

IMMEDIATE

No.CPD-23014/6/2023-CPD

Government of India

(भारत सरकार)

Ministry of Coal

(कोयला मंत्रालय)

Shastri Bhawan,

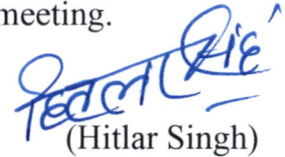
New Delhi, the 25th August, 2023

OFFICE MEMORANDUM

Subject: Meeting of the Standing Linkage Committee (Long-Term) for Power Sector – SLC/LT No. 4/2023

The undersigned is directed to say that the meeting of the Standing Linkage Committee (Long-Term) for Power Sector (SLC/LT No. 4/2023) to consider the requests for linkages to Central / State Sector Power Plants and to review the status of existing coal linkages / LoAs and other related matters is scheduled to be held on **14.09.2023** at **3.00 P.M.** Venue for the meeting is Coal India Limited, Core 6, 6th Floor, Scope Complex, Lodhi Road, New Delhi. Agenda item for the meeting is enclosed herewith.

2. It is, therefore, requested to make it convenient to attend the meeting.



(Hitlar Singh)

Under Secretary to the Government of India

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 Institute 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 (with the request to attend the meeting):

- i. Nominated Authority, Ministry of Coal
- ii. Coal Controller, Coal Controller Organization, Kolkata

Copy also to:

- i. Director (Technical), Coal India Limited, Kolkata
- ii. GM (S&M), Coal India Limited, Kolkata
- iii. GM (S&M), Coal India Limited, Delhi

Copy for information to:

- i. Advisor to Secretary (Coal)
- ii. PPS to Additional Secretary (Coal)
- iii. PPS to Joint Secretary (CPD)
- iv. DS (CPD)
- v. NIC, Ministry of Coal - with the request to place it in the website of Ministry of Coal for information of all concerned.

Encl: (1)

Agenda for the meeting of the Standing Linkage Committee (Long-Term) for Power Sector – SLC/LT No. 4/2023

Sl. No.	Issue
<p>Agenda Item No. 1: Enhancement in Annual Contracted Quantity (ACQ) of coastal power plants</p>	<p>The Annual Contracted Quantity (ACQ) of power plants was increased upto 100% of the normative requirement, in the cases where the ACQ was reduced to 90 % of normative requirement (non-coastal) or where the ACQ was reduced to 70 % of normative requirement (coastal power plants). The decision to increase the ACQ upto 100 % of the normative requirement for the coastal power plants was taken in the meeting of the SLC (LT) held on 04.02.2021. SLC (LT) had also recommended that such coastal power plants whose ACQ is increased to 100 % would have to sign FSA with the coal companies within 3 months from the date of issue of the SLC (LT) recommendations. In addition, in the case of coastal power plants having existing long term PPAs under Section 63 of the Electricity Act, Ministry of Power shall work out a methodology to ensure that the benefits accrued to the power plants as a result of increase in ACQ are passed on to the consumers.</p> <p>The recommendation of SLC (LT) for increasing the ACQ up to 100 % of the normative requirement for the coastal power plants where ACQ was restricted to 70 % of the normative requirement has not been implemented so far by Coal India Limited in the case of Section 63 PPA(s) for want of the methodology from Ministry of Power as per the recommendation of the SLC (LT).</p> <p>Ministry of Power vide O.M dated 12.05.2023 had recommended a methodology for the Section 63 PPAs of Sembcorp Energy India Limited (SEIL) to ensure that the benefits due to change in ACQ from 70 % to 100 % are passed on to the consumers.</p>

	<p>While increasing the ACQ of the coastal power plants, SLC (LT) had also recommended for signing of FSAs with the coal companies within 3 months from the date of issue of the SLC (LT) recommendations. The recommendations of the SLC (LT) after the approval were issued on 01.03.2021. Therefore, the timeline of 3 months for signing of FSA has lapsed. The methodology recommended by Ministry of Power was discussed in the meeting of the SLC (LT) held on 16.06.2023. During the meeting, SLC (LT) had recommended that Ministry of Power may take a final view on the methodology recommended by it for the case of coastal power plants having existing long term PPAs under Section 63 of the Electricity Act.</p> <p>In reference to the recommendations of the SLC (LT) held on 16.06.2023, Ministry of Power vide O.M dated 16.08.2023 has stated that pass through of benefits is implicit in the two PPAs of SEIL with Telangana Discom (570 MW) and AP Discom (625 MW) under DBFOO and no specific methodology is required in these cases. Ministry of Power has requested for enhancement of the ACQ to 100 % for the two power plants of SEIL.</p> <p>SLC (LT) to take a view in the matter.</p>
<p>Agenda Item No. 2: Extension of Bridge Linkage for Mejia TPS Unit 7 & 8 (2 x 500 MW) and Chandrapura TPS Unit 8 (1 x 250 MW) of DVC</p>	<p>Ministry of Power vide D.O letter dated 16.06.2023 has requested to extend the validity of the existing Bridge Linkage of Mejia TPS Unit 7 & 8 (2 x 500 MW) and Chandrapura TPS Unit 8 (1 x 250 MW) linked with Tubed coal mine allocated to DVC for a further period of two years. Tubed coal mine has been allocated to DVC vide Allotment Order dated 07.10.2016. Ministry of Power has informed that Tubed coal mine has started coal production in FY 2022-23 and as per the mining plan, the coal production from Tubed coal mine in the FY 2023-24 would be 2.15 MT and the PRC is expected to be achieved in FY 2025-26. Therefore, for maintaining sustained</p>

generation, Bridge Linkage is required for Mejia TPS Unit 7 & 8 (2 x 500 MW) and Chandrapura TPS Unit 8 (1 x 250 MW) on tapering basis.

SLC (LT) in its meeting held on 18.11.2019 had recommended for the first extension of the Bridge Linkage for Mejia TPS Unit 7 & 8 (2 x 500 MW) and Chandrapura TPS Unit 8 (1 x 250 MW) of DVC for another one year i.e. upto 06.10.2021. SLC (LT) in its meeting held on 22.12.2021 had further extended the Bridge Linkage for Mejia TPS Unit 7 & 8 (2 x 500 MW) and Chandrapura TPS Unit 8 (1 x 250 MW) of DVC for 2 years from the date of extension of Bridge Linkage. SLC (LT) had also recommended that the Bridge Linkage would be proportionately reduced by the quantity that comes into production from Tubed coal mine. Bridge Linkage for Mejia TPS Unit 7 & 8 (2 x 500 MW) and Chandrapura TPS Unit 8 (1 x 250 MW) is valid upto 06.10.2023.

SLC (LT) to take a view in the matter.