

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

UNSTARRED QUESTION NO:2711
ANSWERED ON:28.07.2014
PURCHASE OF STAKE IN PETRONAS LNG PROJECT
Venugopal Dr. Ponnusamy

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

- (a) whether the Indian Oil Corporation Limited (IOCL) has signed an agreement to buy a stake in Petronas` LNG project;
- (b) if so, the salient features of the said agreement; and
- (c) the extent to which the said agreement is likely to boost the performance of IOCL?

Answer

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

(a) & (b) Indian Oil Corporation Limited (IOCL) has acquired 10 percent participating interest in integrated (Upstream and LNG) Pacific NorthWest (PNW) LNG Project, British Columbia (BC), Canada from Progress Energy Canada Limited (PECL), wholly owned subsidiary of PETRONAS. As part of the transaction, IOCL shall also offtake 1.2 million tons of liquefied natural gas (LNG) per annum (MMTPA), which represents 10 percent of the LNG facilities production, for a minimum period of 20 years.

(c) The acquisition of this interest in PNW LNG integrated project gives IOCL the opportunity to be part of a world class, large-scale, highly prospective Montney play in Canada along with securing long-term LNG supply for Indias growing gas requirements. IOCL will have access to assured LNG supply of 1.2 MMTPA for a minimum period of 20 years.