

IMMEDIATE

No. CPD-23014/1/2023-CPD

Government of India

(भारत सरकार)

Ministry of Coal

(कोयला मंत्रालय)

**Shastri Bhawan,
New Delhi, the 10th April, 2023**

To

- i. The Chairman-cum-Managing Director,
Coal India Limited, Coal Bhawan,
Plot No-AF-III, Action Area-1A,
Newtown, Rajarhat, Kolkata – 700156
- ii. The Chairman-cum-Managing Director,
Singareni Collieries Company Limited,
Singareni Bhavan, PB No. 18, Red Hills,
Khairatabad PO, Hyderabad, Telangana

Subject: Meeting of the Standing Linkage Committee (Long-Term) for Power Sector – SLC (LT) No. 01/23

Sir,

I am directed to forward herewith the approved minutes of the meeting of the SLC (LT) for Power Sector held on 21.02.2023 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.

Yours faithfully,

Sujeet Kumar
10/4/2023

(Sujeet Kumar)

Under Secretary to the Government of India
Tele. No. 011-23384112 / email – sujeet.kmr@nic.in

Encl: (1)

Copy to -

1.	Additional Secretary, Ministry of Coal	Chairperson
2.	Principal Advisor (Energy), NITI Aayog, Yojana Bhawan New Delhi	Member
3.	Joint Secretary (Coal), Ministry of Coal	Member
4.	Advisor (Projects), Ministry of Coal	Member
5.	Joint Secretary (Thermal), Ministry of Power, Shram Shakti Bhawan, New Delhi	Member
6.	Joint Secretary (Ports), Ministry of Shipping, Transport Bhawan, New Delhi	Member
7.	Executive Director, Coal, Railway Board, Rail Bhawan, New Delhi	Member
8.	Director (Marketing), Coal India Limited	Member
9.	CMD's SCCL, BCCL, CCL, ECL, MCL, NCL, SECL & WCL	Members
10.	Chairman-cum-Managing Director, Central Mine Planning & Design Instt Ltd., Gondwana Place, Kanke Road, Ranchi	Member
11.	Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi	Member
12.	Chairman, NTPC, Scope Complex, Lodhi Road, New Delhi-110003	Member

Copy to:

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

Copy also to -

1. PS to Minister of Coal
2. PS to Minister of State for Coal
3. Advisor to Secretary (Coal)
4. PPS to Additional Secretary (Coal)
5. PS to Nominated Authority
6. PPS to Joint Secretary (CPD)
7. PS to DS (CPD)
8. NIC, Ministry of Coal - with the request to upload the Minutes of the Meeting in the website of Ministry of Coal

Minutes of the Meeting of the Standing Linkage Committee (Long Term) for Power Sector [SLC (LT) 1 / 2023] held on 21.02.2023 at 11.30 A.M

Venue: Coal India Limited, Core 6, 6th Floor, Scope Complex, Lodhi Road, New Delhi

List of the participants is at the **Annexure**.

At the outset, the participants to the meeting were welcomed. The discussions held on the various agenda items are as under:

Agenda Item No. 1: Confirmation of the Minutes of the Meeting of the SLC (LT) held on 21.09.2022, 28.10.2022 & 11.11.2022

Record of Discussions: There were no comments from any member.

Recommendations: Minutes of the Meeting of the SLC (LT) held on **21.09.2022, 28.10.2022 & 11.11.2022** are confirmed.

Agenda Item No. 2: Bridge Linkage Extension for Panki Extension TPP (1 x 660 MW) of UPRVUNL: Ministry of Power vide O.M dated 19.01.2023 has requested to consider the request of UPRVUNL for extension of Bridge Linkage for Panki Extension Thermal Power Plant (TPP) (1 x 660 MW) for a period of 3 years in order to avoid delay in commissioning activities of the unit and for the energy security of the State.

Ministry of Power has informed that UPRVUNL is in the process of selection of MDO for its captive Saharpur Jamarpani coal block and NIT for the selection of MDO has been issued and production from mine is expected to commence in FY 2028 – 29.

UPRVUNL vide letter dated 24.12.2022 has also requested for time extension of Bridge Linkage allocated for Panki TPP (1 x 660 MW) for a period of 6 years, so that supply of coal to the super critical technology based power plants can be ensured. UPRVUNL has also requested to advise Coal India Limited to allocate commissioning coal for Panki

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Extension TPP (1 x 660 MW) at the earliest so that commissioning activities may not get delayed due to unavailability of coal. UPRVUNL has informed that Saharpur Jamarpani coal block allocated to UPRVUNL is linked to the End Use Plants (EUPs) of Harduaganj Extension TPP (1 x 660 MW), Jawaharpur TPP (2 x 660 MW), Obra 'C' TPP and Panki Extension TPP (1 x 660 MW) and Bridge Linkage of all the EUPs of Saharpur Jamarpani coal block has been extended till August, 2023 except Panki Extension TPP (1 x 660 MW). Further, Panki Extension TPP (1 x 660 MW) is also scheduled for commercial operation from July, 2023 and commissioning activities would commence in April, 2023.

The matter of extension of Bridge Linkage to EUPs of Saharpur Jarnarpani coal block was taken up in the meeting of the SLC (LT) held on 27.06.2018 and it was recommended to extend Bridge Linkage of Harduaganj Extension TPP (1 x 660 MW), Jawaharpur TPP (2 x 660 MW), Obra 'C' TPP (2 x 660 MW) and Panki Extension TPP (1x 660 MW) for a further 4 years from the date on which Bridge Linkage expires (i.e. 13.08.2018 to 12.08.2022) and shall be tapered off in subsequent years as per approved mining plan. The matter of further extension of Bridge Linkage for the aforesaid TPPs was taken up in the meeting of the SLC (LT) held on 08.08.2022. In view the discussions held in the meeting of the SLC (LT) on 08.08.2022 and keeping in view that only Harduaganj Extension TPP (1 x 660 MW) is operational, SLC (LT) had recommended for extension of Bridge Linkage for Harduaganj Extension TPP (1 x 660 MW) for a period of 3 years. The Competent Authority in the Ministry of Coal approved extension of Bridge Linkage for Harduaganj Extension TPP (1 x 660 MW) for a period of 1 year only. Further, SLC (LT) in its meeting held on 28.10.2022 recommended for extension of Bridge Linkage of Jawaharpur TPP (2 x 660 MW) and Obra 'C' TPP (2 x 660 MW) for a period of 1 year only, which may be reviewed after a period of 1 year on the request of UPRVUNL, which were approved by the Competent Authority.

O/o the Nominated Authority vide O.M dated 13.02.2023 has informed that the schedule date of operationalization of the coal block was 13.02.2022 and as on date, the exploration and preparation of GR have not been completed. Allottee is in process of appointment of MDO for exploration / GR preparation.

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Record of Discussions: Project Proponent (UPRVUNL) informed that NIT for the selection of MDO has already been issued, however, the timeline for the same has been extended 4 times due to non-participation by the prospective bidders. Further, GR and the mine plan for the coal mine are not prepared, and CMPDIL is being engaged for the preparation of GR. UPRVUNL also informed that commissioning activities for Panki Extension TPP (1x660 MW) would start from April, 2023 and synchronization of the plant would be in July - August, 2023.

Representative of the Nominated Authority informed that Saharpur Jamarpani is a regionally explored coal block and was to be operationalized by February, 2022 as per the scheduled production. Further, the coal block will take another 6 years' time to be operationalized after the appointment of MDO.

Considering the delay in operationalization of coal block, project proponent was advised to prepare an action plan for the early operationalization of the coal block.

CEA stated that the progress of the development of coal block is very slow, however, as the Panki Extension TPP (1 x 660 MW) would get commissioned in the month of April, 2023, hence Bridge Linkage may be extended.

Niti Aayog stated the objective of the Government is not being fulfilled as the coal blocks allocated for the captive consumption are not getting operationalized as per the schedule. Moreover, in the case of Saharpur Jamarpani coal block, there has been no substantial progress in the development of the coal block. Even surrender of the coal block was not considered by UPRVUNL under the one time window of the Government of India provided to the Public Sector Undertakings coal block holders for surrender of coal block without forfeiture of the Performance Bank Guarantee.

Coal India Limited stated that the supply under Bridge Linkage is on best effort basis based on availability of coal and it will supply coal on best effort basis.

Recommendation: As per the discussions held, keeping in view the recommendation of Ministry of Power as well as considering the start of commissioning activities for

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Panki Extension TPP (1 x 660 MW) from April, 2023 with synchronization in July-August, 2023 and the decision of the Government in extension of Bridge Linkage for 1 year only for Harduaganj Extension TPP (1 x 660 MW), Jawaharpur TPP (2 X 660 MW) and Obra 'C' TPP (2 X 660 MW), SLC (LT) recommended for extension of Bridge Linkage of Panki Extension TPP (1 x 660 MW) for a period of 1 year, which may be reviewed after a period of 1 year on the request of UPRVUNL. The rates for coal supplies against extended Bridge Linkages would be decided by Coal India Limited / SCCL.

Agenda Item No. 3: Extension of Bridge Linkage to NALCO Unit (9 & 10): NALCO vide letter dated 21.11.2022 has requested for extending the Bridge Linkage for another period of 2 years i.e. from 01.04.2023 to 31.03.2025 so that sustainable production and rated capacity utilization of its Aluminium Smelter Plant as well as its CPP can be sustained. NALCO has informed that it is facing constraints leading to delay in start of production from the allotted coal mines and it has not been able to adhere to the commencement schedule due to several factors beyond the control of NALCO e.g. delays in obtaining forest clearances, environmental clearances, land acquisition, revising boundary co-ordinates besides unforeseen Covid Pandemic in 2020, 2021 & 2022.

SLC (LT) in its meeting held on 01.09.2016 had granted Bridge Linkage from Coal India Limited to Unit 9 & 10 (120 MW each) of CPP of NALCO based on the allotment of Utkal D & Utkal E coal mines to NALCO vide order dated 02.05.2016. The matter of extension of Bridge Linkage was taken up in the meeting of the SLC (LT) held on 21.12.2018 and extension of Bridge Linkage was recommended to NALCO CPP Unit 9 & 10 (120 MW each) up to March, 2021 or from the actual date of start of production, whichever is earlier. Extension of Bridge Linkage was again taken up in the meeting of the SLC (LT) held on 04.02.2021 and SLC (LT) had recommended extension of Bridge Linkage to NALCO Unit 9 & 10 (120 MW each) upto 31.03.2023.

Nominated Authority vide O.M dated 01.02.2023 has informed that the zero date has been modified from 02.05.2016 to 21.08.2020 and Mine Opening Permission has been

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obtained by NALCO for Utkal-D coal mine on 21.05.2021. Further, approved Mine Plan for Utkal D & E coal mine has been obtained on 14.02.2022, however, coal production has not started due to land and R&R issue.

Ministry of Mines vide O.M dated 14.02.2023 has requested to consider the request of NALCO favourably for the smooth functioning of the company.

Record of Discussion: Project proponent (NALCO) informed that the mining operations has started in Utkal D coal mine and the mining operations will start soon in its Utkal E coal mine as well. However, there are issues on the coal evacuation from the coal mine to the Captive Power Plants (CPPs) of NALCO for which a separate rail / road corridor is required. It was also stated that coal production has not yet started from its coal mines.

Ministry of Mines informed that as per the information with it, Railways are most likely to take up the rail corridor project for the coal evacuation from that area and the corridor is expected to be completed by 2025. Ministry of Mines recommended for extension of Bridge Linkage for the smooth functioning of the CPP units.

Representative of Nominated Authority informed that all the clearances for Utkal D & E coal mine are in place and NALCO should endeavor for interim arrangements for the transfer of coal from its coal block to its CPP units.

Niti Aayog expressed that evacuation issues from the allotted coal block is not considered by the SLC (LT) and it is the responsibility of NALCO for making arrangement for the coal evacuation. However, keeping in view the requirement of NALCO, extension of Bridge Linkage on tapering basis may be considered.

Recommendation: Keeping in view the discussions held and the recommendation of Ministry of Mines, SLC (LT) recommended for extension of Bridge Linkage to Unit 9 & 10 (120 MW each) of CPP of NALCO for a period of 1 year on tapering basis. The rates for coal supplies against extended Bridge Linkages would be decided by Coal India Limited / SCCL.

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Agenda Item No. 4: Long Term coal linkage to Kudgi TPS (3 x 800 MW) of NTPC:

Ministry of Power vide O.M dated 21.03.2022 had recommended long term coal linkage to NTPC Kudgi subject to surrender of Bhalumuda coal block and delinking of Kudgi TPS (3 x 800 MW) as End Use Plant, in order to avoid loss of generation from the said Power Plant. The matter of long term coal linkage for NTPC Kudgi TPS (3 x 800 MW) was taken up in the meeting of the SLC (LT) held on 29.03.2022. In the matter, SLC (LT) had recommended for continuation of Bridge Linkage of NTPC Kudgi TPS Stage-I (3 x 800 MW) till cancellation of the Bhalumuda coal block and post cancellation of the coal block, a grace period of 90 days window for continuing the Bridge Linkage was permitted.

Thereafter, Ministry of Power vide O.M dated 13.09.2022 recommended the request of NTPC for grant of long term linkages to Kudgi TPS (3 x 800 MW) of NTPC under B (i) of SHAKTI Policy. Ministry of Power had stated that the linked coal block has been terminated and NTPC does not have long term linkage for its Kudgi TPS (3 x 800 MW) and is eligible to obtain long term linkage under B (i) of SHAKTI Policy.

Surrender of Bhalumuda coal block has been accepted by Ministry of Coal and allocation of Bhalumuda coal block stands terminated from 24.08.2022.

The matter was again deliberated in the meeting of the SLC (LT) held on 21.09.2022. In the meeting, SCCL had stated that taking into account the linkage requirement of Telangana TPS Ph-I (2 x 800 MW) of NTPC, which also has a coal linkage from SCCL, the entire coal production of SCCL would be tied up and SCCL is not in a position to give long term coal linkage to Kudgi TPS (3 x 800 MW) of NTPC.

Coal India Limited had also stated that the coal requirement of Kudgi TPS (3 x 800 MW) would be more than 10 MT and in view of the location of the power plant and logistics constraints, it would have to review the likely coal production and availability from its subsidiaries. Coal India Limited had also stated that it can however offer coal from

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