

IMMEDIATE
BY FAX

File No.23014/1/2017-CLD
Government of India
Ministry of Coal
<<>>

New Delhi, the 14th June, 2017

To,

1. Chairman,
Coal India Limited,
Coal Bhawan,
Premise No-04 MAR,
Plot No-AF-III, Action Area-1A,
Newtown, Rajarhat, Kolkata-700156
2. The Chairman-cum-Managing Director,
Singareni Collieries Company Limited,
18, Red Hills, Khairatabad PO, Hyderabad,
Telangana.

Subject: Meeting of the Standing Linkage Committee (Long-Term) for Power/Sponge/Cement Sector to review status of existing coal linkages/LoAs and other related matters – SLC/LT No. 1/2017.

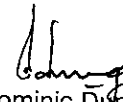
Sir,

I am directed to forward herewith minutes of the meeting of the SLC (LT) for Power/Cement/Sponge Sectors held on 29.03.2017 to review the status of existing coal linkages/LoAs and other related matter.

2. Recommendations of the SLC(LT) in respect of all the items except additional agenda item no. 6 (Condition Precedent under FSA) have been approved by the Competent Authority. It has been decided to place additional agenda item no. 6 before the SLC(LT) in its next meeting.

Encl: as above

Yours faithfully,



(Dominic Dungdung)

Under Secretary to the Govt. of India

To

- | | |
|--|-------------|
| 1. Additional Secretary, Ministry of Coal | Chairperson |
| 2. Principal Advisor (Energy), NITI Aayog, Yojana Bhawan New Delhi. | Member |
| 3. Joint Secretary (Coal), Ministry of Coal | Member |
| 4. Advisor (Projects), Ministry of Coal | Member |
| 5. Joint Secretary (Thermal), Ministry of Power, Shram Shakti Bhawan, New Delhi | Member |
| 6. Joint Secretary (Ports), Ministry of Shipping, Transport Bhawan, New Delhi | Member |
| 7. Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi | Member |
| 8. Joint Secretary, Department of Industrial Policy & Promotion, Udyog Bhawan, New Delhi | Member |
| 9. Executive Director, T. T. (F), Railway Board, Room No. 261, Rail Bhawan, New Delhi. | Member |
| 10. Director (Marketing), Coal India Limited. | Member |
| 11. CMD's BCCL, CCL, ECL, MCL, NCL, SECL & WCL | Members |
| 12. Chairman-cum-Managing Director, Central Mine Planning & Design Instt Ltd., Gondwana Place, Kanke Road, Ranchi. | Member |

13. Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi
14. Chairman, NTPC, Scope Complex, Lodhi Road, New Delhi-110003
15. Joint Secretary (CA-III Section), Ministry of Coal

Member
Member
Special Invitee


Copy to:

- (i) Director (Technical), CIL
- (ii) GM (S&M), CIL, Kolkata
- (iii) CGM (CP), CIL, Kolkata
- (iv) GM (S&M), CIL, Delhi.

Copy also to:-

1. PS to Minister of State (I/C) for Power, Coal, NRE and Mines
2. OSD to MoS (I/C) for Coal
3. PSO to Secretary (Coal)
4. PPS to Additional Secretary (Coal)
5. PPS to Joint Secretary (RKS),
6. PPS to Joint Secretary (RPG),
7. PPS to Joint Secretary (VB).

Copy also to - NIC, Ministry of Coal with a request to place it on the Website of the Ministry for information of all concerned.


(Dominic Dungdung)
Under Secretary to the Govt. of India

No. 23014/1/2017-CPD
 Government of India
 Ministry of Coal

Minutes of the meeting of the Standing Linkage Committee (Long Term) for Power held on 29th March, 2017.
New Delhi, Dated 14th June, 2017

A meeting of the Standing Linkage Committee (Long Term) for Power was held on 29.03.2017 under the Chairmanship of Additional Secretary (Coal) to review the status of existing coal linkages/LoAs and other related matters.

Agenda	Brief description of the Agenda item	Summary of discussions	Recommendations with reasons
Agenda Item No. 1 Confirmation of Minutes of the SLC (LT) meeting held on 01.09.2016	Confirmation of Minutes of the SLC (LT) meeting held on 01.09.2016.	There were no comments from any side.	Minutes of the meeting held on 01.09.2016 are approved.
Agenda Item No.2 Review of ACQ of Ramagundam-III TPP of NTPC	The matter of review of ACQ of Ramagundam-III TPP of NTPC was also discussed in SLC(LT) meeting held on 01.09.2016. The SLC(LT) recommended that the matter would be examined on file. The SLC (LT) vide its order dated 02.09.1999 had accorded linkage of 2.5 MTPA from SECL (Korba) to Ramagundam, Stage-III (500 MW)	NTPC informed that 2.5 MTPA linkage was sanctioned by SLC (LT) in 1999. Due to shortage of coal, the ACQ of 1 MT was approved. Later, as per IMTF recommendations, the linkage was transferred to SCCL as part of linkage rationalization. CEA stated that 1 MTPA linkage for Ramagundam was due to logistic constraints in 2009. It was	SLC(LT) recommended that CEA may study the coal requirement of pre-2009 plants and submit proposal.

	<p>power plant. However, during the time of signing of FSA, the ACQ was set as 1.0 MTPA. Ramagundam TPP is a pre-2009 plant where the supplies are being made at 90% of ACQ as per the CCEA decision of 21.06.2013. The ACQ of the pre-2009 plants were fixed as per the communication received from CEA.</p> <p>Mop vide its O.M. dated 26.10.2016 stated that the matter has been examined in consultation with CEA. MoP had stated that a meeting was held on 08.04.2009 under the chairmanship of Chairperson, CEA on the issues related to FSA. In the meeting, based on the proposal of NTPC, ACQ for Ramagundam-III was fixed at 2.5 MTPA. However, CIL agreed to supply beyond 2007-08 level on best effort basis. The supply from CIL sources to this unit was about 0.68 MT during 2007-08. Subsequently, FSA was signed on 26.07.2011 and 15.07.2011 with MCL and SECL respectively for a quantity of 1.0 MTPA (0.5 MTPA each from MCL and SECL) instead of 2.5 MTPA as finalized in the meeting held on 08.04.2009 and accorded by SLC (LT) in its order dated 02.09.1999. The reason for less allocation, as cited by CIL, was that there were problems in supplying coal due to logistic constraints and also</p>	<p>informed by CEA that ACQ for all pre-2009 plants was fixed in 2009 and agreed by SLC (LT).</p> <p>SCCL stated that the increased requirement of the TPP can be met from the cost plus mines of SCCL. On the matter of rationalization of ACQ of pre-2009 plants, NTPC was of the view that it should be reviewed on the basis of consumption/usage. CEA stated that the review should be based both on usage basis and normative requirement basis. CIL was of the view that the review should be on normative requirement basis.</p>	
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	<p>due to negative balance coal scenario of the subsidiaries prevailing at that time. Subsequently, as per recommendations of the new IMTF in their report dated 02.02.2015 on rationalization of coal sources, the linked source of Ramagundam-III (500MW) has been transferred from MCL & SECL to SCCL. MOP had indicated that this would now eliminate the logistic issues in supply of coal. With the enhanced availability of domestic coal, the coal supply scenario has now become comfortable and enhancement in ACQ of the plant may be considered. MOP has requested Ministry of Coal to consider increasing ACQ of Ramagundam-III to 2.5 MT as finalized in the meeting held in CEA on 08.04.2009 and approved by SLC (LT) in its order dated 02.09.1999.</p> <p>SLC(LT) to take a view in the matter.</p>		
<p>Agenda Item No.3 Transfer of coal linkage to Vindhyachal and Katwa from Badarpur TPP</p>	<p>A request was received from NTPC for supply of coal a/c its Badarpur TPS (BTPS) to Vindhyachal V (Unit 13) under the new policy of "Flexible utilization of Domestic coal" and it was sent to MOP for their comments. MOP examined the request of NTPC in consultation with CEA and indicated that as per the methodology for flexible utilization of domestic coal by reducing the cost of</p>	<p>It was informed that Badarpur TPP (700 MW) was having a coal linkage of 4.2 MTPA. CEA has stated that 3 units of this TPP have closed. NTPC Katwa TPP of 2x660 MW is likely to come by 2020-21. CIL has informed that for use of coal at NTPC Vindhayachal-V unit, as per flexible utilization of coal policy,</p>	<p>It was recommended that as per the provisions of the policy of automatic transfer of linkages dated 06.02.16 & 09.06.16, the linkage transfer from Badarpur to Katwa may be implemented by CIL after the receipt of date</p>

	<p>power generation, domestic coal can be used in the optimal manner in different stations of the Central state generating companies. Mop indicated that NTPC may be allowed to utilize coal in optimal manner from the overall ACCQ clubbed to their generating stations as per the scheme including diversion of coal about 2.2 MT from Badarpur TPS to Vindhyachal-V.</p> <p>Clarifications received from Mop were sent to CIL for taking necessary action. CIL further sought certain clarifications on the following issues:</p> <p>(i) Whether TPPs of State/Central Gencos not having FSA with CIL sources would be included in the coal supply matrix. Such TPPs may be new one or having erstwhile tapering linkage.</p> <p>(ii) Whether TPPs having Bridge Linkage would be included in the supply matrix Aggregated Annual Contracted Quantity (AACQ) since the price applicable for supply of coal under bridge linkage is 10 % over and above the notified price (except for WCL coal and coal of G1 to G5 for all subsidiaries).</p> <p>The issue related to request of NTPC for utilization of coal a/c NTPC Badarpur TPS to Vindhyachal-V (Unit 13) was</p>	<p>some comments of Mop are awaited. It was also informed by CIL that some quantity of Badarpur linkage has already been adjusted and balance quantity of ACCQ left was 1.72 MT. NTPC informed that the linkage is required for getting various clearances like EC etc and the Badarpur units may take some time to get decommissioned. It was requested that recommendation for linkage transfer may be made subject to decommissioning of the existing Badarpur units and actual linkage transfer may occur on decommissioning of the Badarpur TPS units, for which dates will be informed by Mop/CEA.</p>	<p>of decommissioning of the units of Badarpur from Ministry of Power. The request for transfer of coal from Badarpur TPP to NTPC Vindhayachal-V unit may be dealt by CIL and NTPC as per the provisions of the relevant policy.</p>
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	<p>deliberated in the SLC (LT) meeting held on 01.09.2016 wherein SLC (LT) considered the matter and was of the opinion that the request would be examined in receipt of views/recommendations of MOP. Clarification on the issues raised by CIL was required from MOP. Comments of MOP are awaited.</p> <p>NTPC meanwhile requested to MOP, (with a copy endorsed to MoC), for transfer of coal linkage of BTPS (705 MW) Delhi to proposed Super Critical Power Project KATWA (2 x 660 MW) at West Bengal as per the policy for automatic transfer of coal linkage on closure of the plant and as decided by SLC(LT) in its meeting held on 21.6.2016. MOP's comments were sought in this regard and they have request to consider the request of NTPC as per the policy for automatic transfer of coal linkage.</p> <p>SLC(LT) to take a view in the matter.</p>	<p>It was informed by MOP that the SLC (LT) of 2014 has agreed for surrender of linkage of decommissioned plants, however, the transfer of linkage to new plants is required to be</p>	<p>It was recommended that as per the provisions of the policy of automatic transfer of linkages dated 06.02.16 & 09.06.16, the linkage</p>
<p>Agenda Item No.4</p> <p>Transfer of coal linkage of 4 existing coal linkage of 4</p>	<p>At present PTPS is having pre-2009 FSA for 6,600 MTPA of coal for a capacity of 1360 MW. As 1 to 4 unit of 110 MW each is being retired, therefore the pro-rata quantity of the retiring plants i.e. 2.315 MT (6.600/1360 x 440) is</p>		

<p>units of 110 MW each Panipat Thermal Power Station (PTPS) to proposed 1x800 MW supercritical unit at PTPS</p>	<p>proposed to be allocated to 1x800 MW supercritical unit of PTPS under the policy of automatic transfer. One of the condition of this policy is that transfer shall take place on commissioning of the new unit.</p> <p>SLC(LT) to take a view in the matter.</p>	<p>recommended by SLC (LT) based on the policy issued in February, 2016. MoP/CEA has agreed to give the date of decommissioning of old units from which the linkage has to be transferred.</p>	<p>transfer to PTPS (1x800 MW) may be implemented by CIL after the receipt of date of decommissioning of the old units from Ministry of Power.</p>
<p>Agenda Item No.5 Change of name of the company from M/s Indsil Energy & Electrochemicals Private Limited. to M/s Indsil Energy & Electrochemicals Limited.</p>	<p>M/s Indsil Energy & Electrochemical Ltd. applied for long term coal linkage for its 11 MW CPP. SLC (LT) in its meeting held on 27.10.2004 approved long term coal linkage to the tune of 72,000 tpa from Raigarh coalfields of SECL. Ministry of Railways was agreed movement of coal from Raigarh coalfield.</p> <p>In this context a letter was received from INDSIL Energy and Electrochemicals Limited regarding correction in the name of Long Term Coal Linkage order. It has been mentioned that name of organization is mentioned as 'Indsil Energy and Electrochemical Limited' instead of 'Indsil Energy and Electrochemicals Limited'. The last letter 's' in the word Electrochemicals has been omitted in the said order.</p> <p>Indsil requested MoC to issue a letter to the effect that the name of the company to be read as Indsil Energy and</p>	<p>SECL has informed that they have taken the name change on record based on documents like board resolution before and after the name change, ROC certificates etc.</p>	<p>The change in name of the company was taken on record.</p>

Electrochemicals Limited. MoC issued letter no. 23021/187/2004-CPD dated 21.05.2006 to Chief General Manager, CIL regarding long term coal linkage for 11 MW of M/s Indsil Energy and Electrochemicals Limited, Chattisgarh and it has been mentioned that the name of the company may please be read as M/s Indsil Energy and Electrochemicals Limited instead of Indsil Energy and Electrochemical Limited.

SECL, vide their letter dated 17.01.2017, informed MoC regarding change in name of the company from Indsil Energy and Electrochemicals Limited to Indsil Energy and Electrochemicals Private Limited. It has been stated that aforesaid change in the name of the company does not involve change in its management, shareholding pattern, amalgamation, demerger, court order etc.

SLC(LT) to take a view in the matter.



Minutes of the meeting of the Standing Linkage Committee (Long Term) for Cement held on 29th March, 2017.
New Delhi, Dated 14th June, 2017

A meeting of the Standing Linkage Committee (Long Term) for Cement was held on 29.03.2017 under the Chairmanship of Additional Secretary (Coal) to review the status of existing coal linkages/LoAs and other related matters.

Agenda	Brief description of the Agenda item	Summary of discussions	Recommendations with reasons
<p>Agenda Item No.1 M/s J. K. Cement</p>	<p>M/s. JK Cement Ltd., vide its letter dated 06.06.2016 had indicated that their CPP at Village Bamania, Distt. Nimbahera, Rajasthan was commissioned in 1985-86 and has been in operation since then. The boilers have become technologically obsolete and have almost out lived their useful life. Maintaining safe and consistent operation has become very difficult. Availability of spares is also a major challenge. Further, the permission granted under sector 21[4] of the Air [Pollution & Control of Pollution] Act 1981 as 'Consent to Operate' prescribes particulate emission limit of only 100 mg/NM which is the same as for any modern</p>	<p>The PP informed that the boilers are first generation boilers and are being phased out in the country. No spare parts are available for such boilers and the company has decided to shut down the boilers on 15.08.2016. The PP also informed that they will go for fresh linkages when they require in near future. The PP also informed that the company has on its own informed the boiler inspector that they cannot run the boilers due to obsolescence and no communication was received from the state authorities in this matter.</p>	<p>The request for surrender of linkage by M/s J K cements was accepted. The issues of Bank Guarantee and other FSA terms between M/s J K Cement and the coal company may be decided by the concerned parties as per the provisions of FSA.</p>



	<p>CFBC/AFBC Boiler and does not take into consideration the old design and age of the boilers and therefore, it is increasingly becoming very difficult to achieve these parameters with such old and outdated units. The "consent" was valid upto 31.08.2015 and is yet to be renewed further. They have no option but to close down the present units of the CPP and replace them with modern and more efficient units. The company has brought to the notice of Ministry of Power and its administrative Ministry i.e. Ministry of Commerce & Industry, Dept. of Industrial Policy & Promotion to close the CPP and surrender the coal linkage. In view of the time required for dismantling these old units and erection of new ones in their place, they will not be able to use the coal linkage allocated to it by the SLC (LT) in its meeting held on 20.03.2008, pursuant to which an FSA had been signed with SECL and WCL for supply of 39600 TPA each. The company has requested to accept the surrender of coal linkage and accordingly permit discontinuation of coal supply under the FSA and also advise WCL/SECL to accept the</p>	<p>SECL has stated that J.K. Cement has submitted the documents to WCL/SECL in this regard.</p>	
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	<p>same without forfeiture of the Bank Guarantee.</p> <p>GM (S&M), WCL intimated regarding request of M/s. J.K. Cement Ltd. for surrender of its Long Term Coal Linkage due to closure of the old, out dated units of CPP that presently WCL is having FSA with M/s. J.K. Cement Ltd. for its CPP plant located at J.K. Cement Works, Nimbahera, Shambhupura, Rajasthan for a quantity of 39,600 tonnes per annum. The FSA executed on 31.07.2008 is valid upto 31.07.2018. Further, as per present FSA provisions, premature termination of FSA attracts forfeiture of Security Deposit. WCL has requested for further advise of MOC in the matter.</p> <p>GM (S&M), WCL has been requested to obtain documents/information in this regard from the State Government and bring the same for placing it before the SLC (L-T) meeting.</p> <p>It has proposed that the proposal of the company for surrender of linkage and BG forfeiture be referred to the SLC (LT)</p>		
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	for decision.		
	SLC(LT) to take a view in the matter.		

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No. 23014/1/2017-CPD
Government of India
Ministry of Coal

New Delhi, Dated 14th June, 2017

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Sponge Iron Sector held on 29th March, 2017.

A meeting of the Standing Linkage Committee (Long Term) for Sponge Iron Sector was held on 29.03.2017 under the Chairmanship of Additional Secretary (Coal) to review the status of existing coal linkages/LoAs and other related matters.

Agenda Item	Brief description of the Agenda item	Summary of discussions	Recommendations with reasons
Agenda No. 1 Confirmation of Minutes of the SLC (LT) meeting held on 01.09.2016	Confirmation of Minutes of the SLC (LT) meeting held on 01.09.2016.	There were no comments from any side.	The minutes were approved.



New Delhi, Dated 14th June, 2017

Minutes of the meeting of the Standing Linkage Committee (Long Term) for Power held on 29th March, 2017.

A meeting of the Standing Linkage Committee (Long Term) for Power was held on 29.03.2017 under the Chairmanship of Additional Secretary (Coal) to review the status of existing coal linkages/LoAs and other related matters.

Additional Agenda	Brief description of the additional Agenda item	Summary of discussions	Recommendations with reasons								
1.NTPC Coal allocation for new upcoming projects under special dispensation	<p>Issue: Coal allocation for new upcoming projects (8010 MW) under special dispensation</p> <p>It has been stated by the project proponent that –</p> <p>About 8010 MW capacity comprising of 4210 MW proposed NTPC projects/units and 3800 MW JVs are in advance stage of construction and are scheduled to be commissioned in FY 2016-17 & onwards. Detailed list of projects are as follows:</p> <p>NTPC Projects:</p> <table border="1"> <thead> <tr> <th>S. No.</th> <th>Project/ Unit</th> <th>LOA Dated</th> <th>Coal Company</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Bongaigaon U#3 (1 X 250)</td> <td>28-04-2007</td> <td>ECL</td> </tr> </tbody> </table>	S. No.	Project/ Unit	LOA Dated	Coal Company	1	Bongaigaon U#3 (1 X 250)	28-04-2007	ECL	<p>NTPC has informed that LOA for 8010 MW has been issued to different TPPs and investments have been made for such plants. These projects have either come up or are about to come. It was informed that Mouda unit was commissioned, Solapur unit is about to commission. Ministry of Power has also stated that similar case for DVC Raghunathpur also exists.</p>	<p>The signing of FSA with LoA holders shall be done as per the new linkage policy which is under consideration.</p>
S. No.	Project/ Unit	LOA Dated	Coal Company								
1	Bongaigaon U#3 (1 X 250)	28-04-2007	ECL								

2	Barh Stage-I U#2&3 (2X660 MW)	18-11-2010	CCL
3	Solapur STPP (2X660 MW)	11-11-2010	MCL
4	Mouda Stage-II (2X660 MW)	11-11-2010	MCL
SUB TOTAL		4200 MW	

NTPC JV Projects:

5	Nabinagar TPP	14/11/2010	CCL
6	Meja STPS (2x660 MW)	13/11/2010	SECL
7	Nabinagar STPS (3X660 MW)	03/11/2010	CCL
SUB TOTAL		3800 MW	
TOTAL		8010 MW	

NTPC has stated that the matter was deliberated in the SLC (LT) held on 01.09.2016 wherein it was informed that the decision of signing of FSA should be taken as per the provisions of the new linkage policy which is under consideration.

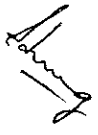
<p>2.NTPC Allocation of Special Bridge Linkage or Long term Linkage for Gadawara (2x800 MW) and Unchahar-IV (1x500 MW) TPP</p>	<p>Issue: Allocation of Special Bridge Linkage or Long term Coal Linkage for Gadawara (2x800 MW) and Unchahar-IV (1x500 MW) TPP of NTPC</p> <p>It has been stated by the project proponent that – Chandrabhila coal block was allocated to NTPC. Coal from this block was linked to Gadawara (1600 MW) and Unchahar-IV (1x500 MW) power project of NTPC. Subsequently, allocation of Chandrabhila coal block was changed to Govt. of Tamil Nadu. Presently, there is no coal linkage/block available for Gadawara and Unchahar-IV and execution of these projects are in advance stage. PPAs are already in place. NTPC has requested either to allocate bridge linkage under special dispensation for this project till it's yet to be allotted captive block is operational or to accord long term linkage.</p>	<p>NTPC informed that Chandrabhila block was allotted to this TPP which later got transferred to Tamil Nadu. Investments have been made in these TPPs and the units are about to be commissioned in March and May, 2017. NTPC has also stated that they shall apply for a coal block when NIA is issued for the same. In the interim, the PP has also requested for grant of bridge linkage/long term linkage.</p>	<p>The grant of new linkages shall be done as per the new linkage policy which is under consideration. Further, Bridge Linkages may be considered after allocation of coal block.</p>
<p>3.NTPC Revision of norms for Bridge Linkage</p>	<p>Issue - Revision of norms for Bridge Linkage for at least 5 years & till coming to production capacity of the coal block/mine allocated, in line with MoEF recommendation</p> <p>It has been stated by the project proponent that –</p> <p>While coal mine development takes 6-7 years after allocation of coal block and at the same time commissioning of power plant takes at least 4 years after all clearances are obtained. As a result for many of the upcoming NTPC stations there will be a considerable gap between expiry</p>	<p>NTPC informed that EAC committee has recommended for Bridge Linkages for 5 years. It was also informed that as per the CMDPA, the time period for mine development was 38/44 months.</p>	<p>The Bridge Linkage duration may continue to remain as per Bridge Linkage policy.</p>

	<p>of the bridge linkage coal and availability of coal from their respective linked coal block. In view of this, EAC of MOEF in its 63rd meeting suggested that the Bridge Linkage be done for a t least 5 years & till coming to production capacity of the coal block/mine allocated and also advised that MOEFF&CC may consider taking up this issue with MoC. NTPC has requested that SLC (LT) may consider revision of norms for Bridge Linkage for at least 5 years & till coming to production capacity of the coal block/mine allocated.</p>		
<p>4.NTPC Grant of Long term Coal Linkage For Pudidmadaka TPP</p>	<p>Issue - Grant of Long term Coal Linkage as well as allocation of Captive Coal Block with high grade coal for proposed Pudidmadaka TPP (4x1000 MW) of NTPC at Visakhapatnam in Andhra Pradesh.</p> <p>The matter has been dealt on file. A reply has been sent to Govt. of A.P. stating that a new policy for grant of long term coal linkages to power sector is under consideration with the Govt. and Coal linkages shall be considered as per the provisions of the new coal linkage policy.</p>	<p>NTPC informed that this plant was originally envisaged on import based coal. MoS (I/C), Coal in a meeting held with the State had stated that since sufficient coal is available the plant should be planned and designed on domestic coal. Accordingly, NTPC has requested for a coal linkage of high GCV (more than 5000) or a coal mine of high grade coal or both. It was also informed that EC/FC of the project was held up on this account.</p>	<p>The grant of new linkages shall be done as per the new linkage policy which is under consideration.</p>
<p>5. Supply of coal under Bridge Linkage</p>	<p>Issue - Supply of coal under Bridge Linkage MoUs at notified price</p> <p>Ministry of Power has stated that MoC vide letter</p>	<p>NTPC has informed that CAG has raised the issue of coal being supplied at a higher rate under bridge</p>	<p>The pricing of coal is a commercial decision of CIL.</p>

<p>MoUs at notified price</p>	<p>dated 01.09.2015 advised CIL to supply coal through MoU route on notified prices to Barh-II till the grant of Tapering linkage as a special case. On allocation of bridge linkage CIL informed that the supplies shall be at 10% premium over notified price. NTPC has been requesting for such linkage to be at notified price. MOP has further stated that recently CAG in its report on "Performance Audit of Fuel Management of coal based stations of NTPC Ltd." has noted that it is prudent to have a policy to supply coal at notified price under Bridge Linkage MoUs in line with coal supplied under linkage route since this adds to the burden on consumers. MOP has requested SLC (LT) to direct CIL to supply coal at notified prices under the bridge linkages.</p>	<p>linkage supplies and therefore, this request has been made by NTPC.</p>	
<p>6. M/s Lanco Amarkantak Power Limited (Condition Precedent under FSA)</p>	<p>Project Proponent has requested for extension of time line for fulfillment of Condition Precedent under FSA.</p> <p>The issue of extension of Condition Precedent clause No. 2.8.2.3 of FSA was placed before the SLC (LT) in its meeting held on 17.07.2015 in the context of a particular TPP. However, the Committee made a general recommendation that extension of time for fulfilling all the condition precedent of all such projects, except COD and commissioning may be granted upto 31.03.2016. The recommendation of the SLC (LT) was submitted to the competent authority, ie. Hon'ble MoS (I/C) for Coal. Competent authority directed that a policy may be formulated in this regard.</p>	<p>The PP informed that 2x660 MW plant at Korba Chhatisgarh is under progress. The PP stated that it has participated in 2016 UPPCL PPA bid and the outcome of this bid is deferred due to elections in the State. THE CP clause 2.8.2.3 was extended last time until March, 2017. MOP and CEA stated and recommended that since PPAs are not coming in the market this condition precedent date may be extended upto 31st March,</p>	<p>In view of the recommendations of Ministry of Power and CEA, the SLC (LT) recommended that Condition Precedent clause no. 2.8.2.3 of FSA should be considered for extension of time period for fulfillment upto 31.03.2018. (This recommendation is not approved by Competent Authority)</p>

<p>MOP vide its O.M. dated 21.03.2016 recommended extension of time for Condition Precedent under clause 2.8.2.3 only which relates to signing of PPA. However, in view of the recommendation of SLC (LT) for extension of time for fulfilling all the condition precedent except COD and commissioning, MOP was requested to furnish its views on extension of time for fulfilling all the CPs. Subsequently, MOP requested MOC to consider the extension of the time period for fulfillment of CP mentioned in Clause 2.8.2 for FSA holders upto revised date of COD/anticipated commissioning.</p> <p>The clause 2.8.2 is as below:</p> <p>2.8.2.1 The Purchaser shall have obtained from the lawful authority all necessary clearances, authorizations, approvals and permissions required for construction, commissioning, operation and maintenance of the Plant.</p> <p>2.8.2.2 The purchaser shall have completed the construction and the completion of such construction along with readiness of the power plant for lighting up has been certified by an Independent Engineer within the Condition Precedent Period.</p> <p>2.8.2.3 [Applicable to Purchaser who has signed FSA without entering into long term PPA] The Purchaser shall have to furnish the long term Power Purchase Agreements (PPA) either directly with Distribution Companies (DISCOMs) or through Power Trading Company (ies) (PTC) who has/have signed back to back PPA(s) (long</p>	<p>2018. During that time some medium term PPA are also likely to come in the market.</p>	
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<p>term) with DISCOMs within the Condition Precedent (CP) period as per clause 2.8.3.1.</p> <p>SLC (LT) in its meetings dated 21.06.2016 recommended that Condition Precedent clause No. 2.8.2.3 of FSA should be considered for extension of time period for fulfillment upto March 2017. However, during the SLC (LT) meeting held on 01.09.2016, representative of NTPC indicated that MoP had recommended for extension of time for fulfillment of conditions under clause 2.8.2. SLC (LT) approved the minutes of the SLC (LT) meeting held on 21.06.2016 with the modification that expression "Condition Precedent clause No. 2.8.2.3" would be replaced by "Condition Precedent clause No. 2.8.2".</p>		
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With the permission of the Chair, the following issues, which were not listed in the agenda, were also discussed:

S.No.	Issue	Gist of discussion	Recommendations
1.	Surrender of LoA by M/s Gupta Energy Pvt. Ltd.	The PP informed that the failure to achieve the LoA milestones by it was on account of Moratorium imposed by MOEF and thus qualified as force majeure clause.	SLC(LT) has already considered the issue in the meeting held in January 2016. There were no fresh inputs in the matter and recommended that the decision taken by SLC(LT) in January 2016 stands.
2.	Commencement of Coal supply to Unit – II of Prayagraj Power Generation Company Limited	The PP informed that it is a part of 78000 MW category and the commissioning of the unit 2 was delayed by more than two years. The unit has now been commissioned and FSA is also signed. It was requested by the PP that the coal supply to its unit 2 may be started by CIL.	The coal supply to the unit has not started as the unit has delayed the commissioning beyond 2015. The supply of coal shall be as per the new linkage policy which is under consideration.

