

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:405
ANSWERED ON:06.08.2013
FUEL SUPPLY AGREEMENTS
Maadam Shri Vikrambhai Arjanbhai

Will the Minister of COAL be pleased to state:

- (a) whether any directives has been issued to the Coal India Limited (CIL) to sign fuel supply agreements with power companies in the country;
- (b) if so, the details thereof; and
- (c) the present status of implementation of the said directives by CIL with the power companies, State-wise including Gujarat?

Answer

MINISTER OF STATE IN THE MINISTRY OF COAL (SHRI PRATIK PRAKASHBAPU PATIL)

(a)to(c): Ministry of Coal had issued Directives to Coal India Limited (CIL) on 04.04.2012 to sign Fuel Supply Agreements (FSAs) with the power plants of 60,000 MW capacity, identified by the Ministry of Power, that have entered into long term Power Purchase Agreements (PPAs) with DISCOMS and have been commissioned after 31.3.2009 and would get commissioned on or before 31.3.2015 and that the FSA will have a tenure of 20 years with provisions for incentive for supply above 90% of Annual Contracted Quantity (ACQ) and penalty for supply below 80%.

Following the decisions of the Competent Authority, Ministry of Coal has issued another Directive on 17.7.2013 for signing of FSAs with the power plants of about 78,000 MW capacity identified by the Ministry of Power (replacing the list of about 60,000 MW capacity plants and adding another about 7,000 MW for long-term linkages and about 11,000 MW for tapering linkages) that have entered into long term Power Purchase Agreements (PPAs) with DISCOMS and have been commissioned /would get commissioned after 31.3.2009 and on or before 31.3.2015.

As on 25.07.2013, subsidiary companies of CIL have signed 82 FSAs with power plants which includes 3 power plants located in Gujarat.