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## Power ministry pulls up CIL for supplying oversized coal

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Indian Express reported that Coal India Limited is under fire from the power and steel ministries for failing to deliver proper washed coal resulting in severe loss in power generation.

In a recent meeting to review the coal supply position, CIL drew criticism, particularly from the power ministry, for supplying oversized coal to its thermal power stations, disrupting their power generation systems.

Power ministry officials contended that "This is adversely affecting the loss in economic terms."

Ministry officials were also upset with CIL's report on oversized coal. Officials said the report neither spelt out the strategy to contain the problem nor did it specify any timeframe for their completion. CIL representatives at the meeting argued that the quantity of oversized coal was small, but officials pointed out it was enough to disrupt thermal power generation and lead to production loss.

The power ministry pulled up the PSU for fixing the annual contracted quantity for Farakka and Kahalgaon thermal power stations at 17 million tonnes, against their requirement of 27 million tonnes, leading to CIL arguing that it could only supply the normative quantity and not the actual quantity. Also, coal production from three of CIL's mines at Rajmahal, Chuperbitha and Hurra are grossly inadequate.

Power ministry officials said uncertainty on adequate supply continues as its decision to import coal through MMTC has run into problems and that it is yet to decide whether to buy coal from MMTC or CIL. They contended that boilers of existing thermal power stations can take blending up to 15% with imported coal, which cannot be changed.

Ministry officials said that under the new Coal Distribution Policy, coal firms are obligated to supply bulk imported coal in case of a shortfall and ask CIL to import coal through long term arrangements. Steel ministry officials too complained of a shortfall of 70% in supply of washed coal during April to September 2009 period, which could have resulted in the shutting down of steel plants.

(Sourced from [www.indianexpress.com](http://www.indianexpress.com))

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