

## The NITI Aayog Draft Report on Prospects of coal.

### Why in news?

The NITI Aayog has drawn up an important 'draft' report on the prospects of coal in the coming decade.

### What the draft report of NITI Aayog says?

- The report bases its projections on eight major studies.
- In India coal cannot be phased out owing to urgency in moderating coal use.
- The report suggests a modest growth in coal-fired power by 2030, despite its share in electricity generated is projected to fall from 72% now to just 50% by then.
- Battery storage and Grid integration remains as areas of uncertainty in case of renewable energy.
- So, there can be no get away from an increase in demand for thermal-based power over the next decade.

### What does the report recommend for clean and efficient energy?

- Producing clean electricity means low sulphur and carbon emissions.
- Experts feel that coal power should be drawn largely from new plants in order to meet these parameters, thereby scrapping old ones.
- However, there is also a broad consensus that no further projects should be planned.
- The extra electricity demand can be met from a coal-fired generation capacity of about 250 GW by 2030 (renewable accounting for the rest), against 210 GW at present, to be met from thermal projects in the pipeline.
- [Conceiving further thermal capacities will create a problem of stranded assets.](#)

### How many old plants should be phased out?

- The views of experts advising NITI Aayog on energy policy appear to diverge.
- **The National Institute of Advanced Studies** has suggested the progressive retirement of 36 GW of total capacity.
- **The Council on Environment, Energy and Water (CEEW)** recommends decommissioning 30 GW coal-based capacities and temporarily mothballing 20 GW of relatively new capacity
- Mothballing indicates stop using equipment but keeping it in good condition so that it can readily be used again.
- According to CEEW all old plants are not decrepit. Scrapping plants aged over 25 years will yield a one-time savings of over Rs10,000 crore in terms of avoided pollution retrofits.

## Why shouldn't we completely scrap old plants?

- Closing down plants brings with it a political risk in the event of outages
- A call to set up new thermal plants will increase, introducing further environmental and financial risks.
- A measured approach to the issue is the need of the hour.

### Reference

1. <https://www.thehindubusinessline.com/opinion/editorial/pulling-the-plug/article38057483.ece>

