

**IMMEDIATE**

**File No.23014/4/2018-CLD  
Government of India  
Ministry of Coal**

<<>>

Shastri Bhawan, New Delhi,  
Dated the 5<sup>th</sup> September 2018

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. 4/2018.**

Sir,

I am directed to forward herewith the minutes of the meeting of the SLC (LT) for Power Sector held on 09.08.2018 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.

2. Agenda Item No. 1 was not taken up for discussion by SLC (LT) in view of the request and letter from Ministry of Power. Recommendations of SLC (LT) in respect of the Agenda Item No. 2 and Additional Agenda Item No. 1 have been approved by the Competent Authority.

3. The recommendation of SLC (LT) in respect of Additional Agenda Item No. 2 i.e. Allocation of 2.8 MTPA coal linkage under SHAKTI for BTPS Stage-II (2 x 250 MW) has not been approved by the Competent Authority. It has been decided with the approval of Competent Authority to transfer the Bridge Linkage for BTPS Stage-II (2 x 250 MW) to NTPC in the event of NTPC taking over the Badam coal block.

Encl. as above

Yours faithfully,

*Sujeet Kumar*  
(Sujeet Kumar) 5/9/2018

Under Secretary to the Govt. of India

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. Joint Secretary, Ministry of Steel, Udyog Bhawan, New Delhi  | Member          |
| 8. Joint Secretary, Department of Industrial Policy & Promotion, Udyog Bhawan, New Delhi                              | Member          |
| 9. Executive Director, Coal, Railway Board, Room No. 261, Rail Bhawan, New Delhi                                      | Member          |
| 10. Director (Marketing), Coal India Limited  | Member          |
| 11. CMD's SCCL, BCCL, CCL, ECL, MCL, NCL, SECL & WCL  | Members         |
| 12. Chairman-cum-Managing Director, Central Mine Planning & Design Institute Ltd., Gondwana Place, Kanke Road, Ranchi | Member          |
| 13. Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi   | Member          |
| 14. Chairman, NTPC, Scope Complex, Lodhi Road, New Delhi-110003   | Member          |
| 15. Joint Secretary (CBA-I & CBA-II Section), Ministry of Coal  | Special Invitee |

Copy to:

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

Copy also to -

1. PS to Minister of Coal
2. Addl. PS to Minister for Coal
3. PSO to Secretary (Coal)
4. PPS to Additional Secretary (Coal)
5. Nominated Authority
6. 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.

*Suresh Kumar*  
5/9/2018

**Minutes of the Meeting**

| S. No.  | Agenda Note   | Summary of Discussion   | Recommendations with reasons   |
|---|---|---|--|
| <b>Agenda item no. 1: Linkage of 2.5 MMTPA to DVC in lieu of transfer of Bermo coal mines</b>   | <p>DVC <i>vide</i> letter dated 06.06.2018 had requested to consider for allocation of linkage of 2.5 MMTPA of non-coking thermal grade coal from coal mines of CCL. The grounds for the request was to tide over the impending coal crisis due to transfer the Bermo coal mines, to meet the target generation assigned by Ministry of Power as well as the decision taken in the meeting dated 01.05.2018 under the Chairmanship of Secretary (Power) that Ministry of Coal may provide assured linkage of 2.5 MMTPA to DVC in lieu of transfer of Bermo coal mines. The following decision was taken in the aforesaid meeting:</p> <p>"Under the extant guidelines, the mining lease to DVC cannot be renewed and considering the loss of coal in the bench structures required for coal excavation, the mine may be returned to CCL and assured linkage of 2.5 MMTPA to DVC for its Chandrapura and Bokaro plants may be provided. An agreement may be entered into between DVC and CCL in this regard."</p> <p>Ministry of Power <i>vide</i> O.M dated 15.06.2018 has requested to take action as decided in the meeting held on 01.05.2018.</p> | <p>Representative from Ministry of Power requested that the matter may not be considered in the SLC-LT meeting. MoP has also given a letter dated 08.08.2018 requesting that the item regarding linkage of 2.5 MMTPA to DVC in lieu of transfer of Bermo coal mines may not be taken up until further communication from the MoP.</p> | <p>In view of the request and the letter of MoP, SLC (LT) did not take up the item for discussion.</p>   |
| <b>Agenda Item No.2 and Additional Agenda item No 2: Transfer of existing 1.1 MTPA coal linkage from CCL for BTPS Stage-I (2 x 110 MW) from</b> | <p>Government of Bihar (GoB) and NTPC have agreed for transfer of its fully owned Barauni Thermal Power Station (BTPS) to NTPC and a Memorandum of Understanding (MoU) for transfer of power generation assets and performance improvement in power sector in the State of Bihar has been signed on 15.05.2018 amongst GoB, Bihar State Power</p>   | <p>Project Proponent, which is NTPC, stated that coal linkage of Stage-I (2 x 110 MW) of BTPS and that Bridge Linkage was granted against Badam coal block for Stage-II of BTPS</p>   | <p>SLC (LT) recommended transfer of coal linkage of two units of Stage-I of BTPS to NTPC subject to the condition that the Project Proponent submits to CIL the necessary documents of the ownership transfer of BTPS to</p> |

Sujat Kumar  
- 1/9/2018

|  |   |  |   |
|--|---|--|---|
| <p><b>BSPGCL to NTPC and Allocation of 2.8 MTPA coal linkage under SHAKTI for BTPS Stage-II (2 x 250 MW)</b></p> | <p>(Holding) Company Ltd., its subsidiary companies and NTPC Ltd. BTPS comprises of Stage-I (2 x 110 MW) and Stage-II (2 x 250 MW, under construction) units and one of the key conditions of the transfer of BTPS to NTPC is assigning of the existing FSA for 1.1 MTPA for BTPS Stage-I and Bridge Linkage for 1.07 MTPA for BTPS Stage-II to NTPC. GoB vide letter dated 21.05.2018 requested that existing linkages for BTPS (Stage-I and Stage-II) of Bihar State Power Generation Corporation Limited (BSPGCL) be assigned to NTPC. Similar request was received from BSPGCL as well vide its letter dated 12.06.2018.</p> <p>Ministry of Power vide letter dated 23.06.2018 requested to consider the following issues:</p> <p>a. Transfer of existing 1.1 MTPA coal linkage from CCL for BTPS Stage-I (2 x 110 MW) from BSPGCL to NTPC.</p> <p>b. Expedite surrender of Badam coal block and allocation of 2.8 MTPA coal linkage (considering specific coal consumption of 0.75 kg/Kwh @ 85% PLF) under SHAKTI for BTPS Stage-II (2 x 250 MW).</p> <p>In reference to the letter from MoP, NTPC vide letter dated 18.07.2018 has also requested for coal allocation to BTPS. SLC (LT) may take a view on the matter with regard to the transfer of existing 1.1 MTPA coal linkage of BTPS Stage-I (2 x 110 MW) from BSPGCL to NTPC.</p> | <p>(2 x 250 MW). NTPC informed that the two units of Stage-II have been commissioned though COD is yet to place. Project Proponent further stated that takeover of BTPS Stage-I and Stage-II is completed and ownership of BTPS has been transferred to NTPC. It was noted that linkage for Stage-I of BTPS is from ECL, however, the same has been mentioned as CCL in the agenda note as per the communication received from Ministry of Power.</p> <p>Project Proponent further stated that Badam coal block, allocated to BSPGCL for development linked to BTPS Stage-II (2 x 250 MW) does not form part of the BTPS assets being transferred to NTPC and in view of the non-viability of the Badam coal block, formal request for surrender of the said coal block has been sent to Ministry of Coal. It was informed by representative of BTPS that BTPS Stage-II is the only specified end use plant for Badam coal block and the</p> | <p>NTPC and that the conditions of FSA which are applicable for linkage transfer are fulfilled. SLC (LT) considered that Stage-II of BTPS is still linked with Badam coal block and these two cannot be dealt in isolation until the request for the surrender of the coal block is formally accepted by the Government.</p> <p>In view of the above, SLC(LT) recommended that fresh coal linkage may be granted to NTPC from CIL under provisions of SHAKTI B(i) to the two units of Stage-II subject to the condition that the surrender of the Badam Coal block is completed and that the two units of Stage-II are not mentioned as specified End Use Plant (EUP) of any coal block allotted/auctioned by Ministry of Coal. #</p> <p>(# The recommendation of SLC (LT) in respect of Additional Agenda Item No. 2 i.e. Allocation of 2.8 MTPA coal linkage under SHAKTI for BTPS Stage-II (2 x 250 MW) has not been approved by the Competent Authority.)</p> |
|--|---|--|---|

Sujeet Kumar  
5/9/2018

|  |  |  |  |
|--|--|--|--|
|  |  | same is not yet commissioned.<br>Further, the matter of surrender of Badam coal block is under consideration in the Ministry of Coal.  |  |
| <b>Additional Agenda Items</b>   |  |  |  |
| <b>Agenda Item no. 1: Grant of Bridge Linkage to Thermal Power Plants of Gujarat State Electricity</b> | GSECL vide letter dated 05.06.2018 requested for grant of Bridge Linkage to newly commissioned/upcoming coal based units of GSECL.<br><br>Gare Palma Sector - I coal block was allotted to GSECL on 14.09.2015 for coal requirements of specified end use plants. Bridge linkage has been requested for Ukai Unit 6 (500 MW), Upcoming Wanakbori TPS Unit 8 (800 MW) and Ukai TPS Unit 7 (800 MW) (proposed start date July 2023). Total coal requirement for above TPPs is 7.92 MTPA.<br><br>Comments of CBA-II were sought in the matter:<br><br>CBA-II section confirmed that Gare Palma Sector-I coal mine (Schedule-III) was allotted to GSECL vide order no. 103/27/2015/NA dated 14.09.2015.<br><br>Comments of MoP are awaited in the matter.<br><br>The case was deferred in the last SLC (LT) meeting dated 27.06.2018 as no representatives of the project proponent were present in the meeting.<br><br>SLC (LT) to take a view in the matter. | Project proponent, GSECL, stated that revised mining plan for Gare Palma Sector - I coal block has been approved and as per the revised mining plan, the scheduled date of Bridge Linkage for the coal block to be operational is 30.12.2022. Project proponent further stated that the request for Bridge Linkage to Ukai TPS Unit - 7 (800 MW) may be withdrawn as it is not a specified end use plant for Gare Palma Sector - I coal block. Bridge Linkages for Ukai Unit - 6 (500 MW) & Wanakbori TPS Unit - 8 (800 MW) were requested by the Project Proponent. It was discussed that Ukai Unit - 6 achieved CoD in 2013 and Wanakbori TPS Unit - 8 would be achieving CoD in the month of October, 2018.<br><br>It was also discussed that Gare Palma Sector - I | SLC (LT) recommended grant of Bridge Linkage to the two units of GSECL, namely, Ukai TPS Unit - 6 (500 MW) and Wanakbori TPS Unit-8 (800 MW) from CIL, as per provisions of Bridge Linkage Policy of Ministry of Coal.<br><br>SLC (LT) also recommended for the extension of the Bridge Linkage up to 30.12.2022 for these two units as the original period of Bridge Linkage will expire on 13.09.2018 and as the approved mining plan has mentioned the expected date of start of production as 30.12.2022. After 30.12.2022, the Bridge Linkage shall be on tapering basis, till the Peak Rated Capacity (PRC) of the mine is achieved as per the approved mining plan. The extension of the Bridge Linkage beyond 13.09.2018 shall be subject to concurrence from the Nominated Authority (NA).<br><br>The tapering shall be |

Sujat Kumar  
5/9/2018

|  |  |   |
|--|--|---|
|  | <p>coal block was allotted to GSECL on 14.09.2015 for coal requirements of specified end use plants. Hence, if Bridge Linkage is granted on the basis of allotment of Gare Palma Sector - I coal block, the tenure of Bridge Linkage, which is three years, will expire on 13.09.2018. The Project Proponent requested that the coal requirement for the plants will be till December, 2022 when coal production from the coal block starts.</p> | <p>carried out by CCO based on the approved mining plan. In case the coal production commences before the date which is mentioned in the approved mining plan or the production is more than the quantity which is mentioned in the approved mining plan, the Project Proponent shall intimate this information to CCO and the coal company and that the Project Proponent in no case shall draw excess coal.</p> |
|--|--|---|

*Sejeet Kumar*  
 5/9/2018