

GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM AND NATURAL GAS
RAJYA SABHA
UNSTARRED QUESTION NO. - 2214
ANSWERED ON-20/03/2023

Replacing fossil fuel run vehicles with alternate fuels

2214 Shri Jaggesh:

Will the Minister of Petroleum and Natural Gas be pleased to state:

- (a) whether it is a fact that the country's fuel import bill that runs in lakh of crores of rupees is a challenge that needs to be addressed;
- (b) whether Government proposes to replace fossil fuel run vehicles with alternate fuels in a bid to cut import dependence and boost local manufacturing;
- (c) whether Government is working on a policy for setting up ethanol pumps in the country to speed up the adoption of clean energy and wean away the nation from polluting fossil fuels; and
- (d) if so, the details thereof and how soon the setting up of ethanol pumps will be taken up?

ANSWER

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS

(SHRI RAMESWAR TELI)

- (a): Government has undertaken several transformational policy reforms with the objective to reduce import dependency through increase in domestic oil production. These inter-alia include:
- i. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries, 2014.
 - ii. Discovered Small Field Policy, 2015.
 - iii. Hydrocarbon Exploration and Licensing Policy (HELP), 2016.
 - iv. Policy for Extension of Production Sharing Contracts, 2016 and 2017.
 - v. Policy for early monetization of Coal Bed Methane 2017
 - vi. Setting up of National Data Repository, 2017.
 - vii. Appraisal of Un-appraised areas in Sedimentary Basins under National Seismic Programme, 2017
 - viii. Re-assessment of Hydrocarbon Resources 2017
 - ix. Policy framework to streamline the working of Production Sharing Contracts in Pre- NELP and NELP Blocks, 2018.
 - x. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
 - xi. Policy framework for exploration and exploitation of Coal Bed Methane (CBM) from areas under Coal Mining Lease allotted to Coal India Limited (CIL) and its subsidiaries 2018.

- xii. Policy Framework for exploration and exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs), Coal Bed Methane (CBM) Contracts and Nomination Fields, 2018.
- xiii. Reforms in Hydrocarbon Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas 2019.
- xiv. Natural Gas Marketing Reforms 2020.

In addition, Government has also launched National Biofuel Policy, 2018, to boost availability of biofuels in country and use of alternative clean fuels like ethanol, bio-diesel and bio-CNG through schemes for Ethanol Blending, Bio-diesel blending and Sustainable Alternative Towards Affordable Transportation. Ethanol blending in Petrol during the Ethanol Supply Year (ESY) 2021-22 (December 2021-November 2022) is estimated to have had an impact of over Rs. 22,500 crore on the import bill of crude oil and petroleum products.

(b) Government has announced a Production Linked Incentive (PLI) Scheme being implemented by Ministry of Heavy Industries for Automobile and Auto Component Industry with a total budgetary outlay of Rs. 25,938/- Crore for a period of 5 years. The scheme incentivizes production of Electric Vehicles and Advanced Automotive Technology products including Flex Fuel Engine and its components. Further, Ministry of Road Transport and Highways has also notified mass emission standards to introduce alternate fuels viz. blends of ethanol with gasoline (E-10, E-12, E-15, E-20), flex-fuel (E 85) or (E 100) and Ethanol blend for diesel vehicles (ED 95), Biodiesel, Bio-CNG, Liquefied Natural Gas (LNG), Methanol M15 or M100 and Methanol MD 95, dual fuel, M85 and Di-Methyl Ether (DME or D100), Hydrogen Fuel Cell Vehicle, Hydrogen CNG etc.

(c) & (d): Government has revised the guidelines for authorization to market transportation fuels. The authorized entities are required to install facilities for marketing at least one new generation alternate fuel including biofuel at their proposed retail outlets within three years of operation of the said outlet subject to the entity complying with various other statutory guidelines. E20 fuel which is a blend of 20% ethanol with petrol has been launched on 6th February, 2023 at 84 Petrol Pumps of Oil Marketing Companies in 11 States/UTs. Further, Sale of E100 on pilot basis has been started by OMCs at three retail outlets in Pune city.
