

**GOVERNMENT OF INDIA
MINISTRY OF PETROLEUM & NATURAL GAS**

**RAJYA SABHA
UNSTARRED QUESTION NO. 148
TO BE ANSWERED ON 18th JULY 2022**

Strategic petroleum reserve

148. Dr. Ashok Kumar Mittal:

Will the Minister of Petroleum and Natural Gas be pleased to state:

- (a) the details of Government plans to exploit the natural Gas and petroleum reserve in the country;
- (b) the details of Government plans to increase the capacity of the strategic petroleum reserve in the country including Punjab;
- (c) the expenses incurred by Government for extending the subsidies on various petroleum products in the past three years;
- (d) the details of Government plans to convert the existing infrastructure of petrol pumps and natural gas stores, for promoting green alternatives like electric vehicles; and
- (e) the cost incurred by Government for various research and development projects?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS

(SHRI RAMESWAR TELI)

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(a): Government has taken various significant initiatives to promote exploration & production activities in the country. These inter-alia include:-

1. Long term Policy initiatives by Government:

- I. Policy for Relaxations, Extensions and Clarifications under Production Sharing Contract (PSC) regime for early monetization of hydrocarbon discoveries, 2014.
- II. Discovered Small Field Policy, 2015.
- III. Hydrocarbon Exploration and Licensing Policy, 2016.
- IV. Policy for Extension of Production Sharing Contracts, 2016 and 2017.
- V. Policy for early monetization of Coal Bed Methane 2017

- VI. Setting up of National Data Repository, 2017.
- VII. Appraisal of Un-appraised areas in Sedimentary Basins under National Seismic Programme, 2017
- VIII. Re-assessment of Hydrocarbon Resources 2017
- IX. Policy framework to streamline the working of Production Sharing Contracts in Pre-NELP and NELP Blocks, 2018.
- X. Policy to Promote and Incentivize Enhanced Recovery Methods for Oil and Gas, 2018.
- XI. 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.
- XII. Policy Framework for Exploration and Exploitation of Unconventional Hydrocarbons under Existing Production Sharing Contracts (PSCs) Coal Bed Methane (CBM) Contracts and Nomination Fields, 2018.
- XIII. Reforms in Hydrocarbon Exploration and Licensing Policy for enhancing domestic exploration and production of oil and gas 2019.
- XIV. Natural Gas Marketing Reforms 2020.

2. Short and medium term initiatives:

- i. Early Monetization of Existing Discoveries.
- ii. Improving Recovery Factor through implementation of Improved Oil Recovery and Enhanced Oil Recovery techniques.
- iii. Revival of sick wells.
- iv. Infill drilling of wells.
- v. Renewal of Facilities and other infrastructure.
- vi. Monetization of small and marginal discoveries in onshore through service contract and outsourcing.
- vii. Redevelopment of existing matured fields and development of new fields/marginal fields.
- viii. Induction of suitable technologies on selective fields.
- ix. Implementation of Production Enhancement Contracts.

(b) Under Phase I of Strategic Petroleum Reserves (SPR) programme, Government of India, through its Special Purpose Vehicle namely, Indian Strategic Petroleum Reserve Limited (ISPRL), has established petroleum storage facilities with total capacity of 5.33 Million Metric Tonnes (MMT) at 3 locations, namely (i) Vishakhapatnam (1.33 MMT), (ii) Mangaluru (1.5 MMT) and (iii) Padur (2.5 MMT).

Under Phase II of the Strategic petroleum reserve programme, Government has given approval in July 2021 for establishing two additional commercial-cum-strategic facilities with total storage capacity of 6.5 MMT underground storages at Chandikhol (4 MMT) and Padur (2.5 MMT) on PPP mode.

(c) The expenditure incurred by the Government for extending subsidies on various petroleum products during the last three years is as under:-

| Particulars | 2019-20 | 2020-21 | 2021-22 |
|--|----------------|----------------|----------------|
| Under-recoveries on PDS Kerosene (A) | 1,833 | - | - |
| Direct Benefit Transfer for LPG (DBTL) subsidy (B) | 22,726 | 3,658 | 242 |
| Pradhan Mantri Ujjwala Yojna (PMUY) subsidy (C) | 1,446 | 76 | - |
| Direct Benefit Transfer in PDS Kerosene (DBTK) subsidy (D) | 42 | - | - |
| PradhanMantriGaribKalyanYojana (PMGKY) (E) | - | 8,162 | - |
| Natural Gas Subsidy for North East (F) | 574 | 336 | 405 |
| Total Subsidy/ Under-recovery on Petroleum Products & Natural Gas (A+B+C+D+E+F) | 26,621 | 12,232 | 647 |

(d) Government has in 2019 revised the guidelines for granting authorization to market transportation fuels i.e., Motor Spirit /High Speed Diesel, which inter-alia, state that in addition to conventional fuels, the authorized entities and Public Sector Undertaking (PSU) Oil marketing companies (OMCs) viz., Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL), Hindustan Petroleum Corporation Limited (HPCL) are required to install facilities for marketing at least one new generation fuels i.e., Compressed Natural Gas/ Liquefied Natural Gas/ Electric Vehicle Charging points etc. at their proposed retail outlets within three years of operationalization of said outlet.

(e) Total Expenditure incurred by National Oil Companies /PSUs on research and development in the last three years is given below:

(Rs.in crore)

| Financial Year | 2019-20 | 2020-21 | 2021-22 |
|---|----------------|----------------|----------------|
| Oil and Natural Gas Corporation Ltd | 576.51 | 582.58 | 531.59 |
| Oil India Ltd | 81.40 | 95.81 | 100.96 |
| Indian Oil Corporation Ltd | 428.04 | 508.95 | 576.55 |
| Gas Authority of India Ltd | 66.41 | 20.12 | 11.73 |
| Bharat Petroleum Corporation Ltd | 92.18 | 86.64 | 77.76 |
| Hindustan Petroleum Corporation Ltd | 257.90 | 294.20 | 363 |
| Engineers India Ltd | 26.63 | 28.88 | 26.05 |
| Numaligarh Refinery Limited | 3.30 | 0.38 | 1.51 |
| Chennai Petroleum Corporation Limited | 4.81 | 6.26 | 7.15 |
| Mangalore Refinery and Petrochemicals Limited | 6.75 | 0.75 | 1 |

Source: Oil Companies.
