

Comparative cost effectiveness of various Types of power projects

*77. SHRIMATI SUDHA VIJAY JOSHI: Will the Minister of ENERGY be pleased to state:

(a) whether any study has been made regarding the comparative cost effectiveness in the generation of power through hydel, thermal and natural gas;

(b) if so, whether such a study reveals that gas based projects are most cost effective; and

(c) whether any special thrust is being given for the implementation of gas based projects?

THE MINISTER OF STATE IN THE DEPARTMENT OF POWER IN THE

MINISTRY OF ENERGY (SHRI KALP-NATH RAI): (a) and (b) No specific study has been carried out by the Central Electricity Authority (CEA) regarding the cost of generation of electricity from various sources. However, the cost of generation of power projects is assessed by the CEA during the techno-economic appraisal of the projects. The cost of generation varies from project to project and depends upon several factors such as the quantum of civil works and the load factor of operation of hydel projects, and in the case of thermal projects, the location and the type of plant and equipment, size of units type of fuel, its cost; and the hours of operation in a year. The estimated cost of generation of hydel and coal/gas based thermal power projects recently appraised in the CEA are as follows:—

Type of generation project	Approximate cost of power per unit
1. Hydel	19 to 80 paise/KWh
2. Coal based thermal	41 to 90 paise/KWh
3. Gas based thermal	36 to 87 paise/KWh

(c). Yes, Sir; gas based power projects have short gestation period and are being set up depending *inter alia* upon the availability of gas on a sustained basis.

Demand and supply of coal

*78. SHRI ISH DUTT YADAV: SHRI VIRENDRA VERMA:

Will the Minister of ENERGY be pleased to state:

(a) what is the total investment so far made in the coal sector in the country since nationalisation;

(b) by what percentage the output-per-manshift has increased/decreased during the years 1985, 1986 and 1987 and what are the reasons for the decline if any, in its productivity; and

(c) what was the estimated gap between demand and supply of coal at the end of 1987 and what remedial measures are contemplated by Government in this regard?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) Total investment (Equity + Loan) made in Coal India Limited by the Central Government upto 31.3.1988 was of the order of Rs. 7236.12 crores (excluding the effect of repayments made during 1987-88).

(b) The Output per manshift (OMS) in Coal India Ltd., during the year 1985-86, 1987-88 are indicated below:—

Year	OMS (Tonnes)	% increase over the previous year
1985-86	0.92	5.7
1986-87	0.99	7.6
1987-88	1.08	9.00

(c) The Planning Commission had assessed the demand for coal in the country for the year 1987-88 at 192.05 million tonnes. The coal companies were assigned a production target of 183.50 million tonnes only. The gap was to be met by drawing down of pit head stocks and import of coking coal for steel plants. The coal companies produced 179.75 million tonnes of coal during 1987-88 and despatched 174.29 million tonnes of raw coal to different consuming sectors in the country which was higher by about 7 per cent over the despatches made in the previous year. However, some of the consumers in the southern and western parts of the country, linked to the Singareni Collieries Company Ltd. for their supplies, did face some difficulties in receiving their full quota of coal due to various reasons. The Government have taken the following steps to meet their demand;

(i) Efforts are afoot to step up production in Coal India Limited's subsidiaries contiguous to Southern region so that surplus production could be diverted from there to deficit areas.

(ii) Coal is being transported from the surplus Eastern region to South and West via all rail route as well as rail-cum-sea route to the extent feasible to meet shortages.

Higher prices of coal being charged by the collieries

*79. SHRI RAOOF VALIULLAH: Will the Minister of ENERGY be pleased to state:

(a) whether the Coal Consumers Association of India has submitted a memorandum alleging that the collieries are charging prices higher than the officially notified 'rates'; if so, what action Government have taken in the matter;

(b) whether Government propose to increase the prices of coal to meet the mounting losses in the coal sector; if not, what other steps are being taken to reduce the losses; and

(c) whether complaints have also been received that the collieries are charging

additional crushing, service and miscellaneous charges and whether there is any uniformity and consistency in the levy of actual surface transportation charges from consumers?

THE MINISTER OF ENERGY (SHRI VASANT SATHE): (a) to (c) In their letter dated 17-6-1988, sent to this Department, the Coal Consumers Association of India has pointed out that the supplying collieries are charging, apart from notified prices, Rs. 5/- per tonne extra towards loading charges over and above actual surface transportation charges and are also billing for administrative charges, crushing charges, service charges etc. The factual position in this regard is as follows:—

Coal India Limited is charging the consumers only the price as permissible under Government of India's price notification dated 23-12-1987. Under clause 10 of this notification the collieries, transporting coal on their own cost beyond a distance of 3 Kms. from pit-head to the railway sidings, are permitted to charge transport cost from the users in addition to the price of coal. Accordingly, all collieries, where transportation from pit-head to the sidings exceeds 3 Kms, have been charging transport cost. Transport charges include actual cost of transportation of coal from pit-head to the sidings as well as cost of loading coal in the trucks at pit-heads.

Crushing charges as such are not levied. However, in accordance with price notification run of mine coal which has been screened or crushed to limit the top size to any maximum limit within the range of 200 mm.—250mm is priced at the average rate of prices for steam and slack coal in the ratio of 60:40. Service charges are collected by Coal India from consumers who avail themselves of any of the package of services offered by Coal India.

There is at present no proposal for revising the prices of coal produced by Coal India group of companies. Efforts are being made to reduce the cost of production by improving the efficiency of