

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:2892

ANSWERED ON:11.08.2010

SUPPLY OF COAL FOR POWER GENERATION

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Will the Minister of COAL be pleased to state:

- (a) the quantum of coal demanded and supplied to each of the electricity generating company in the country by Coal India Limited (CIL) and its subsidiaries during the last three years including the rates at which it was supplied and the market rates at that time;
- (b) whether coal was supplied to such companies as per the Memorandum of Understandings (MoUs) signed between these electricity generating companies and CIL during the above period;
- (c) if not, the reasons therefor;
- (d) whether the Government has decided to increase coal supply to these companies; and
- (e) if so, the details thereof and the steps taken/proposed to be taken to ensure that the coal companies supply adequate quantity of coal to these power generating companies?

Answer

MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF COAL AND MINISTER OF THE STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF STATISTICS & PROGRAMME IMPLEMENTATION (SHRI SRIPRAKASH JAISWAL)

(a): During the process of formulation of Annual Plan, Ministry of Coal/ Planning Commission assess the overall coal demand of the country, sector-wise and such demand is not assessed electricity generating company-wise. Based on such assessed demand, company-wise coal supply plan is formulated for various sectors, including power utilities. The details of Subsidiary-wise dispatch to Power Utilities against target finalized in Supply Plan as part of Annual Plan for the last three years, is furnished below:-

(figures in million tonnes)

Despatch performance to Power Utilities from Coal India Limited sources

Coal company	2007-08	2008-09
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	Targ Dispat et ch tion	%materialisa et ch tion	Targ Dispat et ch tion	%materialisa et ch tion
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ECL	26.85	21.95	82	26.50	23.69	89
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BCCL	14.13	16.86	119	14.20	16.96	119
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CCL 27.78 27.44 99 29.80 28.89 97

NCL 51.92 53.13 102 54.08 58.05 107

WCL 33.83 36.10 107 34.15 34.96 102

SECL 63.90 66.71 104 67.00 73.24 109

MCL 59.18 57.42 97 65.48 59.81 91

NEC 0.73 0.42 57 0.20 0.21 103

CIL 278.32 280.03 101 291.41 295.81 102
Total

Coal company 2009-10

Target Dispatch % materialization

ECL 26.00 25.21 97

BCCL 17.56 16.89 96

CCL 31.80 28.10 88

NCL 58.80 61.06 104

WCL 34.83 34.48 99

SECL	73.40	74.20	101
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MCL	69.12	57.97	84
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NEC	0.20	0.10	48
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CIL Total	311.71	298.01	96
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While supplies from Coal India Limited (CIL)'s coal companies to the electricity generating companies was in terms of prices notified by CIL, a quantity of 4.02 Million Tonnes of coal was supplied by Eastern Coalfields Limited under negotiated prices from certain identified mines for a few power utilities of NTPC Limited, Damodar Valley Corporation, Calcutta Electric Supply Corporation, Durgapur Projects Limited and West Bengal Power Development Corporation Limited. The details of market rates of coal are not available with Coal India Limited.

(b) & (c): Coal supplies have been effected in terms of quarterly allocation granted by Standing Linkage Committee (Short term) in 2007-08 and 2008-09. As per New Coal Distribution Policy notified by Government of India in October, 2007, coal is to be supplied under Fuel Supply Agreement (FSA) for consumers. Coal supply to power utilities commenced under Fuel Supply Agreement from April, 2009 based on the Annual Contract Quantity (ACQ) decided by Central Electricity Authority totaling 306 Million Tonnes for Thermal Power Plants existing as on 31.3.2009.

(d&e): The planned coal supplies by Coal India Limited, during 2010-11 to the regulated power utilities, has been increased to 335 million tonnes as against the actual coal supplies of 298.01 million tonnes during 2009-10. For the year 2010-11, as against the estimated coal requirement of 434 MT projected by the Central Electricity Authority for the power plants, the availability of indigenous coal, based on production by government coal companies and captive mines, has been estimated at 388 MT, leaving a shortfall of 46 MT. To bridge this gap, power utilities have been advised by the Ministry of Power to import 35 MT of coal. An inter-Ministerial Sub-group under the Chairmanship of Joint Secretary in the Ministry of Coal closely monitors and Secretary (Coordination), Cabinet Secretariat, periodically reviews the position of supply of coal to power utilities and suggest appropriate corrective measures, wherever required, for maintaining coal supplies to power utilities. Through appropriate plant specific measures, the power utilities are now carrying coal stocks of about 11.31 million tonnes, which is equivalent to 12 days coal stock.