

# World's first Compressed Natural Gas (CNG) terminal

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**In news**– Prime Minister of India has laid the foundation stone for the “world’s first CNG terminal” at Bhavnagar in Gujarat recently.

## **About CNG terminal-**

- The idea for the project materialised during the January 2019 Vibrant Gujarat summit when a consortium of London-based Foresight Group, Mumbai-based Padmanabh Mafatlal Group and Rotterdam-based Boskalis signed a Memorandum of Understanding (MoU) with Gujarat Maritime Board (GMB) for development of the CNG terminal.
- **GMB issued a Letter of Intent (LoI) in September 2020 in the name of Bhavnagar Port Infrastructure Pvt Ltd**, a special purpose vehicle formed by the consortium.
- **While the consortium will invest Rs 4,000 crore in developing the north side of the Bhavnagar port** under the **BOOT (Build, Own, Operate and Transfer) policy of the state government**, state-run GMB will continue to operate the berths on the south side of the port.
- The Bhavnagar port is in close vicinity to the **Dholera Special Investment Region (SIR)** and is expected to serve the industries that set up base in the region.
- It is expected **to be made operational by 2026**.
- The proposed **port terminal's capacity is 4.65 Million Tonnes Per Annum (MTPA)**, of which the capacity of the CNG terminal will be 0.3 MTPA.
- As per the LoI, the consortium will **repair and redevelop the tidal lock gate system, which will be the fourth largest such system in the world**.
- Traditionally, because of the higher tidal range of

approximately 10 meters, Bhavnagar creek attracts a **significant amount of sediment in the form of silt.**

- This lock gate system has been set up so that a minimal amount of sediment enters the port basin during high tide, thus bringing down the cost of dredging inside the port substantially.
- While the **CNG terminal will be part of the existing Bhavnagar port, additional facilities like an ultra-modern container terminal, multipurpose terminal (LPG and Chemical), a Ro-Ro (roll-on/roll-off) terminal** for cargo ships that can load and unload wheeled objects such as trolleys and cars, and a liquid cargo terminal will also be developed by the private consortium.