

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1457
ANSWERED ON:04.03.2011
KAYAMKULAM THERMAL POWER PLANT
Antony Shri Anto

Will the Minister of POWER be pleased to state:

- (a) whether the Government proposes to enhance the production capacity of thermal power plants in the country including Kayamkulam Thermal Power Plant in Kerala;
- (b) if so, the details thereof and the steps taken by the Government in this regard;
- (c) the average cost of production and average selling price of electricity per unit produced from Kayamkulam Thermal Power Plant;
- (d) whether the Government has any plan to reduce the cost of production; and
- (e) if so, the details thereof?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI K.C. VENUGOPAL)

(a) & (b): The capacity addition target for the 11th Plan has been revised to 62,374 MW at the time of mid-term appraisal carried out by the Planning Commission. This comprises 50,757 MW thermal capacity. Against this target, thermal projects aggregating to 27,961 MW have already been commissioned till 16.02.2011 during the 11th Plan and the balance capacity is under execution for likely benefits during the 11th Plan.

NTPC has also planned to enhance their production capacity by adding thermal power plants at various locations in the country which includes 1050 MW Rajiv Gandhi CCPP stage-II at Kayamkulam in Kerala.

Various steps have been taken by the Government to enhance the power generation capacity addition including thermal capacity in the country. These include augmentation of manufacturing capacity of BHEL from 10,000 MW in December, 2007 to 20,000 MW by 2012; periodic review of issues related to supply of power equipment from BHEL by a Group under the chairmanship of Secretary (Heavy Industry); formation of several new joint ventures to manufacture supercritical boilers and turbine-generators for thermal power plants; bulk ordering of 11 units of 660 MW each with supercritical technology with mandatory phased indigenous manufacturing programme to promote indigenous manufacturing; sensitization of stakeholders to enlarge the vendors base to meet Balance of Plants requirements; rigorous monitoring of projects at different levels including by Ministry of Power, Central Electricity Authority, Power Project Monitoring Panel and Advisory Group under the chairmanship of Minister of Power; and introduction of web-based monitoring system.

(c) to (e): The Kayamkulam power plant is naphtha based power plant and the cost of power generated from this plant is high as compared to coal/hydro power plants due to high cost of fuel. The cost of power generation can be reduced if domestic gas is made available to this power plant. The average tariff of electricity supplied to SEBs from naphtha based Rajiv Gandhi CCPP Stage-I, Kayamkulam plant during the financial year 2009-10 was Rs.7.61 per Kwh.

Empowered Group of Ministers (EGoM) on gas pricing and commercial utilization of gas has allocated KG D6 gas to existing gas based/liquid based power stations, having pipeline connectivity. KG D6 gas allocation for Kayamkulam Stage-I was not considered since the plant was not connected to any pipeline network. However, taking into account the concern of southern state of high tariff of electricity, Ministry of Power has recently recommended allocation/assurance of 3.92 Million Metric Standard Cubic Meter (MMSCMD) of gas to Kayamkulam stage-II (1050 MW) which is cheaper than naphtha.