

LOK SABHA
UNSTARRED QUESTION No. 2542
TO BE ANSWERED ON 12th MARCH, 2018

METHANOL BLENDING WITH PETROL

2542. SHRI C. MAHENDRAN:
SHRI OM BIRLA:
SHRI P. KUMAR:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government is planning to blend methanol with petrol and encourage production and usage of alternative fuels to reduce import of crude oil, if so, the details thereof along with its likely impacts on petrol prices and the eco-system;
- (b) whether the Government has taken steps to encourage the production of ethanol as alternative fuel for hybrid vehicles during the last three years and the current year and if so, the details thereof; and
- (c) whether the Government proposes to encourage the establishment of alternative fuel/bio-fuel stations across the country and if so, the details thereof along with funds allocated / utilised for the purpose?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्री
(श्री धर्मेन्द्र प्रधान)

MINISTER OF PETROLEUM & NATURAL GAS (SHRI DHARMENDRA PRADHAN)

- (a) : To take forward the initiative of methanol economy in India, the Government has taken the following steps :
- (i) NITI Aayog has constituted “Apex Committee on Methanol Economy” and five task forces to study various aspects of Methanol production and usage of its blend in gasoline in transport sector.
 - (ii) BIS has set up a committee to finalise the methanol gasoline blend (M15) specifications.
 - (iii) Automotive Research Association of India (ARAI) has started studies to establish the performance of Methanol Blend (15 per cent) in Gasoline and its efficacy to reduce pollution.

Though methanol has more efficient and cleaner burning, it has nearly half the volumetric energy content of gasoline, indicating that it would require double quantity and price for the same energy output.

(b): In order to improve the availability of ethanol, the Government introduced the administered price mechanism in December, 2014. In November, 2017, the Government further revised the ex-mill price of ethanol for the ethanol supply year 2017-18 at Rs. 40.85/per litre. Additionally, GST and transportation charges are being paid by OMCs.

In December, 2014, the Government allowed Second Generation (2G) route for procurement of ethanol. Oil PSUs have entered into Memorandums of Understanding (MoUs) with State Governments and Technology Providers for setting up five 2G ethanol bio-refineries. On 25.12.2016, foundation stone of the first 2G ethanol bio-refinery to be set up by Hindustan Petroleum Corporation Limited in Bathinda, Punjab, has been laid.

Ethanol supply has improved from 38 crore litres during ethanol supply year 2013-14 to 111 crore litres in 2015-16. Though the supply reduced to 66.5 crore litres in 2016-17 due to lower sugarcane, molasses availability because of drought in Maharashtra and Karnataka, the allocated quantity of ethanol in ethanol supply year 2017-18 has increased to 139.5 crore litre.

(c) Oil Marketing Companies (OMCs) are selling ethanol blended Petrol and Bio-diesel blended Diesel through their existing retail outlets.
