

**LOK SABHA
UNSTARRED QUESTION NO. 904
TO BE ANSWERED ON 02nd DECEMBER, 2021**

Development of Energy Infrastructure

904. SHRI PATEL HASMUKHBHAI SOMABHAI:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) whether the Government reforms policy process and a series of policy decisions have been taken in the Hydrocarbon sector during the last five years.
- (b) if so, the details of the major decisions; and
- (c) whether the Government has planned to develop energy infrastructure in next four years.
- (d) if so, the details thereof; and
- (e) the total amount spent by the Government during the said period?

ANSWER

**पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री रामेश्वर तेली)**

**MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS
(SHRI RAMESWAR TELI)**

(a) & (b): Yes sir, Government has taken a series of policy reforms in recent past in a bid to enhance exploration and production activities in the country and make Petroleum Products available to the Citizens. A list of major reforms is annexed.

(c) & (d) Yes Sir, at present country has around 20,000 KM long operational Natural gas pipeline and 232 Geographical areas where city Gas distribution Network is operational. Government has planned to develop National Gas Grid, City Gas Distribution Networks to cover major demand centres across the country to provide clean and green fuel to Public. Further, Government of India has approved establishing Phase II of the Strategic Petroleum Reserves with total storage capacity of 6.5 MMT (Million Metric Tonne) at Chandikhol (4 MMT) and Padur (2.5 MMT) to be executed through Public Private Partnership.

(e) Year wise Expenditure of Internal and Extra Budgetary Resources (IEBR) for the last 5 years is given below:

(in Rs Crore)	2016-17 (Actual)	2017-18 (Actual)	2018-19 (Actual)	2019-20 (Actual)	2020-21 (Actual)
Total Expenditure in Oil and Gas Sector	1,04,426	1,32,004	1,00,309	1,05,603	1,11,194

Annexure

Annexure referred to in parts (a) & (b) of the Lok Sabha Unstarred Question No 904 raised by Shri PATEL HASMAUKHBHAI SOMABHAI to be answered on 2nd December 2021 regarding “Development of Energy Infrastructure”.

List of Major reforms taken by the Government of India to enhance exploration and production activities in the country:

- Discovered Small Field Policy, 2015.
- Hydrocarbon Exploration and Licensing Policy, 2016.
- Policy for Extension of Production Sharing Contracts, 2016 and 2017.
- Policy for early monetization of Coal Bed Methane 2017
- Setting up of National Data Repository, 2017.
- Appraisal of Unappraised areas in Sedimentary Basins 2017
- Re-assessment of Hydrocarbon Resources 2017
- Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- 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
- Policy Framework for Streamlining working of Production Sharing Contracts in respect of Pre-NELP and NELP Blocks 2018
- Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs) Coal Bed Methane (CBM) Contracts and Nomination Fields 2018
- Reforms in Hydrocarbon Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas 2019
- Natural Gas Marketing Reforms 2020: With the objective of increasing domestic production of natural gas, to move towards gas-based economy, bring uniformity in process of discovery of market prices of gas, and to promote Ease of doing business.
- Capital Grant as Viability gap funding has been provided for the development of National Grid in Eastern and North Eastern part of the country.
- The regulatory framework for bidding of Geographical areas for CGD sector has been revised for attracting wider participation from public and private sector entrepreneurs.
- SATAT initiative was launched in October, 2018 to promote usage of compressed bio gas (CBG) as alternative transport fuel as part of biofuel policy. Guidelines for mixing of CBG with APM/non-APM gas for supply to CGD (City Gas Distributor) sector issued to promote CBG production.
- Existing guidelines of domestic gas allocation for CGD sector in rest of the Country was extended to North East region.

- Policy has been formulated in 2017 (further revised in 2020) to provide Purchase Preference (linked with local Content (PP-LC)) in all Public Sector Undertakings under Ministry of Petroleum and Natural Gas to incentivize the growth in local content in goods and services by implementing Oil and gas projects in India through purchase preference to the manufacturers/ service providers who meet the local content targets in Oil and Gas business activities.
- Revision in the guidelines for authorization to market transportation fuels which would promote ease of doing business and boost private players to invest in retail sector. The salient features of the revised guidelines are as under:
 - The resolution applies for marketing of only Motor Spirit and High Speed Diesel for “Bulk” and “Retail” business.
 - An entity desirous of seeking authorisation for either retail or bulk must have a minimum net worth of Rs 250 Crore at the time of making application. In case authorization is required for both retail and bulk, minimum net worth will be Rs 500 crore.
 - Separate applications to be made for retail and Bulk business.
 - Non refundable application fee on Rs 25 lakh is application.
 - For retail authorisation, an entity have to set up at least 100 retail outlets, out of which 5% should be in the notified remote areas within 5 years of the grant of authorization.
 - In addition to conventional fuels, the authorized entities are required to install facilities for marketing at least one new generation alternate fuels at their proposed retail outlet within 3 years of operationalization of the said outlet.
