

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:1861
ANSWERED ON:02.12.2011
ALLOCATION OF COAL BLOCKS
Shantha J.

Will the Minister of POWER be pleased to state:

- (a) whether due to problems in the allocation of coal blocks the commissioning of Ultra Mega Power Projects (UMPPs) is getting delayed;
- (b) if so, the details thereof;
- (c) whether delay in commissioning of UMPPs would adversely affect India's growth;
- (d) if so, the details thereof; and
- (e) the corrective measures taken by the Government in this regard?

Answer

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

(a)&(b): There is no delay in commissioning of Ultra Mega Power Projects (UMPPs) due to reasons attributable to problems in the allocation of coal blocks. In fact, for pit head UMPPs, as per the Guidelines for determination of tariff by bidding process for procurement of power by distribution licensees, one of the pre-requisite for calling Request for Qualification (RfQ) is allocation of coal block by Ministry of Coal. Since the coal blocks are allocated even before the initiation of bidding process, the delay could not occur for want of allocation of coal block. However, the last date of submission of RfQ for Orissa and Chhattisgarh UMPPs have been extended six and nine times respectively as the coal block(s) of these UMPPs were categorized as No-Go area by Ministry of Environment and Forests (MoEF). The issue for Orissa UMPP has been resolved and the bids were opened on 1st August, 2011. Presently, the date of RfQ submission is 5th December, 2011. However, in view of decision of Group of Ministers (GoM) on environmental and development issues relating to coal mining and other development projects to do away with the Go/No-Go concept, the MoEF has been requested to clarify the matter for proceeding ahead with the bidding process of Chhattisgarh UMPP.

(c)to(e): At present as per the Central Electricity Authority (CEA), the commissioning of all the awarded UMPPs are within their original Power Purchase Agreement (PPA). However, Ministry of Power takes up the matter with different Ministries/ the State Governments as and when required for facilitating expeditious commissioning of the projects.