

**GOVERNMENT OF INDIA
COAL
LOK SABHA**

UNSTARRED QUESTION NO:1965

ANSWERED ON:17.12.2013

SUPPLY OF COAL TO POWER PROJECTS

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Will the Minister of COAL be pleased to state:

- (a) whether the purpose of Fuel Supply Agreement (FSA) is to provide good quality coal in sufficient quantity to all the Thermal Power Stations;
- (b) if so, whether it is a fact that the supply of coal to power projects is lagging behind in spite of having proper FSA;
- (c) if so, the details thereof and the reasons therefor;
- (d) whether the Government has constituted an inter-Ministerial sub- group in the Ministry to review coal stock position of power plants in the country and if so, the details thereof; and
- (e) the measures suggested/taken for meeting coal stock at various power plants and ensuring regular supply of coal to meet the demand?

Answer

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

(a)to(c): The purpose of Fuel Supply Agreement (FSA) for power stations from Coal India Limited (CIL) sources is to assure supply of coal to the tune of normative requirement based on long-term linkage. FSA has adequate clauses to address issues of quantity as well as quality of coal. Till such time FSA was concluded, coal was also supplied through best-effort Memorandum of Understanding (MOU) route as per allocation made by Central Electricity Authority (CEA).

By and large CIL has been dispatching more than 90% of the quantity committed under FSA/MOU. During the last three years, despatches to Power Utilities have been 91% 91% and 92% of FSA/MOU commitment in 2010-11, 2011-12 & 2012-13 respectively. Despatches were 87% in the current year up to November, 2013 as mentioned in the following table:

Despatch of Coal & Products to Power Utility Sector from CIL (in Million Tonnes)

Year	Committed Qty	Despatch %	Mat
2010-11	334.54	304.15	91%
2011-12	344.38	312.07	91%
2012-13	375.77	344.37	92%
2013-14	259.13	224.69	87%

(Up to Nov`13) (Provisional)

Despatches were affected during the last three months due to disruption of production / transportation because of law & order problems in Jharkhand & Orissa, Cyclon and its after effects, etc.

(d)&(e): Inter-Ministerial Sub-Group comprising representatives of Ministry of Power, Ministry of Coal and Ministry of Railways has been constituted. This Sub-Group monitors coal supply to power utility sector and takes various decisions for meeting any contingent situations including critical coal stock position of less than 7 days requirement.