

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:1621
ANSWERED ON:15.07.2009
SUPPLY OF COAL TO THERMAL POWER STATIONS
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Will the Minister of COAL be pleased to state:

- (a) whether the Coal India Limited (CIL) and its subsidiary companies are able to meet the total requirement of Mejia Thermal Power Station and various other consumers in West Bengal during Eleventh Plan Period;
- (b) if so,the reasons thereof;
- (c) if not,the reasons therefor; and
- (d) the steps taken by the Government to supply coal to Thermal Power Stations of Damodar Valley Corporation and other consumers as per their demand on priority basis ?

Answer

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

(a) to (c): In the process of formulation of Annual Plan, demand of coal is assessed sector-wise by Ministry of Coal/Planning Commission, based on which the Annual Supply Plan of CIL is finalized by the Ministry of Coal. The annual plan does not incorporate either state-wise or individual consumer-wise demand.

In so far as Damodar Valley Corporation (DVC) is concerned the trend of dispatch for last three years from CIL sources, and dispatch to Mejia TPS is given in the table below: Figures in thousand tonnes

	2006-07 (Provisional)	2007-08	2008-09
Overall DVC	9454	10136	11200
Mejia TPS	4406	4497	5275

The Compounded Annual Growth Rate (CAGR) of dispatch of coal from CIL to DVC power stations in last three years has been 8.8% against national average of 6.3%. As far as Mejia TPS is concerned the growth rate was even higher at 9.4%. The receipt of coal at Mejia TPS could have been better if the unloading problem at the power station, resulting in disruption in movement of coal rakes, had been taken care of by the power plant.

Total dispatch of coal to West Bengal and dispatch of coal to power stations of West Bengal from CIL sources during the last three years is given in the table below:

(Figures in thousand tonnes)
2006-07 2007-08 2008-09
(Provisional)

Despatch to West Bengal 30152 31142 33018

Despatch to 24366 25501 28157
 Power
 Stations of
 West Bengal

Similarly, in case of West Bengal the CAGR in dispatch of coal during last three years has been 4.6%, which in case of Power Stations has been 7.5%.

(d): Under the provisions of New Coal Distribution Policy, dispatches of coal from CIL to all consumers, including Power Utilities, are to be governed by Fuel Supply Agreements (FSAs). The Annual Contracted Quantity (ACQ) for signing FSAs by all power utilities, powerhouse-wise, including those of DVC have been decided by the Central Electricity Authority. The FSAs are made effective from April, 2009. The model FSA for Power Utilities has been developed in consultation with the Central Electricity Authority, wherein committed supplies/lifting is guaranteed at the level of 90% of Annual Contracted Quantity (ACQ). There is adequate provision for incentives and penalties for deviation from the committed level of supplies. Thus the system in vogue is adequately equipped to ensure supply of coal to DVC as per their requirement. The status of coal supply to DVC during the period April-June, 2009 is given in the table below:

Figures in thousand tonnes

	ACQ as FSA decided by CEA	Dispatch in %		satisfaction
		commitment for April- June, 2009	April-June 2009 of (provisional) commitment	
Overall DVC	11300	2825	2731	97
Mejia TPS	5200	1300	1237	95