

## “Autogas will replace CNG and octane”

In conversation with Mohammad Yasin Arafat, Director, Jamuna Gas

LPG in Bangladesh is a booming sector. The demand is increasing in industrial, commercial and household sectors. Autogas sector will come soon, in both rural and urban areas.

The popularity of LPG is increasing in rural areas, with an increase in people's purchasing power. Through the introduction of LPG, the living standard of people has also improved. There are a lot of LPG accessories required to be imported from other countries. We need to manufacture those accessories locally to reduce dependency on imports.

The government is promoting this sector. They are not charging taxes on LPG products yet. The government can help increase



skilled manpower in the sector. They should also lead awareness programmes to reduce fear among customers about LPG products. Since licenses have been provided to many companies, there is a possibility of an increase in financial burden which will give rise to illegal practices. To remain competitive in the market, companies will have to reduce the price of the product.

The users should know the overall functions of the parts required to make LPG cylinders. It will help them to handle these products safely and thus will significantly reduce LPG related risks.

Jamuna Gas gives high priority to safety measures of the product. We have developed a strong distribution network in Bangladesh. We are looking forward to establishing five more satellite plants. We have road tankers to ensure the safe delivery of LPG cylinders.

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## “Many operators are compromising safety and quality measures”

In conversation with M Muntasir Alam, Chief Commercial Officer, Beximco LPG

Due to our growth in GDP, consumption has increased, which has led to energy requirements going up. There is also a diminishing trend of natural gas, which is used in households. These two factors have contributed to the rising demand for LPG. Importing LNG is an expensive process, so LPG will be used as cooking fuel, and once the infrastructure is built, also as an automotive fuel.

Retailers need a license from the Department of Explosives to store LPG. However, there isn't adequate manpower in the department to monitor whether this licensing law is complied with. Many operators are compromising their safety and quality measures. Valves must be serviced every 12 to 25 cycles, and the O-rings must be changed. If the O-ring is damaged in the slightest amount, there will be a leak.



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LPG is denser than air, so if there is a leakage, it stores on the floor level. Bangladeshi households do not have floor ventilators, so the LPG accumulates and this is extremely dangerous.

Traditional steel cylinders are heavy, and also do not allow you to check when the LPG will run out. To solve these issues, at Beximco, we imported the technology to create composite fiberglass cylinders, which are lighter and translucent. They also do not corrode or mess up the kitchen floor tiles. Additionally, if these cylinders catch on fire, the composite fiberglass will melt and the gas will come out, but there will be no boiling liquid expanding vapor explosion (BLEVE).

We have a call centre to allow customers to reach us directly, and we have integrated the centre with a detailed and scientific customer relationship management system. We are also in the process of developing a 50 kg cylinder for commercial use

## LPG growing in demand

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back in 1978. However, it gained popularity since 2008 after the government stopped providing new gas connections to households due to dwindling reserves of natural gas.

Currently, the country's LPG use stands at around 10 lakh tonnes, which was only 47,000 tonnes in 2009. The demand is projected to increase to more than 25 lakh tonnes by 2025 and 35 lakh tonnes by 2030, industry insiders said.

“LPG is the next generation of fuel,” said Shamsul Haque Ahmed, chief executive officer of Omera Petroleum Ltd, one of the leading LPG distributors in the country.

LPG is being adopted all over the world and people in the country are becoming more aware about using LPG instead of the other conventional fuels because of its eco-friendly nature, he said.

The prices of LPG cylinder vary in the market.

However, each LPG cylinder (12.5 kg) is now being sold in the local market at Tk 900

to 1,100.

Alongside the only state-owned LP Gas Limited, 19 private companies are operating in the local market. Besides, four more companies are set to roll out their LPG business soon. New players are expected to enter the market as the government has granted licences to 53 companies, according to LPG facility providers.

The industry is largely import-oriented as 95 percent of the total LPG demand is met by import from various countries including Singapore, Malaysia, Saudi Arabia, UAE, Kuwait and some others.

Investment in this industry stands at around Tk 10,000 crore.

“Bottled gas has gained

ground as an alternative to piped gas. We think the market will grow soon and we are waiting for that,” said Md Jakaria Jalal, general manager (sales) of Bashundhara LP Gas Ltd.

Monzur Morshed Siddiqui, managing director of Total Bangladesh, said the LPG market started

witnessing significant growth since 2013-14 due to rising energy demand and the projected shortage of natural gas.

In addition to LPG use in households, there are huge prospects of LPG in the automobile sector because it has significant advantages over CNG.

“Autogas will be growing faster as many vehicles are being converted into LPG from

some problems in the market that may dent the potential pace of growth of the LPG industry.

Insiders said the presence of too many players in the market is causing unhealthy practices such as unreasonable price wars.

Besides, activities of cross/illegal fillers are a potential threat to consumers' safety, they said, adding that the government should ensure that all LPG cylinders are retested regularly to ensure safety of the users.

Contacted, Nasrul Hamid, state minister for power, energy and mineral resources, said LPG is undoubtedly the future in Bangladesh.

There are only 34 lakh pipeline gas connections while there are around four crore cooking stoves, he said.

“We are promoting it as it is green and clean compared to many other fuels. LPG in the autogas sector will gain popularity as it is cheaper and safer.”

“We are now trying to chalk out a formula to bring the price under regulation,” he added.

## Are we using LPG safely?

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For instance, hotels or restaurants have a certain way of using cylinders whilst domestic households have another. In high-rise buildings we install cylinder banks with metering systems as it is not possible to carry and install cylinders in every flat,” says Shamsul Haque Ahmed.

Although most gas companies are raising safety concerns and undertaking the required steps, some companies are bringing in innovative methods to enhance the safety levels of cylinders. For instance, Beximco has introduced the composite fiberglass cylinder which is a Type 2 or 3 cylinder.

M Muntasir Alam, Chief Commercial Officer of Beximco LPG, informs, “Steel cylinders are very hard and the gas pressure is always very high. If we expose them to extreme heat of the kitchen and commercial burner, or the extreme heat resulting from a house on fire, the gas inside the cylinders starts expanding due to enhanced pressure. At one point, the steel cannot handle the pressure and explodes. It is highly flammable and thus it explodes with fire. However, when cylinders made of composite fiberglass are used, they will melt and gas will also come out but there will be no explosion.” When asked about the role of LNG providers in ensuring safety of the cylinders, Monzur



CNG,” said Mohammad Yasin Arafat, director of Jamuna Gas.

However, there are

Morshed Siddiqui, Managing Director of Total Bangladesh, shares, “LPG cylinders are regularly checked at the plants, where we check the valve and cylinder for leakage. However, it is not possible for us to check the regulator, hose pipe and the burner. The users have to be aware and take charge of changing these within the stated time.”

He adds, “We distribute leaflets and train retailers and distributors and host safety awareness campaigns for consumers. Awareness sessions are also hosted

by Ministry of Power, Energy and Mineral Resources, Department of Explosives, LPG Operators Association of Bangladesh (LOAB) with whom we associate.” Regarding proper usage of cylinders in vehicles, Kazi Md Shifun Newaz, Assistant Professor of Accident Research Institute (ARI), BUET, suggests,

“Cylinders have to be tested every five years. The risks lie in the fact that the cylinders are not retested in our country. The cylinders expire and since a certain level of pressure is required to refill the cylinders, the expired cylinders cannot handle that pressure and eventually burst. Connection failure can also occur if the materials/parts used are faulty though the cylinders are in a good state.” He adds, “Type 1 cylinders are usually used in our country. However, better quality cylinders of Type 2 or 3 are available now and we can use them after testing them nationally. We should also ensure that the cylinders have the right pressure.”



## সম্পর্কের ডব্লুমাই আনে জীবনে স্বাচ্ছন্দ্য

মানুষের ইচ্ছাশক্তি, দায়িত্ববোধ, নিষ্ঠা আর অসীম বিশ্বাসের ফলে গড়ে ওঠা একে অন্যের প্রতি ভরসাই অটুট করে আমাদের সম্পর্কগুলোকে, ঠিক যেভাবে গত ২০ বছর ধরে আমাদের ভরসা হয়ে আছে দেশের ১ নম্বর এলপি গ্যাস ব্র্যান্ড বসুন্ধরা। এই ভরসায় আমাদের জীবন হয়ে উঠেছে স্বাচ্ছন্দ্যময়।

