OF late there has been a huge hue and cry about the scarcity of gas in the country. According to Petrobangla, the present demand for gas in the country is about 2,000 million cubic feet per day (mmcfd) as against a supply of about 1,800 mmcfd, thus leaving a gap of 200 million.

As a result, other than the adverse impact on industry and other sectors, power generation has been affected very adversely. Many power plants have been shut down. The gap between demand and supply is increasing every day without any substantial planning effort to reduce it.

We have been left to the whims of nature. The policy makers are expressing their helplessness to avoid this disaster that is in the offing due to the paucity of gas. Investment has slowed down.

There has been panic with the investors, businessmen, industrialists, and common users as to what is going to happen in the face of shortfall in the supply of gas, which is increasing with the passage of time.

It is a general feeling among stakeholders that Petrobangla is responsible for this state of affairs in the sector because they are basically entrusted with the responsibility for exploration, production, and transmission and distribution of gas among the consumers.

Petrobangla has not diligently and constantly performed their responsibility. However, it is very unkind to blame Petrobangla alone for this situation in the country. It is to be borne in mind that there has been unprecedented growth in the demand for natural gas in the country over the past ten years at a rate which was far beyond the conception of experts working in the field.

In 2000, the overall demand for gas in the country was about 1,200 million cubic feet per day. It is interesting to note that the demand for gas over the last fifty years (the first gas supply to CHATAK Cement Plant in 1955) has grown on an average equal to about 250 million cubic feet per day for every ten years whereas even in the last 8 years alone since 2000 the gas demand has grown by 800 million. Even if we consider demand data of the last 20 years it would be found that growth in gas demand over the 10 years has surpassed all records.

This high growth rate remained unnoticed by the policy-makers. The record shows that there has been development in the industrial sector particularly with SMEs. The GDP contribution by industry during the nineties was 15 percent whereas in 2008 the GDP contribution by industry is 32 percent. This growth in industrialisation, particularly with SMEs, has put a tremendous demand on the energy sector, particularly the gas sector, which is responsible for the high demand of gas.

Even the present infrastructure of transmission and distribution, not to speak of production capacity, is not prepared to meet the present requirement of the country.

The industrialisation pressure has pushed the demand of gas to an unprecedented level for which Petrobangla was obviously not prepared at all. Even the present infrastructure of transmission and distribution, not to speak of production capacity, is not prepared to meet the present requirement of the country.

The energy sector in the country heavily depends on natural gas. Currently, natural gas accounts for about 72% of the commercial energy consumption compared to 35% in 1980. The history of gas industry dates back to the early years of the 20th century when the first exploration well was drilled in 1950. The exploration activity in oil and gas sector in the country picked up pace in the 1950s. The first commercial gas discovery was made in 1955. Since then exploration efforts resulted in the discovery of 22 gas fields of which 16 are currently in production, 4 are in non-producing mode, and 2 are suspended as practically depleted. The 22 gas fields of Bangladesh have a total estimated proven plus probable reserves of 13.2 trillion cubic feet and possible recoverable reserve of 7.7 trillion cubic feet as of June 2008.

The major driving force behind the growth of gas consumption is the power plants both in public and private including IPP and captive generation, totaling about 56% of total generation.

Due to the incorrect assumption that Bangladesh is floating on gas, most of the power plants have been built on gas without thinking of any alternative fuel. For instance, coal was never thought of as alternative fuel until the Barapukuria Coal Mining Project was taken in hand about 10 years back.

Later on, several coal deposits have been struck but due to long dispute over the method of extraction the future of any coal-based power plants remains uncertain. Liquid fuel like furnace oil was never thought of except in limited area where gas grid is not available. The low price of gas compared to liquid fuel is also responsible for the plants being built on gas alone

Generation-wise, the power