ONGC News as on 09 October 2023 (Print)

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Date :9 October 2023	Page : 7

Biggest ever bidding of oil, gas blocks may open in Nov

SUBHAYAN CHAKRABORTY
New Delhi, 8 October

The government is expected to open the ninth round of bidding under the Open Acreage Licensing Policy (OALP IX) in November, officials said, in another attempt to invite foreign investments into India's oil and gas exploration and production (E&P) sector.

The 26 blocks earmarked by the Directorate General of Hydrocarbons (DGH) for exploration and development of oil and gas under OALP IX, constitutes the largest-ever area offered by the government. Spanning more than 2.2 lakh square kilometres (sq km), OALP IX will be double the area under exploration and production (E&P) that has been awarded under the previous eight rounds. To date, 134 E&P blocks comprising an area of 2.07 lakh sq km across 19 sedimentary basins were awarded by the government. First announced in October 2022, OALP IX has 15 areas in ultra-deepwater, eight in shallow sea and three blocks on land, which officials said is a good mix of offerings that may generate more foreign interest. However, industry insiders have pointed out that blocks from the previous round of OALP VIII are yet to be awarded.

Catching foreign interest

It has been difficult to get foreign players to participate till now. OALP VIII ran for a year till July 5, 2023.

First opened on July 7, 2022, the round offering 10 blocks saw the deadline for submission of bids extended more than four times. While officials have blamed interested bidders for requesting the extensions, industry sources say the government was hoping to attract more foreign players.

Public sector upstream major ONGC had bid for nine of the blocks. Oil India Limited (OIL) had bid for one block in the Assam Shelf. Vedanta bid for one block in the Cambay, privately-owned Sun Petrochemicals had bid for pblock in Kutch, and the joint venture of Reliance Industries (RIL) and BP placed a bid for the offshore Krishna-Godavari block.

The DGH is moving to activate OALP IX relatively since it hopes to significantly expand India's oil production in the next few years. "It will also allow foreign companies to take more time to bid. In the previous few rounds, it was seen that most bids take time to be finalised. So, rather than wait, it would make sense to begin the process soon," an official said. "Globally recognised and accepted dispute resolution mechanisms, and play-based exploration are also being facilitated to attract global companies like ExxonMobil and Shell and BP. The government has mandated lower royalties for onshore gas blocks to enhance domestic production."

9TH ROUND OF BIDDING

26 blocks up for exploration & production

15 in ultra-deepwater, 8 in shallow sea, and 3 on land

9 of India's 26 sedimentary basins to be covered

223,000 sq km area to be carved out for exploration in latest round

270,000 sq km area awarded by government till date

1 mn sq km area under exploration targeted by Centre by 2030

Expanding exploration

India has an estimated sedimentary area of 3.36 million sq km, comprising 26 sedimentary basins, out of which, 1.63 million sq km. area is on land, 0.41 million sq km is in the shallow offshore area up to 400m from the coast, and 1.32 million sq km in the deepwater area beyond 400m. Over the past few years, the unexplored part of this vast area has come down significantly as a result of the surveys carried out by DGH and acreages awarded. In its move to achieve the target of 1 million square kilometers under exploration by 2030, and reduce the 'No-Go' areas in the Indian offshore sedimentary basins by 99 per cent, the Centre has rolled out a series of measures to make oil and gas exploration easier for companies.

Publication : BizzBuzz	Editions : Hyderabad
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POLL EFFECT

Govt set to hold fuel rates despite rise in crude prices

NEW DELHI

PETROL and diesel prices are unlikely to be increased despite firming raw material costs because of upcoming general elections next year, Moody's Investors Service said. Three state-owned fuel retailers -- Indian Oil Corporation (IOC), Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL) -- which control roughly 90 per cent of the market, have kept petrol and diesel prices on freeze for a record 18 months in a row. This is despite crude oil cost surging last year, leading to heavy losses in first half of current fiscal.

Biting The Bullet

- Govt may not hike fuel rates ahead of polls
- OMCs kept petrol and diesel prices on freeze for record 18 mths
- Crude oil price rise leading to heavy losses in H1/FY23
- Earlier, easing oil prices propelled OMCs to profitability
- Saudi, Russia reduced production levels
- However, higher oil unlikely to sustain for long as global growth weakens

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COMPANIES P2

IndiGo eyes ₹100 cr every week from fuel levy

IndiGo expects to earn between ₹90 crore and ₹100 crore per week from the fuel charge, introduced in ticket prices from October 6 due to the significant rise in aviation turbine fuel prices, its executives said on Sunday.

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Fuel levy may pull in ₹100 cr per week for IndiGo

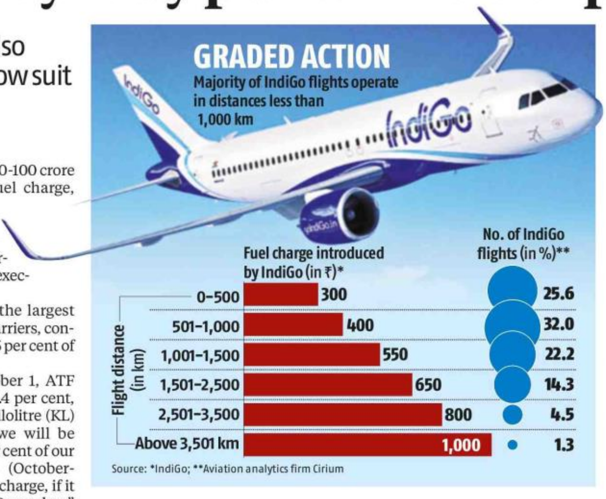
Other airlines also expected to follow suit

DEEPAK PATEL
New Delhi, 8 October

IndiGo expects to earn ₹90-100 crore every week from the fuel charge, which it introduced in ticket prices from October 6 due to a significant rise in aviation turbine fuel (ATF) prices, its executives said on Sunday.

ATF costs represent the largest expenditure for Indian carriers, consuming approximately 45 per cent of their overall revenue.

From June 1 to October 1, ATF prices have surged by 32.4 per cent, reaching ₹1.18 lakh per kilolitre (KL) in Delhi. "We believe we will be able to earn about 4-8 per cent of our total revenues in Q3 (October-December) from the fuel charge, if it remains in effect until December," one executive at India's largest airline told *Business Standard*.



Another executive added the airline expects to earn "approximately ₹90-100 crore per week" from the fuel charge.

IndiGo's spokesperson did not respond to *Business Standard*'s request for a statement on this matter. In the first quarter of this financial year, IndiGo, achieved a consolidated total income of ₹17,161 crore and posted its highest-ever quarterly consolidated net profit at ₹3,090.6 crore.

In the October-December period of last year, the company's total income and net profit stood at ₹15,410 crore and ₹1,423 crore, respectively, data showed.

From October 6, IndiGo imposed a fuel charge of ₹300 for flights covering distances of 0-500 km, ₹400 for flights spanning 501-1,000 km.

This type of graded increase was applied to all flight categories, with flights covering distances of 3,501 km and above, incurring a fuel charge of ₹1,000.

According to the data provided by aviation analytics company Cirium, IndiGo's flight distribution is as follows: 25.6 per cent of flights cover distances within the 0-500 km range (such as Mumbai-Ahmedabad, Kolkata Guwahati), 32 per cent span distances in the 501-1,000 km category (Delhi-Goa, Hyderabad-Kolkata), and 22.2 per cent range from 1,001 to 1,500 km (Delhi-Dubai, Bengaluru Chandigarh).

IndiGo operates an estimated 1,960 flights on a daily basis.

Some other airlines are also expected to follow IndiGo's suit and introduce fuel charges in their ticket prices.

The Indian aviation sector experiences its peak travel season between October and December, so the inclusion of a fuel charge component in airfares is anticipated to have a sizable impact on air passengers.

This is not the first time that IndiGo has introduced a fuel charge. In May 2018, the airline had introduced a similar fuel charge component in response to substantial increase in ATF prices.

This was later removed when the ATF prices went down.

ATF prices are revised on the first day of every month on the basis of average international price in the previous month by state-owned Indian Oil Corporation (IOC), Bharat Petroleum Corporation Ltd (BPCL) and Hindustan Petroleum Corporation Ltd (HPCL).

Publication : The Economic Times	Editions : Mumbai
Date :9 October 2023	Page : 7

'Petrol, Diesel Price Hike Unlikely Despite Crude Rate Surge'

Press Trust of India

New Delhi: Petrol and diesel prices are unlikely to be increased despite firming raw material costs because of the upcoming general elections next year, Moody's Investors Service said.

Three state-owned fuel retailers -- Indian Oil Corporation (IOC), Bharat Petroleum Corporation (BPCL) and Hindustan Petroleum Corporation (HPCL) -- which control roughly 90 per cent of the market, have kept petrol and diesel prices on freeze for a record 18 months in a row.

This is despite the raw material (crude oil) cost surging last year, leading to heavy losses in first half of 2022-23 fiscal year before easing oil prices propelled them to profitability. International oil prices have firmed up since August, leading to margins of three retailers turning negative again.

"High crude oil prices will weaken the profitability of the three state-owned oil marketing companies in India -- IOC, BPCL and HPCL," Moody's said in a report.

Publication : The Free Press Journal	Editions : Mumbai
Date :9 October 2023	Page : 7

OIL organizes ESG Conclave at Duliajan

In response to the global imperative to address Environmental, Social, and Governance (ESG) aspects, and in recognition of the increasing importance of ESG considerations, Oil India Limited (OIL) organised a two-day ESG Conclave, on October 6, at Duliajan. The event was graced by Dr Ranjit Rath, CMD, OIL and Chairman, NRL; Harish Madhav, Director (Finance) OIL, Pankaj Kumar Goswami, Director (Operations) OIL, Dr Manas Kumar Sharma, Director (Exploration & Development) OIL, Sanjay Choudhuri, Director (Finance) NRL, Atindra Roychoudhury, RCE (OIL) and Gopal Sarma, RCE (NRL). Dr Ranjit Rath, CMD, OIL and Chairman, NRL who had joined virtually via video conference spoke at length in his keynote address about OIL's commitment to implementing ESG practices in Company's business operations.

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Publication : The Tribune	Editions : New Delhi
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IOC-truck union standoff sparks LPG crisis in Kangra

LALIT MOHAN
TRIBUNE NEWS SERVICE

DHARAMSALA, OCTOBER 8
Due to a row between the Indian Oil Corporation's (IOC) bottling plant in Mehatpur, Una, and a local truck union, residents of Kangra district are facing an acute shortage of LPG.

The IOC is the biggest supplier of LPG cylinders in Kangra district.

Locals can often be seen waiting for refills outside LPG agencies. They claimed the waiting time for cylinders

CONTINUED ON PAGE 8

GENESIS OF ROW

- IOC plant allots transportation contract to Punjab firm
- Local truckers allege outside trucks can't ply in state
- Punjab firm says local union not letting its trucks to move freely

Publication : The Tribune	Editions : New Delhi
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IOC-truck union standoff sparks...

was 10 days at some places. Sources said due to problems with the Mehatpur Truck Union, the IOC bottling plant was not able to supply LPG cylinders.The contract for transportation of LPG cylinders from the Mehatpur bottling plant was awarded to a Punjab-based transporter by the IOC after floating an open tender and competitive bidding. The local truck union, which earlier did the work, did not participate in the process alleging that the rates were unviable.

The private transporter was to take over the work from May 1. In its orders on April 27, the high court had directed the district administration to ensure that the transporter who was awarded the contract was allowed to operate. However, members of the Mehatpur Truck Union protested the allotment of work to the transporter.

The private transporter has complained to the police that its drivers were being harassed by members of the local truck union and not being allowed to work freely.

Recently, members of the Mehatpur Truck Union had submitted a petition to Una Deputy Commissioner Raghav Sharma alleging that private transporter was plying his vehicles illegally. They alleged that as per the rules of the HP Transport Department, only vehicles registered in the state were allowed to pick and drop goods within the state. The vehicles holding national permit could operate for interstate operations and not within the state, they contended.

When asked about the LPG shortage, Kangra Deputy Commissioner Nipun Jindal said the matter was being taken up with the IOC management. The shortage was due to problems being faced by the IOC bottling plant management from the local truck union. "The IOC has been trying to transport LPG cylinders from its Jalandhar plant, but is not able to meet the demand," he said.

Publication : Financial Express	Editions : Mumbai
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■ eFE, P10

'GE is now one of the largest wind turbine OEMs in India'

GE's Deepak Maloo says it is working on setting up new manufacturing units

Publication : Financial Express	Editions : Mumbai
Date :9 October 2023	Page : 1, 10

INTERVIEW: DEEPAK MALOO,
Regional leader, Onshore Wind, APAC, GE Renewable Energy

'GE is now one of the largest wind turbine OEMs in India'

US conglomerate General Electric (GE) is supporting India's energy transition journey through technology solutions that cover multiple pathways for onshore and offshore wind, wind turbine blade design and manufacturing. "We see tremendous potential to ramp up our footprint in the wind energy sector, especially, by strengthening domestic manufacturing," **Deepak Maloo**, *regional leader, Onshore Wind Business, APAC, GE Renewable Energy, tells* **Sudhir Chowdhary** *in a recent interview. Excerpts:*

Give us an overview of GE's wind turbine manufacturing operations in India.

GE's wind energy systems power more than 7 million homes in India, with ~4 GW of installed base. We manufacture the 2.7-132 wind turbine that delivers high performance at low wind speeds, ideal for India's prevailing conditions. These newest turbines are equipped with a digital infrastructure that allows customers to connect, monitor, predict and optimise unit and wind farm energy performance.

Since the launch, we have secured over ~3 GW+ of 2.7-132 wind turbine orders in India, making us one of the largest wind turbine original equipment manufacturers (OEM) suppliers. These turbines are designed at the technology centre in Bengaluru, manufactured at plants in Vadodara and Bengaluru, and assembled at the Multi Modal Factory (MMF) in Pune.

How do you see India contributing towards the company's overall growth?

We are aspiring to deliver one out of three of all the wind energy turbines India installs for the financial year 2023-24, and contribute towards the net-zero emissions target for India. We are also working on installing new manufacturing units apart from expanding our operations at Pune.

WE ARE WORKING ON SETTING UP NEW MANUFACTURING UNITS APART FROM EXPANDING OUR OPERATIONS AT THE MULTI MODAL FACTORY IN PUNE

We are encouraged by the government's announcement to invite bids for 8-10 GW wind power projects annually for the next seven years through a new bidding process. The emphasis on making in India is further motivating the local ecosystem to upgrade its abilities to match global standards. So, we see tremendous potential to ramp up our footprint in the wind energy sector, especially, by strengthening domestic manufacturing.

How does GE leverage the latest technologies in its manufacturing processes?

The wind energy sector is witnessing a remarkable surge in India, with the installed capacity reaching an impressive 43,773 megawatts (MW) as of June 30, 2023. This provides an opportunity to further our research and innovation to develop cutting-edge technology. Today, we are leading the sector with workhorse turbines, rising to meet the demand of the energy transition and drive decarbonisation through reliable, affordable, sustainable, renewable energy.

Manufacturing and developing local capabilities have been priorities for us. Our LM Wind Power business is operating three manufacturing plants in the country, and recently achieved the milestone of manufacturing the 50,000th wind power blade from its facility in Vadodara. The LM Technology Centre of India serves as the hub of our core engineering activities with a focus on research and development for blade components. It has emerged as a strong capability centre for blade design, development, manufacturing, transport solutions and service engineering to cover the full span of end-to-end ownership.

What is the importance of local players in your India strategy?

India is in a strong position to fulfill its target of achieving 500 GW renewable energy target by 2030. In line with this, we foster collaboration to leverage our cutting-edge technology and enable the country's goal of amping up its renewable, and particularly, onshore wind abilities. Last year, we enabled a critical wind power project by taking 49% stake in Continuum Energy's 99.9MW onshore wind farm in Gujarat, which is also equipped with our 2.7-132 onshore wind turbines. Our 2.7-132 onshore wind turbines are one of the most localised wind turbines in the country with ~80% local content. In order to offer end-to-end solutions, we collaborate with EPCs (Engineering, Procurement, and Construction) companies to develop wind farms in India. We also work closely with our suppliers and vendors across our manufacturing landscape.

Publication : The New Indian Express	Editions : Chennai
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Coal-fired power plants slow in adopting technology to curb sulphur emission

JITENDRA CHOUBEY @ New Delhi

WILL India again miss the target to control the emission of sulphur, a major greenhouse gas? It appears so, as the pace of installing the technology to remove sulphur from its source is too slow. Only 5 per cent thermal power plants have installed sulphur-removal technology, while over 50 per cent plants are yet to start feasibility study when the deadline is hardly a year away.

The Ministry of Environment, Forest and Climate Change has extended three deadlines to coal-fired power plants to install the flue-gas desulfurisation (FGD) technology. FGD removes sulphur from exhaust flue gases of fossil fuels-fired power plants. Around half of India's power generation is based on fossil fuels.

According to latest data, only 23 out of total 600 units of coal-fired power plants have installed FGD technology in the past eight years. Around 50 per cent units are yet to start their feasibility study and bidding.

Indian thermal power plants account for 80 per cent of industrial emissions of toxic sulphur and nitrous oxide. After Russia, India is the second largest producer of sulphur gas, which harms the human respiratory system and makes breathing difficult, especially in children. The World Health Organisation has estimated that it causes 4.2 million deaths globally per year.

The environment ministry issued its first notification to coal-fired plants for installation of FGD technology in 2015. After expiry of the deadline, other notifications were issued in 2017 and 2021. Recently, the government categorised different timelines for different categories of coal-fired power plants with targets varying between December 2024 and December 2026.

"The FGD technology was delayed due to various techno-economic constraints faced by thermal power plants, including Covid impact," Union environment minister Bhupendra Yadav had told the Parliament.

Missed targets

The Central Pollution Control Board (CPCB) has set deadlines for 596 out of total 600 thermal power plants that required flue-gas desulfurization (FGD) tech

Category	No. of units	Deadline
A) NCR and cities having more than million+ population	79 units (22,949 MW)	December 2024
B) Within 10 km radius of critically polluted areas or non-attainment cities	68 units (23,020 MW)	December 2025
C) Other than those included in categories A and B	449 units (16,3561 MW)	December 2026

SOURCE: CENTRAL ELECTRICITY AUTHORITY

Publication : The Pioneer	Editions : New Delhi
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MONEY 10

POWER CONSUMPTION GROWS 8 PER CENT IN FIRST HALF OF FY24 IN INDIA

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India's power consumption grows 8 per cent in first half of FY24

PTI ■ NEW DELHI

India's electricity consumption grew nearly eight per cent to about 847 billion units (BU) in the first half of this fiscal year from April to September, showing uptick in economic activities in the country.

According to the official data, electricity consumption rose to about 847 BU during April-September 2023 from 786 BU in the same period of the previous fiscal.

The industry experts opined that the widespread unseasonal rain in April, May and June has affected the power consumption as it could have grown in double digits in the country.

They stated that there was strong recovery of power demand as well as consumption in August onwards due to unusually high humidity level which increased the use of cooling appliances like fans, coolers and air conditioners.

They also said power consumption grew in August and September, mainly due to humid weather conditions and also perked up industrial activities ahead of the festive season.

The data also shows that peak power demand touched a record high of 241 GW during April-September 2023 compared to 215.88 GW in the first half of fiscal 2022-23.

The power ministry had estimated the country's electricity demand to touch 229 GW during summer. The demand did not reach the projected level in April-July due to unseasonal rain.

The peak power demand, however, touched a new high of 224.1 GW in June before dropping to 209.03 GW in July. The

peak power demand touched 238.19 GW in August and reached a record high of about 240 GW in September this year.

Anticipating high peak power demand of 229 GW in the country during the summer season in 2023, the ministry had taken many steps to avoid outages. The ministry had invoked Section 11 of the Electricity Act 2023 to mandate all plants powered by imported coal to run at full capacity to ensure adequate supply of power in the country.

Besides, the ministry also mandated domestic coal based power plants to import the coal for blending to avoid any shortage of dry fuel.

The experts said that these measures may have increased import of coal in the country but it was necessary to ensure round -the-clock power supply in the country.

As per the latest report of Central Electricity Authority (CEA) for August, 2023, India has installed power generation capacity of 424 GW, which includes 206 GW coal based, 47 GW of large hydro, and about 132 GW renewables (solar, wind energy etc).

Publication : The Statesman	Editions : Kolkata
Date :9 October 2023	Page : 2

NHPC officials say power stations and projects built on Teesta are safe

STATESMAN NEWS SERVICE
SILIGURI, 8 OCTOBER

After the sudden natural disaster that hit the Teesta region on 4 October, NHPC's power stations and projects built on the Teesta river are safe, official sources said today.

As always, NHPC is ready to help the people living in nearby villages and its employees in this disaster to the best of its ability, the sources said.

Director (Technical) Mr Raj Kumar Choudhary and Executive Director Mr Lalitendu Kumar Tripathi visited Teesta Low Dam III and IV Power Stations and took stock of the situation and gave directions to all the personnel for next course of action.

Mr Choudhary also said that NHPC was committed to smoothly run its power stations and projects while giving priority to the safety of the people.

Due to huge deposit of silt along with the strong flow of the Teesta, the power generation work in the power station has been stopped for a few days, officials said.

The work of cleaning the silt in the Teesta Low Dam IV Power Station located at Kalijhora is in progress and power generation work will be started here in a few days.

Similarly, after cleaning of silt, power generation work will start in a few days at Teesta Low Dam III Power Station located in Rambi.

The work for delivering food items, medicines etc. to the affected people of the Teesta region is going on. In this hour of disaster, NHPC is ready to provide all possible cooperation in dealing with the challenges of all the affected people of the Teesta region located in Sikkim and West Bengal, an officer said.