Two state power agencies join hands to explore coal

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Bhubaneswar: Two state government entities Odisha Power Generation Corporation Ltd (OPGC) and Odisha Hydro Power Corporation Ltd (OHPC) formed a joint venture, Odisha Coal and Power Limited (OCPL), on Thursday to explore coal from Manoharpur and Dip-side Manoharpur blocks.

The blocks would cater to the coal requirement of OPGC's 4x600 MW thermal power plant at Banharpali in Jharsuguda district. Formation of the JV was essential as the Centre had allocated the two blocks to OCPL in August 2015.

Though the state government had issued notification for formation of OCPL in February 2015 to avail the two coal blocks, details of stake sharing between OPGC and OHPC were not finalized.

While OPGC has a stake of 51% in the JV, OHPC owns 49% share, according to the agreement signed between OPGC and OHPC in presence of energy minister Pranab Prakash Das here on Thursday.

Energy secretary Rajesh Verma would head the entity as chairman while Gridco director Hemant Sharma would be its director. The new entity would have sevenmember board of directors comprising four from OPGC and three from OHPC.

"The state government is working hard to acquire land for development of the coal blocks. We hope the JV will start the mine operation by April 2019. Both the coal blocks have a total reserve of 531 MT," said the energy minister. Both the entities would spend Rs 1,500 crore for development of the blocks, official sources said.

According to the sources, most of the major statutory nods, including environment and forest clearances, are already obtained for the coal mining project.

Initially, the state government plans to develop the Manoharpur block with an estimated reserve of 181 MT. The other block has a deposit of 350 MT.

The OPGC is developing a rail corridor for transportation of coal from the blocks located in Sundargarh district to the plant.

On April 12, chief minister Naveen Patnaik had urged Prime Minister Narendra Modi during a meeting in New Delhi to ensure interim coal linkage for the OPGC plant till the two blocks start operations.