

LOK SABHA
UNSTARRED QUESTION NO. 3449
TO BE ANSWERED ON 20th MARCH, 2025

Strengthening of Strategic Petroleum Reserves

3449. Smt. Pratima Mondal:

पेट्रोलियम और प्राकृतिक गैस मंत्री

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

- (a) the manner in which the Government is strengthening Strategic Petroleum Reserves (SPR) to mitigate the risks from geopolitical uncertainties, global supply chain disruptions and price volatility;
- (b) the steps being taken to diversify crude oil and LNG import sources and the manner in which the Government plans to negotiate more favourable long-term contracts with international suppliers; and
- (c) the manner in which the Government plans to balance fossil fuel reliance with renewable energy integration, ensuring a smooth transition to cleaner energy sources without disrupting economic growth?

ANSWER

पेट्रोलियम और प्राकृतिक गैस मंत्रालय में राज्य मंत्री
(श्री सुरेश गोपी)

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

(a): Government, through a Special Purpose Vehicle called Indian Strategic Petroleum Reserve Limited (ISPRL), has established Strategic Petroleum Reserves (SPR) facilities with total capacity of 5.33 Million Metric Tonnes (MMT) of crude oil at 3 locations namely (i) Vishakhapatnam (1.33 MMT), (ii) Mangaluru (1.5 MMT) and (iii) Padur (2.5 MMT) capacity.

To further augment the SPR capacity, Government, in July 2021, had also approved the establishment of two additional commercial-cum-strategic petroleum reserve facilities with total storage capacity of 6.5 MMT at Chandikhol (4 MMT) in Odisha and Padur (2.5 MMT) in Karnataka, on a Public Private Partnership mode. Government and OMCs evaluate, from time to

time, the possibility of augmentation of storage capacities based on technical and commercial feasibility. Assessment of new sites for establishing additional petroleum reserves is a continuous process.

(b): To ensure security of crude supplies and to mitigate the risk of dependence on crude oil from single region, Indian Oil Public Sector Undertakings (PSUs) have diversified their crude basket and are procuring crude from countries located at various geographical locations viz. Middle East, Africa, North America, South America etc. Further, Government has already diversified the import of LNG by adding Australia, USA and UAE as sourcing destinations. India has also signed various long term agreements for procurement of LNG for ensuring uninterrupted supplies and safeguarding from price volatility.

(c): To counter the reliance on fossil fuels, Government has adopted a multi-pronged strategy to promote clean energy which, inter alia, include:

- Demand substitution by promoting usage of natural gas as fuel/feedstock across the country towards increasing the share of natural gas in economy and moving towards gas based economy.
- Promotion of renewable and alternate fuels like ethanol, second generation ethanol, compressed bio gas, biodiesel, Green Hydrogen and Evs.
- Refinery process improvements, promoting energy efficiency and conservation,
- Efforts for increasing production of oil and natural gas through various policies initiatives, etc. For promoting the use of Compressed Bio Gas (CBG) as automotive fuel, Sustainable Alternative Towards Affordable Transportation (SATAT) initiative has also been launched.
- To promote the use of biofuels across the country, various programmes, such as Ethanol Blended Petrol (EBP) Programme, wherein Oil Marketing Companies (OMCs) sell petrol blended with ethanol, Biodiesel blending programme wherein biodiesel is blended with diesel, have been taken up.
