

Punjab's largest coal-based thermal plant kicks off at Talwandi Sabo

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In order to meet the power deficit in the state, Punjab Chief Minister Parkash Singh Badal laid the foundation stone of Punjab's largest coal-based thermal plant (Punjab) at Talwandi Sabo today. The project will be built by Mumbai-based Sterlite Energy Ltd, (a subsidiary of Vedanta resources) who has been allotted to develop 1980 MW Talwandi Sabo Thermal Power Project. The estimated project cost is Rs. 9000 crore and in the first phase the company will generate 660 MW of power which is likely to be completed by December 2011. Subsequently two more units of the same capacity would be added after a gap of four months each.

Already the state government has acquired 2, 113 acres of land for the project. It is worth noting that the Special Purpose Vehicle (SPV) namely, Talwandi Sabo Power Ltd (TSPL) a wholly-owned company of Punjab State Electricity Board has been set up for taking action to ensure linkages for coal, water and to undertake various studies for the project. The State Government and Punjab State Electricity Board would ensure proper security mech-

anism for the private developers in form of letter of credit and default escrow mechanism.

It is worth noting that Punjab has highest per capita consumption of power in the country at 972 units, as compared to national average of 700 units, or in other words, against state's total generation capacity of 6,200 Mw, the present demand in the state is of 9,000 Mw power. Moreover, the power shortage in the state is growing at the rate of 10 per cent per annum. Further in order to meet the demand, in last fiscal year the state has bought worth Rs 6,000 crore from other states at a whopping rate of Rs. 6-10 per unit.

So far summer is concerned, according to the PSEB (Punjab State Electricity Board), the gap between demand and supply vary from 100 lakh units per day to 175 lakh units for the next six

months. Also, this gap will persist despite addition of 250 Mw with the start of the third unit of the Lehra Mohabbat phase-II project. Also, in April there is requirement for 947 lakh units, which increases to 1,500 lakh units in June and touches 1,700 lakh units in July and August.

So, in order to meet the shortfall, major initiatives have now been launched to increase this capacity by at least 5000 Mws by 2012. "We have completed the ground work for four new thermal plants in the state at Gidderbaha (2640 Mws) Talwandi Sabo (1980 Mws), Rajpura (1320 Mws) and Goindwal Sahib (600 Mws). In addition, Punjab will get 2539 Mws from Long Term Power Purchase agreements with the centre and another 2225 Mws from Ultra Mega Projects in the 11th Plan," said a spokesperson for the government.