

**GOVERNMENT OF INDIA
MINISTRY OF POWER
LOK SABHA
UNSTARRED QUESTION NO.2549
ANSWERED ON 16.03.2023**

COAL FIRED POWER PLANTS

2549. SHRI VELUSAMY P.:

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

- (a) whether the Government is aware of the fact that coal fired power plants are facing shortage due to low inventory level;**
- (b) if so, the steps taken by the Government to reduce the shortage due to excess demand of power consumption;**
- (c) whether the Government allows import of coal by the power generation companies;**
- (d) if so, the details thereof;**
- (e) whether the power generation companies are allowed to sell power on exchanges at higher rate by the buyers under Power Purchase Agreements (PPAs); and**
- (f) if so, whether this cost would be passed on to the distribution companies and if so, the details thereof?**

A N S W E R

THE MINISTER OF POWER AND NEW & RENEWABLE ENERGY

(SHRI R.K. SINGH)

(a) to (d) : As on 12.03.2023, the total coal stock available with the coal based thermal power plants monitored in CEA is 33.5 Million Tonnes (MT), which is sufficient for an average of 12 days at a requirement of 85% Plant Load Factor (PLF).

However, the Government has taken the following steps to ensure adequate availability of coal:-

- 1. To address the issues of coal supplies to power sector, an Inter-Ministerial Sub Group comprising of representatives from Ministries of Power, Ministry of Coal, Ministry of Railways, Central Electricity Authority (CEA), Coal India Limited (CIL) and Singareni Collieries Company Limited (SCCL) meet regularly to take various operational decisions to enhance supply of coal to thermal power plants as well as for meeting any contingent situations relating to Power Sector including to alleviate critical coal stock position in power plants.**

2. **An inter-ministerial Secretary-level meeting is held regularly to monitor coal stocks.**
3. **Government has issued the revised coal stocking norms, which mandates the power plants to maintain sufficient stock at all times to meet any contingent situation.**
4. **Power Utilities have been importing coal considering their requirement as well as cost-economics. Ministry of Power vide order dated 09.01.2023 directed Central/State Gencos and IPPs to take necessary actions to import coal for blending at the rate of 6% by weight through a transparent competitive procurement so as to have sufficient stock at their power plants for smooth operations till September, 2023.**
5. **Railways have taken steps to purchase 1 Lakh wagons.**
6. **Increase in the net work of Railways in coal mining areas.**

(e) & (f) : Regarding sale of power by the generating companies to power exchanges at higher rate than the agreed rate between buyers and generating companies, as per Rule 9 of the Electricity (Late Payment Surcharge and Related matter) Rules, 2022 notified by Ministry of Power on 3rd June, 2022, the generating companies may sell the contracted power, which is not requisitioned by a distribution licensee, in the power exchanges. In case of any gain arising due to sale price in the exchange higher than the expense borne by the generating company including energy charges, transmission charges and other incidental charges, the gains from sale of such power shall be adjusted in the following order:

- a. **Payment to generating company of up to three paise per unit.**
- b. **Recovery of Fixed Cost.**
- c. **Liquidation of overdue amount.**
- d. **The balance shall be shared in the ration of 50:50 between the distribution licensee and the generating company.**
