

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

UNSTARRED QUESTION NO:2692
ANSWERED ON:28.07.2014
MOU SIGNED BY GAIL
Devi Smt. Veena;Venugopal Dr. Ponnusamy

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

- (a) whether the Gas Authority of India Limited (GAIL) has signed an agreement with some countries including United States of America to explore the possibilities for Joint Liquefied Natural Gas procurement and supply to India;
- (b) if so, the details thereof; and
- (c) the quantum and the cost of the natural gas which is likely to be imported from these countries by GAIL?

Answer

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

(a) to (c): Yes, Madam. In February, 2013, GAIL has signed a Memorandum of Understanding (MoU) with EDF Trading North America, LLC to jointly explore business opportunities along the natural gas value chain in USA and have also agreed to jointly explore LNG project opportunities in USA through capacity booking and offtake agreements.

In March, 2014, GAIL has signed a MoU with Chubu Electric, Japan to explore possibilities for collaboration in area of joint LNG procurement.

Further, GAIL has contracted 3.5 MMTPA of LNG with Sabine Pass Liquefaction LLC for supply from Sabine Pass terminal and 2.3 MMTPA of liquefaction capacity has been booked on tolling basis with Dominion Cove Point LNG, LP in the Cove Point LNG liquefaction terminal. The LNG price from both these contracts is indexed to Henry Hub natural gas prices.

GAIL has also contracted 2.5 MMTPA of LNG to be supplied by Gazprom Marketing and Trading Singapore (GMTS). The price of this contract is indexed to Japanese Crude Cocktail (JCC).

All the above contracts have a tenure of 20 years with supplies starting between 2017 and 2019.