

**GOVERNMENT OF INDIA  
MINISTRY OF COAL  
RAJYA SABHA  
STARRED QUESTION NO.\*276  
TO BE ANSWERED ON 12.12.2016**

**Coal linkage policy for private power producers**

**\*276. SHRI SANJAY RAUT:**

Will the Minister of COAL be pleased to state:

- (a) whether the Ministry is arranging coal to the private power producers through e-auction route or imports, if so, the details thereof;
- (b) whether Government has formulated or is formulating a coal linkage policy to help those power producers; and
- (c) whether in the absence of coal linkage policy, the viability of their projects is being impacted and if so, the corrective steps being taken in this regard ?

**A N S W E R**

**MINISTER OF STATE (I/C) FOR COAL, POWER, NEW AND RENEWABLE  
ENERGY AND MINES**

**(SHRI PIYUSH GOYAL)**

A statement is laid on the Table of the House.

**Statement referred to in reply to parts (a) to (c) of Rajya Sabha Starred Q.No.276 for answer on 12.12.2016 asked by SHRI SANJAY RAUT**

**(a):** In order to make coal available to those power plants which have short supply of coal for the reason that they do not have coal block or linkages or do not have long term Power Purchase Agreements (PPAs), the Coal India Limited (CIL) is offering coal exclusively to such power producers under a special scheme of e-auction called Special Forward e-Auction for Power Producers. In the existing Fuel Supply Agreements (FSAs) with private power producers, there is a provision for supply of imported coal along with indigenous coal as per the option given by the consumer. However, in 2016-17, sufficient availability of indigenous coal has enabled CIL and its subsidiaries to offer indigenous coal in lieu of import component.

**(b):** The Cabinet Committee on Economic Affairs (CCEA) in 2013 has directed CIL to sign FSAs with power utilities for a total capacity of about 78,000 MW, including tapering linkage cases, which were likely to be commissioned by 31.03.2015. Taking into account the overall domestic availability of Coal and the likely actual requirements of these power plants, FSAs were to be signed for supply of domestic coal quantity to the extent of 65%, 65%, 67% and 75% of Annual Contracted Quantity (ACQ) for the remaining four years of the XII plan for the power plants having normal coal linkages. The coal supplies at present are made as per this policy.

**(c):** The Special Forward e-Auction for Power Producers, as detailed in (a), is envisaged to make coal available for those power plants which are in short supply of coal for the reason that they do not have coal block or linkages or do not have long term PPAs.

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