

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.3064
TO BE ANSWERED ON 12.03.2020**

GRID STABILITY

3064. SHRI K. MURALEEDHARAN:

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

- (a) whether the Government proposes to bundle renewable with conventional power to address the issue of grid stability;**
- (b) if so, the details thereof;**
- (c) whether over 20,000 megawatt of power assets in India have been stranded since last one year for various reasons; and**
- (d) if so, the details thereof and the reasons therefor?**

A N S W E R

THE MINISTER OF STATE (INDEPENDENT CHARGE) FOR POWER, NEW & RENEWABLE ENERGY AND THE MINISTER OF STATE FOR SKILL DEVELOPMENT & ENTREPRENEURSHIP

(SHRI R.K. SINGH)

(a) to (b) : Ministry of Power on 5th April 2018 had issued a mechanism to provide flexibility in generation and scheduling of Thermal Power Stations to reduce emissions. Under the mechanism, the thermal power generating company has the flexibility of using its thermal power or renewable power to supply firm power under existing contractual agreements.

This flexibility provides the generators an opportunity to optimally utilize generation from RE sources and also help in reducing emissions. Beneficiaries of the power will also get the firm power including Renewable power, which will help them to meet their RPO obligations. The net gain realized, if any, from supply of RE power in place of thermal power under existing PPA shall be passed on to the beneficiary in the ratio of 50 (Beneficiary) : 50 (Generator).

(c) & (d) : There were 34 coal based thermal power projects with capacity of 40,130 MW which were under stress as per data provided by Department of Financial Services. Out of these, 14 projects with a total capacity of 16,450 MW have since been resolved. The following major reasons have been indentified for stress in power sector by the High Level Empowered Committee (HLEC) constituted by Government of India.

- (i) Issues related to coal supply**
- (ii) Slow growth in power demand**
- (iii) Delayed payments by Discoms**
- (iv) Inability of the Promoter to infuse the equity and service debt**
- (v) Slow implementation of project by the developers**
- (vi) Issues related to Banks/Financial Intermediaries (FIs)**
- (vii) Aggressive Tariffs quoted by bidders in competitive bidding process**
- (viii) Regulatory and contractual disputes**
- (ix) Legal issues related to auctioned coal mines.**
