GOVERNMENT OF INDIA MINISTRY OF POWER

LOK SABHA UNSTARRED QUESTION NO.1755 TO BE ANSWERED ON 20.12.2018

STRANDED POWER PLANTS

1755. SHRI ADHALRAO PATIL SHIVAJIRAO: SHRI SHRIRANG APPA BARNE: SHRI ANANDRAO ADSUL: SHRI VINAYAK BHAURAO RAUT:

Will the Minister of POWER be pleased to state:

(a) whether the High Level Empowered Committee (HLEC) set up by Union Government has come out with its report on stranded thermal power projects;

(b) if so, the details thereof and the reasons that have contributed to the current scenario;

(c) the details of thermal power projects which are entirely fuelled by coal and lignite;

(d) whether the aforesaid committee has suggested measures to resolve the challenges;

(e) if so, the details thereof; and

(f) the action taken to resolve the challenges faced by the thermal power projects?

ANSWER

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER AND NEW & RENEWABLE ENERGY

(SHRI R. K. SINGH)

(a) & (b) : Yes, Madam. A High Level Empowered Committee (HLEC) was constituted by the Government on 29.07.2018 to examine the issues of Stressed Thermal Power Projects, headed by Cabinet Secretary, with representatives from Ministry of Railways, Ministry of Finance, Ministry of Power, Ministry of Coal and the lenders having major exposure to the power sector.

The HLEC report mentions the major reasons for stress in the Power Sector, which are as follows:

- Issues related to Coal supply,
- Slow growth in Power demand,

- Delayed payments by DISCOMs,
- Inability of the Promoter to infuse equity and service debt,
- Slow implementation of project by the developers,
- Issues related to Banks/ FIs
- Aggressive tariffs quoted by bidders in competitive bidding process,
- Regulatory and contractual disputes,
- Legal issues related to auctioned coal mines,
- Other operational issues such as delay in land acquisitions, inadequate transmission system etc.

(c): The details of Thermal Power Project which are entirely fuelled by coal and lignite are provided in Annexure.

(d) & (e) : The HLEC has made following recommendations in their report:

1. Recommendations for Coal allocation/supply

1.1. Coal Linkage for short-term PPA: Linkage coal may be allowed to be used against short term PPAs and power be sold through Discovery of Efficient Energy Price (DEEP) portal following a transparent bidding process.

1.2. Coal Supply in case of termination of PPAs due to Payment default by DISCOMs: A generator should be able to terminate PPA in case of default in payment from the DISCOM with the facility to use linkage coal for short term PPAs for a period of maximum of 2 years or until they find another buyer of power under long/medium term PPA, whichever is earlier.

1.3. Procurement of bulk power by a nodal agency against predeclared linkages: A nodal agency may be designated which may invite bids for procurement of bulk power for medium term for 3 to 5 years in appropriate tranches, against pre declared linkage by Coal India Limited (CIL).

1.4. PSU to act as an aggregator of power: NTPC can act as an aggregator of power, i.e., procure power through transparent competitive bidding process from such stressed power plants and offer that power to the DISCOMs against PPAs of NTPC till such time as NTPC's own concerned plants/units are commissioned.

1.5. Increase in quantity of coal for special forward e-auction for power sector: Ministry Of Coal may earmark for power, at least 60 per cent of the e-auction coal, and this should be in addition to the regular coal requirement of the power sector.

1.6. Linkage to be provided at notified prices without bidding:The generator should be required to bid only once, for the procurement of PPA and linkage should be granted at notified price without any further bidding, to the extent of incremental coal production.

1.7. Non-lapsing of short supplies of coal: If there is a shortfall in the supply of coal and it is attributable to the Ministry of Coal or Railways; such shortfall need not lapse and be carried over to the subsequent months up to a maximum of three months.

1.8. ACQ to be determined based on efficiency: Upper ceiling for the ACQ/MW may be prescribed by the CEA on the basis of efficiency parameters and irrespective of the capacity and actual consumption of that plant, the coal may be supplied on that basis.

2. Recommendations to facilitate sale of power of the stressed power plants

2.1. Retirement of old and inefficient Plants: Old and high heat rate plants not complying with new environment norms may be considered for retirement in a phased and time bound manner at the same time avoiding any demand/supply mismatch.

3. Recommendations on Regulatory & DISCOM payment issues:

3.1. Mandatory payment of Late Payment Surcharge (LPS):Late Payment Surcharge be mandatorily paid in the event of delay in payment by the DISCOM.

3.2. Payment Security mechanism for IPPs: PFIs providing the Bill Discounting facility may also be covered by TPA i.e. in case of default by the DISCOM, the RBI may recover the dues from the account of States and make payment to the PFIs.

4. Other Recommendations

4.1. Cancellation of PPA/FSA/LTOA post NCLT scenario: PPAs, FSA and LTOA for transmission of power, EC/FC clearances, and all other approvals including water, be kept alive and not cancelled by the respective agencies even if the project is referred to NCLT or is acquired by any other entity. All of these may be linked to the plant and not the Promoter.

4.2. Cancellation of PPA for non-compliance of COD: In case there is a delay in the commissioning of a project, the DISCOMs may be advised not to cancel the PPAs signed with the Generator and the same be kept on hold for a certain period of time.

4.3. Low utilization of Gas plant capacity due to paucity of natural gas: In order to revive gas based power plants, Ministry of Power and Ministry of Petroleum & Natural Gas may jointly devise a scheme in line with the earlier e-bid RLNG Scheme (supported by PSDF).

Report has been circulated by the Government to all members. It has also been published on the website of the Ministry.

(f): Govt. of India has taken following steps to resolve the issues related to stress in Thermal Power Projects:

- I. Fuel Linkages under SHAKTI; The government has approved a new coal linkage allocation policy on May 17, 2018 named SHAKTI (Scheme for harnessing & allocating koyla transparently in India). Under the scheme, auction of coal linkages for Independent Power Producers (IPPs) with PPAs based on domestic coal has been conducted on September 12, 2017. IPPs having PPA but no coal linkages have participated in the auction and linkages have been granted to 11549 MW capacity (10 projects) including five stressed projects of total 8490 MW capacity, and these projects have been resolved. Under B(i) provision of SHAKTI scheme, linkages have been granted to States/ Central Gencos for 8870 MW for 10 projects.
- II. Pilot project for procurement of 2500 MW; In order to address the problem of lack of Power Purchase Agreements (PPAs) in the country, The Ministry of Power has notified a scheme for procurement of 2500 MW on competitive basis for a period of 3 years from the generators with commissioned projects having untied capacity. Under the scheme, PFC Consulting Ltd. invited bids for 2500 MW of power wherein PTC India Limited acted as an aggregator of demand for purchase of power from the power projects and sell that power to states utilities. Bids have been received from 7 (seven) projects for aggregate power of 1900 MW. Letter of Award (LOA) has been issued to all the successful bidders (1900 MW).
- III. DISCOM Payment Monitoring App PRAAPTI: A new App PRAAPTI (Payment Ratification and Analysis in Power Procurement for Bringing Transparency in Invoicing of generators) has been launched by the Ministry of Power to bring more transparency in the payment system by DISCOMs. The generators are being actively encouraged to feed in their invoicing and payments data in the portal.
- IV. Steps taken to reduce the cost of generation: Reduction in the generation cost is likely to improve the ability of DISCOMs to purchase more power and thus create more demand for power generators. The government has taken various steps to reduce the cost of generation, which are as under:
 - a. The introduction of third party sampling by Central Institute of Mining and Fuel Research (CIMFR): The Government has started third party sampling of coal at both loading and unloading end of coal supply from CIL to Generators.
 - b. Coal linkage rationalization:
 - Ministry of Power vide letter no 5/3/2015-OM dated 10th June, 2016 had issued the policy on flexibility in utilization of domestic coal for reducing the cost of power generation for central generating companies and state power utility.
 - MoP vide letter no 5/3/2015-OM dated 20th February, 2017 issued the methodology for use of coal by state in private generating stations.

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ANNEXURE REFERRED TO IN REPLY TO PART (c) OF UNSTARRED QUESTION NO. 1755 TO BE ANSWERED IN THE LOK SABHA ON 20.12.2018.

Fuel	Sector	State	Name of Project	Capacity (MW)
Coal	Central Sector	Andhra Pradesh	SIMHADRI	2000.00
		Assam	BONGAIGAON TPP	500.00
		Bihar	BARH II	1320.00
			KAHALGAON TPS	2340.00
			MUZAFFARPUR TPS	610.00
			NABI NAGAR TPP	500.00
		Chhattisgarh	BHILAI TPS	500.00
		-	KORBA STPS	2600.00
			LARA TPP	800.00
			SIPAT STPS	2980.00
		Haryana	INDIRA GANDHI STPP	1500.00
		Jharkhand	BOKARO `B` TPS	210.00
			BOKARO TPS 'A' EXP	500.00
			CHANDRAPURA(DVC) TPS	630.00
			KODARMA TPP	1000.00
		Karnataka	KUDGI STPP	2400.00
		Madhya Pradesh	VINDHYACHAL STPS	4760.00
		Maharashtra	MAUDA TPS	2320.00
		Manarashtra	SOLAPUR STPS	660.00
		Odisha	TALCHER (OLD) TPS	460.00
		Ulisila	TALCHER STPS	3000.00
		Tamil Nadu	TUTICORIN (JV) TPP	1000.00
			VALLUR TPP	1500.00
		Televene	RAMAGUNDEM STPS	2600.00
		Telangana Uttar Pradesh		1820.00
		Uttar Pradesn	DADRI (NCTPP) MEJA STPP	660.00
				3000.00
			RIHAND STPS	2000.00
			SINGRAULI STPS	
				440.00
		West Bassel		1550.00
		West Bengal	DURGAPUR STEEL TPS	1000.00
			DURGAPUR TPS	210.00
			FARAKKA STPS	2100.00
			MEJIA TPS	2340.00
			RAGHUNATHPUR TPP	1200.00
	Central Sector Total			53010.00
			DAMODARAM SANJEEVAIAH	
	State Sector	Andhra Pradesh	TPS	1600.00
			Dr. N.TATA RAO TPS	1760.00
			RAYALASEEMA TPS	1650.00
		Bihar	BARAUNI TPS	710.00
		Chhattisgarh	DSPM TPS	500.00
			KORBA-II	200.00
			KORBA-III	240.00
			KORBA-WEST TPS	1340.00
			MARWA TPS	1000.00
		Delhi	RAJGHAT TPS	135.00
		Gujarat	GANDHI NAGAR TPS	630.00
			SIKKA REP. TPS	500.00
			UKAI TPS	1110.00
			WANAKBORI TPS	1470.00

List of Coal /lignite Power Stations in the country as on 30.11.2018

	Haryana	PANIPAT TPS	920.00
		RAJIV GANDHI TPS	1200.00
		YAMUNA NAGAR TPS	600.00
	Jharkhand	TENUGHAT TPS	420.00
	Karnataka	BELLARY TPS	1700.00
		RAICHUR TPS	1720.00
		YERMARUS TPP	1600.00
	Madhya Pradesh	AMARKANTAK EXT TPS	210.00
		SANJAY GANDHI TPS	1340.00
		SATPURA TPS	1330.00
		SHREE SINGAJI TPP	1860.00
	Maharashtra	BHUSAWAL TPS	1210.00
		CHANDRAPUR(MAHARASHTRA)	
		STPS	2920.00
		KHAPARKHEDA TPS	1340.00
		KORADI TPS	2400.00
		NASIK TPS	630.00
		PARAS TPS	500.00
		PARLI TPS	1170.00
	Odisha	IB VALLEY TPS	420.00
	Punjab	GH TPS (LEH.MOH.) ROPAR TPS	920.00
	Bala (I		840.00
	Rajasthan	CHHABRA TPP	1660.00
		KALISINDH TPS	1200.00
		KOTA TPS	1240.00
		SURATGARH TPS	1500.00
	Tamil Nadu	METTUR TPS	840.00
		METTUR TPS-II	600.0
		NORTH CHENNAI TPS	1830.00
		TUTICORIN TPS	1050.00
	Telangana	KAKATIYA TPS	1100.00
	•	KOTHAGUDEM TPS	720.00
		KOTHAGUDEM TPS (NEW)	1000.00
		RAMAGUNDEM - B TPS	62.50
		SINGARENI TPP	1200.00
	Uttar Pradesh	ANPARA TPS	2630.0
	Ottai Fladesh	HARDUAGANJ TPS	605.0
		OBRA TPS	1094.0
		PARICHHA TPS	1140.0
	West Bengal	BAKRESWAR TPS	1050.0
		BANDEL TPS	330.0
		D.P.L. TPS	660.0
		KOLAGHAT TPS	1260.0
		SAGARDIGHI TPS	1600.0
		SANTALDIH TPS	500.0
State Sector Total			62966.50
Private Sector	Andhra Pradesh	PAINAMPURAM TPP	1320.0
		SGPL TPP	1320.0
		SIMHAPURI TPS	600.0
		THAMMINAPATNAM TPS	300.0
		VIZAG TPP	1040.0
	Chhattisgarh	AKALTARA TPS	1800.0
		AVANTHA BHANDAR	600.0
		BALCO TPS	600.0
		BANDAKHAR TPP	300.0
		BARADARHA TPS	1200.0
			600.0
		CHAKABURA TPP	30.0
		KASAIPALLI TPP	270.0
		KATGHORA TPP	35.0
 		NAWAPARA TPP	600.0
		OP JINDAL TPS	1000.0

		PATHADI TPP	600.00
		RAIKHEDA TPP	1370.00
		RATIJA TPS	100.00
		SALORA TPP	135.00
		SVPL TPP	63.00
		SWASTIK KORBA TPP	25.00
		TAMNAR TPP	2400.00
		UCHPINDA TPP	1080.00
G	iujarat	MUNDRA TPS	4620.00
		MUNDRA UMTPP	4000.00
		SABARMATI (C STATION)	60.00
		SABARMATI (D-F STATIONS)	362.00
		SALAYA TPP	1200.00
Н	laryana	MAHATMA GANDHI TPS	1320.00
J	harkhand	JOJOBERA TPS	240.00
		MAHADEV PRASAD STPP	540.00
		MAITHON RB TPP	1050.00
К	arnataka	TORANGALLU TPS(SBU-I)	260.00
		TORANGALLU TPS(SBU-II)	600.00
			1200.00
M	ladhya Pradesh		1200.00
		BINA TPS	500.00
			1200.00
		NIGRI TPP	1320.00
			45.00
			3960.00
N	laharashtra	SEIONI TPP AMARAVATI TPS	600.00 1350.00
	lanarashtra	BELA TPS	270.00
		BUTIBORI TPP	600.00
		DAHANU TPS	500.00
		DHARIWAL TPP	600.00
		GEPL TPP Ph-I	120.00
		GMR WARORA TPS	600.00
		JSW RATNAGIRI TPP	1200.00
		MIHAN TPS	246.00
		NASIK (P) TPS	1350.00
		SHIRPUR TPP	150.00
		TIRORA TPS	3300.00
		TROMBAY TPS	1250.00
		WARDHA WARORA TPP	540.00
0	disha	DERANG TPP	1200.00
		KAMALANGA TPS	1050.00
		STERLITE TPP	1200.00
		UTKAL TPP (IND BARATH)	350.00
P	unjab	GOINDWAL SAHIB	540.00
		RAJPURA TPP	1400.00
		TALWANDI SABO TPP	1980.00
R	ajasthan	KAWAI TPS	1320.00
Т	amil Nadu	ITPCL TPP	1200.00
		MUTHIARA TPP	1200.00
		TUTICORIN (P) TPP	300.00
U	ttar Pradesh	ANPARA C TPS	1200.00
		BARKHERA TPS	90.00
		KHAMBARKHERA TPS	90.00
		KUNDARKI TPS	90.00
		LALITPUR TPS	1980.00
		MAQSOODPUR TPS	90.00
		PRAYAGRAJ TPP	1980.00
		ROSA TPP Ph-I	1200.00
		UTRAULA TPS	90.00

		West Bengal	BUDGE BUDGE TPS	750.00
			HALDIA TPP	600.00
			Hiranmaye TPP	300.00
			SOUTHERN REPL. TPS	135.00
			TITAGARH TPS	240.00
	Private Sector Total			74316.00
Coal Total				190292.50
Lignite	Central Sector	Rajasthan	BARSINGSAR LIGNITE	250.00
		Tamil Nadu	NEYVELI (EXT) TPS	420.00
			NEYVELI TPS- I	600.00
			NEYVELI TPS-II	1470.00
			NEYVELI TPS-II EXP	500.00
	Central Sector Total			3240.00
	State Sector	Gujarat	AKRIMOTA LIG TPS	250.00
			BHAVNAGAR CFBC TPP	500.00
			KUTCH LIG. TPS	290.00
		Rajasthan	GIRAL TPS	250.00
	State Sector Total	-		1290.00
	Private Sector	Gujarat	SURAT LIG. TPS	500.00
		Rajasthan	JALIPA KAPURDI TPP	1080.00
		Tamil Nadu	NEYVELI TPS(Z)	250.00
	Private Sector Total			1830.00
Lignite		1		
Total				6360.00
Grand Total				196652.50

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