

# ESTABLISHING GAS TRADING HUB/EXCHANGE IN THE COUNTRY

Relevant for: Indian Economy | Topic: Infrastructure: Energy incl. Renewable & Non-renewable

Ministry of Petroleum & Natural Gas

## Establishing Gas Trading Hub/Exchange in the country

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It has been agreed to establish the gas trading hub(s)/exchange(s) in the country wherein the natural gas can be freely traded and supplied through a market mechanism. In view of the administrative, legal, operational issues involved, a precise timeframe for operationalizing the gas trading exchange/hub cannot be indicated at this stage.

As per draft National Energy Policy of NITI Aayog, US \$ 150 billion capital investment is needed in energy sector on an annual basis until 2040.

In order to develop the national gas grid, Government has taken a decision to provide a capital grant of Rs.5176 crore (i.e. 40% of the estimated capital cost of Rs.12,940 Crore) to GAIL for development of a 2655 Km long Jagdishpur-Haldia/Bokaro-Dhamra Gas Pipeline (JHBDPL) project. This pipeline will transport Natural Gas to the industrial, commercial, domestic and transport sectors in the States of Bihar, Jharkhand, Odisha, West Bengal and Uttar Pradesh.

In order to expand City Gas Network in the state of Jharkhand, PNGRB has authorized Bokaro, Hazaribagh & Ramgarh districts geographical area, Giridih & Dhanbad districts geographical area, Ranchi district and East Singhbhoom district at an average investment of Rs. 400 crore per district during the work plan period.

Oil Public Sector Undertakings (PSUs) namely Indian Oil Corporation Limited (IOCL), Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) have decided to set up an integrated refinery-cum-petrochemical complex with a refining capacity of 60 MMTPA (Million Metric Tonnes Per Annum) at Babulwadi, Taluka Rajapur in Ratnagiri District in the state of Maharashtra.

This information was given by Minister of Petroleum & Natural Gas, Shri Dharmendra Pradhan in a written reply to the Lok Sabha today.

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