

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

STARRED QUESTION NO:65
ANSWERED ON:27.11.2012
COAL FOR POWER PLANTS
Vijayan Shri A.K.S.

Will the Minister of COAL be pleased to state:

- (a) whether the Government has assessed the current requirement of coal for power plants in the country including Tamil Nadu;
- (b) if so, whether the required quantity is being supplied to these power plants in the States, particularly in Tamil Nadu;
- (c) if not, the reasons for inadequate supply of coal to these power plants; and
- (d) the steps taken by the Government in this regard ?

Answer

MINISTER OF COAL (SHRI SRIPRAKASH JAISWAL)

(a) to (d) : A Statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of Lok Sabha Starred Question No.65 for 27.11.2012

(a): As part of the Annual Plan, Ministry of Coal/Planning Commission assesses overall sector-wise demand for coal in the country. Such demand is not assessed State-wise or consumer-wise. Based on such assessed demand, company-wise sector-wise supply plan targets are finalised by Ministry of Coal for various sectors including Power sector. Therefore, power plant wise supply plan target for various States in the country including Tamil Nadu is not available. As per the Annual Plan of MoC for 2012-13, all India coal demand for power utility sector has been assessed to be 512 MT.

(b): Due to various reasons, the contracted quantity cannot sometimes be supplied to the power plants. Despite this, the overall supply of coal to power plants from CIL has been more than 90% of the supply plan targets during the last three years and the current year. Despatches of coal to power plants vis-à-vis supply plan targets for the last three years and current year (upto Oct 2012) are given below:

Despatch of Coal to Power Plants from CIL (in Million Tonnes)

Year Target Despatch % Materialisation

2009-10	311.71	298.03	96%
2010-11	332.78	304.15	91%
2011-12	327.54	312.2	95%
2012-13	189.62	185.49	98%

(Upto Oct,
2012)
(provisional)

Presently coal is supplied from CIL sources as per terms of Fuel Supply Agreement (FSA) in respect of Thermal Power Plants (TPPs) which have concluded FSA. In respect of TPPs which are yet to conclude FSA, supplies are made under Short-term Memorandum of Understanding (MOU) on best-effort basis.

TPPs of Tamil Nadu are supplied coal as per terms of FSA for the 4 TPPs of TANGEDCO (Ennore, Mettur, Tuticorin and North Chennai) and under short-term MOU for Vallur TPS of TNECL. TPP-wise details of supplies against committed quantity under FSA/MOU are as under:

Despatch of coal and coal products to TPPs in Tamil Nadu during 2012-13 (upto Oct`12)
(Figures in `000Tonnes and are provisional)

TPP Committed Quantity Despatch % Mat

under FSA/MOU

TPPs of TANGEDCO (Ennore, 7570 6267 83%
Mettur, Tuticorin & North
Chennai)

Vallur TPS of TNECL 321 132 41%

Total TPPs in Tamil Nadu 7891 6399 81%

(c): The major reasons for short supply of coal are as under:-

(i) Annual Contracted Quantity (ACQ) is fixed at 85% Plant Load Factor (PLF) and FSAs are signed and supplies are made accordingly. However, some of the power houses operate at much higher PLF.

(ii) less imports by many of the power houses, as compared to the targets fixed by MOP.

(iii) unloading constraints at some of the power houses.

(iv) self-regulation of coal receipts by some power plants.

(v) some pithead power plants themselves tend to keep less stocks to keep pace with the MGR facility available with them vis-a-vis their daily requirements.

(vi) Intermittent law and order problems hampering coal movement particularly in States of Jharkhand and Orissa.

(vii) Seasonal adversities like heavy rains, heat wave conditions and fog situations hampering optimal level of coal transportation and movement

(d): Coal India Limited has been asked to increase production from their existing mines and expedite production from 116 blocks allocated to them. Endeavour is also being made to enhance coal production through development of coal blocks allotted to both private and public sector undertaking companies. Accordingly, the growth in coal production during 12th Plan is envisaged to be 8.05% (Compounded Annual Growth Rate) as against the actual growth of 4.61% in the 11th Plan. Further, while the consumers including power utilities are importing coal to meet the estimated gap between demand and indigenous availability. CIL has also written letters to power companies during September 2012, seeking their consent for supply of imported coal on cost plus basis under the modified FSA.