

**Development of  
CBM/CMM in India:  
Regulatory & Policy Issues**

# Development of CBM/CMM in India: Regulatory & Policy Issues

## DEVELOPMENT OF CBM

- The Govt of India is keen on mitigating Greenhouse Gas Emissions to follow low carbon path
- Under this objective Govt of India is encouraging development of clean and renewable energy resource.
- A Mission Document on climate change is under formulation.
- To encourage coal based non-conventional energy resource, the Govt. of India announced CBM Policy in 1997.

# Development of CBM/CMM in India: Regulatory & Policy Issues

## DEVELOPMENT OF CBM ....

- With formulation of CBM policy in 1997, development of Virgin CBM expedited in the country.
  
- The CBM policy offers very liberal and investment friendly terms
  - The blocks to be awarded through competitive bidding system
  - Freedom to sell gas in the domestic market
  - Provision of fiscal stability
  - A seven years tax holidays
  
- Under these liberal terms, the development of CBM made steady progress and the blocks were allotted in 3 rounds of bidding.

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## DEVELOPMENT OF CBM....

- With every round, an increase in number of participation has been observed
- Several national/international participated in the bidding process.
- 26 blocks allotted in 3 rounds and allotment of 8 more blocks are under consideration of Govt.
- The good response in the 4<sup>th</sup> round of bidding even in the period of recession shows a general interest of investors in CBM development in India.

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## DEVELOPMENT OF CMM

- India is the 3<sup>rd</sup> largest producer of coal.
- Indian coal mining is governed by well set of rules and regulations.
- The majority of coal production is coming from opencast mines.
- There is a thrust for increasing underground production in coming years and for the purpose an increase mechanization is contemplated.

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## DEVELOPMENT OF CMM ...

- The underground mines are less mechanized with slow moving faces.
- There is opportunity to harness methane (CMM) from mining areas
- Development of CMM is a priority area.
- For early commercialization of CMM, efforts are being made to overcome the technical and commercial issues.
- These issues were raised in several M2M conferences and technical support from partner countries having such expertise was requested.

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## DEVELOPMENT OF CMM ...

- Although there is well defined acts through which coal mining is administered and there is a CBM policy in vogue, there is no separate CMM development regulations.
- The Govt has felt necessity to solve the issue related to simultaneous and harmonious development of coal mining and extraction of CBM
- For this purpose a well structured Govt. level committee has examined the issue and a draft recommendation has been prepared.
- After finalisation of this document, regulatory guidelines will be in place.

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## DEVELOPMENT OF CMM ...

- Govt of India is also aware of the international developments in respected to CMM exploitation and its gainful utilization.
- Keeping in view the policy of the Govt of India to develop usage of clean energy resource, development of CMM will be a priority area for development.



*THANK YOU*