



Procedure for Operationalization of
CIL decision dated 14.02.2023
regarding
*‘Modalities for supply of coal to IPPs
beyond ACQ’*
and
Issuance of
‘Utilization Certificate (UC)’
for the coal supplied beyond ACQ

05.10.2023

**Thermal Project Planning & Development Division
Central Electricity Authority**

Procedure for operationalization of CIL decision dated 14.02.2023 regarding modalities for supply of coal to IPPs beyond ACQ and issuance of Utilization Certificate (UC) for the coal supplied beyond ACQ

CCEA direction conveyed by Ministry of Coal vide its OM dated 21.03.2022 states that *the coal to meet full PPA requirement of all the existing linkage holders of Power Sector shall be made available by the coal companies irrespective of the trigger and Annual Contracted Quantity (ACQ) level.*

In order to implement the CCEA direction, CIL vide its letter dated 14.02.2023 has provided for *modalities for supply of coal to IPPs beyond ACQ* wherein CIL has mandated to IPPs (Independent Power Producers) to furnish the Utilization Certificate from CEA for supplying coal beyond ACQ, which states that,

“Regarding bonafide use of coal, extant modalities of DISCOM certificate and affidavit etc. shall continue to apply for any supply beyond ACQ and PI will also be applicable as per FSA. In addition, in cases where a quantity beyond the ACQ i.e. normative quantity at 85% PLF is supplied, concerned coal company will inform to CEA on an annual basis within one month of close of a year about total quantity released and consumer would be required to furnish a certificate from CEA regarding use of such coal for additional generation of power for supply to DISCOMs resulting in increase in PLF beyond 85%. If such a certificate is not furnished within one month thereafter i.e. by 31st May of succeeding financial year, then such plant(s) will not be entitled for quantity beyond ACQ in the next financial year.”

In view of the above, the procedure for operationalization of CIL decision dated 14.02.2023 for supply of coal to IPPs beyond ACQ and to meet the PPA requirement of DISCOM/Beneficiary, is provided as follows:

1. Coal companies are required to inform CEA about the actual coal quality & quantity supplied to IPPs w.r.t. ACQ & also beyond ACQ on annual basis (indicating month-wise), within one month of close of a financial year.
2. All the IPPs who have been supplied coal beyond ACQ under the said CIL decision are required to submit DISCOM certificate, Generation, Coal Consumption, Plant Performance details etc. and Self-declaration (enclosed as **Annexure-I**) & any other information as deemed fit.
3. It shall be ascertained that power generation from beyond ACQ coal is supplied to DISCOMs/ Beneficiaries to meet its PPA requirement based on information referred under Point 1 & 2.
4. Based on the above-mentioned information & self-declaration submitted by the IPPs, a “Utilization Certificate” shall be issued to the IPP with a copy to CIL/Coal Companies.

5. The Utilization Certificate will be issued by CEA once in a year.
6. In case, any diversion of the coal supplied beyond ACQ under CIL decision dated 14.02.2023 and/or power generated from such a coal sold in power markets and/or any use other than supplying power to meet the PPA requirement is/are found/noticed then such matters will be dealt as per the prevailing terms & conditions of FSA(s).
7. In future, CEA may amend the procedure based upon experience gained or as when deemed fit.

Self-Declaration

The undersigned is authorized to hereby declare that < *Name of the TPP*> of < *company name*> was supplied coal at the plantMT (..... Million Tonnes ACQ andMT beyond ACQ) from < *coal company* > under CIL decision dated 14.02.2023 for FY-..... againstMW linked PPA having FSAs signed under LOA-FSA Route. Out of the total supplied coal quantity (ACQ & beyond ACQ), < *Name of the TPP*> has utilized MT coal (..... MT upto ACQ and MT beyond ACQ). Total Power generated from above coal quantity is MUs and same has been supplied to DISCOM under the Long/Medium term PPA.

I do hereby declare that unutilized coal quantity beyond ACQ (..... MT), shall be utilized for supplying power to the DISCOM. Such quantity will be treated as quantity over and above ACQ for the next financial year.

I do also hereby declare that the information given above is true to the best of my knowledge and accordingly, the Utilization Certificate for the said period may please be issued. In case, any deviation is found in the above information, < *Name of the TPP*> will be responsible for the same and necessary action in this regard may be taken.

Signature of the Authorized Signatory

Name & Designation of the Authorized Signatory:

Name of the Power Plant:

Stamp of the Power Plant:

Date:

Place:
