

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

UNSTARRED QUESTION NO:3088

ANSWERED ON:16.03.2015

PRICE OF NATURAL GAS

Jadhav Shri Prataprao Ganpatrao;Kalvakuntla Smt. Kavitha;Khaire Shri Chandrakant Bhaurao;Kumar Shri Kaushalendra;M. Smt. Vasanthi;Pradhan Shri Nagendra Kumar;Rajendran Shri S.;Ranjan (Pappu Yadav) Shri Rajesh;Ranjan Smt. Ranjeet;Raut Shri Vinayak Bhaurao;Shewale Shri Rahul Ramesh;Simha Shri Prathap

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

- (a) whether the prices of natural gas in the international market have declined over the years,
- (b) if so, the details thereof indicating the international prices of natural gas during the last three years and the current year;
- (c) whether the benefits of declining international prices of natural gas has not been passed on proportionately to the consumers and if so, the reasons therefor;
- (d) whether the Government has allowed private/foreign gas producers to fix their own price of domestically produced gas and if so, the details thereof and the reasons therefor; and
- (e) the salient features of the recommendations of the Vijay Kelkar Committee on gas pricing along with the action taken by the Government thereon?

Answer

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

(SHRI DHARMENDRA PRADHAN):

(a) & (b).The prices of natural gas in the international market have fluctuated over the years. The monthly average prices of natural gas at Henry Hub (HH) and National Balancing Point (NBP) for the last three years is annexed.

(c) & (d) Price of domestically produced natural gas is determined as per the New Domestic Natural Gas Pricing Guidelines, 2014. Prices prevailing in HH (USA), NBP (UK), Alberta (Canada) and Russia are inputs to new gas pricing formula. Therefore, changes in the prices of these regions would be reflected in the prices of domestically produced natural gas.

(e). Dr. Vijay Kelkar Committee, in its final report has recommended a roadmap to market-determined gas price by 2017 or next pricing period. The final report of the committee can be viewed on this Ministry's website with the link - <http://petroleum.nic.in/docs/FinalReportKelkarCommittee2014.pdf>

The said report of the Committee is under consideration of the Government of India.