

CMD inaugurates Pipeline Steels Seminar 2010 at New Delhi

Shri B C Tripathi, CMD, GAIL inaugurated the Pipeline Steels Seminar 2010 at New Delhi on November 11, 2010.

Speaking on occasion, Shri Tripathi described energy as the lifeline of modern economy and said that adequate energy supply at affordable prices is extremely essential in today's energy hungry world.

As the energy demand grows exponentially, despite the increased emphasis on sustainable and renewable energy sources, in the next 10 to 15 years, the share of oil and gas in the energy basket is expected to remain the same, added Shri Tripathi.

The era of easy oil and gas is gone-by and new discoveries of oil and gas are being made in difficult and inhospitable terrains. The challenge is to bridge the gap between these energy sources and energy markets in a safe, economic and environment friendly way.

Speaking about the Indian market, Shri Tripathi said that presently there are about 30,000 km of crude, product, natural gas and LPG pipelines. With India set for a 8-9 percent growth rate over the next decade, the country will need an additional pipeline infrastructure of 25-20,000 km by 2020 which will entail an estimated investment of US \$ 25-30 billion over the next 10 years including an investment of US \$ 15 to 20 billion only in the pipeline business.

The challenge before the industry is to optimize the cost and volume of production through design, technology and grade innovation. Lowering of manufacturing costs would lead to lowering of transmission tariff, construction cost and compression cost. For the natural gas industry, the challenge is to maximize transmission efficiency and minimize the transmission cost.

Shri Tripathi also highlighted the role played by GAIL in development of pipeline industry in the country. He recalled that when GAIL was laying the HVJ pipeline in 1984-85, all the steel pipes were imported. Today, there are 8-9 pipe suppliers in the country and the country has become a major exporting hub of pipelines.

