

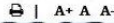
Home > States > Tamil Nadu

Karaikal's LNG import terminal to give piped gas to 12 mn homes in 3 states

The groundbreaking of the new LNG terminal at Karaikal Port was done through video conferencing by Puducherry Chief Minister V Narayanasamy here on Thursday.



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JM Sigelma, CEO of AG&P with CM of Puducherry V Narayanasamy | SATISH BABU

By C Shivakumar

Express News Service

CHENNAI: Around 12 million homes in Tamil Nadu, Karnataka and Andhra Pradesh will be able to get piped natural gas (PNG) connections within the next 10 years. Thanks to the opening of the floating Liquefied Natural Gas (LNG) import terminal at Karaikal, it will become a reality mostly by the fourth quarter of 2021, according to JM Sigelman, CEO, Atlantic Gulf and Pacific company of Manila (AG&P), the global downstream gas and LNG logistics company.

The groundbreaking of the new LNG terminal at Karaikal Port was done through video conferencing by Puducherry Chief Minister V Narayanasamy here on Thursday. Speaking to TNIE, Sigelman said that the LNG import terminal is being built as natural gas from Cauvery basin is getting depleted and the gap needs to be filled up. "This terminal, built inside the breakwater of Karaikal Port, will cater to 12 geographic areas including 11 in South India — Kancheepuram, spanning Chennai airport to Puducherry and going on till Sriperumbudur, Mysore, Vellore, Thiruvananthapuram, Nellore in Andhra Pradesh and various areas of Karnataka.

To a query on an agreement with Indian Oil Corporation in providing PNG and supply through city gas distribution, he refused to comment. Instead, he said, "Truck-loading bays will be built at Karaikal to enable delivery to remote customers, extending the reach of the terminal to communities and industries that are outside the reach of existing gas infrastructure. Once the facility is set up, LPG cylinders will be replaced by PNG." Sigelman added that AG&P, the largest foreign player in the CGD business, will set up 1,500 CNG stations, which will run across the region. Interestingly, this comes after the Union government approved IOC's 120-km Ennore-Kancheepuram underground pipeline project, which will act as a feeder line for the upcoming CGD project.

Until GCD becomes a reality, the bulk supply to industries, which depend on natural gas, will be the primary role of IOC pipelines. According to Economic Survey, India's natural gas production is expected to decline by 3.34% to 31.8 Billion Cubic Meter (BCM) in 2019-20, as compared to 32.9 BCM produced last year.

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