

**GOVERNMENT OF INDIA  
POWER  
LOK SABHA**

UNSTARRED QUESTION NO:1786  
ANSWERED ON:07.03.2013  
FUEL SHORTAGE TO POWER PLANTS  
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**Will the Minister of POWER be pleased to state:**

- (a) whether the Government has undertaken a review of fuel shortages being faced by power plants in the country;
- (b) if so, the details thereof and the outcome of the review; and
- (c) the steps being taken/proposed to be taken for the adequate supply of fuel on the basis of the review?

**Answer**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF POWER (SHRI JYOTIRADITYA M. SCINDIA)

(a) to (b) Coal to the thermal power stations is regularly reviewed by Central Electricity Authority, Ministry of Power and an Inter-Ministerial Group under the aegis of Ministry of Coal. Shortage of fuel is assessed keeping in view the availability of indigenous coal and gas. For the year 2012-13, against a domestic coal requirement of 476 Million Tonne (MT) availability of domestic coal was ascertained as 417 MT, leaving a shortfall of 69 MT. In order to meet this shortfall, Power Utilities were advised to import 46 MT coal which is equivalent to 69 MT of domestic coal as imported coal is of higher Gross Calorific Value (GCV).

The materialization of coal supply to power plants have increased to 98% during 2012-13 (upto January, 2013) from 91% during the corresponding period of 2011-12. Further, the growth in receipt of coal to power plants during 2012-13 (upto January, 2013) have increased to 12.2% from 0.88% during the corresponding period of 2011-12.

At present about 35 Million Metric Standard Cubic Meter per Day (MMSCMD) gas is being supplied to the gas-based power stations in the country against a gas requirement of around 85 MMSCMD at 90% Plant Load Factor (PLF).

(c) In order to ensure adequate supply of fuel to the power plants following steps have been taken.

(i) Ministry of Coal / Coal India Limited (CIL) have been insisted upon to enhance production of coal in the country.

(ii) Thrust is on ramping up production of coal by captive coal block allottees from existing mines and expedite commissioning of new coal blocks.

(iii) CIL has been directed to sign Fuel Supply Agreements (FSAs) with power plants that have entered into long-term Power Purchase Agreements (PPAs) with DISCOMs and have been commissioned /would get commissioned on or before 31st March 2015.

(iv) The FSAs will be signed for full quantity of coal mentioned in the Letters of Assurance (LOAs) for a period of 20 years with trigger level of 80% for levy of disincentive and 90% for levy of incentive.

(v) To meet its commitments, CIL may reduce coal meant for e-auction from 10% to 7% of its production progressively till the end of 12th Plan.

(vi) In case of any shortfall in fulfilling its commitment under the FSAs from its own production, CIL will arrange for supply of coal through imports or through arrangement with PSUs allotted coal blocks for commercial mining.

(vii) In addition to above, power utilities are importing coal to bridge the gap between demand and indigenous availability of coal subject to blending limitations of the boiler.

(viii) Increase the gas availability for power sector including through imports by utilities.