

Power Sector in Andhra Pradesh and Telangana during January 2015

Generation

BHEL to execute power plants in Telangana projects

BHEL has signed an agreement the Telangana government for construction of thermal power plants with an aggregate installed capacity of 6,000 MW over the next three years to bridge the demand-supply gap in the State. As a part of this agreement BHEL would supply first supercritical thermal power plant worth Rs. 3,810 crore for setting up of a 800 MW coal based thermal power plant on EPC mode at Kothagudem in Khammam district. The equipment for the project would be developed at BHEL's Tiruchi and other units with civil works to be handled by BHEL's western region. BHEL will supply fuel flexible supercritical boilers for projects coming up in Telangana. This in-house developed fuel flexible boiler is capable of firing 100 per cent domestic to 100 per cent imported mix of coal.

Already Telangana government handed over a cheque of Rs. 350 crore as advance for the project.

Madhucon expands capacity of Simhapuri project phase II

Simhapuri Energy, a subsidiary of Madhucon Projects has commissioned the second unit (150 MW) of the phase II expansion of its Simhapuri thermal power project near Krishnapatnam, Andhra Pradesh on December 30. With this, the total installed capacity of the project has gone up to 600 MW. In the phase one, Simhapuri Energy had installed 300 MW. The project plans setting up of 1,920-MW thermal power units in three phases. In the third phase 1320-MW (2x660 MW) capacity plants would be built. The projects based on imported coal.

APPDC's Krishnapatnam thermal power

APGENCO proposed to declare Commercial Operation Date (COD) of two units Krishnapatnam Thermal Power Station (2x800-MW) by March. While the unit one was commissioned last year, the second unit would be operational by March.

The APGENCO on 29th January commenced commercial operation process of the first (800-MW) unit of Krishnapatnam thermal power station. This also will bring to the fore the dispute between AP and Telangana on sharing power from this plant.

While Telangana argued that it should get 53.89 per cent as per the sharing formula arrived at before the enactment of the AP Reorganisation Act, 2014, AP had maintained that the issue of sharing the power generated from Krishnapatnam does not arise as its PPA was not yet approved by ERC and that it would not part with the power generated at Krishnapatnam. This also becomes clear from ARR submitted by APDISCOMs to the AP Electricity Regulatory Commission on January 26. It showed that all power generated at this plant would be consumed by AP only.

Telangana to buy power from RGPPL at Rs 5.50/unit

Telangana was reported to have expressed its readiness to purchase power from Ratnagiri Gas & Power (RGPPL) at Rs 5.50 per unit. However, a congested transmission grid is preventing such sale of electricity and power ministry officials are trying to find a way to resolve this.

Andhra Pradesh to get NTPC's advanced power plant

NTPC has decided to set up its first ultra super critical power plant (1000 MW) in the country at its power project at Pudimadaka near Visakhapatnam in Andhra Pradesh. This technology, which is more efficient than super critical technology is being used for the first time by NTPC in the country. Earlier, the company was planning to set up five units of 800 MW each. However, it has recently changed its strategy to set up four units of 1,000 MW. The cost of the project is expected to be Rs 20,000 crore and 1,200 acre of land has already been allotted to the company by the AP government. The project will be run on imported coal and requires 14 million metric tonnes of coal a year. USCU require less coal per megawatt-hour, leading to lower emissions, higher efficiency and lower fuel costs per megawatt. These plants operate above 275 kg/cm² pressure and MS/RH temperatures of 593°C. A one percentage point improvement in the efficiency of a conventional pulverised coal combustion plant results in a 2-3 per cent reduction in CO₂ emissions.

Earlier NTPC had committed to complete the project before March, 2019 and once completed, it would be the biggest single location power project in the state.

Meanwhile the Experts Appraisal Committee (EAC) under the Ministry of Environment and Forests has advised NTPC to shift the location of its proposed 4,000 MW power plant from the current site at Pudimadaka in Vishakhapatnam district as the area is "ecologically sensitive". The region is a "tsunami prone area".

According to minutes of the EAC meeting, "The committee after detailed deliberations opined that the proposed site is not environmentally and ecologically suitable as there are a large number of water bodies in the proposed site and (they) are inter-linked. Further, the creek is only about 100 metres away; the region falls in high flood zone/tsunami-prone area, and has high rainfall besides being close to salt pans.

"Due to complex hydrological system, this area is ecologically sensitive. Hence, the proposed

site in the present form cannot be recommended. The PP may relocate/shift the site away from the ecologically sensitive area in consultation with the state government."

The NTPC is reported to have resubmitted a revised layout for the Pudimadaka project to the ministry on January 9 for issuing ToR (terms of reference) for consideration, which is expected to be taken up during the meeting of the EAC on January 29.

Surana Solar to commission PV cell unit

Surana Solar had planned to commission its photovoltaic (PV) cell manufacturing line by March at the Fab City near Hyderabad. The PV cell unit will be commissioned in two phases with the first phase set for operation by March 2015.

Singareni Collieries expects to commission unit in Telangana by November

The first unit of Singareni Collieries Company Limited's 2x600 MW power plant will be commissioned by November this year. It is proposed to light up the boiler by May 2015.

While NTPC is the consultant for the project, BHEL is the Boiler-turbine-generator component executing agency and McNally Bharat is the balance of plant provider for the coal fired thermal plant.

Telangana plans to add 10,000 MW capacity

The Telangana government is planning a power generation capacity addition of 10,000 MW over the next three years, which includes 4,000 MW by NTPC Limited.

CM of Telangana directed the TSGENCO to commission the second unit (600 MW) of the Bhupalapalli power project by August this year to bridge the existing demand supply mismatch.

Fuel

Court asks Centre, States to look into KG basin gas allocation

Justice Ramesh Ranganathan of Hyderabad High Court while disposing off writ petition filed by Independent Gas-based Power Producers Association and other power plants directed the State and Central Governments and other statutory authorities to look into the representations made by the power producers seeking gas allocation and supply on priority basis within four months. The Judge made it clear that the Court was not inclined to interfere with the policy of

the Centre regarding the order of priority of allotment of gas from KG Basin to various sectors such as fertilizer and power plants. The petitioners contended that the gas from KG Basin was not allotted to them on priority basis but was given to fertilizer units.

Singareni to raise output in Adriyala mine with Caterpillar equipment

Singareni Collieries Company Ltd and equipment supplier Caterpillar have initiated steps to improve output from the Rs. 1,200-crore Adriyala Long Wall underground project located at Godavarikhani in Karimnagar district of Telangana.

It is proposed to ramp up the production to 15,000 tonnes per day. The success of this project will open up new avenues for increased deployment of advanced mechanisation in the underground sector. The miner had taken the equipment on trial runs since mid-October 2014. The average production per day has reached 4,000 tonnes per day. After initial teething problems of automation, electrical circuit, software and so on, have been sorted out but the project is yet to attain rated production.

Around 20 per cent of SCCL production is from underground mines against an average 7 per cent in the country.

Singareni Collieries pays Rs. 133 crore dividend to Telangana

The Singareni Collieries Company Ltd paid Rs. 132.84 crore as dividend to Telangana for the year 2013-14. In the State-owned enterprise, 51 per cent equity is held by Telangana Government and 49 per cent by Government of India. The company's paid up equity capital is Rs. 1,733 crore.

The SCCL earned Rs. 418 crore net profit for the year 2013-14, the company has announced 15 per cent dividend on equity. The Company started paying dividend since 2003-04 and the maximum so far was only five per cent.

Singareni strike impacts production

Production in Singareni Collieries was affected on 6th January as about 62,000 employees struck work in response to a call given by national trade unions against the Centre's move to privatize coal mines. Coal production in all underground and opencast mines spread over four districts of Adilabad, Karimnagar, Warangal and Khammam was affected. In Adilabad, only 30% of the 2,200 employees attended to work in 14 underground and five opencast mines. Singareni suffered loss of Rs 4.6 crore on the first day of the strike. The production fell by 18,500 tons. Officials at some places managed to run some of the mines with skeletal staff. At a few places, the attendance was above 60%. According to trade unions, production fell down by half at Ramagundam circle 1,2, and 3 as many employees participated in the agitation.

Distribution

AP power sector revenue deficit at Rs. 7,716 crore

APDISCOMs in their annual aggregate revenue requirement filing for the year 2015-16 on 27th January with the APERC have shown a revenue deficit of Rs. 7,716 crore with annual requirement of Rs. 30,308 crore and projected revenue from current tariffs at Rs. 22,592 crore. Average cost of supply is pegged at Rs. 5.99 per unit, reflecting an increase of Rs. 0.80 per unit over financial year 2013-14, and this was approved by the regulator. The average revenue realisation is Rs. 4.44 per unit leaving a revenue gap of Rs. 1.55 per unit. The State has assumed 100 per cent power supplies from the Hinduja power and Krishnapatnam power projects, estimated to contribute about 15,581 mu. The filings also showed that the DISCOMs in AP will have a surplus of 11,087 million units during the coming financial year.

AP lines up Rs 276 crore for high-voltage distribution systems

The Andhra Pradesh government will be spending Rs 276.31 crore for implementing high-voltage distribution system (HVDs) in seven districts of the state over the next three years. This was expected to lead to saving of Rs 76.72 crore a year in the form of reduction in energy loss (Rs 12.54 crore), reduction in theft of energy (Rs 18.13 crore), reduction in peak power loss (Rs 45.47 crore) and reduction in transformer failure (Rs 58 lakh). The state government is also reported to initiate a special programme to involve all the 1.45 million agricultural consumers in achieving the target of the government in energy efficiency in the sector where around 35 per cent of the power can be saved through short-term and long-term demand side management (DSM) measures.

Andhra Pradesh to crackdown on power thieves

AP state is losing revenue of Rs 900 crore per annum due to power theft. To address this DISCOMs identified the mandals, municipalities and towns where the maximum theft is taking place and are all set to launch a crackdown on them.

Bommanahal mandal in Anantapur district topped the list by accounting for 44.56 per cent distribution losses. Manchingput mandal in Visakhapatnam district stood second where 43.93 per cent of the total power supplied to them is being pilfered. Pedabayalu, Chintapalli and Dumbriguda mandals in Visakhapatnam recorded more than 30 per cent losses due to power theft. Nandyal in Kurnool district registered a theft of 26.75 per cent of the total power supplied. Anantagiri town in Visakhapatnam registered 32 per cent losses. It was 27.08 per cent in Araku and 23.5 per cent in Kirlampudi in East Godavari district. In Anantapur municipal corporation area 10.42 per cent of the total power supplied was lost due to theft.

