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Results Framework Document
for
Ministry of Petroleum and Natural Gas

(2009-2010)

Section 1: Vision, Mission, Objectives and Functions

Vision

To address India's energy security needs in the hydrocarbons sector and to ensure availability of petroleum products at reasonable prices.

Mission

- (i) To accelerate domestic Exploration & Production (E&P) of hydrocarbons as well as equity oil & gas abroad.
- (ii) To develop the hydrocarbon sector through technology up-gradation and capacity building in production, refining, transportation and marketing sectors.
- (iii) To develop supply and distribution infrastructure for petroleum products, to serve the needs of the economy, including households.
- (iv) To enhance service standards and to maximize customer satisfaction.
- (v) To promote fuel conservation and development of alternate, clean &

Objectives

- 1 Increase in exploration coverage
- 2 New policy initiative for E&P sector
- 3 Making the four sensitive petroleum products viz. Petrol, Diesel, PDS Kerosene and Domestic LPG available at reasonable prices
- 4 Enhancement of refining capacity
- 5 Fuel quality upgradation
- 6 To encourage use of Natural Gas
- 7 Ensuring availability of petroleum products across the country with effective marketing and distribution
- 8 To promote fuel conservation

Functions

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	VeryGood	Good	Fair	Poor
						100%	90%	80%	70%	60%
1 Increase in exploration coverage	25.00	Bidding of NELP & CBM Blocks & Award of Blocks	Completion of NELP-VIII bidding round in the year & signing of contracts	Date	7.500	31/03/2010	0	0	0	0
			Completion of CBM-IV bidding round in the year & signing of contract	Date	2.500	31/03/2010	0	0	0	0
		Accretion in Hydrocarbon Reserves by ONGC	Achievement of recoverable reserve accretion 3P targets	MMTOE	10.000	72.65	69.02	65.39	61.75	50
		Accretion in Hydrocarbon Reserves by OIL	Achievement of recoverable reserve accretion 2P targets	MMTOE	5.000	9.5	9	8.55	8.1	6
2 New policy initiative for E&P sector	5.00	Finalization of marginal field policy	Submission of proposal to the CCEA	Date	5.000	31/03/2010	--	--	--	--
3 Making the four sensitive petroleum products viz. Petrol, Diesel, PDS Kerosene and Domestic LPG available at reasonable prices	10.00	To modulate retail prices as also to ensure the financial health of the public sector oil marketing companies through compensation of their price under-recoveries, if any	Preparation of a note for the CCEA/CCPA on pricing of sensitive petroleum products and burden sharing mechanism for 2009-10.	Date	6.000	15/03/2010	31/03/2010	0	0	0
			Processing the claims for budgetary subsidy on PDS Kerosene and Domestic LPG.	Quantum of funds spent	Rs. crore	4.000	2500	2400	0	0
4 Enhancement of refining capacity	10.00	Setting up of Greenfield Bina refinery	Facilitate starting up of Pre-Commissioning activities	Date	10.000	31/03/2010	0	0	0	0
5 Fuel quality upgradation	5.00	Arrangements for introduction of Euro IV fuel in 13 cities	Facilitate completion of arrangements for introduction of Euro IV fuel in 13 cities and prepare a paper on appropriate pricing of such fuels	Date	5.000	31/03/2010	0	0	0	0
6 To encourage use of Natural Gas	20.00	Finalize allocation of KG D6 gas	Quantity of KG D6 gas	MMSCM D	16.000	70	65	60	55	50
		To increase gas consumption in various Sectors in the country	Release of subsidy to Oil India Limited (OIL)	MMSCM D	2.000	160	155	150	145	140

Section 2: Inter se Priorities among Key Objectives, Success indicators and Targets

Objective	Weight	Action	Success Indicator	Unit	Weight	Target / Criteria Value				
						Excellent	VeryGood	Good	Fair	Poor
						100%	90%	80%	70%	60%
		To process claims of subsidy for use of gas in North-East	Quantity of natural gas consumed in the country	Rs. lakh	2.000	150	140	130	120	110
7 Ensuring availability of petroleum products across the country with effective marketing and distribution	15.00	Ensure availability of following sensitive petroleum products, viz., Petrol, Diesel, Domestic LPG and PDS Kerosene	Volume made available	MMT	7.500	85.97	83	80.2	77.8	74.4
		Review requirement of PDS Kerosene for States /UTs in view of expansion of LPG coverage	Prepare a paper on rationalizing PDS allocation to States/UTs	Date	3.750	20/03/2010	31/03/2010	0	0	0
		Expanding the network of Domestic LPG to rural areas	Advertisement for small size rural LPG distributorship: Rajiv Gandhi Gramin LPG Vitarak	Number	3.750	800	750	700	600	500
8 To promote fuel conservation	5.00	Conduct public awareness campaigns	Organizing Oil and Gas Conservation Fortnight	Date	5.000	31/01/2010	15/02/2010	01/03/2010	15/03/2010	31/03/2010
* Efficient Functioning of the RFD System	5.00	Timely submission of Draft for Approval	On-time submission	Number	2.000	0.00	1.00	2.00	3.00	4.00
		Timely submission of Results	On- time submission	Number	2.000	0.00	1.00	2.00	3.00	4.00
		Finalize a Strategic Plan	Finalize the Strategic Plan for next 5 years	Number	1.000	0.00	1.00	2.00	3.00	4.00

* Mandatory Objective(s)

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 07/08	Actual Value for FY 08/09	Target Value for FY 09/10	Projected Value for FY 10/11	Projected Value for FY 11/12
1 Increase in exploration coverage	Bidding of NELP & CBM Blocks & Award of Blocks	Completion of NELP-VIII bidding round in the year & signing of contracts	Date	02/03/2007	22/12/2008	31/03/2010	31/03/2012	31/03/2012
		Completion of CBM-IV bidding round in the year & signing of contract	Date	--	--	31/03/2010	31/03/2012	31/03/2012
	Accretion in Hydrocarbon Reserves by ONGC	Achievement of recoverable reserve accretion 3P targets	MMTOE	63.82	71.72	69.02	76.2	60.11
	Accretion in Hydrocarbon Reserves by OIL	Achievement of recoverable reserve accretion 2P targets	MMTOE	10.61	9.42	9	9	8.5
2 New policy initiative for E&P sector	Finalization of marginal field policy	Submission of proposal to the CCEA	Date	--	--	31/03/2010	--	--
3 Making the four sensitive petroleum products viz. Petrol, Diesel, PDS Kerosene and Domestic LPG available at reasonable prices	To modulate retail prices as also to ensure the financial health of the public sector oil marketing companies through compensation of their price under-recoveries, if any	Preparation of a note for the CCEA/CCPA on pricing of sensitive petroleum products and burden sharing mechanism for 2009-10.	Date	--	--	31/03/2010	--	--
	Processing the claims for budgetary subsidy on PDS Kerosene and Domestic LPG.	Quantum of funds spent	Rs. crore	2668.87	2710.64	2400	2400	--
4 Enhancement of refining capacity	Setting up of Greenfield Bina refinery	Facilitate starting up of Pre-Commissioning activities	Date	--	--	15/03/2010	--	--
5 Fuel quality upgradation	Arrangements for introduction of Euro IV fuel in 13 cities	Facilitate completion of arrangements for introduction of Euro IV fuel in 13 cities and prepare a paper on appropriate pricing of such fuels	Date	--	--	15/02/2010	--	--
6 To encourage use of Natural Gas	Finalize allocation of KG D6 gas	Quantity of KG D6 gas	MMSCMD	--	--	65	80	80
	To increase gas consumption in various	Release of subsidy to Oil India Limited (OIL)	MMSCMD	95	105	155	185	200

Section 3: Trend Values of the Success Indicators

Objective	Action	Success Indicator	Unit	Actual Value for FY 07/08	Actual Value for FY 08/09	Target Value for FY 09/10	Projected Value for FY 10/11	Projected Value for FY 11/12
	Sectors in the country							
	To process claims of subsidy for use of gas in North-East	Quantity of natural gas consumed in the country	Rs. lakh	124	138	140	170	180
7 Ensuring availability of petroleum products across the country with effective marketing and distribution	Ensure availability of following sensitive petroleum products, viz., Petrol, Diesel, Domestic LPG and PDS Kerosene	Volume made available	MMT	79.52	84.42	83	87.58	89.21
	Review requirement of PDS Kerosene for States /UTs in view of expansion of LPG coverage	Prepare a paper on rationalizing PDS allocation to States/UTs	Date	--	--	31/03/2010	--	--
	Expanding the network of Domestic LPG to rural areas	Advertisement for small size rural LPG distributorship: Rajiv Gandhi Gramin LPG Vitarak	Number	--	--	750	--	--
8 To promote fuel conservation	Conduct public awareness campaigns	Organizing Oil and Gas Conservation Fortnight	Date	31/01/2008	31/01/2009	15/02/2010	--	--
* Efficient Functioning of the RFD System	Timely submission of Draft for Approval	On-time submission	Number	23	20	125	23	25
	Timely submission of Results	On- time submission	Number	23	20	23	23	23
	Finalize a Strategic Plan	Finalize the Strategic Plan for next 5 years	Number	23	40	32	23	23

* Mandatory Objective(s)

Section 4: Description and Definition of Success Indicators and Proposed Measurement Methodology

CBM : Coal Bed Methane
E&P : Exploration and Production
ECS : Empowered Committee of Secretaries
MMT: Million Metric Tonnes
MMTOE : Million Metric Tonnes of Oil and Oil Equivalent
MMTPA : Million Metric Tonnes Per Annum
NELP : New Exploration Licensing Policy
NOCs : National Oil Companies
O+OEG : Oil + Oil Equivalent of Gas
OIL : Oil India Limited
ONGC : Oil & Natural Gas Corporation Limited
ORDA : Oil field Regulation & Development Act,1948
OVL : ONGC Videsh Limited
PNG Rules : Petroleum & Natural Gas Rules,1956
PVT /JV : Private/Joint Venture Companies
RS. : Rupees
USD : United States Dollar
PDS : Public Distribution System
MMTPA : Million Tonnes Per Annum
MMSCMD : Million Standard Cubic Meter Per Day
EOR/IOR : Enhanced Oil Recovery and Improved Oil Recovery
IVRS : Interactive Voice Response System
MS : Motor Spirit
HSD : High Speed Diesel
LPG : Liquefied Petroleum Gas
SKO : Superior Kerosene Oil
KLOE : Kilo liter of oil equivalent
P1 : Proved Reserves
P2 : Probable Reserve
P3 : Possible Reserves
2P : Proved plus Probable Reserve
3P : Proved plus Probable plus Possible Reserves
MFP : Marginal Field Policy (Initially 21 marginal fields of ONGC are proposed to be offered)
BHEL : Bharat Heavy Electricals Limited
BP&CL : Bharat Pumps and Compressors Limited
BHPV : Bharat Heavy Plates and Vessels
Marginal Fields : A field may be treated as marginal field only if it is part of a block awarded to a National Oil Company (NOC) on nomination basis and any discovery therein remains unexploited on grounds of commercial viability and/or technological constraints, keeping in view the size of the reserves.

Pre-commissioning activities of Bina Refinery will involve coordination among Bharat Petroleum Corporation Limited (BPCL), major work contractors like Bharat Heavy Electricals Limited (BHEL) and Bharat Pumps and Compressors Limited (BP&CL) and the Government of Madhya Pradesh, to ensure readiness of refinery process plants, crude oil receipt and product evacuation facilities, communication network, etc. before commissioning of the Refinery.

Section 5: Specific Performance Requirements from other Departments

1. Ministry of Finance (MOF) and Ministry of Law & Justice's support is required in Empowered Committee of Secretaries (ECS) under NELP for finalization of the price bids and signing of Production Sharing Contracts.
2. Support of MOF, Ministry of Law & Justice and Ministry of Coal is required in Empowered Committee of Secretaries (ECS) under CBM for finalization of the price bids and signing of contracts.
3. Cabinet's approval of MoP&NG's note on pricing of the four sensitive petroleum products and the Burden Sharing Mechanism for 2009-10.
4. Ministry of Finance is required to issue Oil Bonds in a timely manner to compensate the under-recoveries of the public sector Oil Marketing Companies.
5. Support of BHEL, BHPV, BP&CL and Ministry of Heavy industries is required for timely commissioning of Bina refinery and implementation of clean fuel projects by Refineries.