

**INDIA ENERGY WEEK**

# 'Dhamra LNG terminal expansion on anvil'

On the sidelines of the India Energy Week (IEW) in Betul (Goa), Adani Total Chief Executive Officer (CEO) **SATINDER PAL SINGH** tells **Subhayan Chakraborty** in an interview that Dhamra LNG terminal, India's newest and only terminal on the east coast, will take advantage of the Urja Ganga and Indradhanush gas grids to service the region. He stressed that large LNG volumes will appear in the global market before 2025. Edited excerpts:

**What is Adani Total Pvt Ltd's investment pipeline like?**

We have the cheapest additional capacity available in eastern India today, by a long margin. The region will witness a surge in gas demand. Objectively speaking, we will be best placed to fulfil that. Dhamra LNG has already pre-invested in the expansion of the terminal. We have enough space for a third tank. Our jetty and send out pipeline are sized for 10 metric tonnes per annum (MTPA). We have enough space for additional vaporisers and powertrains. We can trigger an expansion very efficiently in Dhamra. Looking at the way the pipelines have been expanding, I don't see any reason why Dhamra shouldn't be announcing an expansion very soon.

**Does gas evacuation remain an issue for terminals?**

Connectivity for gas infrastructure in India has grown amazingly in the last three months. The Urja Ganga and Indradhanush pipelines have expanded in the East and Northeast regions, respectively. Now they're going southwards and westwards. This is wonderful news, considering how gas grids were growing earlier.

**But capacity utilisation rates at terminals have been low for long...**

India needs to have more infrastructure simply because we have to become a more sophisticated buyer. If someone is trying to run all LNG terminals at



**SATINDER PAL SINGH**  
CEO, Adani Total

100 per cent capacity, it means they are an LNG price taker. They will have no flexibility when the supplier comes, given the limited slots. This affects their commercial terms.

The value in sourcing LNG effectively is much more than utilising the terminals. It's not a bad thing if LNG infrastructure is not being utilised fully, as long as the spare capacity that is created, is being utilised smartly to leverage commercial advantage on sourcing. The average utilisation rates of major buyers such as Japan and Korea are 30-35 per cent. Each LNG deal still effectively works as a bilateral deal, and the more flexibility you have, the better.

**The Parliamentary Standing**

**Committee on Petroleum has pointed out that India needs to cut down on rising incidence of spot purchases for LNG. Given that negotiating long-term deals is a lengthy affair, how does the industry balance the two?**

Buyers have been slower in switching to natural gas, than what I would have expected. Availability has been an issue. The price shocks after the Ukraine war did not help. But in the last six-seven months, we've seen a spate of long-term deals. This includes most notably Petronet LNG with Qatar Energies at IEW, as well as IOC with ADNOC and Total. There was also GAIL with Adnoc in the past few months. These signify the maturing of the Indian customer, and show they are moving away from the spot model. For a country as large as India, definitive steps towards creating infrastructure are needed. The minute you start making long-term deals, the whole infrastructure aligns with that. They are good market signals, and show we are clearly trying to increase the share of gas in our energy mix.

**Is it true that China has already tied up most of the upcoming volumes through long-term deals, and we may be late?**

We are clearly not late for the party. In any case, there's no point crying over spilled milk. Even if we are late, that's no excuse for not taking a decision today. If you look at the projects in the US, Australia and Africa, you can be sure there is a lot of LNG coming to the market very soon. By 2025, a lot of the projects are coming on stream.

## QuoteUnquote



**"The India Energy Week event is not just India's event but a reflection of 'India with the world and India for the world' sentiment. India's ambitious infrastructure push needs more energy sources, while the country must manage its growing energy demand, and find affordable solutions and green inputs to take it successfully into the future."**

**—Narendra Modi**  
Prime Minister of India



**"India today, on the energy front, presents a picture of confidence in the positive growth of solutions in many areas. India Energy Week (IEW) represents a golden opportunity to showcase these developments on the energy front and provide the platform for further development and growth in the energy sector."**

**—Hardeep Singh Puri,**  
Union Minister of Petroleum & Natural Gas and Housing & Urban Affairs

**"India's emergence as the demand centre for energy in the world provides arbitrage opportunities around the globe for procuring natural gas."**

**—Pankaj Jain**  
Secretary, Ministry of Petroleum & Natural Gas, Government of India

**"India will need both huge amounts of conventional energy and huge amounts of energy from alternative demands; we cannot meet the demand without conventional energy."**

**—Arun Kumar Singh**  
Chairman and CEO, ONGC

**"India is a focal point for the global energy industry, and GAIL will strive to use this advantage for the nation's development and the benefit of its customers."**

**—Sandeep Kumar Gupta**  
Chairman and Managing Director, GAIL (India) Limited

**"We are exploring a broad bouquet of green energy pathways where different forms of energy complement each other to meet the country's growing needs."**

**—Shrikant Madhav Vaidya**  
Chairman, IndianOil

**"Petronet LNG Limited will set up an LNG terminal at Colombo port with an investment of about Rs 2,500 crore."**

**—Akshay Kumar Singh**  
Managing Director and CEO, Petronet LNG Limited

**"EIL has a unique track record of organisational capabilities and diversified experience in the energy industry through various thematic areas designed around innovative technologies developed by EIL."**

**—Vartika Shukla**  
Chairman & Managing Director  
Engineers India Limited