

## **Looming Coal Crisis For China**

China's largest electricity provider has asked the government to help ensure coal supplies to avert a looming power crisis, Chinese official state media reports. The State Grid Corporation issued the call for help after the stockpile of coal, which provides about 70 per cent of China's power needs, had fallen to a week's supply in recent days, the *China Business News* reports. The supply shortfall was caused by dramatically rising demand due to recent cold weather, heavy rain and snowfall in parts of the country which have disrupted coal distribution, it reports. Other factors, however, include the recent closure of thousands of coal mines due to safety concerns, and rising diesel costs that have further hampered coal distribution. The looming crisis had already caused 13 provincial power grids in central and southern, southwestern, and northern China to impose restrictions on electricity use, the *People's Daily* reports. Power deficit nationwide has reached 69.63 GW, almost 10 per cent of China's total power generation capacity of 713 GW in 2007. The country is facing a daily shortage of 330,000 mt of coal supply for power generating, State Electricity Regulatory Commission chairman You Quan says. This is in the face of China's electricity consumption soaring, amid booming economic growth. According to the State Grid Corporation, China's national stockpile of coal for power use stood at 17.7 million mt on 20 January 2007, down more than 40 per cent from the same time in 2006.

[Source essa news]