

IMMEDIATE
BY FAX

File No.23014/3/2017-CLD
Government of India
Ministry of Coal
<<>>

New Delhi, the 20th June, 2017

OFFICE MEMORANDUM

Subject: Meeting of the Standing Linkage Committee (Long-Term) for Power Sector to review status of existing coal linkages/LoAs, consider grant of Bridge linkage and other related matters – SLC/LT No. 3/2017.

The undersigned is directed to state that a Meeting of the Standing Linkage Committee (Long-Term) for Power Sector to review status of existing coal linkages/LoAs, consider grant of Bridge linkage and other related matters has been scheduled to be held on **29th June, 2017 at 11 A.M.**

2. Venue of the meeting shall be **Conference Room, Coal India Ltd, Core-6, 6th Floor, Scope Complex, 7 Lodhi Road, New Delhi-110003.**

3. The agenda for the meeting is enclosed herewith. The project proponents whose cases are mentioned in the agenda may also attend the meeting, if they wish to represent their cases before the SLC (LT).

Encls – as above.



(Dominic Dungdung)

Under Secretary to the Govt. of India

To

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| 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, T. T. (F), Railway Board, Room No. 261, Rail Bhawan, New Delhi. | Member |
| 10. | Director (Marketing), Coal India Limited. | Member |
| 11. | CMD's BCCL, CCL, ECL, MCL, NCL, SECL & WCL | Members |
| 12. | Chairman-cum-Managing Director, Central Mine Planning & Design Instt Ltd., Gondwana Place, Kanke Road, Ranchi. | Member |

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|---|---------|
| 13. Chairman, Central Electricity Authority, Sewa Bhawan, RK Puram, New Delhi | Member |
| 14. Chairman, NTPC, Scope Complex, Lodhi Road, New Delhi-110003 | Member |
| 15. 110003 | Special |
| 16. Joint Secretary (CA-III Section), Ministry of Coal
CEO, Patratu Vidyut Utpadan Nigam Ltd., Post-Patratu, Dist-Ramgarh-829119, Jharkhand. | Invitee |


Copy to:

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

Copy also to –

- 1. PS to Minister of State (I/C) for Power, Coal, NRE and Mines
- 2. OSD to MoS (I/C) for Coal
- 3. PSO to Secretary (Coal),
- 4. PPS to Additional Secretary (Coal)
- 5. PPS to Joint Secretary (RKS),
- 6. PPS to Joint Secretary(RPG),
- 7. PPS to Joint Secretary (VB).

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


(Dominic Dungdung)
Under Secretary to the Govt. of India

No. 23014/3/2017-CPD
Government of India
Ministry of Coal

New Delhi, Dated 20th June, 2017

Agenda for the meeting of the Standing Linkage Committee (Long Term) for Power Sector to be held on 29.06.2017.

A meeting of the Standing Linkage Committee (Long Term) for Power Sector will be held on 29.06.2017 under the Chairmanship of Additional Secretary (Coal) to review the status of existing coal linkages/LoAs, consider grant of bridge linkage and other related matter. The agenda shall be as follows:

S.No.	Agenda
1.	<p>Request received from MoP for grant of Coal linkages Central Sector Projects.</p> <p>Ministry of Coal vide its OM dated 22.05.2017 requested Ministry of Power to furnish its recommendations in respect of Central/State Gencos requiring Coal linkages as per para 1 (B) (i) of new Power Sector Coal linkage policy. MoP vide OM dated 05.06.2017 has requested to grant Coal linkages to following Central Sector Projects:</p> <ul style="list-style-type: none">i. Gadarwara (2x800 MW) STPS of NTPCii. Unchahar-IV (1x500 MW) of NTPCiii. Raghunathpur TPS, Phase-I (2x600MW) of DVCiv. Mahanadi Basin Power Ltd (MBPL) 2x800 MW of MCL <p>MoP has stated that CEA has recommended for coal linkages to the above projects.</p> <p>The SLC (LT) to take a view in the matter.</p>
2.	<p>Extension of time for fulfilment of Condition Precedent clause no. 2.8.2.3 of FSA.</p> <p>The issue of extension of Condition Precedent clause No. 2.8.2.3 of FSA was placed before the SLC (LT) in its meeting held on 17.07.2015 in the context of a particular TPP. However, the Committee made a general recommendation that extension of time for fulfilling all</p>

the condition precedent of all such projects, except COD and commissioning may be granted upto 31.03.2016. The recommendation of the SLC (LT) was submitted to the Competent Authority. Competent Authority directed that a policy may be formulated in this regard.

MoP vide its O.M. dated 21.03.2016 recommended that extension of time for fulfilling the Purchaser's Conditions Precedent covered under clause 2.8.2.3 of FSA (relating to signing of PPA) may be granted up to 31st March, 2020. However, in view of the recommendation of SLC (LT) for extension of time for fulfilling all the condition precedent except COD and commissioning, MoP was requested to furnish its views on extension of time for fulfilling all the CPs. Subsequently, MoP requested MoC to consider the extension of the time period for fulfilment of CP mentioned in Clause 2.8.2 for FSA holders upto revised date of COD/anticipated commissioning.

The clause 2.8.2 is as below:

2.8.2.1 The Purchaser shall have obtained from the lawful authority all necessary clearances, authorizations, approvals and permissions required for construction, commissioning, operation and maintenance of the Plant.

2.8.2.2 The purchaser shall have completed the construction and the completion of such construction along with readiness of the power plant for lighting up has been certified by an Independent Engineer within the Condition Precedent Period.

2.8.2.3 [Applicable to Purchaser who has signed FSA without entering into long term PPA]

The Purchaser shall have to furnish the long term Power Purchase Agreements (PPA) either directly with Distribution Companies (DISCOMs) or through Power Trading Company (ies) (PTC) who has/have signed back to back PPA(s) (long term) with DISCOMs within the Condition Precedent (CP) period as per clause 2.8.3.1.

SLC (LT) in its meetings dated 21.06.2016 recommended that Condition Precedent clause No. 2.8.2.3 of FSA should be considered for extension of time period for fulfilment upto March 2017. However, during the SLC (LT) meeting held on 01.09.2016, representative of NTPC indicated that MoP had recommended for extension of time for fulfilment of conditions under clause 2.8.2. Minutes of

the SLC (LT) meeting held on 21.06.2016 were approved with the modification that expression "Condition Precedent clause No. 2.8.2.3" would be replaced by "Condition Precedent clause No. 2.8.2".

Issue of extension of time for fulfilment of Condition Precedent clause no. 2.8.2.3 of FSA beyond March, 2017 was considered in the SLC (LT) meeting held on 29.03.2017. SLC (LT) recommended for extension of time period for fulfilment upto 31.03.2018. It was decided that there should be reasons/justification from MoP on the proposed extension date of 31.03.2020 and similarly, reason for SLC-LT recommending the extension of CP up to 31.03.2018 should also be recorded.

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

3. Additional Coal for increased capacity of RTPP of APGENCO.

Requests of APGENCO related to Unit - 6 of Rayalseema TPS were taken up in the meeting of the SLC (LT) held on 21.06.2016. Requests of APGENCO were as under:

- a. To revalidate the present LoA dated 18.03.2009.
- b. To exempt for submission of additional CGs.
- c. To sanction additional 1.2 MT of coal for increased capacity of 100 MW .

SLC(LT) held on 21.06.2016 considered the request of APGENCO and condoned the delay in submission of additional CG. It was recommended that MCL shall accept the additional CG and thereafter a view shall be taken by MCL as per the procedure. The request to revalidate the present LoA and sanction the additional 1.2 MT coal shall be reviewed subsequently by SLC (LT), at the request of PP, once the CG issue was resolved.

SLC (LT) in its meeting held on 02.08.2007 recommended grant of LOA for APGENCO's Rayalseema TPP Stage - III (Unit-6) for 500 MW. APGENCO had stated that consequent to the meeting with CEA on 14.07.2008 over adopting 600MW units and its benefits, APGENCO switched over from 500MW to 600MW.

Subsequent to request received from APGENCO for enhanced capacity vide letter dated 05.10.2016, comments of MCL were obtained on status of decision

	<p>taken in the SLC (LT) meeting held on 21.06.2016. MCL vide its letter dated 17.12.2016 stated that M/s APGENCO vide their letter dated 26.10.2016 has submitted the Additional CG in the form of Bank Guarantee (BG) covering all the concerned milestones. The BG has also been subsequently confirmed from the issuing Bank. MCL further stated that in view of the above, it can be construed that all the milestones have been achieved by M/s APGENCO for their Rayalseema TPS (Stage-III, Unit-VI, 600 MW), however, the above unit does not appear in the Presidential Directive dated 17.07.2013.</p> <p>The SLC (LT) to take a view in the matter.</p>
4.	<p>Grant of Bridge Linkage to Patrattu Super thermal power project, Phase-I (3 x 800 MW).</p> <p>In accordance with the policy guidelines of Bridge Linkage notified vide MoC's OM no. 23021/3/2015-CPD dated 08.02.2016, PVUNL (Patrattu Vidyut Utpadan Nigam Ltd.) vide their letter no. PVUNL/CEO/002 dated 07.06.2017 has submitted an application for grant of Bridge Linkage to Patrattu Super Thermal Power Project, Phase-I, 3 x 800 MW with processing fee.</p> <p>In the application for grant of Bridge Linkage PVUNL has stated that Banhardih coal block has been allocated to PVUNL (JV of NTPC and Jharkhand Vidyut Vitran Nigam Ltd.) and deed of adherence for transfer of block from Jharkhand has been signed with MoC on 02.06.2017. Scheduled date of start of coal production from mine/block as per the Coal Mines Development and Production Agreement/Coal Block Development and Production Agreement is 44 months from preparation of GR. Actual/expected date of commissioning of specified end use plant for 1st unit is 50 months from the date of investment approval (Dec 2021) and for 2nd & 3rd unit at an interval of 6 months from COD of 1st unit.</p> <p>Comments of MoP and CBA-II Section have been sought.</p> <p>The SLC (LT) to take a view in the matter.</p>