

**GOVERNMENT OF INDIA
MINISTRY OF POWER**

**LOK SABHA
UNSTARRED QUESTION NO.4004
TO BE ANSWERED ON 13.08.2015**

FUEL CONVERSION OF POWER PLANTS

4004. SHRI KODIKUNNIL SURESH:

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

- (a) whether the Government proposes to convert the diesel-based power plant to gas-based power plants and if so, the details thereof;
- (b) whether Government of Kerala has submitted any proposal to convert its diesel based-plants to gas-based plants and if so, the status thereof;
- (c) whether it is a fact that the cost of electricity produced with imported gas is expensive; and
- (d) if so, the details thereof along with the action taken thereon including provision of domestic gas to State Governments for generating electricity statewide?

A N S W E R

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

(SHRI PIYUSH GOYAL)

(a) : No, Madam.

(b) : Government of Kerala vide letter dated 30.10.2014 had requested for converting the liquid fuel power plants in the state of Kerala to natural gas based power plants with adequate amount of domestic gas at controlled price. Due to reduction in availability in domestic natural gas in the country and as no additional domestic gas is likely to be available till 2015-16, Ministry of Power has issued an advisory that any gas based generation plants should not be planned till 2015-16.

(c) : Yes, Madam. The cost of electricity produced with imported gas is expensive as compared to electricity produced with domestic coal and gas.

(d) : In order to make imported gas based generation competitive, Government of India has sanctioned a scheme for importing spot RLNG in 2015-16 and 2016-17 for the stranded gas based power plants as well as for plants receiving gas upto the target PLF selected through a reverse e-bidding process. The scheme provides for financial support from PSDF (Power System Development Fund). The scheme also envisages sacrifices to be made collectively by all stakeholders. The outlay for the support from PSDF has been fixed at ₹ 7500 crores (₹3500 crores and ₹ 4000 crores for the year 2015-16 and 2016-17 respectively).
