

MOST IMMEDIATE

File No.23011/108/2013-CPD
Government of India
Ministry of Coal
<<>>

New Delhi, the 17th September, 2013

To

1.The Chairman, Coal India Limited 10, NS Road, Kolkata	2. The Chairman-cum-Managing Director, Singareni Collieries Company Limited, 18, Red Hills, Khairatabad PO, Hyderabad, AP.
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Subject: Minutes of the Standing Linkage Committee (Long-Term) for Power to review the status of existing coal linkages/LoAs in Power Sector and other related matters.

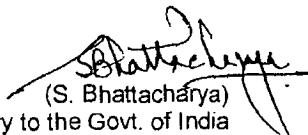
Sir,

I am directed to forward herewith the minutes of the Standing Linkage Committee (Long-Term) for Power held on 13th September, 2013 to review the status of existing coal linkages/LoAs in Power Sector, as approved by the Competent Authority.

2. It has been decided that once these minutes are issued, there would be no necessity to issue separate order in case individually taken up by the Committee in the above said meeting and CIL/SCCL and Ministry of Power will ensure that the recommendations, as indicated in the approved minutes, are implemented in full.

3. CIL/SCCL and Ministry of Power are accordingly requested to take follow up action to ensure that the directions/recommendations of SLC(LT) are implemented urgently. The status report on action taken may be intimated to this Ministry, from time to time.

Encl: as above


(S. Bhattacharya)

Under Secretary to the Govt. of India

To

1.	Additional Secretary, Ministry of Coal	Chairperson
2.	Principal Adviser(Energy), Planning Commission, Yojana Bhawan New Delhi. (Attn: Shri I.A.Khan, Joint Advisor (Coal)	Member
3.	Advisor (Projects), Ministry of Coal	Member
4.	Shri I.C.P. Keshari, Joint Secretary(Thermal), Ministry of Power, Shram Shakti Bhawan, New Delhi	Member
5.	Joint Secretary (Ports), Ministry of Shipping, Transport Bhawan, New Delhi	Member
6.	Director (Transport Planning), Ministry of Railways, Rail Bhawan, New Delhi	Member
7.	Chairman-cum-Managing Director, CIL, 10-Netaji Subhas Rd., Kolkata.- 700001	Member
8.	Director(Marketing), Coal India Limited, 15-Park Street, Kolkata	Member
9.	CMD's BCCL, CCL, ECL, MCL, NCL, SECL & WCL	Members

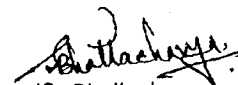
10.	Chairman-cum-Managing Director, Central Mine Planning & Design Instt Ltd., Gondwana Place, Kanke Rd., Ranchi.	Member
11.	Chairman-cum-Managing Director, SCCL, P.O. Kothagudem Collieries, Distt. Khammam-507101	Member
12.	Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi	Member
13.	Chairman, NTPC, Scope Complex,, Lodhi Road, New Delhi-110003	Member

Copy to:

- i) Director(Technical), CIL, 10, NS Road, Kolkata
- ii) GM(S&M), CIL, 15-Park Street, Kolkata
- iii) CGM(CP), CIL, 10 NS Road, Kolkata
- iv) Shri A.C.Varma, GM(S&M), CIL, Scope Minar, Laxmi Nagar, Delhi

Copy for information and necessary action to:-

1. PS to Minister of Coal, 2. PS to MOS(C), 3. Sr. PPS to Secretary(Coal), 4. PPS to Additional Secretary(Coal), 5. PPS to Joint Secretary(LA), 6. PPS to Joint Secretary(Coal), 7. Consultant CPD Section


(S. Bhattacharya)

Under Secretary to the Govt. of India

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

F. No.23011/108/2013-CPD
Government of India
Ministry of Coal
CPD Section

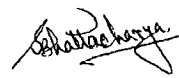
Minutes of the meeting of the SLC(LT) for Power held on 13th Sept, 2013

A meeting of the Standing Linkage Committee (Long Term) was held on 13.09.2013 under the chairmanship of Addl. Secretary (Coal) to review the status of LoAs issued by Coal India Ltd and its subsidiaries in pursuance of the recommendations of the Committee. A list of participants is attached as 'Annexure-I'.

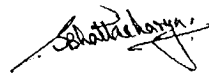
Agenda Item & No.	Brief Description of the Agenda item	Summary of discussions	Recommendations with reasons
Agenda Item No. 1:- Confirmation of the minutes of SLC (LT) meeting held on 31.05.2013	Chairperson welcomed the participants and requested them to offer their comments, if any, on the minutes of the previous meeting held on 31.05.2013 before the same could be confirmed.	Representative of CEA pointed out that the previous minutes of the last meeting recorded "Chairman, CEA" against item No. 4(3) and 4(17) instead of "Representative of CEA." This may be corrected.	Stand corrected as "Representative of CEA" in all the places in the minutes of meeting 31.5.2013.
Agenda Item No. 2:-	During the review meeting held on 14.2.2012 and 31.05.2013 the Committee had reviewed the statues of each LoA and made its recommendations in each case. The coal companies were to take further action as per these recommendations, duly approved by the Competent Authority. The projects mentioned at Agenda No. 2(i) to 2(9), and 6 and 11 are covered within 78,000 MW capacity power plants approved for coal supplies by the CCEA. Therefore, these cases in which issues relating to milestones are pending were reviewed by the		

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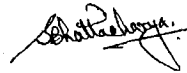
	Committee and the recommendations are indicated against each.		
2(1) LANCO Babandh Power Ltd., Phase-I, Unit-1 (Within 78000 MW)	<p>LOA was approved in the SLC meeting held on 2.08.2007 and issued on 29.12.2008 for a quantity of 2.83 Mt from MCL for unit 1&2 of total 660 MW capacity.</p> <p>There were few milestones which were not achieved as well as there was change of location of the project. The matter was discussed in the SLC (LT) Meeting held on 31.05.13, where the Committee recommended for acceptance for change of location as per the advice of MOEP and condoned delay for late submission of water clearance.</p>	<p>Representative of the project developer stated that Stage-II Forest Clearance was awaited which was expected by 31.12.2013. All other milestones have been achieved. MCL representative also stated that only the Forest clearance was pending and the validity of the LoA had expired. JS, MOP stated that Forest clearance issue was pending for reasons beyond the control of the developer and the project is already in advance stage of construction. Therefore the unit may be allowed to sign FSA subject to the condition that coal supply would start only after obtaining Stage-II Forest Clearance. He also stated that milestones for LoA holder were decided by the SLC(LT) for facilitating timely development of the project and in such cases the Committee should condone the delay in full filing requirements, if the progress of the project was otherwise satisfactory.</p>	<p>The committee took note of the fact that all milestones except Stage -II Forest Clearance for 18 acres out of 947 acres have been achieved. Out of the 947 acres, more than 90% land has been acquired which is free of forest. This constitutes substantially satisfying portion of the process of meeting of this particular milestone. MCL may verify this and satisfy itself. For the remaining Stage-II clearance, the party is given time upto 31st Dec, 13. It may sign FSA which shall take effect only after submission of remaining Stage -II clearance within this stipulated time i.e. 31.12.2013. In view of the above, delay in achieving the milestones is condoned.</p>
2(2) Binjkote TPP Unit 1&2 SKS	<p>LOA was approved in the SLC meeting held on 12.11.2008 and issued on 6.6.2009 for a</p>	<p>The representative of the project developer stated that the total land requirement for</p>	<p>Party requested for accepting 568,668 acres of land against the originally proposed 874 acres.</p>



<p>Power Generation (Chhattisgarh) Ltd. (Within 78000 MW)</p>	<p>quantity of 4.248 Mt from SECL for 980 MW capacity.</p> <p>Land Area has been reduced from 874 acres in MOEF clearance to 568.668 acres. Revised MOEF clearance or approval of MOC as in similar case, is required. Additional land documents and DPR submitted, subsequent to SLC (LT) meeting dated 31.05.2013. Condonation of delay by MOC in submission of revised DPR and part land documents would be required. Further, Unit 3&4 are not appearing in MoP list/Presidential directives.</p>	<p>the project was 874 acres but it was subsequently optimized to 568.68 acres. CEA and MoP had recommended the reduced land requirement which had been conveyed to SECL through Ministry of Coal. Representative of SECL pointed out that documents submitted by the project developer for achieving the land requirement were still not complete and that no objection certificate required from the State Forest Authority for non-forest land was yet to be submitted.</p>	<p>Accordingly, revised DPR showing 568 acres of land submitted by the party is accepted. This has been examined by CEA and MOP has recommended to accept this. SECL confirmed that papers had been produced for more than 90% of this extent of land. No objection certificate from the forest authority for the private land (24 acres) to be produced by 31st October, 2013. After verifying this, FSA for Unit-II may be signed. In view of the above, delay in achieving of the milestones is condoned.</p>
<p>2(3) Unchapinda Unit-1&2 R.K.M.Power Generation Pvt. Ltd. (Within 78000 MW)</p>	<p>LOA was approved in the SLC meeting held on 2.08.2007 and issued on 29.07.2008 for quantity of 1.69 Mt from SECL for 350 MW capacity.</p> <p>All milestones against LoA for Unit- I are cleared and the developer has been requested to sign FSA.</p> <p>Required land area as per MOEF clearance (900 acres) has been reduced to (600 acres) due to certain conditions pertaining to Ash disposal. Revised MOEF clearance or approval of MOC for reduced land, as approved by MOC in a similar case is required. Additional land documents and revised DPR were submitted subsequent to SLC (LT) meeting dated 31.05.2013. Condonation of delay by MOC in submission of revised DPR and part land documents would be required. Forest</p>	<p>Representative of the Developer submitted that the land requirement for the project was reduced from 900 acres to 600 acres by optimizing land utilization. He also stated that regarding the green belt area required for the project, Chhattisgarh Government had permitted plantation in 90 acres. SECL submitted that the reduced land requirement as communicated by CEA/MoP indicated that it was exclusive of the area for green belt and therefore, this needed clarification. He also pointed out that there was</p>	<p>JS (MOP) intimated that the Chhattisgarh Govt. while giving permission for land, indicated 90 acres of land only for plantation purposes (as part of stipulated green belt). So, it could be included for meeting the requirement of 90% of land requirement out of 800 acres. Accordingly, revised DPR should be submitted within a week. Unit-I & II shall have the linkage for 350 MW each, the Unit-III shall have 200 MW linkage (normal) and 150 MW (tapering) the Unit-IV shall have tapering linkage for 350 MW. FSA may be signed accordingly. In view of the above, delay in achieving these milestones is</p>



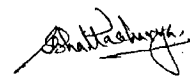
	clearance for land documents now submitted for new villages also required.	some confusion related to tapering linkage for which FSA was to be signed as the units and their respective LOA quantities were not indicated clearly in the MoP list of project.	condoned.
2(4) Uchapinda Unit-3(Normal) R.K.M.Powerge n Pvt. Ltd. (Within 78000 MW)	As above	As in SI.NO. 2(3) above.	As in SI.NO. 2(3) above.
2(5) Uchapinda Unit-3 (Tapering) R.K.M.Powerge n Pvt. Ltd. (Within 78000 MW)	As above.	As in SI.NO. 2(3) above.	As in SI.NO. 2(3) above.
2(6) Uchapinda Unit-4 (Tapering) R.K.M.Powerge n Pvt. Ltd. (Within 78000 MW)	As above	As in SI.NO. 2(3) above.	As in SI.NO. 2(3) above.
2(7) Raghunathpur Unit-2 (Tapering) of DVC (Within	Milestones related to land acquisition; Forest clearance and water allocation are not fulfilled.	Representative of DVC stated that the project had achieved all the milestones including the requirement of land for the project. He also stated	As per the records available with CCL, papers with respect to the land to the extent of 1666.855 acres have since been submitted. This includes an extent of 65 acres



78000 MW)		that the West Bengal Industrial Development Corporation (WBIDC) had issued in-principle approval of 100 acres of land which was not being accepted by CCL. It was further stated that as the land was acquired by the State Government and handed over to DVC, no forest clearance/NoC from forest department was required. The representative of CCL stated that as per the documents available with CCL the project did not achieve the 90% of the land requirement.	of land given by the State authority as per the permission dated 17.10.2011. DVC shall produce necessary papers about the possession of an extent of 203.35 acres of land. Out of this extent, the WBIDC had issued in principle approval for allocating 100 acres of land for this project. Necessary papers may be submitted by the DVC to CCL. MOP may clarify the requirement of land for railway corridor. If this extent of land for railway corridor was not taken in the project, the same should be made clear to MOC. Further, since the land was acquired by Govt. authority and handed over to the DVC by the State Govt., and the concerned papers clarified that there was no forest land in it, this contention of DVC that there is no requirement of producing NOC from State Forest Authority in such cases is accepted. After above clarification from MOP, referred above, FSA may be signed. DVC shall submit necessary papers to MOP by 30.09.2013. To that extent, delay in achieving of the milestones is condoned.
2(8) Bokaro TPS-A, TPP, Ext., Unit-1 of DVC (Within 78000 MW)	Milestones related to land acquisition; Forest clearance, Environment clearance and equity investment are not fulfilled.	Representative of DVC stated that milestones for the project had been achieved. The ash pond which was indicated in the environment impact assessment was to be used	As per the papers available, the ash pond is to be used for Unit-B. However, DVC contended that the same ash pond is to be used for both Units A & B. MoP may clarify this issue by 30.09.2013. The land



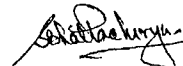
		for both Unit A and Unit B. However, representative of CCL stated that the records provided by the DVC indicated that the ash pond was to be used for unit B and this needed clarification/ submission of additional documents. It was also stated that NoC from forest authority was not available for 60 acres of land which was the part of the land for the project.	on which construction is going on, has been under the possession of DVC since 1954. DVC got this land after its acquisition under LA Act. Necessary papers to that effect may be submitted to CCL by DVC to confirm this. Since the land has been in continuous possession for about 60 years, and the matter of land and its use remains unaltered no further certification is required from forest authority. After above clarification from MOP, FSA may be signed. Delay, in meeting the above milestones is accordingly condoned.
2(9) Athena Singhtarai Unit-I	Approval from MOC for change of name is received from MOC, however SECL have informed MOC that point no. 2 is not clear, clarification on which is required.	The representative of the project developer stated that the SPV for the project, Athena Chhattisgarh Power Pvt. Limited was converted into a public Limited company to facilitate finance for the project. He indicated the shareholding pattern of the company. However, he did not have full information.	As the relevant documents were to be examined in detail, the Committee deferred the matter. Papers about authorised and subscribed capital before and after name change should be furnished by the developer duly signed by the company secretary
Agenda Item No. 3:-	Migration of earlier models of FSA holder to a new one. There are a few FSAs signed by CIL subsidiaries with power producers which provide for 50% as trigger level for penalty. These FSAs were signed prior to the issue of the presidential directive dated 04.04.2012 by which long term PPA was made mandatory for signing FSA for	JS(MOP) stated that this was not an issue to be considered by SCL(LT) as the existing FSAs were signed prior to the issue of Presidential Directive for signing of FSAs with Long-term PPAs. CMD, MCL stated	Wherever valid FSA under earlier model exists, that may continue. However, if and when, the LoA holder wishes to switch over to the new FSA model before the earlier model expires, it can only be as per the new model. Otherwise when it expires, FSA can be signed in the



	<p>power producers. In these FSAs signed prior to 04.04.2012, the mandatory requirement of PPA was not there. After 04.04.2012 as well as in the latest Presidential Directive issued on 17.07.2013 long term PPA with DISCOMs is a mandatory requirement. Therefore, CIL has advised these power producers to migrate to the new model with long term PPAs. It is reported that they are reluctant to migrate to the revised model of FSAs apparently because of the fact that they are not having long term PPAs. As the requirement of long term PPA has been introduced as a mandatory requirement for all power producers to have FSAs, SLC(LT) may consider this issue for appropriate recommendations as to whether, such power producers should be allowed to continue in the existing FSA model till the validity period is over or whether they should be directed to sign the FSA in the latest model which has been decided upon by the CIL Board.</p>	<p>that a view was needed to be taken whether these FSAs were to be continued or the new model FSA should be enforced on them.</p>	<p>new model only as per Presidential Directive dated 17.7.2013.</p>
<p>Agenda Item No. 4:-</p>	<p>Submission of Commercial Operation Date (CoD) for Power Plants: The issue relating to COD dates for signing of FSAs was deliberated in SLC (LT) Meeting dated 07.01.2013. It was agreed that for proper coal planning, COD has to be monitored. However, imposition of the penalty as earlier recommended by the Committee could be kept in abeyance at this stage. However, the LoAs would have to be cancelled in case COD is not achieved on time after following due process. The course of action recommended in earlier SLC(LT) meeting dated 14.02.2012 was reiterated and the following recommendations were made:- (i) The project wise COD dates as per estimation of CEA-MoP may be intimated</p>	<p>JS(MoP) stated that CoD for all the projects included in 78000 MW capacity to be commissioned by 31.3.2015 had already been communicated. Therefore, no further discussion was needed on this issue. He also suggested that no coercive action for not conforming to the CoD should be taken without the approval of MoC.</p>	<p>The COD must be communicated in all cases without fail. Should there be a need to reconsider the linkage upon failure to stick to COD (upon expiry of one year's grace period), it should be brought to the notice of MoC for further action, one month in advance.</p>

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	<p>to the MoC. Achievement of COD within the stipulated time would be mandatory for all the power projects to avoid cancellation of linkages/LoAs.</p> <p>(ii) MoP was to provide the details of estimated CODs project-wise in respect of plants commissioned during 2009-10, 2010-11 and to be commissioned during 2011-12 within a week from the date of last meeting. The same may be provided along with information of plants commissioned/to be commissioned during 2012-13 within 10 days.</p> <p>(iii) Imposition of penalty in case of non-achievement of COD may be kept in abeyance at this state. However, action for initiation of cancellation of LoA would be initiated after following due process in case of non-achievement of COD.</p> <p>Ministry of Power has again requested not to insist upon COD dates for signing of FSAs and not to impose penalty for delay in COD. MoP has informed that CIL/coal companies are not signing FSAs with power plants without COD dates which are yet to be commissioned. MoP has clarified that COD dates cannot be declared without the plants getting commissioned and estimation of COD is not possible at this state as this is a regulatory contractual issue which involves the developer and the procurer. MoP has further stated that developer decides the COD date after commissioning of the plant based on various factors like term of PPA, readiness of evacuation system, readiness of rail connectivity to the plant, coal availability etc. In fact COD of the plants not having PPA at the moment, cannot be even estimated. MoP has however,</p>		
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	<p>furnished the expected dates of COD to enable signing of FSAs for power projects cleared by CCEA. As the issue relating to COD was incorporated as one of the conditions, at the instance of MoP/SLC(LT) may take a view in the matter.</p>		
<p>Agenda Item No. 5:-</p>	<p>Requests received from M/s. VBC Ferro Alloys Ltd. regarding coal linkage from WCL for their 2x60 MW CPP at Sripur Kagaznagar, District Adilabad, AP- extension of validity period of LoA.</p> <p>The SLC(LT) in its meeting held on 06.11.2007 recommended issuance of LOA FOR 2X50 MW of M/s VBC Ferro Alloys Limited at Sripur Kagaznagar, District Adilabad, Andhra Pradesh. LoA was issued by WCL on 21.07.2010. The validity of the LoA was upto 20.07.2012. (i.e. 24 months from the date of issuance of LoA).</p> <p>M/s. VBC Ferro Alloys Limited informed that they had submitted the Performance Bank Guarantee for Rs. 5.25 crores to WCL and achieved all the major milestones as stipulated in the LoA, except water allocation. The approval for water allocation has since been received from Govt. of A.P. on 01.08.2013. The delay in the water allocation was due to the TELANGANA MOVEMENT which had severely affected even the day-to-day functions of the State Government.</p> <p>Accordingly, the applicant referred to the general decisions taken during the SLC (LT) for Power held on 7th January 2013 regarding consideration of cases where the LoA milestones are not achieved within the validity period due to reasons beyond the control of LoA holders. The SLC (LT) in its meeting dated 07.01.2013 under the category "Consideration of cases where the</p>	<p>The representative of the project developer stated that the water allocation for the project was delayed due to the Telangana Agitation. He also stated that the water allocation was subsequently obtained and submitted to WCL in August, 2013. Representative of WCL stated that the LoA expired on 20.7.2012 and the developer had not submitted the additional Bank Guarantee required for delayed submission of milestones documents. It was further stated that Environment Clearance for 74.4 acres was yet to be received whereas the developer stated that the documents had been submitted.</p>	<p>As per the records of the WCL, certain clarifications are required to be furnished by the party. WCL shall intimate these requirements within a week whereupon, the party shall furnish necessary information by 31.10.2013. After receipt of all these clarifications, WCL shall take further action. Delay till 31.10.2013 condoned.</p>

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	<p>LoA milestones are not achieved within the validity period due to reasons beyond the control of LoA holders* has decided as under:-</p> <p>(i) Cases where milestones cannot be achieved for reasons beyond the control of a LoA holder may be brought before SLC (LT) for making suitable recommendation.</p> <p>(ii) The meeting of SLC (LT) should be held more frequently preferably once in every quarter for taking a view on all such matters on a regular basis.</p> <p>(iii) MoC may consider a modification in para 6.4 of the NCDP so that LoA should not terminate automatically along with forfeiture of CG before a reasonable opportunity is given for consideration by SLC (LT) and decision by the competent authority on the recommendation of the SLC (LT)</p> <p>Accordingly, applicant has requested for extension in the validity period of the LoA and not to take any coercive action till the matter is decided by the SLC (LT). In view of the applicant's request, Western Coalfields Ltd has been directed, not to initiate any coercive action in the matter till a decision is taken by SLC (LT). Therefore, SLC(LT) may take a view in the matter.</p>		
Agenda Item No. 6:-	<p>Signing of FSA with SECL for NSPCL-Bhilai (2x250 MW) - Conversion of the category of the plant from CPP to Power Utility.</p> <p>This is regarding a request received from NTPCL for conversion of the CPP of NSPCL-Bhilai (2x250 MW) to central generating station under category of central utility and sign FSA</p>	<p>Representative of CEA/MoP stated that this project no more came under the definition of CPP as per the Central Electricity Rules 2005 as the entire power generated was sold as per the tariff determined by the</p>	<p>It was pointed out by CEA representative that as per the electricity rules 2005, a unit was defined as CPP if it had at least 26 % of its equity held by the end use plant and 51% of the power was consumed by the end use plant in house. In this case, 36.5% of the</p>



	<p>accordingly.</p> <p>M/s. National Thermal Power corporation Ltd submitted a request for grant of long term coal linkage in 2003 in respect of their proposed 500 MW Expansion Unit of Bhilai CPP-II of NTPC & SAIL. The same was recommended by SLC(LT). Later on, M/s. Bhilai Electric supply company Pvt Ltd (A JV of NTPC & SAIL) requested that Bhilai project be treated as a Central Utility.</p> <p>The matter has been under consideration over the years and till date no decision has been taken in the matter. This issue was also taken up in SLC(LT) for Power. The Committee considered their request for its conversion from CPP to IPP in its meeting held on 18.4.2011 and recommended that the matter may be re-examined by the Ministry of Power for taking a view.</p> <p>Comments of MoP/CIL were received in the matter. MoP/ forwarded additional justification for change in category from CPP to IPP in respect of Bhilai Expansion power plant of NSPCL. CIL is of the opinion that a power generating unit can be granted IPP status only if its entire generation is coming under the purview of regulatory structure, as some of the power units have been selling part of their power generation beyond the regulatory structure. CIL is of the opinion that the part which is being sold beyond the regulatory structure should be categorized as CPP.</p> <p>Again comments of MoP were called for in the matter. MoP informed that in the Electricity Act, 2003, there is no restriction for IPP to sell the entire power generated through PPAs. As per</p>	<p>CERC. Representative of CIL stated that for the 36.5% of the power generated by the company and supplied to the Bhilai Steel Plant should be considered as CPP as this portion was to be treated as CPP and the coal supplied for this portion was charged at the rates applicable to CPPs. Representative of MoP stated that the entire power generated was being supplied at rates determined by CERC.</p>	<p>power produced is supplied to SAIL at a tariff determined by CERC. The representative of NSPCL said that it has long term PPA with Chhattisgarh, Dadra & Nagar Haveli, Daman & Diu, DISCOMS/ State Nominated Agency and SAIL. The unit is not permitted to sell power outside CERC determined tariff. Therefore, the character of NSPCL is of Central Power Utility. Accordingly, this may be treated as Central Power Utility. This status shall be applicable from the date of signing of FSA.</p>
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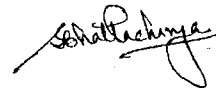
<p>Section 10(2) of the Act, a generation company may supply electricity to any licensee in accordance with this Act and the rules and regulations made thereunder and may subject to the regulations made under sub-Section-2 of Section 42, supply electricity to any consumer. National Electricity Policy, 2005 also provides that a part of new generating capacities, say 15% may be sold outside long term PPA to promote market development. Further, the policy provides that in the coming years, a significant portion of the installed capacity of new generating stations could participate in competitive power markets. With the introduction of open access in transmission, distribution and allowing trading of power through exchanges, a number of generating companies are selling their surplus power through trading which is outside PPAs. As such there seems to be no restriction for a generating company to sell the entire power generated through PPA.</p> <p>MoP further informed that Bhilai Expansion Power Project (2x250 MW) of NSPCL is supplying 36.5% power to SAIL at the tariff determined by CERC. The balance is also supplied at the tariff determined by CERC to the state power utilities/UTs namely, Chhattisgarh, UT Daman & Diu and UT Dadra and Nagar Haveli. MoP requested that category of Bhilai Expansion power plant of NSPCL may be treated as utility (which is presently a CPP)</p> <p>It may also be pertinent to mention here that this project was not included in the MoP's 60,000 MW list but included in the revised list of 78,000 MW capacity, for which CCEA in its meeting dated 21.06.2013 has decided for</p>		
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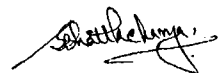
	<p>signing of the FSAs.</p> <p>Since this is a long pending issue, SLC(LT) may take a view on conversion of the CPP of NSPCL-Bhilai (2x250 MW) to central utility.</p>		
<p>Agenda Item No. 7:-</p>	<p>Resumption of coal supply to Koderma TPS of DVC.</p> <p>A reference was received from JS (Power) for resumption of coal supply to Koderma TPS of DVC. He has informed that DVC has signed FSA for supply of 4.62 MT coal for Koderma TPS with MCL. Coal supply to the said plant was started from January, 2013.</p> <p>Due to local disturbances and stiff law & order problem, work for the said plant was stopped for a considerable period of time and trial operation of units could not be completed as per schedule. Meanwhile, due to the non-achievement of COD, MCL has issued notice for cancellation of FSA. JS (Power) has stated in this regard that delay in COD is due to unforeseen circumstances and the project is appearing in the CCEA approved list of 78000 MW and therefore requested to direct MCL to withdraw the show cause notice issued for cancellation of FSA of Koderma TPS of DVC and resume coal supply for the same.</p> <p>The issue was consulted with MCL. MCL has informed that the matter may be looked into by the Ministry and instructions be issued for action to be taken by MCL.</p> <p>SLC (LT) may take a view for the resumption of coal supply to the Koderma TPS of DVC as the COD has since been achieved.</p>	<p>Representative of DVC stated that the COD of the project was indicated as March 2012 but could be achieved in July, 2013 due to law and order and other issues beyond the control of the management. Therefore, the delay in achieving CoD be condoned.</p>	<p>COD has since been declared. Delay condoned. Supply to be resumed by MCL.</p>

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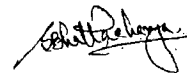
<p>Agenda Item No. 8:-</p>	<p>Request of Utkal Alumina International Ltd for withdrawal of cancellation of coal linkage granted to their 80 MW CPP in the year, 1998.</p> <p>This is regarding a request received from M/s Utkal Alumina International Ltd. for withdrawal of cancellation of coal linkage granted to their 80 MW CPP in the year, 1998.</p> <p>The long term coal linkage was granted to the applicant in respect of 80 MW CPP in the 1998 to the tune of 0.8 mtpa from MCL.</p> <p>In the SLC(LT) meeting held on 18.04.2011, the milestone status of all long pending cases of CPPs was reviewed. The said project was also included in the list of pending cases. The Committee recommended that CIL would issue final notice seeking project status in all such cases. Accordingly, a notice was issued by CIL on 08.06.2012 to the developer for submission of the status of achievement of milestones as per NCDP and commissioning status and if they are found to be commissioned by 18.04.2011 and all the milestones are achieved, they may conclude FSA within 3 months, otherwise the linkage would be cancelled.</p> <p>The applicant furnished the status on 19.12.2012 after expiry of the grace period but did not submit any milestone documents. The CPP and EUP were not commissioned by 18.04.2011. Accordingly, FSA was not signed. The applicant submitted a representation in this regard, which was forwarded to the MCL for examination. MCL has informed that after considering the representation, linkage to the said plant has been cancelled with the approval of competent authority.</p> <p>The developer has again submitted a</p>	<p>Representative of the project developer submitted that the project was delayed due to the reasons beyond their control like the law and order problem, agitation by the local people, etc. He also submitted that the company had been regularly reporting the status of the project to MCL alongwith the expected date of commissioning. It was also stated that the 1st unit of CPP (out of three units of 30 MW each) was commissioned in April, 2013 and the Alumina Plant was commissioned in May, 2013. The 2nd unit of CPP was commissioned in September, 2013 and the 3rd unit was due to commissioning in December, 2013. The promoter has already invested more than Rs. 7000 cores in the project.</p>	<p>The party said that the Unit -I of the power plant has been commissioned in April 2013 and the Unit-II in September 2013. The last Unit of the 30x3 is likely to be commissioned in December 2013. The alumina plant has been commissioned in May 2013. Meanwhile, the linkage has been cancelled in August 2013. This is a pre NCDP linkage. The Unit has invested more than Rs. 7000 crores in this venture. Taking these facts into account the committee decided that the party should furnish all the paper regarding achievement of all the milestones to MCL for verification. Thereafter, the linkage may be revived since the Unit had become functional before cancellation of the linkage.</p>
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	<p>representation to the Ministry inter-alia stating that the delay in achieving the milestones was beyond their control and that the first CPP of the Project has since been commissioned in April 2013.</p> <p>SLC(LT) may take a view on restoration of coal linkage granted in the year, 1998.</p>		
<p>Agenda Item No. 9:-</p>	<p>Request made by M/s. Kanishk Steel Industries Ltd for grant of long term coal linkage for their proposed 12 MW Co-generation Power Plant to be set up at S.R. Kandigai Post, Gummidipoondi Taluk, Thiruvallur District, TN</p> <p>This relates to a request made by M/s. Kanishk Steel Industries Ltd for grant of long term coal linkage for their proposed 12 MW Co-generation Power Plant to be set up at S.R. Kandigai Post, Gummidipoondi Taluk, Thiruvallur District, TN.</p> <p>The SLC(LT) for Power in its meeting held on 29.01.2010 recommended for issuances of LoA for the said plant. Accordingly, MCL requested for submission of stipulated CG to the applicant. M/s. Kanishk Steel Industries Ltd had indicated that the notice for seeking CG was not received by them.</p> <p>The matter was placed before the SLC (LT) held on 18.4.2011. The Committee advised the concerned coal company to verify the claim made by the applicant and inform the factual position to the MoC so that a view on the request can be taken.</p> <p>MCL thereon informed that notice for furnishing of CG was sent to the applicant within one month through Speed Post. MCL also furnished a certificate of superintendent of Post Offices. Applicant also submitted a certificate</p>	<p>The developer stated that the communication from MCL asking for commitment guarantee was not received by him. When it came to his notice about 45 days later, he submitted the guarantee but the same was not accepted by MCL on account of delay.</p>	<p>Committee decided that considering the circumstances of this case, the developer be asked to submit CG to MCL. Thereafter, MCL to issue LoA.</p>



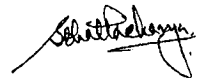
	<p>from the post office for non-delivering the aforesaid notice at the said address. Applicant has also contended that as per the rules notice should be served at the registered office address of the company, but the same was not done in their case. As a result of which they could not submit the CG in time, however, they are approaching MCL for submission of CG. Applicant has also submitted a Bank Certificate for ensuring their financial status which clearly indicates that that they were in a position to deposit the Bank Guarantee (BG) during the same period.</p> <p>This matter was again taken up in the SLC (LT) held on 07.01.2013. It was inter-alia decided that "the postal authority, higher the both the Supdt. of Post Office who has confirmed the delivery of the said notice, and local post office which have informed non delivery of notice may be addressed by MCL to verify the position and send a report. The case can be considered further on the basis of the report.</p> <p>No report has so far been received from MCL.</p> <p>SLC(LT) may take a view for grant of long term coal linkage for their proposed 12 MW Co-generation Power Plant of the applicant.</p>		
Agenda Item No. 10:-	<p>Enhancement in the Capacity of the CPP of M/s. Shree Sidhballi Ispat Ltd. - action to be taken as per the directions of SLC (LT) meeting dated 07.01.2013.</p> <p>This is regarding a request received from M/s. Shree Sidhballi Ispat Ltd for enhancement in the capacity of their 1x12 MW CPP located in Dist. Chandrapur, Maharashtra to 12.8 MW after the validity of their LoA expired.</p> <p>The matter was taken up by SLC(LT) in</p>	<p>The developer submitted that the change in capacity of the plant from 12 MW to 12.8 MW be accepted.</p>	<p>In continuation of the decision of SLC dated 07.01.2013 and recommendation of MOP, the change of capacity is accepted. Delay is condoned. FSA may be signed.</p>



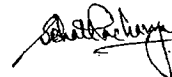
their meeting held on 18.4.2011 when it was informed that the unit was setting up 20 MW CPP, of which 7.2 MW would be generated from WHRB and the remaining 12.8 MW from CFBC/AFBC. The EC given by the concerned department of Maharashtra is for 20 MW and the order for the main plant and equipment is also for 20 MW STG turbine generator. Since LoA was issued in this case for 12 MW capacity but the documents submitted were for 20 MW capacity, the unit was considered as having failed to achieve the milestones as per the LoA issued for 12 MW. The case for enhancement of capacity was, therefore, turned down. SSIL then approached the Bombay High Court with the contention that SLC(LT) has agreed a similar dispensation to another company in their meeting held on 14.02.2012 and their case also be considered likewise. The Hon'ble Court has passed interim directions in this case, directing the respondents not to forfeit the CG along with the additional CG till a decision is taken by SLC(LT), provided the petitioner keeps the Bank Guarantee alive till the Committee takes a decision.

The matter was taken up by the SLC(LT) meeting on 7.1.2013. The Committee recommended that:

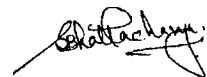
- (i) Since the milestones for a higher capacity (20MW in this case) have been achieved, the achievement of milestones for a lower capacity (12.8 MW in this) may also be accepted.
- (ii) A report may be sought from MoP regarding status of power plants likely date of commissioning etc. and also on the question whether the case of Shree sidhbalispat Limited is exactly similar to



	<p>the case of EMCO where a dispensation has been given.</p> <p>(iii) The report of the MoP will be considered for appropriate recommendation in the next meeting of the Committee. A report in the matter has been received from Ministry of Power indicating the facts as under:-</p> <p>(i) The CPP of M/s. Shree Sidhbalispat Limited has been commissioned on 11.10.2010.</p> <p>(ii) In both cases, the developer had requested for enhancement in the capacity of their project after the date of expiry of LqA and both have made good progress on construction of their projects/unit.</p> <p>(iii) The enhancement in capacity of CPP of M/s. Shree Sidhbalispat Limited with the condition that no additional coal would be supplied for the enhanced capacity may be approved. SLC(LT) may take a view in the matter.</p>		
Agenda Item No. 11:-	<p>Tuticorin TPS, (NTPL -Neyveli Tamilnadu Power Limited) JV of NLC & Tangenco. (Unit 1&2) Pre-NCDP LOA (Converted to LOA)</p> <p>LOA was approved in the SLC meeting held on 11.05.2006 & 8.4.2010 and issued on 24.09.2010 for a quantity of 3.00 Mt from MCL for 1000 MW capacity. Plant/Unit was scheduled for Commissioning in 2015-16.</p> <p>As per information received from Subsidiary company, deficiencies found in milestones related to Forest Clearance (No. 6) and water allocation (No. 7). NOC from forest authority was required. COD and Synchronization were not yet submitted.</p>	<p>The Chief Executive Officer of the project submitted that the issue relating to Forest clearance was under the consideration of the Supreme Court. An Inter-locutory application has been filed by the Tuticorin Port Trust praying for a direction to the Revenue Department of Government of Tamilnadu to re classify the part of the project land from "Kaadu" to "VOC Port Trust land".</p>	<p>Papers showing water allocation have since been submitted to MCL. MCL have found it acceptable. The delay in submitting the paper is condoned. The unit has achieved all other milestones except forest clearance over an extent of 59 hectares of land (out of the total area of 107 hectares of land leased out to NTPL). The representative of NTPL informed that District Collector had recommended changing the classification of land. However,</p>



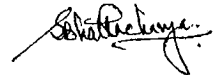
<p>The LoA holder had not submitted NOC from the Forest Authorities. COD and Synchronization also not submitted. MoC vide letter dated 27.9.2012 has advised not to take coercive action.</p> <p>Land for the project was leased to NTPL by the Tuticorin Port Trust (TPT - name changed to VOC Port Trust) on long term lease. Clearance of MOEF was obtained. Construction of the plant and township had already started. Forest clearance was not obtained as there was no forest and the land was already in the possession of TPT. Subsequently it was pointed out by the Tuticorin District Forest Officer that part of the project land was notified as forest in 1918. Accordingly TPT has applied for NOC from the State Forest Department which is pending.</p> <p>The matter was taken up in the SLC (LT) meeting dated 31.05.2013. Committee directed to place further developments in the matter to the notice of SLC (LT).</p> <p>NTPL Unit 1 & 2 has since been included in the list of power projects of 78,000 MW capacity approved by the CCEA for signing of FSAs.</p> <p>NTPL has now submitted that the project is at an advanced state of construction and all the efforts are being made for commissioning Unit-1 & 2 in December 2013 and in March 2014 respectively. Rs 4539.00 crores has already been incurred till August 2013. Further, the agency who has been awarded for the contract for coal washery and logistics is in need of copy of FSA for commencement of construction of washery. Delay in signing of FSA would deprive the project of coal supply and the project may become NPA as per RBI guidelines. This could in turn affect the financial performance of the parent company also.</p>	<p>Representative of MOP stated that the project was in advanced stage of execution and was scheduled for commissioning in December, 2013. The Developer also stated that more than Rs. 4000 crore had already been spent on the project.</p>	<p>necessary changes had not been effected in the revenue records. The land has been in continuous uninterrupted possession of the Tuticorin Port Trust (currently known as VOC Port) which in this case is the lessor of the land to NTPL. Port Trust has since filed an IA before Hon'ble Supreme Court seeking direction to the State Revenue authority to effect changes in Revenue Records from "Kaadu" to "VOC Port Trust" land. Since the matter is pending before the SC, it will not possible to indicate a precise timeline. NTPL requested that it may be permitted to sign the FSA taking into account the peculiar circumstances as the unit has already invested more than 4000 crores and is about to be commissioned in December this year. Taking this into account, NTPL is directed to produce necessary documents such as original land acquisition papers, extracts from the Port Trust Act, copy of Collector recommendation about changing nature of land and a copy of IA filed in Supreme Court before the MCL authorities. It shall also intimate the MCL authorities the outcome of hearing of this IA in due course. Subject to this, the request of NTPL to sign FSA is accepted.</p>
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	<p>NTPL has submitted that VOC Port Trust has already approached the Supreme Court with regard to forest clearance and filed IA on 26.08.2013 with the prayer to issue a direction to the Revenue Deptt, Govt. of Tamilnadu to change the classification of the part of the land in question from "forst land" to "VOC Port Trust land". But this may take time as the matter is to be decided by the Supreme Court. Therefore, it has been requested that NTPL may be along as a special case to sign FSA considering the urgency and criticality of commissioning of the power plants. The NTPL has assured that additional commitment guarantee would be extended till final milestone of forest clearance is achieved.</p>		
<p>Agenda Item No. 12:-</p>	<p>Request received from M/s. Spectrum Coal & Power Limited for correction in the category of the power plant from CPP to IPP</p> <p>A request was received from MoP for grant of coal linkage for 30 MW capacity power plant based on coal washcry rejects along with 3 MTPA coal beneficiation plant at Korba Site, Chhattisgarh to M/s. ST-CLI Washeries Ltd. Subsequently, another application for grant of coal linkage for 2x30 MW Coal Washery Reject Power Station at Korba was also received from the applicant.</p> <p>The matter was considered by SLC (LT) in its meeting held on 02.06.2005. SLC (LT) granted long term coal linkage to ST-CLI Coal Washery Limited, Chhattisgarh for their 2x30=60 MW plant in the CPP category. Subsequently, a linkage order was issued allocating 0.098 mtpa of E/F grade of coal on 01.07.2005.</p> <p>Later on applicant requested for revision in the capacity of the power plant from 2x30 MW to 2x25 MW. In this regard MoC advised the</p>	<p>The developer submitted that it was a washery reject based plant linkage was applied as IPP. It was never mentioned by him as CPP but by mistake in the linkage order it was indicated as CPP. It also stated that configuration of the plant was changed from 2x30 MW to 1x 50 MW for technical reasons. The developer has already spent over Rs. 350 crore in the projects and the commercial production was declared in February, 2013. MoP representative confirmed that it had recommended correction in the capacity as IPP.</p>	<p>The party said that the plant has declared Commercial Operation in February 2013. It has invested over Rs. 350 crores. It has been obtaining coal through e-auction. The size of the Unit has been changed 2 x30 to 1x50. The party also requested for change of CPP to IPP on the plea that it was actually always an IPP and right from the beginning and it was never contemplated as CPP. MOP has recommended correction of this category as IPP. This is a pre-NCDP case. SECL shall revive the linkage and verify all papers regarding milestones etc. applicable to IPP and take further necessary action. It is washery reject based plant. The requirement of coal will be reduced proportionately to</p>

S. K. Singh

	<p>applicant to send a formal request alongwith the technical data in the prescribed format.</p> <p>Subsequently, applicant also submitted an application for grant of coal linkage for 1x50 MW (Ph. II) IPP with a mention that the phase -I of the project was 1x50 MW. The same is yet to be placed before the SLC (LT) for consideration/recommendations. The applicant has been approaching SECL with the following requests since 2008:-</p> <ul style="list-style-type: none"> (i) Finalisation of FSA as IPP (ii) Reduction in the capacity of the plant from 2x30 MW to 1x50 MW (iii) Change of the name from ST-CLL Coal Washeries Ltd to M/s. Spectrum Coal & Power Ltd <p>During the course of communications, the applicant informed that they had also signed MoU with Government of Chhattisgarh for setting up of 50 MW Power Project on 03.01.2007 and all permissions like water allocation, environment clearance have been taken in the changed name of the company.</p> <p>In the SLC(LT) meeting held on 18.04.2011, the milestone status of all long pending cases of CPPs was reviewed. SLC (LT) decided that CIL would take a final view in respect of 22 cases including this case, for cancellation of linkage or signing of FSA based on the terms and conditions of the linkage order and inform MoC of the action taken. CIL stated that it appears that the power would be sold to the grid as there is no end use plant. Likely date of commissioning of CPP was indicated as June, 2011.</p> <p>Applicant Company has been representing that the company has at no point of time mentioned the power plant as CPP. They</p>		<p>accommodate reduction of capacity from 60 MW to 50 MW.</p>
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	<p>have also indicated that in all the correspondence with MoC/MoP/CIL/SECL, they had been highlighting the fact that the power plant was an IPP and not CPP. The applicant has also mentioned the fact that in their letter dated 22.10.2009 addressed to MoC, they had mentioned that they have signed long term PPA with Reliance Energy Trading Limited for sale of 15 MW power.</p> <p>Since, neither MoP nor applicant had mentioned the category of the plant as CPP, SLC (LT) is to take a view on the request of the applicant for a correction in the category of the power plant from CPP to IPP and reduction in the capacity of the plant from 2x30 MW to 1x50 MW. The issue of name change will be taken up in due course.</p>		
<p>Agenda Item No. 13:-</p>	<p>Request received from M/s. KVK Bio Energy Pvt. Ltd for rectification of the classification of the category of their 20 MW Bio Mass Power plant as IPP</p> <p>This is regarding a request received from M/s. KVK Bio Energy Pvt. Ltd for rectification of the classification of the category of their 20 MW Bio Mass Power plant as IPP instead of CPP and till a decision is arrived in the matter to allow them to renew their FSA beyond 30.04.2013, so that coal supply may be resumed for the said plant.</p> <p>A request was received from M/s. KVK Bio Energy Pvt Ltd submitted in MoP for long term coal linkage in respect of 20 MW Bio-mass based power plant. Ministry of Power recommended the same with the comments that the power generated would be wheeled to third party consumers. SLC (LT) for Power in its meeting held on 2.6.2005 under the category of</p>	<p>The developer submitted that the project is a biomass based IPP and the power generated was being supplied to the State DISCOM on the basis of long-term PPA. The plant was operational from 2006 and the FSA was signed in 2008 and it expired in 2013. He requested for signing FSA as IPP.</p>	<p>The party said that the Plant was running from 2006. He contended that it was never contemplated as CPP unit; it was an IPP unit right from the beginning. MOP representative said that this could be corrected as IPP unit as the power was being supplied to Chhattisgarh State nominated agency on the basis of a long term PPA with it. SLC (LT) agreed for change of category from CPP to IPP accordingly further action for signing FSA will be taken by SECL as it is pre-NCDP bio mass based plant.</p>



	<p>fresh linkage CPP and approved that "a long term linkage of 0.027 mtpa of E/F grade which is the MoP's normative quantity (25% for biomass plant) from Korba/Raigarh coalfields of SECL". A linkage order was issued on 7.7.2005 and applicant signed an FSA on 30.04.2008 with SECL. Applicant has also informed that they are exporting the entire power generated to Chhattisgarh State Power Distribution Co. Ltd. (CSPDCL), valid upto 2026.</p> <p>SLC (LT) is to take a view on the request of the applicant for rectification of the classification of the category of their 20 MW Bio Mass Power plant as IPP instead of CPP.</p>		
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ANNEXURE-1**LIST OF PARTICIPANTS WHO ATTENDED THE MEETING OF THE STANDING LINKAGE COMMITTEE(LONG TERM) FOR POWER HELD ON 13th SEPTEMBER, 2013 TO REVIEW THE STATUS OF EXISTING COAL LINKAGES/LETTER OF ASSURANCES"(LOAs) IN POWER SECTOR**

	Ministry of Coal
1.	Dr. A.K. Dubey, Additional Secretary
2.	Sh S.K. Singh, Joint Secretary(LA)
3.	Sh. S. Ashraf, Deputy Secretary(CPD)
4.	Sh. Y.P. Dhingra, Consultant (CPD)
	Ministry of Power
5.	Sh. I.C.P. Keshari Joint Secretary
6.	Sh. V. Appa Rao, Director
	Central Electricity Authority
7.	Sh. M.S. Puri, Secretary
8.	Sh. Alok Saxena, Chief Engineer (OM)
	Planning Commission
9.	Sh. I.K. Khan, Adviser (E)
	NTPC
10.	Sh. G. Ravindra, ED/FM
11.	Sh. D. Saha, GM (FM)
12.	Sh. Deepak Kansal, Manager(FM)
	Coal India Limited and Coal Companies
13.	Sh. A.N. Sahay, CMD, MCL
14.	Sh. Rakesh Sinha, CMD, ECL
15.	Sh. N. Kumar, Director (Tech), CIL/Act. CMD, SECL
16.	Sh. D.K. Ghosh, D(T)
17.	Sh. B.K. Saxena, Director (Marketing)), CIL
18.	Sh. Rajiv R Mishra, Director(P), CCL
19.	Sh. OM Prakash, Dir(Tech), WCL
20.	Sh. V.K. Singh, GM(S&M), ECL
21.	Sh. L.K. Mishra, GM(S&M), CIL GM (S&M)
22.	Sh. T.S. Roy, Sr. Manager, CIL
23.	Sh. Rajesh Bhushan, Chief Manager, CIL
24.	Sh. G.K. Vashishtha, CSM, CIL, New Delhi
25.	Sh. Anurag Garg, GM(S&M),(C)
26.	Sh. Y. V. S. Prasad, GM(S&M), SECL
27.	Sh. S. Shekhar, GM(S&M), MCL
28.	Sh. R. M. Bansal, GM MCL
29.	Sh. S.D. Shende, GM(S&M), BCCL
30.	Sh. A.C. Verma, GM(S&M), CIL, Delhi
31.	Sh. S.N. Prasad, GM(S&M), WCL
32.	Sh. S.K. Roy, SECL
	SCCL, SCCL, P.O. Kothagudem Collieries, Distt. Khammam-507101
33.	Dr. Durga Vara Prasad, RO

