GOVERNMENT OF INDIA
POWER
LOK SABHA

STARRED QUESTION NO:270
ANSWERED ON:15.03.2001
POWER GENERATION
VINAY KUMAR SORAKE

Will the Minister of POWER be pleased to state:

(a) whether US energy experts estimate that by 2020 India`s level ofdependence on imported energy is going to be as high as US level at the time of Gulf crisis, and our future power generation will depend significantly on imported gas/oil;

(b) whether Dabhol`s high power supply tariff for MSEB is due to high cost of imported feedstock;

(c) whether it is a confirmed fact that the Country have coal reserves enough to last two centuries and hydro power potential of around 1,50,000 MW; and

(d) if so, whether India will abandon future power generation projects based on imported feedstock and concentrate on our own reserves of coal and potential for hydro-power?

Answer

THE MINISTER OF POWER (SHRI SURESH P. PRABHU)

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OSTARRED QUESTION NO. 270 TO BE ANSWERED IN TI LOK SABHA ON 15.03.2001 REGARDING POWER GENERATION.
(a) : No such report has been received in the Ministry of Power (Government of India).

(b) : The high cost of naphtha in the international market has been one of the reasons for the high tariff for the power supplied by the Dabhol Power Project tothe Maharashtra State Electricity Board (MSEB).The other main reason has been the increase in the dollar exchange rate. Further, MSEB has to take power as permerit order dispatch on the directions of the Maharashtra Electricity Regulatory Commission. As a result, the purchase of power from the Dabhol project is less than the contracted demand i.e. 90% PLF. However, MSEB has to pay fixed capacity charge.

(c) : The total coal reserves of the country as on 1.1.2000 is 211.59 billion tonnes, out of which 38.94% are under `proved` category, 42.30% are under `indicated` category and 18.76% are under `Inferred` category. Assuming a rate of coal production of 350 Million Tonnes during 2006-07, the life of recoverable proved reserves as on 1.1.1996 is expected to be over 85 years. However, about 3 to 4 Billion Tonnes of proved reserves are being added on an annual basis (as a result of detailed exploration) leading to additional recoverable reserves and extended life.

According to studies for re-assessment of hydro-electric (HE) potential inthe country carried out by Central Electricity Authority in (1978 to 1987), the HE potential of the country is assessed of as 84084 MW at 60% load factor from a total of 845 Nos. schemes. The potential when fully developed would result in likely installed capacity of about 1,50,000 MW on the basis of probable average load factor.

(d) : The capacity optimization studies carried out recently for the end of the 11th Plan (2011-12) have indicated that apart from hydel, indigenous coal and lignite are the most preferred fuels for power generation in the country. However, choice of fuel for the power projects depends upon a combination of factors like project site, load centres, distance of sources of fuels, likely impact on environment etc. Imported coal has been found to be competitive with the domestic coal at projects site near coastal regions. Though imported fuels (Petroleum products) are sensitive to foreign exchange variations and also to price of crude oil in the international market, their use may be economical in certain areas of the country apart from lesser impact on environment. The role of nuclear power may also be important in view of the indigenous capacity developed and also from energy security point of view.