

**GOVERNMENT OF INDIA  
MINISTRY OF POWER**

**LOK SABHA  
UNSTARRED QUESTION NO.3789  
TO BE ANSWERED ON 03.01.2019**

**COAL PRICE**

**†3789. SHRI DHARMENDRA YADAV:  
DR. PRITAM GOPINATH MUNDE:  
SHRI ANANDRAO ADSUL:  
SHRI ADHALRAO PATIL SHIVAJIRAO:**

**Will the Minister of POWER  
be pleased to state:**

- (a) whether coal based power plants are facing the heat of increased prices of thermal grade coal and cost of railway freight;**
- (b) if so, whether the Investment Information and Credit Rating Agency of India has done any study in this regard;**
- (c) if so, the details thereof;**
- (d) whether the percentage of price of thermal grade coal and the percentage of cost of freight has increased recently;**
- (e) if so, the impact of the cost of the said thermal power plants on the increase in production;**
- (f) whether the thermal power plants were operating with low production due to rising demand of non-renewable energy; and**
- (g) if so, the details thereof?**

**A N S W E R**

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

**( SHRI R. K. SINGH )**

**(a) & (d) : Coal India Limited, vide notification dated 08.01.2018, has revised the price of all grades of non-coking coal produced by coal companies of CIL superseding their earlier price notification dated 29.5.2016. The price of higher grade of coal (G1 to G5) has been reduced by 0-5% whereas the price for other grades (G6-G14) has been increased in the range of 3 to 22%.**

The details of coal freight rate per tonne from 2014 to 2018 is as under:

Distance (in KM)	25.06.2014	01.04.2015	22.08.2016	26.07.2017	15.01.2018	01.11.2018
	Freight rate per tonne (in Rs.)					
100	193.40	164.50	164.50	179.00	198.70	216.00
500	660.60	702.40	712.00	817.60	969.80	1054.70
1000	1269.20	1349.50	1349.50	1455.10	1739.60	1891.80
1500	1873.40	1992.00	1961.20	2066.80	2478.20	2695.00
2000	2350.80	2499.70	2243.40	2349.00	2819.00	3065.70

**(b) & (c) :** The report titled “*Revision in domestic coal prices and railway freight rates to raise power procurement cost by 11 paise per unit for distribution utilities*” available in ICRA website concludes that:

“Assuming the average AT&C loss level at around 23% in the country, the impact of the revision in coal prices and railway freight on cost of power supply per unit sold and retail tariffs (assuming full pass through by state regulators) is estimated at around 14 paise per unit or 2.3% tariff hike. However, the state-wise extent of an increase in the cost of power supply and hence, in retail tariff for a distribution utility would be dependent upon the mix of coal based generation in its overall power procurement.”

**(e):** The thermal power plants are operating consistently at Plant Load Factor (PLF) of about 61% during 2017-18 as well as during 2018-19 (April-November, 2018). Moreover, the generation from coal based thermal power plants has increased by about 5.5% during April-November, 2018 as compared to same period last year.

**(f) & (g) :** The PLF of the stations varies from 94.86% to 0 during 2018-19 (upto Nov. 18). The PLF of the station depends on number of factors like the outages for planned maintenance, forced outages on account of equipment failures, coal shortages etc. and actual dispatch to the station by the beneficiaries. The actual dispatch depends on the prevailing electricity demand, availability of electricity from other different sources like hydro, nuclear and renewable etc. and merit order of the station based on its variable cost of supply.

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