Through e-mail/Speed Post/Website of Ministry of Coal

F.No. 110/7/2017/NA
Government of India
Ministry of Coal
O/o Nominated Authority
*****

F-wing, Room No.120, Shastri Bhawan,
New Delhi, dated the 5th February, 2018

OFFICE MEMORANDUM

Subject: Methodology to provide the coal block allottee PSUs of Power Sector with some flexibility in utilization of coal extracted from the coal mines allotted under the Coal Mines (Special Provisions) Act, 2015 for optimum utilization of coal mine for the same end uses in the public interest and to achieve cost efficiencies.

The undersigned is to refer to subject mentioned above and to state that a methodology has been formulated by the Ministry of Coal vide O.M. No. 13011/3/2017-CBA-2 dated 22.09.2017 to provide the coal block allottee PSUs (Public Sector Undertaking Companies) of Power Sector with some flexibility in utilization of coal extracted from the coal mines allotted under the Coal Mines (Special Provision) Act, 2015 ["CM(SP) Act, 2015"] for optimum utilization of coal mine for the same end uses in the public interest and to achieve cost efficiencies.

2. Under the present methodology, arrangement between two allottee PSUs which have been allotted coal mines under the provisions of CM (SP) Act, 2015 or granted coal linkage(s) would be considered. The scope of such arrangement/ agreement may include transfer of coal by "the PSU" (referred as Party-1) to the "other PSU" (referred as Party-2) in lieu of coal or power generated from such coal. The arrangement/ agreement should be for optimum utilization of the coal mine, for the same end uses, in the public interest and to achieve cost efficiencies. The overall objective of such arrangement/ agreement should be to reduce the cost of power generated.

3. As stated under Para 2 (g) of the above mentioned O.M. dated 22.09.2017, a Technical Committee under the Chairmanship of Adviser (Project), Ministry of Coal was constituted with members from CEA (Central Electricity Authority) Ministry of Power, CCO (Coal Controller's Organization), CMPDIL (Central Mine Planning & Design Institute Limited), Ministry of Railways (MoRly) and Nominated Authority (NA) to establish a methodology for scrutiny and evaluation of applications for such arrangement. The **General Principles** of the methodology are as follows:

i. Only participating PSU (Public Sector Undertaking) companies in the field of Power Generation will be eligible for such arrangement/ agreement.

ii. A PSU company (hereinafter referred to as "the PSU" (or Party-1)) should have been allotted coal block(s)/ mine(s) under the provisions of CM (SP) Act, 2015 and "other PSU" (or Party-2) should have either been allotted coal mine(s)/block(s) or granted coal

linkage(s) for same end uses. Both the participating PSUs should have their own end-use power plants.

iii. To start with, this methodology has been formulated for PSUs having functional coal sources (block/ mine/ linkage).

iv. End-Use Power Plants (EUPs) of participating PSUs should have their own railway siding(s) with unloading mechanism in place.

v. For ease of determination of cost efficiency, cost of Power Generation for this purpose is considered as actual cost incurred towards components defined under Energy Charge Rate (ECR) of Power Generation. ECR means cost component based on parameters viz. Station Heat Rate (SHR), Auxiliary Power Consumption (APC), coal Gross Calorific Value (GCV) (as received) & total coal cost (i.e.cost of coal & transportation cost of coal) inclusive of all taxes, royalties, cess etc.

NHR = SHR / (1 – APC/100)

ECR = [NHR X (CC + CT)]/ GCV

Where,

NHR = Net Heat Rate (in kcal/kWh);
SHR = Station Heat Rate (in kcal/kWh);
APC = Auxiliary Power Consumption (in %);
ECR = Energy Charge Rate (in Rs./kWh)
GCV = Gross Calorific Value (in kcal/kg);
CC = Coal cost incl. all taxes, royalties, cess etc. (in Rs./kg);
CT = Transportation cost of coal (in Rs./kg).

vi. In case, a EUP is having more than one operational stage having separate tariff order or different standard operational norms, cost efficiency for each stage will be determined separately.

vii. A proposed arrangement/agreement will be said to be cost efficient when the overall cost of Power Generation (as defined for the purpose) of "the PSU" and "other PSU" in the proposed arrangement is lower than that of the same in the existing arrangement/ system averaged over last 3 (three) concluded financial years (audited figures to be considered).

viii. In case of power plant of "the PSU" where energy charge data for last 3 (three) years are not available **OR** where power plants are under construction **OR** where few units are in operation (e.g. Stage-I) while other units (e.g. Stage-II, Stage-III) are either under construction or envisaged as a part of future expansion **AND** if such units are having a coal supply arrangement from a coal mine/block/linkage, the same can also be transferred to the "other PSU" in the proposed arrangement/agreement provided, consent shall be obtained by "the PSU" from the appropriate Government.

ix. Optimum utilization of coal mines in a proposed arrangement/agreement means the mining capacity shall not be reduced (post such arrangement) below the approved normative capacity as mentioned in the letter of coal block allocation and the approved mining plan of the coal block/ mine as the case may be.

x. The Ministry of Railways would be intimated/ conveyed for the intention of transportation of coal at least one month in advance from the agreed date of execution of the proposed arrangement by the participating PSUs, and the Ministry of Railways would in turn convey their approval or otherwise within 15 days from the date of receipt of request. The Ministry of Railways should agree to transport coal as per the requirement given by the participating PSUs. However, in case there are some constraints in movement of rakes by the Ministry of Railways, an alternative plan would be made by the participating PSUs in consultation with the Ministry of Railways. The participating PSUs would ensure overall optimization of the cost while going for alternative plan.

xi. Techno-commercial feasibility for such an arrangement may be worked out before-hand subject to transmission system availability.

xii. Before making an application to the Technical Committee, both the participating PSUs should categorically certify the following regarding the proposed arrangement/ agreement:

a. Such arrangement shall result in optimum utilization of coal mine,

b. Such arrangement achieves cost efficiencies, and

c. Such arrangement is in public interest.

4. The Methodology for evaluation/examination of the proposal received in relation to Flexible Utilization of Coal as per Coal Mines (Special Provisions) Act, 2015 will be as under:

i. The proposal needs to be submitted by the two participating PSUs jointly in the aforesaid formats (as mentioned in **Annexure I** and **Annexure II** – whichever is applicable) with an undertaking (as mentioned in **Annexure III**) duly filled in and authenticated by both the parties [i.e. "The PSU" (Party 1) & "Other PSU" (Party 2)] on each page of the document.

ii. The application for the proposed arrangement/agreement shall contain full justification, calculations and the basis of arriving at the objectives of the arrangement i.e. optimum utilization of associated coal mine, cost efficiency and public interest.

iii. The relevant calculations showing the reduction in cost of generation before and after the proposed arrangement/ agreement should be worked out by considering the actual cost of generation (as defined for the purpose) for last 3 (three) concluding financial years based on operating parameters viz. Station Heat Rate (SHR) & APC and Coal GCV & total coal cost (i.e. coal cost + transportation cost) (inclusive of all taxes, royalties, cess etc.).

iv. While evaluating the applications, if the Technical Committee requires some additional data/ information, the same shall be furnished by the applicants to the Technical Committee.

v. Any proposal not found in order as per specified format may get rejected by the Technical Committee.

vi. The Technical Committee would submit its recommendations to the Nominated Authority of the Ministry of Coal (MoC) to take the suitable decision on the proposed arrangement/ agreement.

5. Accordingly, the Allottees of Coal Mines of Power Sectors under the CM (SP) Act' 2015, intending to enter into arrangements/agreements under the above provision, are requested to submit their proposals for such arrangements/agreements to Nominated Authority for consideration/approval of Competent Authority in line with above mentioned methodology.

[N.K.Sudhansu]
Joint Secretary to the Government of India and Nominated Authority

To,

All the Allottees of Coal Mines of Power Sector under the Coal Mines (Special Provisions) Act, 2015.

Copy to:-

1. Secretary, Ministry of Power
2. Chairperson, Central Electricity Authority
3. Chairman, Railway Board, Ministry of Railway
4. Chairperson, CERC
5. JS (RKS), Ministry of Coal
6. Deputy Secretary (CBA-II), Ministry of Coal
7. TD (NIC), Ministry of Coal- for uploading on the Website of Ministry of Coal

Copy also to:-

1. PS to Hon'ble MOC
2. PS to Hon'ble MOS for Coal
3. PSO to Secretary (Coal)
4. Members of the Technical Committee

Annexure I

Format for application of any alternate arrangement for utilization of coal under the Coal Mines (Special Provisions) Act, 2015 consequent to the Ministry of Coal's OM No. F. No. 13011/3/2017-CBA-2 dated 22nd September 2017

Format 1: Arrangement for transfer of coal by one Public Sector Undertaking (PSU) to other PSU in lieu of coal

A. Details of "The PSU" (Party-1) (transferring coal in lieu of coal):

1. Name of the end use plant along with location _____
2. Owner of the plant along with details of shareholding _____
3. Details of Coal Mine
   a. Name _____
   b. Location _____
   c. Name of Mining Lease Holder _____
   d. Grade & Peak Rated Capacity (PRC) _____
   e. Date of Allotment Order _____
   f. Minable Reserve (in Million Tonne (MT)) _____
   g. Coal Extracted so far (in MT) _____
   h. Balance life of the mine (in years) _____

4. Details of Coal Linkages (including Bridge Linkages), if any
   a. Name of coal company _____
   b. Grade & Annual Contract Quantity (ACQ) (in MT) _____
   c. Date of entering into Fuel Supply Agreement (FSA) _____
   d. Tenure of the linkage (in months) _____

5. Capacity and Configuration of the End Use Plants (EPUs) [*unit wise breakup including date of commissioning and Statian Heat Rate (SHR) for each unit*].

Sl.No.	Plant Capacity & its Configuration	Unit No.	Date of Commissioning	Unit wise Capacity (MW)	Unit wise Normative Heat Rate (kcal/kWh)	Normative Station Heat Rate (SHR) (kcal/kWh)
	Stage-I	U-1				
		U-2				
	Stage-II					

6. Whether specified EUP is "Generation of Power" (other than captive power plant)[1]: _____

7. Details of existing Power Purchase Agreements (PPAs) (*long term/medium term*) along with percentage of capacity tied-up in PPAs (*Stage-wise details to be provided along with details of ECR os defined in Methodology):* _____

Table 1 - PPA Details

Sl. No.	Existing PPAs	Quantity tied up under PPA (MW)	Duration of PPA		PPA signed with *(Name of State Designated Agency/ Discom)*	% capacity tied in PPA *(stage-wise details to be provided)*
	Medium Term/ Long Term		From	To		

Table 2 - Stage-wise Cost of Power (before and after proposed arrangement):

Components	Before proposed arrangement*				After proposed arrangement
	Year-1	Year-2	Year-3	Average	
A. Station Heat Rate (kcal/kWh)					
B. Auxiliary Power Consumption (%)					
C. Cost of coal (Rs./Tonne)(inclusive of all taxes royalty, cess etc.)					
D. Transportation Cost (Rs./Tonne)					
E. Energy Charge Rate (ECR) (as defined in the methodology) (Rs./Unit)					
F. Transmission Charges[2] (Rs./Unit)					

**Data to be provided for last 3 (three) concluding financial years (Audited figures only)*

8. Existing coalsupply to units of end use plant(s):

Sl. No.	Name of Unit with Capacity (in MW)	Normative Coal Requirement (in MT)**		Existing supply from coal mine (in MT) along with % normative coal requirement met *(To include name of the mine, quontity received & grode of coal in GCV)*	Existing supply from coal linkage (in MT) with % normative coal requirement met *(to mention grade of coal in GCV)*
		Normative (estimated at G-13 grade GCV coal)	Actual (as per the grade of coal reserve in the Coal Block) *(to mention grade of coal in GCV)*		

[1] In cases where the response is "No", the application will be rejected.

[2] Applicable for transfer of coal in lieu of power

**Year-wise detoils to be provided; narmative coal requirement to be assessed on the basis of consumption norms stipulated by Central Electricity Authority (CEA) on Jan. 25, 2017*

9. Details of the existing transportation mechanism:

Sl. No.	Mode of Transport	Quantity of Coal being transported (in MT)	Distance (in km)	Weighted Average Cost of Transportation (Rs./tone)
(1)	(2)	(3)	(4)	(5)

NOTE: (i) If the proposed transportation mechanism involves a combination of various modes, the mode-wise details are to be furnished.

(ii) In case af coal transportation thraugh railway, O-D (arigin to destinotian) distance af rail-head is to be mentianed in column na. 4.

10. In case of a coal mine being a source of supply to the end use plant mentioned above, details of all other specified end use plants linked with such coal mine (*only name and quantity*):

_____

B. Details of "The Other PSU" (Party-2) (receiving coal in lieu of coal):

1. Name of the end use plant along with location _____
2. Owner of the plant along with details of share holding _____
3. Details of Coal Mine
   a. Name _____
   b. Location _____
   c. Name of Mining Lease Holder _____
   d. Grade & Peak Rated Capacity (PRC) _____
   e. Date of Allotment Order _____
   f. Minable Reserve (in MT) _____
   g. Coal Extracted so far (in MT) _____
   h. Balance life of the mine (in years) _____

4. Details of Coal Linkages (including Bridge Linkages), if any
   a. Name of coal company _____
   b. Grade & Annual Contract Quantity (ACQ) (in MT) _____
   c. Date of entering into Fuel Supply Agreement (FSA) _____
   d. Tenure of the linkage (in months) _____

5. Capacity and Configuration of the end use plants [*unit wise breakup including date of commissioning and Station Heat Rate (SHR) for each unit*].

Sl.No.	Plant Capacity & its Configuration	Unit No.	Date of Commissioning	Unit wise Capacity (MW)	Unit wise Normative Heat Rate (kcal/kWh)	Normative Station Heat Rate (SHR) (kcal/kWh)
	Stage-I	U-1				
		U-2				
	Stage-II					

6. Whether specified end use is "Generation of Power" (other than captive power plant)[3]: ____

7. Details of existing Power Purchase Agreements (PPAs) (*long term/medium term*) along with percentage of capacity tied-up in PPAs (*Stage-wise details to be provided along with details of tariff in terms of fixed and variable charges):*

Table 3 - PPA Details

Sl. No.	Existing PPAs	Quantity tied up under PPA (MW)	Duration of PPA		PPA signed with *(Name of State Designated Agency/ Discom)*	% capacity tied in PPA *(stage-wise details to be provided)*
	Medium Term/ Long Term		From	To		

[3] In cases where the response is "No", the application will be rejected.

Table 4-Stage-wise Cost of Power (before and after proposed arrangement):

Components	Before proposed arrangement#				After proposed arrangement
	Year-1	Year-2	Year-3	Average	
A. Station Heat Rate (kcal/kWh)					
B. Aux Power Consumption (%)					
C. Cost of coal (Rs./Tonne) (inclusive of all taxes royalty, cess etc.)					
D. Transportation Cost (Rs./Tonne)					
E. Energy Charge Rate (ECR) (as defined in the methodology) (Rs./Unit)					
F. Transmission Charges[4] (Rs./Unit)					

#Data to be provided for last 3 (three) concluding financial years (Audited figures only)

8. Existing coalsupply to units of end use plant(s):

Sl. No.	Name of Unit with Capacity (in MW)	Normative Coal Requirement(in MT)##		Existing supply from coal mine (in MT) along with % normative coal requirement met *(To include name of the mine, quantity received & grade of coal in GCV)*	Existing supply from coal linkage (in MT) with % normative coal requirement met *(to mention grade of cool in GCV)*
		Normative (estimated at G-13 grade GCV coal)	Actual (as per the grade of coal reserve in the Coal Block) *(to mention grade of coal in GCV)*		

Year-wise details to be provided; normative coal requirement to be assessed on the basis of consumption norms stipulated by CEA on Jan. 25, 2017

9. Details of the existing transportation mechanism:

Sl. No.	Mode of Transport	Quantity of Coal being transported (in MT)	Distance (in km)	Weighted Average Cost of Transportation (Rs./Tonne)
(1)	(2)	(3)	(4)	(5)

NOTE:

(i) If the proposed transportation mechanism involves a combination of various modes, the mode-wise details are to be furnished.

(ii) In case of coal transportation through railway, O-D (origin to destination) distance of rail-head is to be mentioned in column no. 4.

[4] Applicable for transfer of coal in lieu of power

10. In case of a coal mine being a source of supply to the end use plant mentioned above, details of all other specified end use plants linked with such coal mine (only name and quantity):

_____

C. Details of the proposed transfer including calculations to establish optimum utilization of coal mine, cost efficiencies and public interest

1. Year on year quantity of coal supply (MT/Year) which shall be diverted from Party 1 to Party 2 & quantum of power generated from such coal (Million Units (MUs)/Year) _____
2. Year on year quantity of coal supply (MT/Year) which shall be diverted from Party 2 to Party 1 & quantum of power generated from such coal (MUs/Year) _____
3. Duration of the proposed swapping of coal supply (Year) _____
4. Details of the proposed transportation mechanism for Party-1:

Sl. No.	Mode of Transport (Rail/Road/Conveyor/ MGR/Others *(If others, please specify)*	Annual Quantity of Coal being transported (in MT)	Distance along transport route (in km)	Mode-wise Unit Cost of Transportation (Rs./tonne)	Weighted Average Cost of Transportation (Rs./tonne)
(1)	(2)	(3)	(4)	(5)	(6)

NOTE:

(i) If the proposed transportatian mechanism invalves a combination af variaus modes, the mode-wise details are to be furnished.

(ii) In case af caal tronsportation thraugh roilway, O-D (origin ta destinotion) distance of rail-head is to be mentioned in column no. 4.

(iii) In case of existing arrangement, the weighted overoge cost of transportotion of coal will be the cost of transpartation of coal up to the delivery point os being passed on by the regulator.

(iv) The quoted rate will be the upper ceiling of the transportation cost for the proposed system in future.

5. Details of the proposed transportation mechanism for Party-2:

Sl. No.	Mode of Transport (Rail/Road /Conveyor/ MGR/Others *(If others, please specify)*	Annual Quantity of Coal being transported (in MT)	Distance along transport route (in km)	Mode-wise Unit Cost of Transportation (Rs./tonne)	Weighted Average Cost of Transportation (Rs./tonne)
(1)	(2)	(3)	(4)	(5)	(6)

NOTE:

(i) *If the proposed transportation mechanism involves a combination of various modes, the mode-wise details are to be furnished.*

(ii) *In case of coal transportation through railway, O-D (origin to destination) distance of rail-head is to be mentioned in column no. 4.*

(iii) *In case of existing arrangement, the weighted average cost of transportation of coal will be the cost of transportation of coal up to the delivery point as being passed on by the regulator.*

(iv) *The quoted rate will be the upper ceiling of the transportation cost for the proposed system in future.*

6. Coal supply to units of end use plant for Party 1 post the proposed transfer:

Sl. No.	Name of Unit with Capacity and Station Heat Rate	Coal Requirement (in MT)@		Supply from coal mine (in MT) (*Name of Mine with PRC along with date of allotment order*) along with % normative coal requirement met (*To include name of the mine, quantity received and grade of coal in GCV*)	Supply (in MT) from coal linkage (*Details of coal company with ACQ and date of execution of FSA*) along with % normative coal requirement met
		Normative (estimated at G-13 grade GCV coal)	Actual (as per the grade of coal reserve in the Coal Block)(to mention grade of coal in GCV)		

@Year Wise details to be provided; normative coal requirement to be assessed on the basis of consumption norms stipulated by CEA on Jon. 25, 2017

7. Coal supply to units of end use plant for Party 2 post the proposed transfer:

Sl.No.	Name of Unit with Capacity and Station Heat Rate	Coal Requirement (in MT)@@		Supply from coal mine (in MT) (*Name of Mine with PRC along with date of allotment order*) along with % normative coal requirement met(To include name of the mine, quantity received and grade of coal in GCV)	Supply (in MT) from coal linkage (*Details of coal company with ACQ and date of execution of FSA*) along with % normative coal requirement met
		Normative (estimated at G-13 grade GCV Value coal)	Actual(as per the grade of coal reserve in the Coal Block)(to mention grade of coal in GCV)		

@@Year Wise details to be provided; normative coal requirement to be assessed on the basis of consumption norms stipulated by CEA on Jon. 25, 2017

D. Details of Supplementary PPAs along with the details of parties, which have been / shall be executed in relation to the proposed alternate arrangement of coal utilization

(Provide details of all such contracts)

E. Details of recommendations from regulatory commission/ railways, if any for the proposed alternate arrangement of coal utilization

(Necessary details to be provided)

F. **Submission of calculations supporting the claim of cost efficiency - from both parties (i.e. Party-1 & Party-2)**

G. **Self-Certification from both parties that the said arrangement shall lead to cost efficiency, optimal utilization of the coal mine and is in public interest** (Details of any alternate arrangements analyzed by both parties also to be included)(Refer Annexure-III).

Format for application of any alternate arrangement for utilization of coal under the Coal Mines (Special Provisions) Act, 2015consequent to the Ministry of Coal's OM No. F. No. 13011/3/2017-CBA-2 dated 22nd September 2017

Format 2: Arrangement for transfer of coal by one PSU to other PSU in lieu of power

A. Details of "The PSU" (Party-1) (transferring coal in lieu of power):

1. Name of the end use plant along with location _____
2. Owner of the plant along with details of shareholding _____
3. Details of Coal Mine
   a. Name _____
   b. Location _____
   c. Name of Mining Lease Holder _____
   d. Grade & Peak Rated Capacity (PRC) _____
   e. Date of Allotment Order _____
   f. Minable Reserve (in Million Tonne (MT)) _____
   g. Coal Extracted so far (in MT) _____
   h. Balance life of the mine (in years) _____
4. Details of Coal Linkages (including Bridge Linkages), if any
   a. Name of coal company _____
   b. Grade & Annual Contract Quantity (ACQ) (in MT) _____
   c. Date of entering into Fuel Supply Agreement (FSA) _____
   d. Tenure of the linkage (in months) _____
5. Capacity and Configuration of the end use plants (EUPs) [*unit wise breakup including date of commissioning and Station Heat Rate (SHR) for each unit*]:

Sl. No.	Plant Capacity & its Configuration	Unit No.	Date of Commissioning	Unit wise Capacity (MW)	Unit wise Normative Heat Rate (kcal/kWh)	Normative Station Heat Rate (SHR) (kcal/kWh)
	Stage-I	U-1				
		U-2				
	Stage-II					

6. Whether specified EUP is "Generation of Power" (other than captive power plant)[5]: _____

7. Details of existing Power Purchase Agreements (PPAs) (*lang term/medium term*) along with percentage of capacity tied-up in PPAs (*Stage-wise details to be provided along with details of tariff in terms of fixed and variable charges):*_____

Table 1 - PPA Details

Sl. No.	Existing PPAs Medium Term/ Long Term	Quantity tied up under PPA (MW)	Duration of PPA From	Duration of PPA To	PPA signed with *(Name of State Designated Agency/ Discom)*	% capacity tied in PPA *(stage-wise details to be provided)*

Table 2 -Stage-wise cost of Power (before and after proposed arrangement):

Components	Before proposed arrangement[$] Year-1	Year-2	Year-3	Average	After proposed arrangement
A. Station Heat Rate (kcal/kWh)					
B. Aux Power Consumption (%)					
C. Cost of coal (Rs./Tonne) (inclusive of all taxes royalty, cess etc.)					
D. Transportation Cost (Rs./Tonne)					
E. Energy Charge Rate (ECR) (as defined in the methodology) (Rs./Unit)					
F. Transmission Charges[6] (Rs./Unit)					

[$]Data to be provided for last 3 (three) concluding financial years (Audited figures only)

8. Existing coalsupply to units of end use plant(s):

Sl. No.	Name of Unit with Capacity (in MW)	Normative Coal Requirement (in MT)[$$] Normative (estimated at G-13 grade GCV coal)	Actual (as per the grade of coal reserve in the Coal Block) *(to mention grade of coal in GCV)*	Existing supply from coal mine (in MT) along with % normative coal requirement met *(Ta include name af the mine, quantity received & grade af coal in GCV)*	Existing supply from coal linkage (in MT) with % normative coal requirement met *(ta mentian grade of coal in GCV)*

[5] In cases where the response is "No", the application will be rejected.

[6] Applicable for transfer of coal in lieu of power

$$ *Year-wise details to be provided; narmative coal requirement to be assessed on the basis of consumption norms stipulated by CEA on Jon. 25, 2017*

9. Details of the existing transportation mechanism:

Sl. No.	Mode of Transport	Quantity of Coal being transported (in MT)	Distance (in km)	Weighted Average Cost of Transportation (Rs./tonne)
(1)	(2)	(3)	(4)	(5)

NOTE: (i) In case the proposed transportation mechanism involves a combination of various modes, the mode-wise details are to be furnished.

(ii) In case of coal transpartotion thraugh railway, O-D (origin to destination) distance of rail-head is to be mentioned in column na. 4.

10. In case of a coal mine being a source of supply to the end use plant mentioned above, details of all other specified end use plants linked with such coal mine (*only name and quantity*):

_____

B. Details of "The Other PSU" (Party-2) (transferring power in lieu of coal):

1. Name of the end use plant along with location _____
2. Owner of the plant along with details of share holding _____
3. Details of Coal Mine
   a. Name _____
   b. Location _____
   c. Name of Mining Lease Holder _____
   d. Grade & Peak Rated Capacity (PRC) _____
   e. Date of Allotment Order _____
   f. Minable Reserve (in Million Tonne (MT)) _____
   g. Coal Extracted so far (in MT) _____
   h. Balance life of the mine (in years) _____

4. Details of Coal Linkages (including Bridge Linkages), if any
   a. Name of coal company _____
   b. Grade & Annual Contract Quantity (ACQ) (in MT) _____
   c. Date of entering into Fuel Supply Agreement (FSA) _____
   d. Tenure of the linkage (in months) _____

5. Capacity and Configuration of the end use plants (EUPs) [*unit wise breakup including date of commissioning and Station Heat Rate (SHR) for each unit*].

Sl. No.	Plant Capacity & its Configuration	Unit No.	Date of Commissioning	Unit wise Capacity (MW)	Unit wise Normative Heat Rate (kcal/kWh)	Normative Station Heat Rate (kcal/kWh)
	Stage-I	U-1				
		U-2				
	Stage-II					

6. Whether specified end use is generation of power (other than captive power plant)[7]: _____

7. Details of existing Power Purchase Agreements (PPAs) (*long term/medium term*) along with percentage of capacity tied-up in PPAs (*Stage-wise details to be provided along with details of tariff in terms of fixed and variable charges):*

Table 3 - PPA Details

Sl. No.	Existing PPAs	Quantity tied up under PPA (MW)	Duration of PPA		PPA signed with *(Name of State Designated Agency/ Discom)*	% capacity tied in PPA *(stage-wise details to be provided)*
	Medium Term/ Long Term		From	To		

Table 4-Stage-wise Cost of Power (before and after proposed arrangement):

Components	Before proposed arrangement[&]				After proposed arrangement
	Year-1	Year-2	Year-3	Average	
A. Station Heat Rate (kcal/kWh)					
B. Auxiliary Power Consumption (%)					
C. Cost of coal (Rs./Tonne) (inclusive of all taxes royalty, cess etc.)					
D. Transportation Cost (Rs./Tonne)					
E. Energy Charge Rate (ECR) (as defined in the methodology) (Rs./Unit)					
F. Transmission Charges[8] (Rs./Unit)					

[&]Data to be provided for last 3 (three) concluding financial years (Audited figures only)

8. Existing coalsupply to units of end use plant(s):

		Normative Coal Requirement (in MT)[&&]	Existing supply from coal mine (in MT)	Existing supply from coal

[7] In cases where the response is "No", the application will be rejected

[8] Applicable for transfer of coal in lieu of power

Sl. No.	Name of Unit with Capacity (in MW)	Normative (estimated at G-13 grade GCV coal)	Actual (as per the grade of coal reserve in the Coal Block) *(to mention grade of coal in GCV)*	along with % normative coal requirement met *(To include name of the mine, quantity received & grade of coal in GCV)*	linkage (in MT) with % normative coal requirement met *(to mention grade of coal in GCV)*

&& *Year-wise details to be pravided; narmative cool requirement to be ossessed an the bosis of cansumptian norms stipulated by CEA on Jon. 25, 2017*

9. Details of the existing transportation mechanism:

Sl. No.	Mode of Transport	Quantity of Coal being transported (in MT)	Distance (in km)	Weighted Average Cost of Transportation (Rs./tonne)
(1)	(2)	(3)	(4)	(5)

NOTE: (i) If the proposed transportotian mechanism invalves o combination of variaus modes, the mode-wise details are to be furnished.

(ii) In case of coal transportation through railway, O-D (arigin to destination) distance of rail-head is to be mentioned in column no. 4.

10. In case of a coal mine being a source of supply to the end use plant mentioned above, details of all other specified end use plants linked with such coal mine (*only name and quantity*):

_____

C. Details of the proposed transfer including calculations to establish optimum utilization of coal mine, cost efficiencies and public interest

1. Year on year quantity of coal supply (MT/Year)which shall be diverted from Party 1 to Party 2 & quantum of power generated (MUs/Year) from such coal _____
2. Duration of the proposed transfer of coal supply (in year) _____
3. Details of the proposed transportation mechanism _____
4. Whether power generated shall be purchased by Party 1 or its beneficiary discom? _____
5. If yes, quantum of power which shall be purchased by Party 1 or its beneficiary discom? ___
6. Coal supply to units of end use plant for Party 1 post the proposed transfer:

Sl. No.	Name of Unit with Capacity and Station Heat Rate	Coal Requirement (in MT)•••		Supply from coal mine (in MT) (*Name of Mine with PRC along with date of allotment order*)	Supply (in MT) from coal linkage (*Details of coal company with ACQ and date of*)
		Normative (estimated	Actual(as per the grade of		

		at G-13 grade GCV coal)	coal reserve in the Coal Block) (to mention grade of coal in GCV)	along with % normative coal requirement met (To include name of the mine, quantity received and grade of coal in GCV)	*execution of FSA)* along with % normative coal requirement met

**** Year Wise details to be provided; normative coal requirement to be assessed on the basis of consumption norms stipulated by CEA on Jan. 25, 2017*

7. Coal supply to units of end use plant for Party 2 post the proposed transfer:

Sl. No.	Name of Unit with Capacity and Station Heat Rate	Coal Requirement (in MT)@@@		Supply from coal mine (in MT) (*Name of Mine with PRC along with date of allotment order*) along with % normative coal requirement met (*To include name of the mine, quantity received and grade of coal in GCV*)	Supply (in MT) from coal linkage (*Details of coal company with ACQ and date af execution of FSA*) along with % normative coal requirement met
		Normative (estimated at G-13 grade GCV Value coal)	Actual(as per the grade of coal reserve in the Coal Block) (to mention grade of coal in GCV)		

@@@ Year Wise details to be provided; normative coal requirement to be assessed on the basis of consumption norms stipulated by CEA an Jan. 25, 2017

E. Details of recommendations from regulatory commission/ railways, if any and in case required for the proposed alternate arrangement of coal utilization

(Necessary details to be provided)

F. Submission of calculations supporting the claim of cost efficiency - from both parties (i.e. Party-1 & Party-2)

G. Self-Certification from both parties that the said arrangement shall lead to cost efficiency, optimal utilization of the coal mine and is in Public Interest (details of any alternate arrangements analyzed by both parties also to be included) **(Refer Annexure-III).**

Annexure-III

Format of undertakingto be submitted along with proposal under the Methodology in relation to flexible utilization of coal underthe Coal Mines (Special Provisions) Act, 2015 issued vide OM No. 13011/3/2017-CBA-2 dated 22.09.2017

(To be stamped in accordance with the relevant Stamp Act and duly sworn before Notary Public)

(To be submitted separately by "the PSU" (Party-1) or "the Other PSU" (Party-2))

I, _____aged _____years, resident of _____working as _____an authorized signatory on behalf of _____ [*name of "the PSU" or "the Other PSU"*] ("The PSU" or "The Other PSU"), allottee of _____ [*name of the coal mine(s)*] hereby state as under:

1. That I am the Authorized Signatory of "the PSU" or "the Other PSU". I am conversant with facts and circumstances surrounding the subject of this Undertaking submitted under this affidavit and have been authorized to undertake and swear the same.

2. That "the PSU" or "the Other PSU"has submitted a proposal under the Methodology in relation to flexible utilization of coal under the Coal Mines (Special Provisions) Act, 2015 issued vide OM No. 13011/3/2017-CBA-2 dated 22.09.2017 for _____ [*give brief description of the proposed agreement/ arrangement including the name of parties, end use plant(s), etc.*]

3. That "the PSU" or "the Other PSU" undertakes toindemnify the Nominated Authority and/ or the Central Government against any liability, cost, damages or losses, etc. that may arise out of the proposed agreement/ arrangement.

4. That nothing has been concealed in the information submitted as mentioned above.

Solemnly affirmed and verified on this _____day of _____ (month) 20__ at _____ (place).

(Signature)
Deponent-Authorized Signatory
(Name, Designation & Seal)
On behalf of "the PSU" or "the Other PSU"

VERIFICATION

I, _____ aged _____ years, resident of _____ working as _____ an authorized signatory on behalf of _____ [*name of "the PSU" or "the Other PSU"*] do hereby solemnly declare that contents and undertaking in paragraphs 1 to 5 above is on the basis of the books and records of "the PSU" or "the Other PSU", and verify that the contents of the above affidavit are true and correct, no part of it is false and nothing material has been concealed therefrom.

Verified at _____ day of _____ (month) 20__ at _____ (place)

(Signature)
Deponent-Authorized Signatory
(Name, Designation & Seal)
On behalf of "the PSU" or "the Other PSU"