

Additional Agenda Items for the meeting of the Standing Linkage Committee (Long Term) for Power Sector [SLC (LT) No. 2/2021]

Sl. No.	Issue
<p>Additional Agenda Item No. 1</p> <p>Extension of Bridge Linkage of PVUNL, Patratu (3 x 800 MW)</p>	<p>Ministry of Power vide O.M dated 17.05.2021 has stated that pursuant to take over from JUUNL (Jharkhand Urja Utpadan Nigam Limited), Patratu Super Thermal Power Project (3 x 800) is being established by PVUNL (Patratu Vidyut Utpadan Nigam Limited), a subsidiary of NTPC in JV with JBVNL (Jharkhand Bijli Vitran Nigam Limited). Ministry of Power has stated that Patratu Project is linked with Banhardih captive coal block which was formally allocated to JUUNL and on 02.06.2017, PVUNL signed deed of adherence with Ministry of Coal for transfer of coal block from JUUNL. Subsequently, based on the application of PVUNL for Bridge Linkage against the allocated coal block, SLC (LT) in the meeting held on 29.06.2017 recommended for grant of Bridge Linkage to PVUNL from Coal India Limited (CIL) for 3 years from the date of assignment of allotment agreement of the coal mine in favour of PVUNL. The Banhardih coal block was formally assigned in favour of PVUNL on 25.06.2018 and hence, the Bridge Linkage is valid upto 24.06.2021 (which is 3 years from 25.06.2018). Thereafter, MoU under the Bridge Linkage was signed with Central Coalfields Limited with validity upto 24.06.2021.</p> <p>Ministry of Power has also stated that Patratu Project is presently under construction and its 1st unit is expected to be commissioned in 2022-23. However, production from Banhardih coal mine has got delayed (expected 2024-25), mainly attributed to late receipt of Geological Report (GR) of the mine from the previous allottee. It has been stated that GR was received from JUUNL on 27.07.2019 and subsequently, Mining Plan was submitted in the Ministry of Coal on 30.03.2020 for approval, which is presently under consideration of the Ministry of Coal. NTPC has requested for extending the linkage for further period of three years for meeting the coal requirement of Patratu plant after commissioning.</p> <p>Ministry of Power has recommended the request of NTPC for consideration by SLC (LT).</p>

	SLC (LT) to take a view in the matter.
Additional Agenda Item No. 2 Transfer of part coal linkage of Solapur (2 x 660 MW) from MCL (Mahanadi Coalfields Limited) / CIL to SCCL (Singareni Collieries Company Limited)	<p>Ministry of Power vide O.M dated 17.05.2021 has stated that NTPC's Solapur station consisting of 2 x 660 MW super critical units, situated in South – Western part of Maharashtra is in commercial operation since September, 2017 / March, 2019. The plant has been allocated long term coal linkage from MCL for quantity 5.093 Million Tonne Per Annum (MTPA). However, since inception, the station is heavily deprived of generation schedules due to its very high Energy Charge Rate (ECR) with coal sourced from MCL (located at a distance more than 1500 KMs). To bring down the ECR, NTPC has approached CIL for shifting of coal linkage to Western Coalfields Limited (WCL) (at notified price) / South Eastern Coalfields Limited (SECL) under source rationalization policy. However, this has not been materialized so far.</p> <p>Ministry of Power has stated that Solapur plant is distantly located from different pitheads of the country, nearest source being SCCL and WCL at distance of around 600 KMs and 800 KMs respectively. In order to ensure scheduling of power in merit order with competitive ECR and operate the plant, NTPC has been sourcing coal from SCCL specific sources under MoU and WCL specific sources under Flexible utilization of domestic coal policy.</p> <p>Ministry of Power has also stated that SCCL vide its letter dated 07.09.2020 / 06.02.2021 to NTPC have informed its interest to supply coal under long term coal linkage to Solapur, while citing excess coal availability at its mines. SCCL being nearest coal source to Solapur station, the coal linkage offered by SCCL will be cheaper in terms of landed price of coal and thus the station shall have better prospects to operate with sustained generation schedule. Thus, a need is felt for shifting of 50% of the existing linkage quantity from MCL / CIL to SCCL (retaining half with CIL for flexibility in coal supplies). NTPC has requested for shifting of 50% of existing coal linkage of Solapur plant with MCL / CIL to SCCL, alongwith unconditional release of Security Deposit / Guarantee.</p> <p>Ministry of Power has recommended the request of NTPC for consideration by SLC (LT).</p> <p>SLC (LT) to take a view in the matter.</p>