India’s Power Crisis

What is the issue?

Despite high coal production, thermal power plants in India are suffering from shortages.

Is India heading towards a power crisis?

> *Coal-based power generation accounts for about 53% of India’s total power capacity as on March 2022.*

- Several States across the country are expected to face coal shortages that might lead to power shortages in the coming weeks.
- India had faced a similar energy crisis in October 2021, but the crisis this around may be worse with peak power demand expected to rise higher due to increasing temperatures.
- Reasons for this crisis
    - Depleting coal supplies at thermal power plants
    - High global thermal coal prices (the prices of coal are over 350% higher year on year)
    - Below normal imports
    - Interruption in coal supply mainly due to heavy rains
    - High demand for coal (Demand for coal has increased by 9% over the previous year)
    - Temperature rise

How critical is the coal shortage?

- The situation at thermal power plants is deteriorating consistently and had reached critical levels.
- As per the National Power Portal, both imported coal-based (ICB) power plants and domestic coal-based power plants were facing critical stocks.
- As per the Central Electricity Authority report, of the total 173 thermal power plants in the country, 100 thermal power plants' coal stock situations are critical.
- The total stocks available were 23.17 million tonnes (MT) against a daily requirement of 2.76 MT.
- The stocks at this level will last for less than nine days.
- States like Gujarat and Maharashtra already declaring load shedding (the deliberate shutdown of electric power in a part or parts of a power-distribution system, generally to prevent the failure of the entire system when the demand strains the capacity).

What steps has the government taken to tackle this problem?

- **Revised coal stocking norms**- The government has issued revised coal stocking norms, which mandate the power plants to maintain sufficient stocks at all times

- **Constitution of Groups**- An Inter-Ministerial Sub Group with senior officials from Ministries of Power, Coal, Railways, CEA, CIL and SCCL meet regularly to take various operational decisions to enhance supply of coal to thermal power plants.
- **Imports**- Power Ministry has advised power plants to import about 36 MT coal for blending during 2022-23 with a view to build sufficient coal stock at power plants.
- **Monitoring**- The Ministry has a Core Management Team (CMT) to ensure close monitoring of coal stocks at thermal power plants.
- **Role of Coal India**- Coal India, the state-owned miner claims that it has ramped up supplies to thermal power plants by nearly 12% annually.

Why is this crisis recurring every year?

- **Lack of coordination**- The lack of coordination between various ministries involved in the process such as Power Ministry, Coal Ministry and Railways is the foremost reason.
- **Blaming game**- The Coal Ministry blames the Indian Railways for non-availability of adequate rakes.
- Similarly, the Railways has pointed out the mismanagement in loading and unloading of rakes by the Coal India.
- **Poor planning-** Despite high coal production and despatch miners, the supply at power plants has still not gone above 15 days in the last six months which implies poor planning.

While Karnataka is mixing renewable energy and non-renewable energy sources to wean dependence on thermal power plants, the long-term solution may be to start switching away from coal exploring sustainable solutions.

References

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