

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

STARRED QUESTION NO:579

ANSWERED ON:16.05.2012

FUEL SUPPLY AGREEMENT

Gaikwad Shri Eknath Mahadeo;Paranjpe Shri Anand Prakash

Will the Minister of COAL be pleased to state:

- (a) the details of the consumers/companies who have signed Fuel Supply Agreement (FSA) with Coal India Ltd (CIL);
- (b) whether the Association of Power Producers and some others have refused to sign the new FSA with CIL;
- (c) if so, the details thereof alongwith the names of customers/companies in this regard and the reasons for the same;
- (d) whether the Government has initiated any steps to resolve the problem between CIL and the power producers;
- (e) if so, the details of the outcome thereof; and
- (f) the steps taken/being taken by the Government for regular coal supply to the power companies ?

Answer

MINISTER OF COAL (SHRI SRIPRAKASH JAISWAL)

(a) to (f): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (f) of Lok Sabha Starred Question No.579 for 16.5.2012

(a): The subsidiary companies of Coal India Limited (CIL) have concluded 1652 Fuel Supply Agreements(FSAs) covering total quantity of 438.29 Million Tonnes. The sector-wise details of FSAs concluded are as under:

S.No	Sector	Number of FSAs concluded	Quantity of coal commitment involved (Million Tonnes)
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1	Power Plants including Independent Power Producers	154	332.27
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2	Captive Power plants	235	57.24
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3	Cement	61	8.77
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4	Fertilizers	10	2.90
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5	Sponge Iron	426	23.69
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6	Aluminium	3	0.89
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7	Paper	45	1.44
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7 State Agencies 22 3.94

8 Erstwhile 696 5.15
Non-core
linked
consumers
and others

Total 1652 438.29

(b) & (c): The Ministry of Coal/CIL has not received any categorical refusal from the Association of Power Producers or others in respect of signing of the revised model Fuel Supply Agreement (FSA). However, CIL has received a request from NTPC to consider signing of the FSA for the additional units of their existing power stations on the same parameters as done with their existing plants, but with revised trigger point on disincentive as per the Government directives. A representation has also been received from the Power Producers Association seeking certain changes in the new model FSA

(d) & (e): CIL has been asked to examine the reference received from NTPC and the representation of Association of Power Producers, for taking appropriate action.

(f): To ensure regular coal supply to the power producers, Ministry of Coal has directed CIL to sign FSAs for supply of coal as per Annual Contracted Quantity (ACQ) with assured level of 80% to the Power Plants which have been commissioned and/or would get commissioned between 1.4.2009 and 31.3.2015. This dispensation will be applicable in respect of plants having long term Power Purchase Agreements (PPAs) with Distribution Companies (DISCOMS) and which have been identified by Central Electricity Authority / Ministry of Power.