plants. Accordingly, Government agreed to the proposed swapping arrangement and decided to swap 2.71 mmscmd to enable NTPC's plants to operate at 70% PLF.