

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:2288

ANSWERED ON:22.08.2013

SUPPLY OF COAL TO POWER PLANTS

Muttemwar Shri Vilas Baburao;Naik Dr. Sanjeev Ganesh;Rao Shri Nama Nageswara;Reddy Shri Modugula Venugopala ;Singh Shri Dhananjay ;Sule Supriya

Will the Minister of POWER be pleased to state:

- (a) whether the Government has allowed the power generation companies to directly import coal to meet the shortage in the power plants;
- (b) if so, the details thereof and the reasons therefor along with the price of imported coal vis-a-vis the domestic coal;
- (c) whether the higher cost of power generated from the imported coal will be passed on to the consumers and if so, the details thereof along with the steps being taken by the Government to protect the consumers;
- (d) the quantum of coal imported for power generation along with the cost incurred for the same during each of the last three years and the current year;
- (e) whether a high level committee was constituted to ensure regular and uninterrupted supply of coal to the power projects; and
- (f) if so, the details thereof along with the reasons for failing to supply coal to the power projects as per their demand?

Answer

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

(a), (b) & (d) : Yes, Madam. As against the total domestic coal requirement of 516 Million Tonne (MT) for the year 2013-14, availability of domestic coal assured from CIL, SCCL and Captive Mines is 441 MT, leaving a shortfall of 75 MT. In order to meet this shortfall of 75 MT domestic coal, Power Utilities have been advised to import 50 MT of imported coal as per the equivalent Gross Calorific Value (CGV) of the imported coal.

The details of quantum of coal imported by power utilities during the last three years and current year upto July, 2013 are given below :

(c) : Cost of the fuel including that of the imported coal is considered by the appropriate commission at the time of determination of tariff which takes into account the interest of all stakeholders including that of consumers.

(e) to (f) : In order to meet the shortfall in domestic coal requirement of Thermal Power Projects (TPPs) to be commissioned during 12th Plan (upto 31.03.2015), in the Cabinet Committee on Economic Affairs (CCEA) meeting held on 21st June, 2013, among other decisions the following were also decided :

(i) Coal India Ltd. (CIL) to sign Fuel Supply Agreement (FSA) for a total capacity of 78,000 MW including cases of tapering linkage, which are likely to be commissioned by 31.03.2015. Actual coal supplies would, however, commence when long term Power Purchase Agreements (PPAs) are tied up.

(ii) Taking into account the overall domestic availability and actual requirements, FSAs would be signed for domestic coal quantity of 65%, 65%, 67% and 75% of Annual Contracted Quantity (ACQ) for the remaining four years of the 12th Five Year Plan.

(iii) To meet its balance FSA obligations, CIL may import coal and supply the same to the willing Thermal Power Plants (TPPs) on cost plus basis. TPPs may also import coal themselves. Ministry of Coal to issue suitable instructions.