

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:195
ANSWERED ON:06.07.2004
SETTING UP OF LNG TERMINAL IN KERALA
Rajendran Shri P.;Thomas Shri P.C.

Will the Minister of POWER be pleased to state:

- (a) the present status of the proposed LNG Terminal to be set up in Kerala;
- (b) whether any representation has been submitted by the Government of Kerala to the Union Government for setting up LNG Terminal in Kerala;
- (c) if so, the present status thereof;
- (d) whether there is any lack of coordination between the Ministry of Petroleum and the Ministry of Power vis-à-vis the project;
- (e) if so, the facts thereof; and
- (f) the corrective measures taken by the Government in this regard?

Answer

THE MINISTER OF POWER (SHRI P.M. SAYEED)

(a) to (f) : M/s. Petronet LNG Ltd., a Joint Venture Company promoted by four Public Sector Oil Companies viz. GAIL (India) Ltd. (GAIL), Oil and Natural Gas Corporation Ltd., (ONGC), Bharat Petroleum Corporation Ltd., (BPCL) and Indian Oil Corporation Ltd., (IOCL) has decided to set up a 2.5 Million Metric Tonne Per Annum (MMTPA) LNG terminal at Kochi. This has been planned in view of the proposed expansion of Kayamkulam Power Plant of NTPC.

National Thermal Power Corporation (NTPC) is already operating a combined cycle power plant of 350 MW at Kayamkulam, using Naphtha as bridge fuel. NTPC has further planned expansion of this plant by adding 1950 MW capacity (nominal) in Stage-II. The project is proposed to be developed with LNG as a possible fuel. NTPC with the objective to make the power available at affordable rates, has initiated International Competitive Bidding Procedure to source cheapest LNG/Natural Gas. Although bidders are free to choose any port location for supply of Liquefied Natural Gas (LNG)/Re-gasified Liquefied Natural Gas (RLNG), however, NTPC in its bid documents has indicated Kochi and Kayamkulam as two viable port locations (both in the State of Kerala). In response to the process, 16 parties have already been qualified which besides other include Petronet LNG Ltd., and GAIL (India) Ltd.

Chief Minister, Kerala has written to Minister of Petroleum & Natural Gas for early commissioning of Kochi LNG Terminal.