# LOK SABHA UNSTARRED QUESTION No. 642 TO BE ANSWERED ON 25<sup>th</sup>July, 2024

#### LNG TERMINALS

642 THIRU DAYANIDHI MARAN:

#### पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the details of measures taken to ensure that LNG terminals currently operating at less than fifty per cent capacity would improve their utilization rates under the new regulatory framework;
- (b) whether the Government proposes to facilitate the entry of new suppliers into the LNG market and if so, the details thereof along with the steps taken to ensure a level playing field for new and existing participants;
- (c)whether the Government ensures that the new regulations protect consumers' interests, particularly in terms of pricing, transparency and access to natural gas and if so, the details thereof along with the expected timeline for the approval process under the new regulations; and
- (d) whether the Government addresses potential delays that could impact the development of new LNG regasification infrastructure and if so, the details thereof?

#### **ANSWER**

## पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्यमंत्री (श्री सुरेशगोपी)

### MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI SURESH GOPI)

(a) & (b) Government has taken various measures to increase consumption of natural gas in the country. Government has set a target to raise the share of natural gas in primary energy mix to 15% by 2030. Various steps taken by the Government in this direction include expansion of National Gas Grid Pipeline, expansion of City Gas Distribution (CGD) network, setting up of Liquefied Natural Gas (LNG) Terminals, allocation of domestic gas to Compressed Natural Gas (Transport) / Piped Natural Gas (Domestic) CNG(T)/PNG(D) in no cut category, allowing marketing and pricing freedom with ceiling price to gas produced from high pressure/high temperature areas, deep water & ultra-deep water, etc. The consumption of natural gas in the country has increased from 160.8 MMSCMD in 2022-23 to 188 MMSCMD in 2023-24. Liquefied Natural Gas (LNG) imports have also increased from 24,551 MMSCM in 2022-23 to 30,386 MMSCM in 2023-24.

The Petroleum and Natural Gas Regulatory Board (PNGRB) Act, 2006provides for registration of entities by the PNGRB to establish and operate Liquefied Natural Gas (LNG) terminals. There is no new regulatory framework for the LNG terminals under consideration of the Ministry of Petroleum & Natural Gas. Marketing of LNG is a free commercial activity.

The activity is undertaken by entities basedon their assessment of techno-commercial viability.

- (c) Does not arise in view of reply of part (a) & (b) above.
- (d) Entities establishing LNG terminals raise various issues from time to time,impeding the development of LNG terminal. Some of these require Government intervention,these issues are suitably resolved to avoid any delay in development of LNG terminals.

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