

India eyes more LNG as heat lifts power usage

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India is looking to procure more natural gas from abroad as a heat wave pushes the nation's power demand to record levels.

Companies including GAIL India Ltd. and Petronet LNG Ltd. released several tenders this week to buy liquefied natural gas shipments for delivery from early May to June, according to traders with knowledge of the matter. Some of that gas will go to power generation, they said.

The move is abnormal, since gas makes up a small portion of India's coal-dominated power mix, and indicates the nation is working to ensure electricity keeps flowing to customers. Peak demand hit an all-time high earlier this week as blazing summer temperatures forced citizens to crank up their air conditioning.

Heat wave warnings are in place for parts of the nation's east including Odisha, according to a bulletin from the India Meteorological Department.

Maximum temperatures were in a range of 40C-44C (104F-111F) over many parts of the eastern region on Thursday, the bureau said.

NTPC Ltd., India's largest electricity producer, was asked by the government to increase gas-fired power generation to meet peak demand during April and May.