

Finally, Cheyyur, Odisha Ultra Power Projects Get Bidders

Both projects will fetch investments of ₹50k cr; Tamil Nadu plant will be run on imported coal

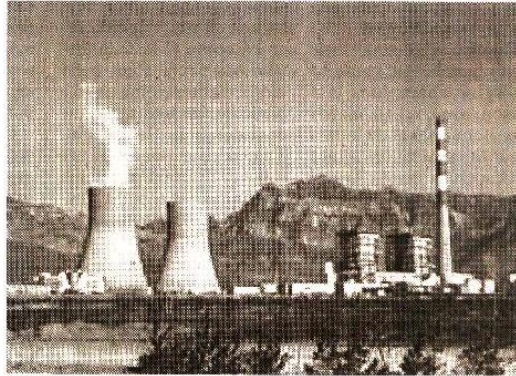
by Samiran Saha

New Delhi: After a gap of nearly two-and-a-half years, Power Finance Corporation, (PFC) on Friday received as many as eight request for proposal (RFQ) for the 4000 MW Cheyyur ultra mega power plant to come up in Tamil Nadu. About a week ago the PFC also received nine RFQs for another 4000 MW planned at Bedabahal which is expected to come up at Sundergarh district in Odisha.

Together both UMPPs will fetch investments to the tune of ₹50,000 crore, thus bringing in the much-needed funds for the power sector.

The firms that have sent their request for the Cheyyur UMPP include PSU, NTPC, infrastructure major GMR, Sterlite Energy Ltd, the energy arm of Vedanta Resources Plc, China Light and Power along with its Indian partner, JSW, Jindal Steel and Power, Adani Power and Tata.

The Cheyyur plant will come up at the coastal township and will be run on imported coal, the winning bidder will not be accorded any fuel linkages and will have to run the plant on imported coal.



"Since the quality of coal is far better than what is available in India, the plants run on imported coal have a better plant load factor and the cost of per unit produced reduces significantly," a PFC official said.

Similarly power majors including state-run PSU and hydro power major NHPC, Adani Power, Sterlite Industries, NTPC, Tata and CLP India have submitted RFQs for the Bedabahal power plant.

Sources at PFC said despite the depressed market conditions the response received has been 'very good' and hoped that the financial bids or the final

allocation of the proposed power to the winning bidder will be concluded soon.

Four such projects have already been awarded - Mundra in Gujarat which owned by Tata Power and has already been commissioned.

Sasan in Madhya Pradesh, Krishnapatnam in Andhra Pradesh and Tilaiya in Jharkhand which were bagged by Anil Ambani-led Reliance Power are in different stages of commissioning.

The last date for submitting of the RFQs for the Cheyyur plant was earlier set for May for both the proposed plants, but

CHEYYUR BIDDERS

- NTPC
- GMR
- Sterlite Energy
- China Light and Power
- JSW
- Jindal Steel and Power
- Adani Power
- Tata

BEDABHAL BIDDERS

- NHPC
- Adani Power
- Sterlite Infraventure
- CLP India
- NTPC
- Tata Power
- JSW Energy
- Jindal Power
- L&T

the date has now been extended by two months at behest of the bidders keeping in view the ongoing elections and the prevailing high interest rate and increased cost of capital.

However bidders are now asking for revised power tariff citing higher cost of imports, construction and capital.