BIOMASS TO LPG

Manish Grover
CGM (LPG Co-ordination), IOCL
COOKING FUEL MIX 2011

- Firewood: 49%
- LPG: 29%
- Kerosene: 3%
- Crop Residue: 9%
- Cowdung Cake: 8%
- Coal, Lignite, Charcoal: 1%
- Bio gas: 0%
- Any Other: 1%

Source: Census of India 2011
Clean Fuel - Available options

- Biogas – High Initial Cost of Plant
- Electricity – Major electricity generation from coal based plant
- PNG – High infrastructure cost specially in rural area
- Solar Cooking – very slow
- LPG
Barriers for LPG Adoption

- High initial cost of acquiring LPG connection
- High recurring cost of refilling LPG.
- Difficulty in getting LPG refill
- For a small group of people even the Cylinder size preference acted as a barrier
- Non-familiarity regarding the usage of LPG
- Safety concern
- Change in taste of traditional food cooked on LPG
Steps Taken

➢ Financial assistance for new connection
➢ Increasing affordability
➢ Ease of availability
➢ Customer education
➢ Network expansion
Financial Assistance: Initial Cost

- Providing security free LPG connection to poor families as biggest impediment in adoption of LPG was huge initial cost of LPG connection.

- Provision for providing interest free loan for hot plate and first LPG refill and the loan to be recovered from subsidy amount to be given for subsequent refill. This way no amount to be paid by the customer initially.

- Financial assistance by state government
# Financial Assistance by Govt of INDIA

<table>
<thead>
<tr>
<th>S No</th>
<th>Description</th>
<th>14.2 Kg cylinder connection (₹)</th>
<th>5 Kg cylinder connection (₹)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Security Deposit - Cylinder (Single Bottle Connection)</td>
<td>1250</td>
<td>800</td>
</tr>
<tr>
<td>2</td>
<td>Security Deposit - Pressure Regulator</td>
<td>150</td>
<td>150</td>
</tr>
<tr>
<td>3</td>
<td>DGCC</td>
<td>25</td>
<td>25</td>
</tr>
<tr>
<td>4</td>
<td>Suraksha Hose 1.2 mtr</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>5</td>
<td>Inspection/Installation/Demonstration/Documentation by Distributor</td>
<td>75</td>
<td>75</td>
</tr>
<tr>
<td></td>
<td><strong>A</strong> Total (1+2+3+4+5)</td>
<td><strong>1600</strong></td>
<td><strong>1150</strong></td>
</tr>
<tr>
<td>6</td>
<td>Cost of 2 burner gas stove</td>
<td>990</td>
<td>990</td>
</tr>
<tr>
<td>7</td>
<td>Cost of refill at Delhi as on 01.02.19 (Taken for estimation purpose)</td>
<td>659</td>
<td>242.50</td>
</tr>
<tr>
<td></td>
<td><strong>B</strong> Total (6+7)</td>
<td><strong>1649</strong></td>
<td><strong>1232.50</strong></td>
</tr>
<tr>
<td></td>
<td><strong>C</strong> Grand Total (A+B)</td>
<td><strong>3249</strong></td>
<td><strong>2382.50</strong></td>
</tr>
<tr>
<td></td>
<td><strong>D</strong> Budgetary support by Govt.</td>
<td>1600</td>
<td>1150</td>
</tr>
<tr>
<td></td>
<td><strong>E</strong> Finance (Interest free loan)</td>
<td>1649</td>
<td>1232.50</td>
</tr>
</tbody>
</table>
# State Sponsorship

The State Governments which have come forward and sponsored a part of the LPG connection to the beneficiary

<table>
<thead>
<tr>
<th>State Name</th>
<th>Component of LPG connection sponsored</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chhattisgarh</td>
<td>Hotplate Cost and First refill. Customer to pay Rs.200/- at the time of release of connection as her contribution</td>
</tr>
<tr>
<td>Jharkhand</td>
<td>Hotplate and first refill cost.</td>
</tr>
<tr>
<td>Assam</td>
<td>Cost of Hotplate</td>
</tr>
<tr>
<td>Arunachal Pradesh</td>
<td>Cost of Hotplate</td>
</tr>
</tbody>
</table>
Increasing Affordability

- Provision for taking 5 kg cylinder refill on 14.2 kg cylinder connection in order to reduce refill cost in one go. Nearly 1.5 Lakhs refills of 5 kg has been taken by customers.

- Special camps are being organised for:
  - Taking new 5 kg connection under PMUY
  - Swapping of 14.2 kg cylinders with 5 kg
  - Provision of double bottle connection of 5 kg

- Relaxation in loan recovery by deferment up to the next six refills / 1-year
Ease of availability of LPG and related services

➢ Point of sale(POS)/Point of delivery(PODs) and engagement of CSE-VLE:

➢ About 1200 POS/POD have been set up for better services. Additionally CSCs are being engaged to offer following services to customers:

  • Booking for new LPG connection
  • Booking of LPG refills
  • Distribution of LPG cylinders
  • Services of CSC refill booking have commenced in Angul, Odisha and East-Khasi Hill, Meghalaya for 17 distributors of IOCL.
LPG Panchayats

- LPG Panchayats are platforms of peer learning
- About 90 minutes meeting at village level
- One local woman leader shares her experience of transformation through LPG – triggering increased adoption
- A mix of short audio, and interaction facilitated by a local resource person, covering specific themes
- OMC distributor makes a demonstration; followed by Q & A on LPG Safety
- Local woman leaders, ASHA workers, Aangnwadi workers, Primary school teachers and Bhojan Matas to become champions of Ujjwala
- 67880 LPG panchayats organized across the country
Network Expansion

- Expanding LPG Distribution Network
- New Bottling Plants are in pipeline
- Capacity Augmentation of LPG Bottling Plants.
- New Private Bottlers are being introduced on industry basis.
- Augmentation of LPG Import Facilities
Results of Initiatives/ Efforts

➢ All India LPG coverage reached to 89.9% (01.01.19) from 55.9% (01.04.14)

➢ No of active LPG customers reached to 25.21 crore as on 01.01.19 from 14.52 crore as on 01.04.14

➢ No of LPG distributorships increased to 22241 as on 01.01.19 from 13896 as on 01.04.14

➢ PSU OMCs have a total of 191 LPG bottling plants all over India with rated bottling capacity of around 17.6 million metric tonnes per annum (MMTPA).