
EGoM may cancel allocation to ONGC and Pragati Power

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The Empowered Group of Ministers on the Krishna Godavari basin which is scheduled to meet is likely to cancel allocation of 0.406 million standard cubic metres of gas per day for ONGC's LPG plants and 0.93 mscmd of gas to Pragati Power. The group is headed by Mr Pranab Mukherjee finance minister of India.

A senior government official said that "The allocation to ONGC is likely to be cancelled as it is now in a position to use its own gas from the C series fields. Pragati Power's allocation is proposed to be cancelled as the plant is likely to be commissioned only in March 2011. Its case for allocation of gas would be considered once the plant is ready for commissioning."

The EGoM would ask Rajasthan Rajya Vidyut Utpadan Nigam Ltd and New Delhi Power Ltd to sign gas sales and purchase agreements with Reliance Industries Ltd within a month failing which their allocation could be cancelled.

Ratnagiri Gas and Power Pvt Ltd or RGPPL which already has a firm allocation of 5.67 mscmd is likely to be allocated another 1.93 mscmd and 1.4 mscmd.

(Sourced from BS)

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