

Two 660 MW Power Units Coming up

OPGC expansion plan gets a boost with finalisation of financing arrangement with PFC and REC

Express News Service

Bhubaneswar: The Odisha Power Generation Corporation's (OPGC) expansion plans for two 660 MW thermal power plants (Unit 3 and 4), including development of captive coal mine and railway transportation system, has taken a major leap with finalisation of the financing arrangement with Power Finance Corporation Ltd (PFC) and Rural Electrification Ltd (REC).

The funding of the above expansion project, with an estimated total cost of ₹ 11,547 crore, is based on a Debt to Equity ratio of 75:25. The debt component of ₹ 8,660 crore has been agreed to be financed in the ratio of 50:50 by PFC and REC on a long-term basis to be recovered over a period of 20 years.

The loan agreement with PFC and REC was executed by OPGC Managing Director Venkatachalam Kuppusami and the representatives of PFC and REC in a signing cer-

emony here on Friday. The agreements were signed in the presence of Energy Minister Arun Kumar Sahu, En-



PFC TO FUND IB UNITS

Bhubaneswar: The Power Finance Corporation (PFC) has agreed to provide assistance of ₹ 4,380 crore for the third and fourth units of Ib Valley Power Station of Odisha Power Generation Corporation (OPGC) at Banharpalli. The project was discussed between Chief Minister Naveen Patnaik and PFC Chairman Satnam Singh here on Friday. Other projects, including 4,000 MW coal-based power project proposed to be set up in Sundargarh district by Odisha Integrated Power Limited (OIPL) and two ultra mega power project (UMPP) in Bhadrak and Kalahandi districts, were also discussed. **ENS**

ergy Secretary P.K. Jena, CMD, PFC, Satnam Singh and Director, Finance, REC, Ajeet Agarwal.

The expansion project of OPGC has already obtained requisite clearances and permits from the State Government. Land acquisition for the mines and exclusive railway corridor is under progress through IDCO.

The project has recently been granted stage-I forest clearance and environment clearance for the captive mine. The evaluation of the EPC tendering for procurement of main plant equipment and award of erection thereof along with balance of plant and ancillary facilities is under progress. If project activities move as per schedule, construction work is expected to start in early 2013.

The OPGC has already entered into a long-term Power Purchase Agreement with GRIDCO for sale of 660 MW power and applied for long-term open access for direct sale of balance 660 MW.