

12.03 hrs.

**Title: Regarding CNG supply in Delhi -Laid.**

MR. SPEAKER: Shri Ram Naik will make a statement now.

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK): Mr. Speaker, Sir, it is a lengthy statement. Should I lay it on the Table of the House to save time?

MR. SPEAKER: If you want to read, you can read. Otherwise, you can lay it on the Table of the House.

SHRI RAM NAIK: All right. Sir, I lay a statement on the Table of the House on 'CNG' Supplies in Delhi.

MR. SPEAKER: You have to give copies also.

SHRI RAM NAIK: They have been circulated. They will be given.

SHRI PRIYA RANJAN DASMUNSI (RAIGANJ): Mr. Speaker, Sir, how can the Members follow if the Minister lays the statement without circulating the copies? It is not fair.

MR. SPEAKER: He is supplying copies.

SHRI RAM NAIK : Hon. Members would be aware of the fact that the conversion of diesel driven transport system to Compressed Natural Gas (CNG) driven transport system has been a subject of concern. It is in this connection that I am making a statement on the subject.

The hon. Supreme Court in its order dated 28<sup>th</sup> July, 1998 directed Gas Authority of India Limited (GAIL) to expedite and expand the number of CNG outlets from 9 to 80 by 31<sup>st</sup> March, 2000 and the Government of NCT of Delhi to convert the entire city bus fleet to single fuel mode on CNG by 31<sup>st</sup> March, 2001. Presently, 72 stations are supplying CNG in the NCT.

CNG requirements of Delhi are being met by the Indraprastha Gas Limited (IGL), which is a joint venture of GAIL, Bharat Petroleum Corporation Limited (BPCL) and Government of the NCT of Delhi, who are holding 50 per cent equity in the Company. IGL is not a public sector undertaking and takes its decisions on commercial considerations.

The demand of CNG in the NCT swelled from 1.00 lakh kilograms per day as on 1.4.2001 to 1.85 lakh kilograms per day as on 1.7.2001. Seventy-two CNG stations installed so far include nine mother stations, 16 online stations, eight daughter booster stations and 39 daughter stations. Zone-wise, the locations of these outlets are nine in East Delhi, 11 in Central Delhi, 12 in North Delhi, 31 in South Delhi and nine in West Delhi. The installed compressor capacity of these stations is 2.07 lakh kilograms per day. However, autos generally prefer to go for refilling to 21 stations (five mother and sixteen online) and do not go to the remaining filling stations. This has resulted in long queues at the CNG stations.

The number of CNG fuelled vehicles reported by the Transport Department of the Government of NCT of Delhi at the end April, 2001 was 18,057 commercial vehicles plus 5,000 private non-commercial vehicles, in all 23,000 vehicles. It was further indicated in April, 2001 that the number of CNG three-wheeler autos are likely to get registered at the rate of 1,500 to 1,800 per month and the number of special permits issued to commercial vehicles for conversion by 30<sup>th</sup> September, 2001 was 28,605. IGL planned accordingly to make arrangements for creation of capacity, month-wise up to September, 2001.

In so far as the arrangements for the supply of CNG for city bus fleet are concerned, I would like to inform the House that all efforts are being made and will also continue to be made by IGL. The demand of CNG has swelled primarily because of conversion of three-wheeler autos to CNG mode over past three months or so. It also remains a fact that as per the July, 1998 order of hon. Supreme Court, only the pre-1990 autos/taxis were to be replaced and that too by vehicles on clean fuels and not necessarily to CNG. The Supreme Court has never held that CNG is the only clean fuel. The autos/taxis registered after the year 1990 did not require conversion as per the July, 1998 order.

The CNG demand generated by the light motor vehicles, including three-wheeler autos and taxis, has swelled also because of the present pricing advantage in using CNG. As against the price of Rs. 28.75 per litre of petrol, CNG is presently priced at Rs. 12.21 per kilogram only. The cost per kilometre comes to Rs. 0.49 in case of CNG as against Rs. 1.60 in the case of petrol. Further, there are distortions in the price of CNG in Delhi as compared to Mumbai where the price is Rs. 18.35 per kilogram. IGL has made large investments for setting up its CNG stations and as on date, it is incurring loss in the sale of CNG in Delhi. The existing distortions merit rationalisation.

I may inform the House that although import of Liquefied Natural Gas (LNG) is also planned, the supply of LNG, as per the present schedule, is likely to commence after December, 2003. The cost of CNG, based on the imported LNG, is likely to be substantially higher as compared to the cost of CNG from natural gas received from ONGC gas fields.

The Ministry of Petroleum and Natural Gas has consistently held the view that CNG is not the only clean fuel. Instead, the position of the Ministry has been that unleaded and low benzene petrol and diesel with 0.05 per cent maximum sulphur content also satisfy the criteria of clean fuel as these grades of petrol and diesel meet the requirement of the vehicular emission norms from Bharat Stage-II vehicles, the latest engine technology available in the country. It may also be mentioned that in order to meet the Bharat Stage-I vehicular emission norms throughout the country and the Bharat Stage-II emission norms in the NCT/NCR as per the directions of the hon. Supreme Court, expenditure of approximately of Rs. 10,000 crore has been incurred by the refineries. In fact, this quality of diesel is being marketed in the developed countries like USA, Japan, Singapore etc. and used by all categories of vehicles including public transport vehicles. Diesel being marketed in some other developed countries like Australia and New Zealand carries higher sulphur content.

My Ministry has been of the view that dependency on a single fuel mode of CNG for the public transport system in Delhi is not desirable and sustainable due to the following reasons:

1. The higher initial and subsequent maintenance cost of CNG vehicles;
2. Substantially higher prices of CNG compared to diesel when the requirement would need to be met from the imported LNG, and higher cost of CNG distribution and dispensing;
3. Extra burden on commuting public on account of increase in the bus fares due to the above mentioned increased costs of the public transport;
4. Risks associated with the disruption in the city public transportation system in situations of break down in the supply chain of natural gas to Delhi due to any unforeseen problems in the 2,000 kilometre long Hajira-Bijaypur-Jagdishpur (BHL) pipeline passing through the States of Gujarat, Madhya Pradesh, Rajasthan and Haryana or the gas processing plant;
5. Higher safety requirements in using CNG as auto fuel.

It is worth mentioning that no major city in the world has switched over its public transport system on CNG alone. Wherever CNG has been introduced as an alternative auto fuel, the use of petrol in light motor vehicles and diesel in buses has been continued. As per information available, in all major cities of the world, city buses are permitted to play using diesel of the quality matching the quality/specifications presently being supplied in the NCT. This position obtains even in the countries like Russia and Canada which are rich in, and net exporters of, natural gas.

IGL has informed that it has taken several steps to further enhance the supply of CNG in Delhi as follows:

- i. Orders have been placed for higher capacity compressors;
- ii. The total CNG stations would be increased to 87 by September, 2001;
- iii. The existing 39 daughter stations are proposed to be upgraded to daughter booster stations progressively by December, 2001;
- iv. Action has been initiated to lay 23 kilometres long gas pipeline connecting Dhaula Kuan with G.T. Karnal Road;
- v. In addition, 50 retail outlets have been identified for co-locating CNG dispensing facility.

It is expected that by the above-mentioned steps, the three-wheeler auto queues at the CNG stations will reduce. However, as I mentioned a short while ago, initially, as per the July, 1998 order of the hon. Supreme Court, the CNG requirement of only the city bus fleet was to be met. Compulsory conversion of light public transport vehicles, including three-wheeler autos, to CNG mode has started only after the Supreme Court order of 26<sup>th</sup> March, 2001. As the production of natural gas from ONGC gas fields is declining, there are limitations of supply. Any diversion of the committed supplies to the vital sectors like power and fertilizer will affect them adversely. It would, therefore, be difficult to cater to the CNG requirement of the fast expanding fleet of vehicles on CNG mode in the NCT.

I would again emphasise that the quality of petrol and diesel being sold in Delhi matches the quality being marketed in the cities of developed countries of the world and that it meets the requirement of Bharat Stage II emission compliant vehicles. Now that major improvements have taken place in the engine technologies and the auto fuel quality, as compared to what these were in July, 1998, substantial reductions in the pollutants from vehicular emissions are possible from the use of petrol and diesel also.

I would like to conclude by saying that instead of depending on a single fuel mode of CNG for the city public transport system for the NCT, it would be expedient to have a dual fuel mode so that if the CNG supply chain fails,

the entire city public transport system does not paralyse and comes to a standstill. We have, on 26.4.2001, moved an application in the Supreme Court also in this regard.

MR. SPEAKER: Now, the House will take up 'Zero Hour'.

...(Interruptions)

MR. SPEAKER: Nothing should go on record.

(Interruptions) \*  
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MR. SPEAKER: Please speak one-by-one.

...(Interruptions)

MR. SPEAKER: Shri Basu Deb Acharia.

...(Interruptions)

MR. SPEAKER: He has not given any notice.

...(Interruptions)

MR. SPEAKER: I will call him later on.

...(Interruptions)

MR. SPEAKER: I will call her. Now, Shri Basu Deb Acharia will speak.

...(Interruptions)

MR. SPEAKER: She did not give any notice. I will call her later on.

...(Interruptions)

MR. SPEAKER: I have called Shri Acharia.

...(Interruptions)

अध्यक्ष महोदय: आपको बुलाया जाएगा।

1208 hrs.

(इस समय श्री श्रीप्रकाश जायसवाल तथा कुछ अन्य माननीय सदस्य सभा पटल के निकट फर्श पर खड़े हो गए।)

अध्यक्ष महोदय: आप बैठिए। आपको बुलाया जाएगा।

â€¦( व्यवधान)

\* Not Recorded

1209 hrs.

(इस समय श्री श्रीप्रकाश जायसवाल तथा कुछ अन्य माननीय सदस्य अपने-अपने स्थानों पर वापस चले गए।)

MR. SPEAKER: Shri Shivraj Singh Chouhan, please understand it.

...(Interruptions)

MR. SPEAKER: No, no, please. I have called Shri Acharia. I will also call your name after he speaks.

...(Interruptions)

अध्यक्ष महोदय: आप बैठ जाइए।

...(Interruptions)

MR. SPEAKER: I will call you after him....(Interruptions)

MR. SPEAKER: Shri Chouhan, please take your seat. I will call you later on.

SHRI BASU DEB ACHARIA (BANKURA): Sir, the Central Government and State Government employees are on strike today. For the first time, ...(Interruptions)

अध्यक्ष महोदय : आपका नोटिस नहीं है। मैं आप को बाद में बुलाऊंगा।

...(Interruptions)

MR. SPEAKER: Nothing should go on record except Shri Acharia's submission.

*(Interruptions) â€\**

1210 hours

*(At this stage, Shri Shriprakash Jaiswal and some other hon. Members came and stood on the floor near the Table.)*

1210 hours

*(At this stage, Kunwar Akhilesh Singh and some other hon. Members came and stood on the floor near the Table.)*

MR. SPEAKER: Nothing should go on record.

*(Interruptions) â€*

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\* Not Recorded

**अध्यक्ष महोदय :** आप लोग अपनी जगह पर जाइये। मैं आपको बाद में बुलाऊंगा।

*...(Interruptions)*

**अध्यक्ष महोदय :** मेरे पास पार्टी एम.पीज़ का लिस्ट है। मैं एक-एक करके सब को बुलाऊंगा। पहले आप लोग अपनी सीट पर जाइये।

1211 hrs

*(At this stage, Shri Shriprakash Jaiswal and some other hon. Members  
went back to their seats.)*

1211 hrs

*(At this stage, Kunwar Akhilesh Singh and some other hon. Members  
went back to their seats.)*

1212 hrs

*(At this stage, Shri P.C. Thomas came  
and stood on the floor near the Table.)*

1212 hrs

*(At this stage, Kunwar Akhilesh Singh and some other hon. Members came  
and stood on the floor near the Table.)*

MR. SPEAKER: The House stands adjourned to meet again at 2 p.m.

1212 hours

*The Lok Sabha then adjourned till Fourteen of the Clock.*

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1400 hrs

*The Lok Sabha re-assembled at  
Fourteen of the Clock.*

(Mr. Speaker *in the Chair*)

**MATTERS UNDER RULE 377\***

MR. SPEAKER: Matters under Rule 377 listed for the day may be treated as laid on the Table of the House.