GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:1615
ANSWERED ON:21.07.2014
LNG PRODUCTION IMPORT
Shrirang Shri Chandu Barne

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

(a) whether the Government proposes to formulate a new Liquefied Natural Gas (LNG) policy in order to provide level playing field to all the LNG producers;

(b) if so, the objectives/salient features of the same along with power given to Petroleum and Natural Gas Regulatory Board (PNGRB) to address license and other related issues;

(c) whether the Gas Authority of India Limited (GAIL) has owned/partnership in several LNG terminals abroad and if so, the details thereof, country-wise;

(d) whether GAIL has been restricted to import LNG from its LNG export terminals situated abroad and if so, the details thereof along with the reasons therefor; and

(e) the efforts being made by the Government to resolve the issue with the concerned countries?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

(a) & (b): No, Madam. LNG is procured by different entities from the international market under Open General License.

(c) to (e): No, Madam. GAIL does not have any ownership/partnership in any LNG terminal abroad. However, GAIL has signed two LNG offtake agreements with Sabine Liquefaction LLC, USA and Gazprom Marketing and Trading Singapore. Further, GAIL through its indirectly owned subsidiary, GAIL Global (USA) LNG LLC, executed a Terminal Service Agreement with Dominion Cove Point LNG LP, USA for booking capacity rights of 2.3 MMTPA. While LNG exports from Gazprom (Russia) to India do not have any restrictions, the export of LNG from USA requires obtaining a license from US, Department of Energy (DoE). With regard to US terminals, both Sabine Pass and Dominion Cove Point terminals have got conditional approval from US, DoE for LNG exports to non-FTA countries and hence, there is no restriction on export of LNG to India from these terminals.