

IMMEDIATE

F.No.23014/3/2018-CLD
Government of India
Ministry of Coal
<<>>

Shastri Bhawan, New Delhi
Dated the ~~14~~ June, 2018

OFFICE MEMORANDUM

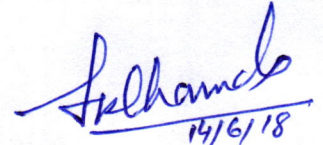
Subject: Meeting of the Standing Linkage Committee (Long-Term) for Power Sector-
SLC/LT No. 3/2018

The undersigned is directed to say that the next meeting of the Standing Linkage Committee (Long-Term) for Power Sector (SLC/LT No. 3/2018) to consider the requests for linkages to Central / State Sector Power Plants and to review the status of existing coal linkages/LoAs and other related matters is scheduled to be held on 27.06.2018 at 3.00 P.M. Agenda items for discussion in the meeting are enclosed herewith.

2. Venue of the meeting shall be Bhaba Chamber, Scope Convention Centre, Scope Complex, Lodhi Road, New Delhi.

3. You are requested to kindly make it convenient to attend the meeting. The project proponents whose cases are mentioned in the agenda may also attend the meeting, if they wish to represent their case (s) before the SLC (LT).

Encls. as above


14/6/18

(P. K. Chanda)
Section Officer

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, Coal, Railway Board, Room No. 261, Rail Bhawan, New Delhi. | Member |

10. Director (Marketing), Coal India Limited.	Member
11. CMD's SCCL, 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	Member
14. Chairman, NTPC, Scope Complex, Lodhi Road, New Delhi-110003	Member
15. Joint Secretary (CBA-II Section), Ministry of Coal	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 Coal
- 2. OSD to Minister for Coal
- 3. PSO to Secretary (Coal)
- 4. PPS to Additional Secretary (Coal)
- 5. PPS to Joint Secretary (LA)

Copy also to - NIC, Ministry of Coal with the request to place it in the website of the Ministry of Coal for information of all concerned.

Enclosure

**Agenda for the meeting of the Standing Linkage Committee (Long Term)
for Power Sector to be held on 27.06.2018**

S.No.	Issue
Agenda item no. 1: Time Extension of Bridge Linkage for Harduaganj Extn TPP of UPRVUNL (1 x 660 MW)	<p>Saharpur-Jamarpani coal block was allotted to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd (UPRVUNL) on 13.08.2015 for supplying coal to Harduaganj Extn TPP, Jawaharpur TPP, Obra 'C' and Panki Extn TPP.</p> <p>Based on the allotment of coal block, SLC (LT) in its meeting held on 18.03.2016 granted Bridge Linkage to Harduaganj Extn (1 x 660 MW) for 3 years from the date of allotment of coal block i.e. 13.08.2015. Bridge Linkage duration of above Power plant will expire on 12.08.2018.</p> <p>As per the Bridge Linkage policy, Bridge Linkage is granted for a fixed period of 3 years from the date of allotment of coal block and no further extension thereafter entertained under normal circumstances.</p> <p>UPRVUNL vide letters dated 12.03.2018 & 09.05.2018 requested for time extension for bridge linkage for end use projects of Saharpur-Jamarpani coal block stating that Power generation from Harduaganj Extn is expected from January 2020. UPRVUNL has applied for fresh PL of 15 Sq. Km on 13.01.2017, but PL has not been issued due to pending of approval of PL with MoC/Jharkhand Govt. UPRVUNL is trying hard to get the PL at the earliest so that exploratory drilling can be started soon. UPRVUNL further stated that considering the facts and hard ground realities at site production of coal from this block is not possible by 12.08.2018. It has been requested to extend Bridge Linkage for further 6 years i.e. up to August 2024.</p> <p>The matter was deferred in the SLC (LT) meeting held on 10.04.2018 as no representative of the project proponent was present during the meeting. SLC (LT) is to take a view in the matter.</p>
Agenda item no. 2: Time Extension of Bridge Linkage for Jawaharpur TPP of UPRVUNL (2 x 660 MW)	<p>Saharpur-Jamarpani coal block was allotted to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd (UPRVUNL) on 13.08.2015 for supplying coal to Harduaganj Extn TPP, Jawaharpur TPP, Obra 'C' and Panki Extn TPP.</p> <p>Based on the allotment of coal block, SLC (LT) in its meeting held on 18.03.2016 granted Bridge Linkage to Jawaharpur TPS (2 x 660 MW) for 3 years from the date of allotment of coal block i.e. 13.08.2015. Bridge Linkage duration of above Power plant will expire on 12.08.2018.</p>

	<p>As per the Bridge Linkage policy, Bridge Linkage is granted for a fixed period of 3 years from the date of allotment of coal block and no further extension thereafter entertained under normal circumstances.</p> <p>UPRVUNL vide letters 12.03.2018 & 09.05.2018 requested for time extension for bridge linkage for end use projects of Saharpur-Jamarpani coal block stating that Power generation from Jawaharpur is from December 2020. UPRVUNL has applied for fresh PL of 15 Sq. Km on 13.01.2017, but PL has not been issued due to pending of approval of PL with MoC/Jharkhand Govt. UPRVUNL is trying hard to get the PL at the earliest so that exploratory drilling can be started soon. UPRVUNL further stated that considering the facts and hard ground realities at site production of coal from this block is not possible by 12.08.2018. It has been requested to extend Bridge Linkage for further 6 years i.e. up to August 2024.</p> <p>The matter was deferred in the SLC (LT) meeting held on 10.04.2018 as no representative of the project proponent was present during the meeting. SLC (LT) is to take a view in the matter.</p>
<p>Agenda item no. 3: Time Extension of Bridge Linkage for Obra 'C' TPS of UPRVUNL (2 x 660 MW)</p>	<p>Saharpur-Jamarpani coal block was allotted to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd (UPRVUNL) on 13.08.2015 for supplying coal to Harduaganj Extn TPP, Jawaharpur TPP, Obra 'C' and Panki Extn TPP.</p> <p>Based on the allotment of coal block, SLC (LT) in its meeting held on 21.06.2016 granted Bridge Linkage to Obra 'C' TPP (2 x 660 MW) for 3 years from the date of allotment of coal block i.e. 13.08.2015. Bridge Linkage duration of above Power plant will expire on 12.08.2018.</p> <p>As per the Bridge Linkage policy, Bridge Linkage is granted for a fixed period of 3 years from the date of allotment of coal block and no further extension thereafter entertained under normal circumstances.</p> <p>UPRVUNL vide letters 12.03.2018 & 09.05.2018 requested for time extension for bridge linkage for end use projects of Saharpur-Jamarpani coal block stating that Power generation from Obra 'C' is expected from December 2020. UPRVUNL has applied for fresh PL of 15 Sq. Km on 13.01.2017, but PL has not been issued due to pending of approval of PL with MoC/Jharkhand Govt. UPRVUNL is trying hard to get the PL at the earliest so that exploratory drilling can be started soon. UPRVUNL further stated that considering the facts and hard ground realities at site production of coal from this block is not possible by 12.08.2018. It has been requested to extend Bridge Linkage for further 6 years i.e. up to August 2024.</p>

	<p>The matter was deferred in the SLC (LT) meeting held on 10.04.2018 as no representative of the project proponent was present during the meeting. SLC (LT) is to take a view in the matter.</p>
<p>Agenda item no. 4: Time Extension of Bridge Linkage for Panki Extn of UPRVUNL (1 x 660 MW)</p>	<p>Saharpur-Jamarpani coal block was allotted to Uttar Pradesh Rajya Vidyut Utpadan Nigam Ltd (UPRVUNL) on 13.08.2015 for supplying coal to Harduaganj Extn TPP, Jawaharpur TPP, Obra 'C' and Panki Extn TPP.</p> <p>Based on the allotment of coal block, SLC (LT) in its meeting held on 18.03.2016 granted Bridge Linkage to Panki Extn (1 x 660 MW) for 3 years from the date of allotment of coal block i.e. 13.08.2015. Bridge Linkage duration of above Power plant will expire on 12.08.2018.</p> <p>As per the Bridge Linkage policy, Bridge Linkage is granted for a fixed period of 3 years from the date of allotment of coal block and no further extension thereafter entertained under normal circumstances.</p> <p>UPRVUNL vide letters 12.03.2018 & 09.05.2018 requested for time extension for bridge linkage for end use projects of Saharpur-Jamarpani coal block stating that UPRVUNL has applied for fresh PL of 15 Sq. Km on 13.01.2017, but PL has not been issued due to pending of approval of PL with MoC/Jharkhand Govt. UPRVUNL is trying hard to get the PL at the earliest so that exploratory drilling can be started soon. UPRVUNL further stated that considering the facts and hard ground realities at site production of coal from this block is not possible by 12.08.2018. It has been requested to extend Bridge Linkage for further 6 years i.e. up to August 2024.</p> <p>The matter was deferred in the SLC (LT) meeting held on 10.04.2018 as no representative of the project proponent was present during the meeting. SLC (LT) is to take a view in the matter.</p>
<p>Agenda item no. 5: Time Extension and Enhancement of Bridge Linkage for 2 x 500 MW, Marwa TPP of CSPGCL</p>	<p>Gare Palma Sector-III coal block allotted to CSPGCL on 14.09.2015.</p> <p>Based on the allotment of coal block, SLC (LT) in its meeting held on 18.03.2016 granted Bridge Linkage to 2 x 500 MW, Marwa TPP of CSPGCL for 3 years from the date of allotment of coal block i.e. 14.09.2015. Bridge Linkage duration of above Power plant will expire on 13.09.2018.</p> <p>As per the Bridge Linkage policy, Bridge Linkage is granted for a fixed period of 3 years from the date of allotment of coal block and no further extension thereafter entertained under normal circumstances.</p> <p>CSPGCL vide letter dated 20.04.2018 requested to extend and</p>

	<p>enhance the Bridge Linkage to 2 x 500 MW Marwa TPP stating that Bridge Linkage (BL) of 3.784 MMT for 2 x 500 MW, Marwa TPP will expire on 13.09.2018. Coordinates of coal block changed on 22.08.2016. Production from allotted mine is expected w.e.f May, 2019 and full capacity shall be achieved by 2022. Both units of Marwa TPP are running at full load. Year wise coal requirement for 2 x 500 MW at 90% PLF is 5.6 MMT.</p> <p>CSPGCL requested to extend the Bridge Linkage and enhance the coal quantity from 3.78 MMT to 5.6 MMT.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>Agenda item no. 6: Time Extension of Bridge Linkage for Kakatiya TPP (KTPP) Stage-II (1 x 600 MW) of TSGENCO</p>	<p>Tadicherla-I coal block was allocated to TSGENCO to meet the coal requirement of KTPP Stage-II (1 x 600 MW) on 31.08.2015.</p> <p>Based on the allotment of coal block, SLC (LT) in its meeting held on 18.03.2016 granted Bridge Linkage to Kakatiya TPP (KTPP) (1 x 600 MW) of TSGENCO for 3 years from the date of allotment of coal block i.e. 31.08.2018. Bridge Linkage duration of above Power plant will expire on 30.08.2018.</p> <p>Ministry of Power vide OM dated 07.05.2018 stated that requirement of coal is 2.5 Million Tons/annum. Coal mine operation in Tadrichela-I commenced in December, 2017 and removal of over burden is in process. Peak rated capacity of 2.5 MTPA will be achieved by 2020-21. Supply of coal from SCCL to KTPP will be required to fill the gap between requirement and availability of coal from coal block till 2020-21. It has been requested to extend BL to KTPP Stage-II (1 x 600 MW) for a further period of 3 years beyond 30.08.2018.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>Agenda item no. 7: Extension of bridge Linkage time period for Mahagenco EUP's at Koradi (3 x 660 MW), Chandrapur (2 x 500 MW) and Parli (1 x 250 MW)</p>	<p>Mahagenco vide letter dated 22.03.2018 has requested to extend the Bridge Linage for further three years i.e. up to August 2021 for its EUPs at Chandrapur Unit 8 & 9 (2 x 500 MW), Koradi Unit 8,9 & 10 (3 x 660 MW), Parli Unit 8 (1 x 250 MW), considering the delay in start of coal production from allotted mine from Gare Palma-II due to delay in getting approval of Forest & Environment clearances incorporating modified bounding coordinates as per Corrigendum issued to the previous Allotment Order.</p> <p>The matter was deferred in the SLC (LT) meeting held on 10.04.2018 as no representative of the project proponent was present during the meeting. SLC (LT) is to take a view in the matter.</p>
<p>Agenda item no. 8:</p>	<p>Mahagenco vide letter dated 18.04.2018 requested for</p>

<p>Transfer of Coal linkage as per Automatic coal transfer policy</p>	<p>1. Reallocation/transfer of coal linkage of about 4.229 MMT of Mahagenco's decommissioned units for 3 x 660 MW Super Critical units at Koradi.</p> <p>Scrapped units are Bhusawal (Unit 1, 55 MW), Koradi (Unit 1 to 4, 4 x 105 MW), Nasik (Unit 1 & 2, 2 x 125 MW), Parli TPS (Unit 1 & 2, 2 x 20 MW) and Paras (Unit 2, 55 MW). Linkage of scrapped units is 4.229 MMTPA.</p> <p>2. Reallocation/transfer of coal linkage of about 3.18 MMT of Mahagenco's decommissioned/retired units for 1 x 660 MW Super Critical units at Bhusawal.</p> <p>Scrapped units are Chandrapur (Unit 1 & 2, 2 x 210 MW), Parli (Unit 3, 210 MW), Koradi (Unit 5, 200 MW) and Bhusawal (Unit 2, 210 MW). Linkage of scrapped units is 6.061 MMTPA.</p> <p>Mahagenco has discarded its old units in phased manner due to expiry of their useful life or poor inefficiency, leading to high generation costs. The total linkage available against the decommissioned/retired units is 10.290 MMTPA.</p> <p>As per policy for automatic transfer of coal linkage, linkage granted to old plants shall be automatically transferred to the new plant of super critical capacity and in case the capacity of the new super critical plant is higher than the old plant, additional coal may be accorded priority, subject to availability of coal.</p> <p>SLC (LT) is to take a view in the matter.</p>
<p>Agenda item No. 9: Transfer of coal linkage of deleted units to new super critical units</p>	<p>UPRVUNL vide letter dated 18.05.2018 requested transfer of coal linkage of deleted units to new super critical units.</p> <p>Unit no. 1 & 2 (2 x 50 MW) and 8 (94 MW) of Obra TPP and unit 3 & 4 (2 x 105 MW) of Panki TPP have been deleted. Due to deletion of these units almost 16.02 Lac metric ton per annum coal (7.02 Lac metric ton from Obra and 9 Lac metric ton from Panki) will be available for new super critical units. Commercial operation from Harduaganj Extn (1 x 660 MW) is expected from January 2020 and total coal requirement is 27 Lac ton per annum.</p> <p>It has been requested to take necessary action for transfer of coal linkage of 16.02 lac ton per annum to Harduaganj Extn (1 x 660 MW) for efficient, sustainable and affordable electricity generation.</p> <p>As per policy for automatic transfer of coal linkage, linkage granted to old plants shall be automatically transferred to the new plant of super critical capacity and in case the capacity of the new super critical plant is higher than the old plant, additional coal may be accorded priority, subject to availability of coal.</p> <p>SLC (LT) is to take a view in the matter.</p>

<p>Agenda item No. 10. Implementation of PSERC Order dated 6.9.2016 and its amendment dated 8.9.2016 passed in petition no. 11 of 2012 and 46 of 2012 regarding arrangement of coal for 1980 MW Talwandi sabo Thermal power project</p>	<p>Grant of long term linkage to Talwandi Sabo Power Limited (TSPL) was considered in the SLC (LT) meeting held on 02.08.2007. The Competent Authority approved grant of LoA to TSPL/PSEB for its power plant of 1800 MW capacity. Capacity of TSPL enhanced from 1800 MW to 1980 MW subject to the certain conditions. Change in ownership of 1980 MW TSPL from erstwhile Punjab State Electricity Board (PSEB) to Sterlite Energy Limited (SEL) was approved by the Competent Authority for the purpose of coal allocation subject to certain conditions.</p> <p>Punjab State Power Corporation Limited (PSPCL) informed about order dated 06.09.2016 and its amendment dated 08.09.2016 passed by Punjab State Electricity Regulatory Commission (PSERC) in Petition No. 11 of 2012 and 46 of 2012 regarding arrangement of coal for 1980 MW TSPL. A brief of the case furnished by PSPCL is as follows:</p> <p>i. MCL had issued LoA in the name of TSPL at the time when TSPL was the Special Purpose Vehicle of PSEB. Consequent to the selection of SEL as the developer for the Talwandi Sabo Projects, PSEB transferred and vested the 100% shareholding of TSPL in SEL and TSPL became a wholly owned subsidiary of SEL. It was agreed that the FSA with MCL would be signed by PSEB/PSPCL (Procurers) and then assigned to TSPL during the validity of the PPA. Since MCL had issued the LOA in the name of TSPL and had proposed that the signing of the FSA would be with TSPL at the relevant time, PSPCL proposed that the FSA be signed directly between TSPL and MCL.</p> <p>TSPL raised issues on the signing of the FSA, which became a subject matter of dispute between TSPL and PSPCL before the PSERC and thereafter, before Appellate Tribunal. Consequent to the interim order of the Hon'ble Appellate Tribunal for Electricity, FSA was signed between TSPL and MCL on 04.09.2013.</p> <p>By final Order dated 7.4.2016, the Appellate tribunal decided that in terms of the PPA dated 1.9.2008 and the Bidding Documents, the FSA needs to be signed by PSPCL as per the provisions contained in the PPA and the Bidding Documents. The Hon'ble Appellate Tribunal remanded the matter to PSERC for further action. PSPCL challenged the above Order before the Honble Supreme Court and the matter is pending as Civil Appeal Nos. 4085 and 4086 of 2016.</p> <p>In the remand proceedings, PSERC by order dated 6.9.2016 and subsequent amendment order dated 08.09.2016 has disposed the matter. The directions relevant to Ministry of Coal are reproduced as under:</p> <p>"The Commission feels that the proposal of PSPCL on the issue of signing a Tripartite Agreement between PSPCL, TSPL and MCL is enoneous. The Hon'ble APTEL has clearly held that PSPCL/Procurer</p>
--	---

is under obligation to sign the Fuel Supply Agreement with the Fuel Supplier, namely Mahanadi Coalfields Limited".

On the aforesaid matter, Ministry of Power (MoP) inter alia stated that it is a bilateral contractual issue between PSPCL and TSPL and as such, MoP has no comments to offer in the matter.

A meeting was held under the chairmanship of Joint Secretary (LA) on 02.02.2018 to discuss the issue. It was decided in the meeting that both TSPL and PSPCL will submit their views within 15 days to Ministry of Coal on the issue of transfer of linkage. Views of PSPCL and TSPL received are summarized as below:

Views of PSPCL: The allocation of coal has been given to TSPL of a specified quantum as stated in the LoA i.e. 7.72 MTPA of the quality "E/F Grade" and the existing FSA dated 04.09.2013 is on these terms. For the purpose of implementing the process of signing of the FSA between PSPCL and MCL and assignment thereof to TSPL, TSPL is not entitled to raise other issues such as of quantity and quality at this stage as raised by them during the meeting. PSPCL has requested that the FSA be allowed to be signed between PSPCL and MCL with the certain stipulation.

Views of TSPL: Under case 2 scenario 4, PSPCL assumed the obligation to procure Grade E coal, with GCV of 4500-4600 kCal/kg, having an ash content of 33-34% for the Project. However, PSPCL disputed its obligation to procure/supply fuel for the Project.

FSA to be signed by PSPCL to meet TSPL's project requirement, i.e. to run the project at 1841.4 MW and also quarterly allocation for 2nd quarter should be maximum i.e. 28% of the ACQ to meet peak paddy season requirement of Punjab. TSPL has no objection to FSA being signed between PSPCL and MCL