#### File No.CLD-23014/3/2019-CLD Government of India Ministry of Coal

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Shastri Bhawan, New Delhi, Dated the 13th December, 2019

To

1. The Chairman-cum-Managing Director, Coal India Limited, Coal Bhawan, Premise No-04 MAR, Plot No-AF-III, Action Area-1A, Newtown, Rajarhat, Kolkata-700156

2. The Chairman-cum-Managing Director, Singareni Collieries Company Limited, 18, Red Hills, Khairatabad PO, Hyderabad, Telangana.

Subject: Meeting of the Standing Linkage Committee (Long-Term) for Power Sector - SLC/LT No. 2/2019.

Sir,

I am directed to forward herewith the approved minutes of the meeting of the SLC (LT) for Power Sector held on 18.11.2019 to consider the requests for coal linkages to Central / State Sector Power Plants and to review the status of existing coal linkages/LoAs & other related matters.

Enclosure as above

Yours faithfully,

(Suject Kumar) Under Secretary to the Govt. of India

Copy to -Chairperson 1. Additional Secretary, Ministry of Coal 2. Principal Advisor (Energy), NITI Aayog, Yojana Bhawan New Delhi. Member Member 3. Joint Secretary (Coal), Ministry of Coal Member 4. Advisor (Projects), Ministry of Coal Joint Secretary (Thermal), Ministry of Power, Shram Shakti Bhawan, New Member 6. Joint Secretary (Ports), Ministry of Shipping, Transport Bhawan, New Delhi Member 7. Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi Member 8. Joint Secretary, Department of Industrial Policy & Promotion, Udyog Member

Bhawan, New Delhi	
Executive Director, Coal, Railway Board, Room No. 261, Rail Bhawan, New Delhi	Member
Director (Marketing), Coal India Limited.	Member
CMD's BCCL, CCL, ECL, MCL, NCL, SECL & WCL	Members
Chairman-cum-Managing Director, Central Mine Planning & Design Instt Ltd., Gondwana Place, Kanke Road, Ranchi.	Member
Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi	Member
Chairman, NTPC, Scope Complex, Lodhi Road, New Delhi-110003  Nominated Authority, Ministry of Coal	Member
Joint Secretary, CBA-I Section, Ministry of Coal	
	Executive Director, Coal, Railway Board, Room No. 261, Rail Bhawan, New Delhi Director (Marketing), Coal India Limited.  CMD's BCCL, CCL, ECL, MCL, NCL, SECL & WCL  Chairman-cum-Managing Director, Central Mine Planning & Design Instt Ltd., Gondwana Place, Kanke Road, Ranchi.  Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi  Chairman, NTPC, Scope Complex, Lodhi Road, New Delhi-110003  Nominated Authority, Ministry of Coal

### Copy to:

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

#### Copy also to -

- 1. PS to Minister of Coal
- 2. PSO to Secretary (Coal)
- 3. PPS to Additional Secretary (Coal)
- 4. PPS to Joint Secretary (LA)

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

# Minutes of the meeting of the Standing Linkage Committee (Long Term) for Power Sector held on 18.11.2019

Chairman SLC(LT) stated that in view of the present scenario of thermal coal imports in the country, it is desirable that all allocated coal blocks should be operationalized within the scheduled timelines. This would enable allocation/earmarking of coal linkages from CIL/SCCL to the Power Plants which do not have coal linkages. The Mining Plans are made by the Project Proponents (PP) and are approved by the competent authority. Hence, the PPs should adhere to the production schedules which have been prepared by themselves. The Committee then proceeded to discuss the agenda items as per the detail below.

Sr. No.	Issue	Summary of Discussions	Recommendations with
			reasons
Confirmation of	Agenda No. 5 [Extension of	Ministry of Power vide O.M	Minutes of the Meeting of the
the Minutes of the	Bridge Linkage for Barauni	dated 29.08.2019 had	SLC (LT) held on 24.06.2019
SLC (LT) meeting	Stage-II (2 X 250 MW)]		stand amended to this extent
held on		was sought for 2 units of	i.e. 2 units instead of 3 units.
24.06.2019		250 MW of Barauni Stage-	
		II, whereas 3 units were	
		mentioned in the	
		recommendations of the	
		SLC (LT).	
Agenda item No.	Ministry of Power vide letter	Project Proponent stated	Based on the
1	dated 10.06.2019 has requested	that the old units of	recommendations of Ministry
Transfer of coal	to transfer the coal linkage	Satpura TPS and	of Power and also as in view
linkage granted to	granted to retired units i.e.	Amarkantak TPS are de-	of the request of the Project
retired units i.e.	Phase -I (5 x 62.5 MW) of	commissioned and the coal	Proponent, SLC (LT)
Phase -I (5x62.5	Satpura TPS and Phase-I	linkages have been	recommended for grant of
	(1x30+1x20 MW) & Phase-II		
TPS and Phase-I	(2x120 MW) of Amarkantak TPS	coal linkage is required for 2	Critical capacity of
$(1 \times 30 + 1 \times 20)$	to the New plant of Super	x 660 MW capacity of Super	Amarkantak TPS (1 x 660
MW) & Phase-II (2	Critical capacity i.e. 1 x 660 MW	Critical Units of Satpura	MW) and Satpura TPS (1 x
	Satpura TPS and of 1 x 660 MW		660 MW) of M.P Power

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Amarkantak TPS Amarkantak TPS respectively Project Proponent also Generating Company Limited to the New plantand shortfall may be allocated informed that Amarkantak (MPPGCL) from Coal India of Super Critical as per extant policy. TPS (1 x 660 MW) would get Limited under para B (i) of capacity i.e. 1 x commissioned in 2024-25, the SHAKTI Policy. 660 MW Satpura Government of Madhya Pradesh whereas Satpura TPS (1 x TPS and of 1 xvide letter dated 22.07,2019 has 660 MW) would MWalso requested 660 to commissioned in 2025-26. Amarkantak TPS transfer/allocate coal linkage to Project Proponent requested Satpura and Amarkantak TPS. for fresh linkage for these two power plants. CBA-II Section has informed vide O.M dated 03.10.2019 that under the provision of Coal Mines (Special Provisions) Act. 2015, no coal mine has been allocated to M.P Power Generating Company Limited (MPPGCL). CBA-I Section has informed vide O.M dated 18.11.2019 that no coal block has been allotted to MPPGCL. Further, the proposed super critical capacity i.e. 1x660 MW Satpura TPP and 1x660 MW Amarkantak TPS of MPPGCL are not linked with any of the coal blocks allocated under MMDR Act. As per the policy for automatic transfer of coal linkage, linkage granted to old plants shall be

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	automatically transferred to the new plant of super critical capacity and in case of the capacity of the new super critical plant is higher than the old plant, additional coal may be accorded priority, subject to availability of coal.  SLC(LT) may take a view in the matter.
Agenda item No.	Mahagenco vide letter datedCEA informed thatBased on the
2	17.10.2019 has requested to Bhusawal Unit-6 (660 MW) recommendation of Ministry
	allocate coal linkage of 3.18 of Mahagenco would be of Power, SLC (LT)
	MTPA for Bhusawal Unit 6 (660 commissioned in 2021-22 recommended for grant of
linkage of 2.922	MW) of Mahagenco under and requested for coal coal linkage under para B (i)
MTPA from CIL	automatic transfer of coal policylinkage for the 1 x 660 MW of SHAKTI Policy from Coal
subsidiaries and	for supercritical units (old unit capacity. CEA further India Limited for Bhusawal
	coal linkage of 2.922 MTPA from informed that no coal block Unit- 6 (660 MW) of
- [ - [ - [ - [ - [ - [ - [ - [ - [ - [	CIL subsidiaries and additional has been allocated for Mahagenco.
linkage of 0.258	coal linkage of 0.258 MTPA). The Bhusawal Unit-6 (660 MW).
	said matter was also taken up in
total coal	the meeting of the SLC(LT) held Although the Project
requirement of	on <u>27.06.2018</u> where in the Proponent was not present
	SLC(LT) recommended that in the meeting, Ministry of
Bhusawal Unit 6.	linkage of scrapped unit shall Power recommended coal
	not be transferred to powerlinkage to Bhusawal Unit-6
1	plants already having Bridge under para B (i) of SHAKTI
	linkage. CEA was also requested Policy.
	to provide the complete list of
	de-commissioned plants to Coal
	India Limited. However,

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	Bhusawal Unit 6 (660 MW) does not have a Bridge linkage.	
	As per the policy for automatic transfer of coal linkage, linkage granted to old plants shall be automatically transferred to the	
	new plant of super critical capacity and in case of the capacity of the new super critical plant is higher than the old plant, additional coal may be	
	accorded priority, subject to availability of coal.  SLC(LT) may take a view in the matter.	Age to the second
3	TANGEDCO <i>vide</i> letter datedProject Proponent informed 14.02.2019 requested Bridgethat there is a delay of Linkage for the following units: around 2 years due to	recommended for Bridge Linkage for the first unit of
Grant of Bridge Linkage to the TPPs of TANGEDCO	a) Ennore Thermal Power clearances from MoEF&CC Station Expansion project, 1 x dumping area. Further, they are proceeding for their	Ennore SEZ (1 x 660 MW) of TANGEDCO for the 50% capacity. SLC (LT) further recommended that the Bridge
	Project Stage-I, 2 x 660 MW MDO. Chandrabila coal block allocated for these	Linkage for the balance units shall be considered in 2021- 22 after taking into account
	c)Ennore SEZ Supercritical units of TANGEDCO is Thermal Power Project, 2 x 660 expected to start production MW	the inputs on the development of the coal block from the Project Proponent and CBA-I.
	TANGEDCO had stated that CEA informed that Ennore Chandrabila coal block was	

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allotted to TANGEDCO on SEZ (1 x 660 MW) is coming 24.02.2016. The expected date up in 2021-22 and the of commissioning of Ennore TPS second unit in 2022-23. & Udangudi TPP is 2021-22 and Further, Udangudi TPS (2 x expected date of commissioning 660 MW) is coming up in of Ennore SEZ STPP is 2020-21.

Further, due to constraints in Ministry of Power obtaining coal linkage at the recommended for Bridge time of conceiving the projects, Linkage in view of the the boilers were designed for difficulty being faced by the utilizing indigenous coal for 50% Project Proponent in of PLF. The balance requirement operation of the will be met through imported Chandrabila coal block.

coal. It was requested to approve linkage for 50% PLF. The balance requirement will be met through imported coal.

Requirement of TPPs at 50% PLF is as under:

Ennore TPS Expansion (660 MW) is 1.885 MTPA

Udangudi TPP (Stage-I, 2 x 660 MW) is 3.647 MTPA

Ennore SEZ STPP (2 x 660 MW) is 3.682 MTPA

CBA-II Section had informed that no coal block is allocated to

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TANGEDCO under the provisions of CMSP Act, 2015.

Ministry of Power had recommended Ministry of Coal to accord Bridge Linkage based on use of blended coal consisting 50% imported coal and 50% indigenous coal.

The matter was taken up in the meeting of the SLC (LT) held on 24.06.2019 and during the meeting, the Project Proponent had informed that Chandrabila coal block allocated to it is scheduled to start operation in 2023-24 and the delay in its operationalization was due to issues related to forest clearance and dumping of overburden. CBA-I Section informed that the development of this coal block, which has been allotted under the MM (DR) Act, has slipped by at least 2 years as of now. The Project Proponent requested the grant of Bridge Linkage up to 2023-24. It was also informed by the Project Proponent during the meeting that the first unit is expected to be commissioned in 2021 and that no clearance or

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any other approval is held up for want of Bridge Linkage. Ministry of Power recommended Bridge Linkage for 50% of the 3300 MW capacity. Based on the held in the deliberations meeting, SLC (LT) deferred the item. SLC (LT) may take a view in the matter. Proponent Based on the deliberations. Agenda item no. Nevveli Uttar Pradesh PowerThe Project Limited (NUPPL) had submitted informed that production of SLC (LT) recommended grant an application regarding Bridge 6 MT is expected from of Bridge Linkage of 0.5 MT Grant of Bridge Linkage to Ghatampur Thermal Talabira I & II coal blocks in for the year 2020-21 for the to Power Station (GTPP) of NUPPL the year 2021, which will Ghatampur TPP (3 x 660 Linkage that cater to the requirement of MW) of NUPPL and the Ghatampur TPP (3 NUPPL had stated (3.5)and balance requirement to be 660 MW) of Pachwara South Coal block was NTPL MT) Uttar allotted to NUPPL vide allotment Ghatampur TPP (2.5 MT) reviewed in 2020-21 after Nevveli Power order dated 03.10.2016 and Further, as per the Coaltaking into account the Pradesh and inputs on development of Limited (NUPPL) NUPPL has entered into CoalBlock Development Agreement coal block from the Project and Production Development Block Production agreement (CBDPA)(CBDPA), production from Proponent and the NA. with Nominated Authority (NA)Pachwara South coal block on 22.02.2017. As per CBDPA, shall start in August, 2022. timeline for completion of Project Proponent exploration and preparation of informed that the 1st unit of GR is 21.12.2018. Further, the power plant is likely to NLCIL had requested NA for be commissioned extending the timeline for November, 2020 and the 2nd completion of exploration and the 3rd units in 2021. The preparation of GR by one year Project Proponent stated from 21.12.2018 explaining the that there is a requirement

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reasons due to non-conducive of Bridge Linkage coal of 0.5 atmosphere prevailing at site. MT for the year 2020-21. Actual production of coal will It was also informed that take more time from the Mining Plan of commencement of mine Pachwara South coal block excavation in May, 2022. NLCIL is under preparation.

had requested to grant Bridge Linkage to GTPP for three years i.e. for the year 2020-21, 2021-22, 2022-23.

CBA-II Section had informed that no coal block is allocated to NUPPL under the provisions of CMSP Act, 2015.

The matter was taken up in the SLC (LT) meeting held on 24.06.2019. During the meeting, the Project Proponent had informed that Pachwara South coal block was allocated on 22.02.2017. It was also informed by the Project Proponent that coal production from Talabira II & III coal blocks is likely to start from 2019-20, with an expected production of about 2 MTPA. The Project Proponent had also informed that the 1 st unit of the Power plant is likely to be commissioned in November, 2020, the 2nd unit by April,

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2022. The Oproduction coal blocks can be fur NLCIL. It w	rd unit by December, Committee noted that from Talabira II & III a has come up and ther ramped up by as, therefore, decided item.  ay take a view in the			
Additional Annual of Son d	incurrien in the			
Additional Agendas for d meeting of the S				
		CIL and NTPC informed	that SLC (LT)	recommended for
Agenda Item No. dated 08.1	1.2019 has stated	some more time was ne	eededextension	of 6 months for
Signing of Fuel recommend	ation of SLC LT No.	to sign the FSA by parties and hence	an of issue of	FSA from the date SLC (LT) minutes.
Supply Agreement 03/17 he with Unchahar Linkage/LC	ld on 29.06.2017	extension of 6 months	may	1
Stage IV (1X500 NTPC Unch				1
	L & BCCL on			1
B(i) of the SHAKTI 04.01.2018				
	. Subsequently, after	•		
	completion of all			
	by NTPC Unchahar -			
	MW) on 18.09.2018			
i.e. withi	*			
dated	LOA, CCL vide e. mai	1		
	communicated the			
	FSA to NTPC for its			
	Stage IV (1X500 MW)			
	e of supply was	1		

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mentioned as "RAIL/RCR" in Schedule I of the draft FSA.

NTPC vide letter no. 01/CC/FM/FSA dated 10.10.2018 requested that mode of transport as mentioned in Schedule I of draft FSA may be modified to "Rail" in place of "Rail/RCR". In response to the above, CCL vide letter no. CCL/HQ/C-4/18-19/5431-34 dated 16.10.2018 informed that CCL is fully prepared for execution of FSA with NTPC for its Unchahar Stage IV (1X500 MW) unit. As regard to request of NTPC for modification in the mode of transport from Rail/RCR to only Rail, it was also informed to NTPC vide above referred letter that mode of transport as requested by NTPC i.e. "Rail" is already included in the draft FSA along with RCR as an alternative mode. Another reminder was sent to NTPC by CCL vide letter dated 05.04.2019 for execution of FSA. However, NTPC did not come forward for signing of FSA. Now, NTPC has again requested vide its letter

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NTPC/FGTP/FM/45 dated 03.10.2019 to consider their request for mentioning "Rail" mode only at Schedule I in the draft FSA.

In the matter, Coal India Limited has stated that NTPC being the largest consumer/PSU and in view of present demand/supply scenario, wherein CCL is also gearing up for optimizing it's rail loading, now CCL may consider the request for mode of supply as "Rail" in respect of NTPC only.

However, Coal India Limited has sought attention towards clause 3.4.2 of the LoA relating to "failure to sign the FSA", the relevant part of which is quoted below:

"The assurer shall have the right to encash the CG in the event of failure by the Assured to sign the FSA within three (3) months form the expiry of validity of the LOA or the satisfactory achievement of all the milestones as shown in Annexure-1, whichever is earlier"

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Additional Agenda item No.2  Rationalization oft coal supplies to B NTPC Bongaigaon unit from NEC I and review of FSAv with NTPC b Limited, Bongaigaon Unit	Coal India Limited has stated that in-spite of having achieved all the milestones, NTPC did not come forward for signing of FSA within the stipulated time and has been requesting for incorporating the mode of supply in Schedule I of draft FSA as "Rail" in place of "Rail/RCR" as referred above.  In view of above, SLC (LT) may take a view for considering time extension for signing of FSA with NTPC Unchahar –IV (1X500 MW) by CCL.  Coal India Limited vide e-mail dated 08.11.2019 has stated that SLC (LT) in its meeting held for 11th May, 2006 granted long-term linkage to NTPC Bongaigaon units 1 & 2 (2 x 2500 MW) from NEC for a quantity of 1.65 MTPA. LOA for 1.25 MT was issued by NEC. Later on, pased on the recommendation of Ministry of Power and no objection from CIL, SLC (LT) in its meeting held on 14.02.2012 authorized issuance of LOA for 0.4 MTPA coal for Bongaigaon	CIL and NTPC informed that the coal availability scenario required shifting of the earlier coal linkage to other subsidiaries where coal was available.	NTPC, recommende coal linka Bongaigaon 250 MW) fr subsidiary	SLC (LT d for transfer or ge of NTPC units 1 & 2 (2 x om NEC to any of Coal India as may be
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provisions of NCDP. Accordingly, NEC has entered into FSA with NTPC for supply of 1.25 MTPA coal to Bongaigaon units 1 & 2 for a period of 20 years. In addition to this, NTPC Farakka is also having FSA with NEC for 0.2 MTPA. Considering the annual production plan of NEC (0.75 MT in 2019-20) and other non-power commitments, NEC would not be able to supply even the minimum assured quantity (trigger level) to NTPC. In view of the above, NEC has requested for transfer of 0.95 MTPA to other subsidiary companies. Since, the recommendation of SLC (LT) was coal company specific. hence, SLC (LT) may take a view in the matter. Additional The matter was taken up in the The Project Proponent Based on the request of Agenda Item No. meeting of the SLC (LT) held onlinformed that Badam coal NTPC, SLC 24.06.2019, wherein, SLC (LT) block, located in the State of recommended for grant of Extension ofhad recommended for allocation Jharkhand, has been Bridge Linkage for 3 years Bridge Linkage of of Bridge Linkage to the units transferred to NTPC infrom the date Barauni TPS (2 xfrom CIL for a period of 1 year|September, 2019 and the allotment/transfer of coal 250 MW) after the formal allotment of production is scheduled block for Barauni TPS (2 x Badam coal block is issued infrom the coal block in the 250 MW) to NTPC as per the by theyear Project extant policy. favour of NTPC 2023. Nominated Authority and to Proponent requested for

reduce the existing quantity of normal Bridge Linkage from	time to
Bridge Linkage by 1% for this the date of allotment.	
financial year provided the delay	
in operationalization of the coal	
block to which these units are	
linked is attributable to the	
project proponent.	
Ministry of Power vide O.M	
dated 29.08.2019 had stated	
that as Badam coal block is not	
yet transferred in the name of	
NTPC, hence, the delay cannot	
be attributable to NTPC.	
Ministry of Power has requested	
that the Bridge Linkage may be	
extended as per the schedule of	
production of Badam coal block	
instead of 1 year.	
SLC (LT) may take a view in the	
matter.	

## Other Additional Items for discussion in the meeting of the SLC (LT)

Sr. No.		Issue	Summary of Discussions	Recommendations with reasons
Other Additiona	1	Ministry of Power vide O.M	It was discussed that the	SLC (LT) reiterated its
Item No. 1		dated 15.11.2019 have stated		
		that it had recommended vide	SLC(LT) dated 29.03.2017	made in the meeting dated
Allocation		O.M dated 14.02.2019 for		
		allocation of additional long		
				of pre-2009 plants and

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Ramagundam Stage-III Unit-7 (500 MW) of NTPC	Clause B (i) of policy 'SHAKTI' for Ramagundam Stage-III Unit # 7 (500 MW) of NTPC.	plants. CEA informed that the study has not been completed.	submit proposal.
	The matter of review of ACQ of Ramagundam – III Thermal Power Plant of NTPC has been discussed in the SLC (LT) meetings held on 01.09.2016 and 29.03.2017. Based on the discussions, SLC (LT) in its meeting dated 29.03.2017 had recommended that CEA may study the coal requirement of pre-2009 plants and submit proposal. The recommendations of the SLC (LT) were approved by the Competent Authority.		
	The proposal from CEA with respect to the coal requirement of Pre-2009 plants have not been received.  SLC (LT) may take a view in the matter.		
Other Additional Item No. 2  Bridge linkages for Lara-I, Tanda- II, Barh-II &	Ministry of Power vide O.M dated 15.11.2019 have stated that it had requested vide its O.M dated 24.06.2019 to consider Bridge linkage of the mentioned projects on		SLC (LT) reiterated its earlier recommendation i.e.

Kudgi projects of NTPC	Tapering basis as per 'actual production' of linked mines instead of 'production as per mining plan'.  SLC (LT) in its meeting held on 10.04.2018 had extended the Bridge Linkage for Tanda Stage –II (2 x 660 MW), Lara Stage-I (2 X 800 MW), Barh Stage-II (2 x 660 MW) and Kudgi Stage-I (3 x 800 MW) on tapering basis as per approved mining plan.  SLC (LT) may take a view in the matter.	discussed that the Mining Plan has been made by the PP and submitted for approval and hence there was no reason as to why the production as per approved Mining Plan shall not be achieved. In the event of the PP failing to achieve the coal production, the impact would be on other power consumers who may have to resort to imports to meet their demand.	
Other Additional Agenda Item No. 3  Extension of Bridge Linkage to Mejia TPS U# 7 & 8 and Chandrapura TPS Unit # 8 of DVC	Ministry of Power vide O.M dated 05.08.2019 and 30.04.2019 requested Ministry of Coal to consider	informed that Allotment Order for Tubed coal mine was issued by the Nominated Authority on 07.10.2016. Coal production from the coal block is expected to be started in June, 2020 and PRC to be achieved in 2024-25. Project Proponent also informed that all the three units i.e. Mejia TPS U# 7 & 8 and Chandrapura TPS Unit # 8	recommendation of Ministry of Power as well as the request of the Project Proponent, SLC (LT) recommended for extension of Bridge Linkage to Mejia TPS Units 7 & 8 and Chandrapura TPS Unit no.

(LT) have been approved by the Competent Authority.	=====	
SLC (LT) may take a view in the matter.	(Pa)	

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