

✚ Floating LNG terminals to dot east coast

N. ANAND

CHENNAI: Indian Oil Corporation, GAIL, Petronet and KEI-RSOS are in contention to set up four floating LNG terminals on the east coast to cater to fuel requirements of industrial, commercial and domestic users in Andhra Pradesh and Tamil Nadu.

The terminals, each with a five-million ton capacity, will cover users spread across 1,250 km from Gangavaram in Andhra Pradesh to Tuticorin District in Tamil Nadu.

The AP-based private firm, KEI-RSOS Petroleum and Energy Pvt., will set up the project at Krishnapatnam Port while GAIL's terminal will come up at Kakinada Port. Petronet's terminal will be located at Gangavaram Port and Indian Oil Corporation's at Kamarajar Port.

GAIL and Petronet entered into separate pacts with the Andhra Pradesh Government some three months ago. While GAIL terminal is expected to go on stream by 2018, Petronet has not yet disclosed the details, according to trade sources. GAIL is spending Rs.3,000 crore on



The LNG terminal would become operational by 2018 and supply gas to Madras Fertilizers, Chennai Petroleum Corporation, Tamil Nadu Petroproducts, GMR Power and others.

the terminal and 350-km-long pipeline starting from Kakinada to Srikakulam via Visakhapatnam.

LNG Bharat, a subsidiary of KEI-RSOS Petroleum and Energy Pvt Ltd, is investing Rs.1,400 crore on setting up the terminal and for laying the 250 km-long pipeline from Nellore to Ennore.

On completion, LNG Bharat's project will benefit consumers in Rayalaseema of Andhra Pradesh, Telangana and north Tamil Nadu. Be-

sides, Chennai city would get access to piped gas.

"With the completion of public hearing, almost all permissions will be in place within two months. IDBI Capital is vetting the detailed feasibility and financial viability report of both the projects. We expect to achieve financial closure within four months and commission the project by end 2017," Lieutenant Murthy Jasti, LNG Bharat Managing Director, said.

The IOC had already con-

ducted the feasibility study on its floating terminal LNG Project.

Talking to *The Hindu*, a senior IOC official said that they had completed the feasibility study for the Rs.5,150 crore project and are expected to commence route survey in the coming months. The LNG terminal would become operational by 2018 and supply gas to Madras Fertilizers, Chennai Petroleum Corporation, Tamil Nadu Petroproducts, GMR Power and others.