

**'Undersea line from Iran to port cheap gas'**

A 1,300-km undersea pipeline from Iran, avoiding Pakistani waters, can bring natural gas from the Persian Gulf to India at rates less than the price of LNG available in the spot market, proponents of the pipeline said on Tuesday.

Releasing a study on the Iran-India gas pipeline, former oil secretary T.N.R. Rao said natural gas imported through the more than \$4-billion line would cost \$5-5.50 per million British thermal unit at the Indian coast, cheaper than the rate at which some of the domestic fields supply gas.

Liquefied natural gas, or LNG, imported through ships costs about \$7.50 per million British thermal unit.

**'Via Oman to Porbandar'**

Mr. Rao, who is the chairman of the advisory board of South Asia Gas Enterprise Pvt. Ltd. (SAGE) — the firm wanting to lay the undersea line — said the pipeline can first travel to Oman, and then onwards to Porbandar in the state of Gujarat.

According to the study, "The cost of landed gas through an undersea pipeline will be at least \$2 cheaper than importing LNG, saving about \$1 billion annually." South Asia Gas Enterprise wants the Indian Government to support the pipeline and help buyers enter into contract.

The pipeline is planned to carry 31.5 million standard cubic meters gas per day and will be built in two years from the date of necessary approvals and a gas sale and purchase agreement (GSPA) being signed.

The subsea pipeline is being seen as an alternative to the on-land, Iran-Pakistan-India pipeline. New Delhi has not been participating in talks on the 1,036-km Iran-Pakistan-India gas pipeline since 2007 citing security and commercial concerns. But, it has never officially pulled out of the \$7.6 billion project.

**END**Downloaded from **crackIAS.com**© **Zuccess App** by crackIAS.com