GOVERNMENT OF INDIA MINISTRY OF POWER

LOK SABHA UNSTARRED QUESTION NO.4893 TO BE ANSWERED ON 25.03.2021

CONTINUOUS COAL SUPPLY TO POWER PLANTS

4893. SHRI KANUMURU RAGHU RAMA KRISHNA RAJU:

Will the Minister of POWER be pleased to state:

- (a) whether the Shakti Scheme launched by the Government to provide continuous coal supply to the power plants has eased the stress of the power plants;
- (b) if so, the details thereof;
- (c) the details of hurdles being faced by the Government in implementing the continuous coal supply to the plants; and
- (d) the remedial measures being taken by the Government to overcome them?

ANSWER

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) & (b): The SHAKTI (Scheme for Harnessing and Allocating Koyala Transparently in India) scheme launched by the Government to provide coal linkages to Power Sector, has eased the stress of the Power plants to a large extent. Coal linkages granted to power plants under different provisions of SHAKTI policy are given below:
 - <u>Para B(i)</u>: Coal linkages for Central Government and State Government generating companies have been accorded for 23 projects of around 25,340 MW capacity.
 - Para B(ii): Coal linkages are granted on auction basis for power producers/ Independent Power Producers (IPPs) having already concluded long term Power Purchase Agreement (PPA) based on domestic coal. Till date, three rounds of auction for coal linkage under SHAKTI B(ii) have been held under which a total of 39.481 MT of coal (G13 grade equivalent) have been allocated to 17 nos. of power plants having installed capacity of 18219 MW and long term PPA capacity of 10976.4 MW.

- Para B(iii): The coal linkages are granted on auction basis for power producers/IPPs without PPAs that are either commissioned or to be commissioned. Coal drawal will be permitted only against valid long term and Medium term PPAs, which the successful bidder shall be required to procure and submit within two (02) years of completion of auction process. Till date, around 7.15 MT of coal (G13 grade equivalent) have been awarded by CIL to 7 nos. of Thermal Power Projects, having installed capacity of 5995 MW and non-PPA capacity of 3774.94 MW.
- Para B(iv): Coal linkages are earmarked to the States for fresh PPAs, by pre declaring the availability of coal linkage. States may indicate these linkages to Discoms and based on linkages, may undertake tariff based competitive bidding for long term and medium term procurement of power. Power plants having non-linkage and untied capacity may participate in such bidding to get coal linkage. Till date, coal linkages have been allocated by Coal India Limited (CIL) to States of Gujarat, Uttar Pradesh and Madhya Pradesh for 3915 MW, 1600 MW and 3000 MW power respectively.
- Para B(viii) (a): Further, coal linkage can also be granted for three months to one year to power plants which do not have PPAs, to sell power generated through that linkage in Day Ahead Market (DAM) through power exchanges or in short term through a transparent bidding process through Discovery of Efficient Energy Price (DEEP) portal. At present, such coal linkage auctions are being carried out on quarterly basis. Till date, around 3.385 MTs of coal (G-13 grade equivalent) have been allocated to various power plants in auctions held for four quarters viz. Apr-June'20 to Jan-Mar'21.
- (c) & (d): With the concerted efforts of all the stakeholders viz. Ministry of Power, Ministry of Coal, Ministry of Railways, CIL, Central Electricity Authority and power plants, the coal stock available with thermal power plants, as on 16.03.2021, is maintained at a level of 30.2 MT which is adequate to run these plants for an average of about 15 days. In order to address the issues of coal supplies to power sector, an Inter-Ministerial Committee comprising of representatives from Ministry of Power, Ministry of Coal, Ministry of Railways, CEA, CIL / Singareni Collieries Company Limited (SCCL) meet regularly to take various operational decisions for meeting any contingent situations relating to Power Sector including critical coal stock position in power plants.
