

**GOVERNMENT OF INDIA
POWER
LOK SABHA**

UNSTARRED QUESTION NO:3421

ANSWERED ON:15.12.2006

SHORTAGE OF COAL AND GAS FOR POWER PROJECTS

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Will the Minister of POWER be pleased to state:

- (a) the demand and supply position of coal and gas for power projects, State-wise;
- (b) whether the concerned companies are not able to meet the requirement of coal and gas of different power plants;
- (c) if so, whether the Government proposes to allow coal and gas starved power projects to import coal and gas as per their requirement;
- (d) if so, the details thereof; and
- (e) if not, the steps taken to fulfil the coal and gas demand of different power projects?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF POWER (SHRI SUSHILKUMAR SHINDE)

(a) & (b) : Coal linkage accorded and receipt at the coal based thermal power stations, state-wise and normative gas requirements at 90% PLF and actual gas supplied to Gas based power plants, state-wise, for the period from April to October 2006, enclosed at Annexure I & II respectively.

While there is significant shortage in supply of gas to the power plants, there has been marginal shortfall in supply of coal to the power plants from the domestic sources.

(c) & (d) : There are no restrictions on power utilities for import of coal and gas. In order to bridge the gap between demand and supply of domestic coal and to build adequate coal stock at the power stations, the power utilities in the country were advised to import 20 Million Tonnes of coal during the year 2006-07. To reduce the gap between demand and availability of indigenous gas, some of the power utilities are procuring Regasified Liquefied Natural Gas (RLNG) from domestic suppliers who are importing LNG and supplying it to them after regasification.

(e) : Following steps have been taken/are being taken by the Government to ensure that there is adequate supply of coal and gas to the power plants in the country during 2006-07:

(i) Coal

The coal supply position to thermal power station is rigorously monitored in Central Electricity Authority and Ministry of Power on daily basis.

A Sub-group of the Infrastructure Constraints Review Committee headed by the Joint Secretary in the Ministry of Coal, consisting of the representatives from the Ministry of Power, Central Electricity Authority, Ministry of Railways and Coal India Ltd., reviews and resolves the problems in coal supply to thermal power stations on weekly / fortnightly basis.

The Infrastructure Constrains Review Committee, headed by Secretary (Co- ordination) in the Cabinet Secretariat, reviews the coal production and supply to thermal power stations in the country every month.

New Coal blocks are being allocated by the Min. of Coal to power producers/utilities for captive mining to meet requirement of their power plants.

(ii) Gas :

Ministry of Petroleum and Natural Gas has enunciated following actions to improve the gas availability in the power stations:

Augmentation of production of natural gas from the existing domestic gas fields/ wells

Increasing availability of gas from domestic sources by awarding gas blocks for Exploration & Production (E & P) activities in various sedimentary sources basis of the country under the New Exploration Licensing Policy (NELP).

Encouraging import of gas in the form of Liquefied Natural Gas (LNG) and also making efforts for import of gas through international pipelines projects.

In order to explore and produce new sources of natural gas from coal bearing area, Government has formulated a Coal Bed Methane (CBM) Policy providing attractive fiscal and contractual framework for exploration and production of CBM in the country.