

LOK SABHA
STARRED QUESTION NO. 17
TO BE ANSWERED ON 18.11.2019
Dhamra LNG Terminal

*17. SHRIMATI MAHUA MOITRA:

पेट्रो लयम और प्राकृतिक गैस मंत्री

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

- (a) whether the Gas Authority of India Limited (GAIL) and Indian Oil Corporation Limited (IOCL) have booked capacity or signed Memorandum of Understanding to book capacity in Dhamra LNG Terminal belonging to a private entity;
- (b) if so, the details of the annual financial payment made/to be made by GAIL and IOCL towards Dhamra LNG Terminal along with the details of annual escalation in payment, if any;
- (c) the price comparison of terminal charges, vessel related charges, port charges and any other charges between Dabhol, Ennore and Dhamra along with the details of port charges as compared to the charges at Paradip Port;
- (d) whether any tender process was followed, if not, whether it is permissible to proceed without tender; and
- (e) whether GAIL and IOCL possess financial and technical capability to build their own LNG terminal given that both companies have their own LNG Terminals and if so, the details thereof?

ANSWER

पेट्रो लयम और प्राकृतिक गैस मंत्री
(श्री धर्मन्द्र प्रधान)

MINISTER OF PETROLEUM AND NATURAL GAS
(SHRI DHARMENDRA PRADHAN)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) to (e) OF THE LOK SABHA STARRED QUESTION NO.*17 ASKED BY SHRIMATI MAHUA MOITRA, M.P. TO BE ANSWERED ON NOVEMBER 18, 2019.

(a) & (b) Gas Authority of India Limited (GAIL) and Indian Oil Corporation Limited (IOCL) both have booked capacity by signing a Tolling Agreement with Dhamra LNG Terminal Pvt. Ltd. GAIL and IOCL are yet to bear any annual financial payment towards Dhamra LNG Terminal. Subsequent to the commissioning of terminal, GAIL & IOCL have agreed to pay the tolling charges of Rs. 60.18 per MMBTU for re-gas facility at Dhamra LNG terminal with annual escalations in line with their respective contractual provisions.

(c) GAIL has also informed that the regasification charge for Dabhol LNG terminal is Rs.49.28 per MMBTU applicable for the year 2019. In addition, there are other charges viz. terminal charges, vessel related charges, port charges or any other port related charges for utilization of Dabhol LNG terminal. IOCL has informed that the regasification charges for Ennore is Rs. 57.38 per MMBTU applicable for FY 2019-20.

It has been informed that the regasification charge for Dhamra Terminal is Rs. 60.18 per MMBTU for the first contract year (year of commissioning) which is likely to be in FY 2021-22. The regasification charges for Ennore and Dhamra terminals are inclusive of terminal charges, vessel related charges, port charges or any other port related charges. There is no LNG storage and regasification Terminal at Paradip Port.

(d) GAIL has executed a Tolling Agreement inline with its procedures to meet the supply commitments of customers located in the eastern parts of the country along Jagdishpur-Haldia/Bokaro-Dhamra Pipeline (JHBDPL) project. IOCL has also booked capacity at Dhamra Terminal after considering its captive requirement of Paradip, Haldia and Barauni refineries. The booking of regas capacity is being done after protracted techno-commercial discussions with the promoters of Dhamra LNG Terminal and after considering location of terminal, availability of gas evacuation pipelines, affordability of regasification charges and capturable demand in the catchment area.

(e) GAIL and IOCL have both technical and financial capability to develop their own LNG terminal. GAIL has equity stake in Konkan LNG Private Limited and is the owner's engineer as well as the operator of this terminal at Dabhol. IOCL has recently commissioned a 5 MMTPA LNG Terminal through a Joint Venture Company at Ennore in March, 2019. Further, GAIL and IOCL also have equity stake in Petronet LNG Limited which is operating two LNG regas terminals, one at Dahej and the other at Kochi.
