

IMPORTED COAL-BASED UNITS**Panel Suggests
₹6-7 Tariff for
6 Power Plants**

Cos accept proposed benchmarks; discoms still examining rates

Ready to Charge

Project	Capacity	Approved charges (₹/kWh)
Essar Salaya	1,200 Mw	6.88
Tata Mundra	4,000 Mw	6.05
JSW Ratnagiri	300 Mw	6.52
Meenakshi Energy	300 Mw	7.03
Coastal Energen	1,200 Mw	6.60
IL&FS Tamil Nadu Power	1,200 Mw	6.60



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New Delhi: A government committee has suggested ₹6.05-7.03 per unit variable tariff for six plants using imported coal that are owned by companies such as Tata Power, Essar Power and JSW Energy, said people with knowledge of the matter, marking a step toward restarting them to ease the electricity shortage.

The power companies said the tariffs are good enough for them to start generation, but state electricity distribution companies that have purchase agreements with these

plants said they were examining the rates.

Some fresh capacity is likely to be operational in the next 20 days

These are benchmark tariffs that are proposed to be revised weekly or fortnightly in line with international coal prices for units that

have a cumulative 8.2 GW capacity.

Some of this capacity is expected to be operational in the next 20 days.

The parties involved can either agree to this benchmark or reach mutual agreement on different tariffs.

In case state distribution companies do not buy this power, these plants will still have to operate but sell electricity on the power exchanges.

The committee has calculated tariffs for six of the 13 imported coal-based plants mandated to run under the Section 11 order invoked by the power ministry on May 5 to ease power and domestic coal availability, amid projections of 220 GW electricity demand this summer.

Fixed Charges as per PPA

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The remaining seven projects are either merchant power plants or negotiating with their buyers.

Fixed charges for the projects will be as per the power contracts or mutually agreed rates between the generating units and distribution companies.

These projects were not operating as their power contracts did not provide full recovery of imported coal costs, currently at \$140 per tonne. This has put pressure on domestic coal and created shortages as demand has peaked amid an intense summer. "The committee after extensive deliberations and consultations with the concerned stakeholders has submitted its report," a se-

nior government official said.

The tariffs will not need the approval of the Central Electricity Regulatory Commission. However, the generating companies can approach their appropriate commissions to recover any extra costs or losses.

TARIFFS SUGGESTIONS

Tata Power's 4-GW Mundra ultra-mega power project in Gujarat has been recommended a Rs 6.05 per unit tariff, the lowest among the six plants, the sources said.

The project's four units of 800 MW each are currently operating and supplying power to Gujarat and Maharashtra.

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