

Brief Status of Awarded Ultra Mega Power Projects (UMPPs)

Introduction:

Government of India took an initiative in November 2005 for the Development of Ultra Mega Power Projects (UMPPs) in India. It is a step taken for achieving capacity addition at an accelerated pace, catering to the need of power to number of States and to ensure cheaper tariffs utilizing economies of scale. The objective behind the initiative is also to mitigate the risk relating to tie up the essential inputs/clearances such as land, fuel, water and other statutory clearances etc. UMPPs are very large sized projects about 4000MW capacity with super critical technology.

The Ministry of Power has identified Central Electricity Authority (CEA) as the Technical Partner and Power Finance Corporation (PFC) as the Nodal Agency for development of the UMPPs in the country. Accordingly, the initiative for facilitating the development of around 17 numbers UMPPs has been taken up by the Government of India at the beginning.

The projects are awarded to the successful developers through tariff based International Competitive Bidding (ICB) route. To tie-up the necessary inputs/ clearances, project-specific shell companies i.e. Special Purpose Vehicles (SPVs) are set up as a wholly owned subsidiaries of the Power Finance Corporation (PFC) Ltd. These SPVs, along-with the various clearances etc. are subsequently transferred to the successful developer.

As on date, four UMPPs namely Sasan in Madhya Pradesh, Mundra in Gujarat, Krishnapatnam in Andhra Pradesh and Tilaiya in Jharkhand were awarded to the successful bidders. The details of these projects are as given below:

S.No.	Name of UMPP	Type	Date of Transfer	Levelling Tariff (in Rs. Per kWh)	Successful developer	Present Status
1.	Mundra, Gujarat	Coastal	23.04.2007	2.264	Tata Power Ltd.	Fully commissioned and in operation
2.	Sasan, Madhya Pradesh	Pithead	07.08.2007	1.196	Reliance Power Ltd.	Fully commissioned and in operation
3.	Krishnapatnam, Andhra Pradesh	Coastal	29.01.2008	2.333	Reliance Power Ltd.	Terminated due to change in coal price.
4.	Tilaiya, Jharkhand	Pithead	07.08.2009	1.77	Reliance Power Ltd.	Terminated due to non-availability of land.

The detailed status of each awarded UMPPs:

1. MUNDRA UMPP (5x800MW) : Fully operational

Location	: Mundra village in Kutch District, Gujarat
Type of Plant	: Coastal
Name of Developer	: Coastal Gujarat Power Limited (Tata Power Company Ltd)
Date of LOI	: 28.12.2006
Date of signing of PPA	: 23.04.2007
Date of Transfer of SPV	: 24.04.2007
Order of main plant	: 15.05.2007
Financial closure	: 24.04.2008

Commercial Operation Dates

<i>Unit No.</i>	<i>Schedule COD as worked out based on PowerPurchase Agreement</i>	<i>COD as per actuals</i>
1.	Aug. 2012	07.03.2012
2.	Feb. 2013	30.07.2012
3.	Aug. 2013	27.10.2012
4.	Feb. 2014	21.01.2013
5.	Aug. 2014	22.03.2013

Levellised Tariff at the time of award:	: Rs.2.26 per kWh (with 45% non-escalable fuel component)
Land	: Power Plant - 3068 acres including Ash dyke, colony, corridors etc.
Water	: Seawater
Sweet Water	: Sweet Water generation by using Desalination Plant
Coal	: Imported coal (Indonesia, Australia, China, South Africa etc.)
Clearances & approval	: All clearances and approval obtained.

Power Procurers (Plant capacity 4000 MW):

S. No.	Beneficiary States	Power allocated	
		%*	MW\$
1.	Gujarat (Lead Procurer)	47.5	1900
2	Haryana	10	400
3	Maharashtra	20	800
4	Punjab	12.5	500
5	Rajasthan	10	400
	Total	100	4000

*Allocated contracted capacity as per PPA

\$ corresponding to % of Plant Capacity

Generation & PLF:

Year	Generation (MU)	PLF (%)
2011-12	179.86	-
2012-13	12440.39	77.94
2013-14	23927.80	68.20
2014-15	26577.60	75.85
2015-16	25679.75	73.37
2016-17	27460.24	78.37
2017-18	26514.87	75.67
2018-19	26839.30	76.60
2019-20	26495.39	74.74
2020-21 (up to Jan'21)	21781.18	74.15

Issues:

1. Seeking increase in tariff because of increase in capital cost of Mundra UMPP due to Change in Law events during construction period.

2. SASAN UMPP (6x660MW) : Fully operational

Location	: Sasan Village in District Singrauli (M.P.)
Type of Plant	: Pithead
Name of Developer	: M/s. Sasan Power Ltd. (Reliance Power Ltd.)
Date of LOI	: 01.08.2007
Date of Transfer of SPV	: 07.08.2007
Date of signing of PPA	: 07.08.2007
Order of main plant	: 24.06.2008
Financial closure	: 21.04.2009

Commercial Operation Dates:

<i>Sl No.</i>	<i>Unit No.</i>	<i>Schedule COD as per original Power Purchase Agreement</i>	<i>As per Sasan Power Limited/actual COD</i>
1	U#3	May, 2013	16.08.2013
2	U#2	December, 2013	28.01.2014
3	U#4	July, 2014	12.04.2014
4	U#1	February, 2015	27.05.2014
5	U#5	September, 2015	26.12.2014
6	U#6	April, 2016	27.03.2015

Levellised Tariff at the time of award : Rs. 1.196 per kWh.

Land : Power Plant- 3700 Acres including Ash dyke, colony, corridors etc.
Captive Coal Blocks – 3071 Acres.

Coal : Captive coal Blocks
i. Mohar (GR-402MT)
ii. Mohar-Amlohri Ext. (GR-198MT).

Water : From Rihand Reservoir (140 Cusec).

Clearances & approval : All clearances and approval obtained.

Power Procurers (Plant capacity 3960 MW):

S. No.	Beneficiary States	Power allocated	
		%*	MW\$
1	Madhya Pradesh (Lead Procurer)	37.5	1485
2	Punjab	15	594
3	Uttar Pradesh	12.5	495
4	Delhi	11.25	445.5
5	Haryana	11.25	445.5
6	Rajasthan	10	396
7	Uttarakhand	2.5	99
	Total	100	3960

*Allocated contracted capacity as per PPA

\$ corresponding to % of Plant Capacity

Generation & PLF:

Year	Generation (MU)	PLF (%)
2013-14	2939	52.56
2014-15	17274	65.21
2015-16	31263	90.84
2016-17	29415	84.79
2017-18	31792.52	91.65
2018-19	32877.27	94.78
2019-20	33340.92	95.85
2020-21 (up to Jan'21)	27884.78	95.88

Issues:

2. Non-availability of OB dump land for external OB dumping
3. Restriction on coal production from Moher & Moher-Amlohri Extension coal mine up to 17 MTPA
4. Levy of loss of generation charge by UPJVNL.

3. KRISHNAPATNAM UMPP (6x660MW):

(Construction work at site has been stopped in June 2011 due to increase in cost of imported coal from Indonesia.)

Location	: Krishnapatnam in District Nellore, Andhra Pradesh
Type of Plant	: Coastal
Name of Developer	: Coastal Andhra Power Limited (Reliance Power Ltd.)
Land	: Power Plant -2625 acres including Ash dyke, colony, corridors etc.
Water	: Seawater
Sweet Water	: Proposed to be generated using Desalination Plant
Coal	: Imported coal (Indonesia)
Clearances & approval	: All clearances and approval obtained.

Status of construction and termination of PPA:

The project was awarded to M/s. Reliance power limited on 29.01.2008 at the levelled tariff of Rs. 2.33/ kWh. Thereafter in the project site, around 90% boundary wall work completed. Leveling of site in Main Plant completed. Piling work carried out for Chimney, CW pump house and TG foundation. Ground improvement works done for Cooling Tower Area. Approach road constructed, Area drains, plant roads, permanent stores were taken-up for construction.

However, the developer has stopped the construction work at the project site in June 2011 citing new Regulation of the Govt. of Indonesia as the reason, which prohibits sale of coal, including sale to affiliate companies, below benchmark price. Lead Procurer APSPDCL issued Notice of Termination of PPA on 15.03.2012. CAPL filed petition before Hon'ble High Court of Delhi for seeking interim relief against Termination Notice, which was dismissed by Single Judge on 02.07.2012. CAPL later filed an appeal in Division Bench of Hon'ble High Court of Delhi against Order of Single Judge, which was dismissed on 15.01.2019. Subsequent to above Court Order, Procurers en-cashed Bank Guarantee of Rs. 300 Crores submitted by RPL between period Jan 16-19, 2019.

4. TILAIYA UMPP (6x660MW):

(Construction not started and PPA of the project has been terminated due non-transfer of project and coal block land to developer by leading procurer.)

Location	: Near Tilaiya village in Hazaribagh and Koderma Districts, Jharkhand
Type of Plant	: Pithead
Name of Developer	: Jharkhand Integrated Power Ltd. (Reliance Power Ltd.)
Land	: Power Plant - Total land 2523 Acres including Ash Dyke, AshCorridor, Approach Road, Corridors etc.
Coal	: Captive Coal Blocks- Kerandari 'B' & 'C' blocks (GR: 972MTs) of North Karanpura coalfields.
Water	: 150 Cusecs of water available from Tilaiya Dam.
Environment & Forest Clearances	: For main Plant, the earlier clearance validity Expired and fresh clearance is to be obtained. For the Kerandari 'B' & 'C' coal blocks is yet to be obtained.

Status of Termination of PPA:

The project was awarded to M/s Reliance Power Ltd. (RPL) on 07.08.2009 at an evaluated levellised tariff of Rs. 1.770/KWh. The developer, Jharkhand Integrated Power Ltd (JIPL, a subsidiary of RPL), has issued notice of termination of Power Purchase Agreement (PPA) on 28.04.2015 citing non-transfer of land to the developer by Jharkhand Government. It was decided in the meeting of Procurers held on 03.11.2015 to accept the Notice of Termination and take over the SPV i.e. JIPL. Jharkhand Urja Vikas Nigam Ltd. (the Lead procurer) on behalf of all the Procurers has taken over JIPL on 16.05.2018 from RPL. The Kerandari 'B' & 'C' coal blocks for this project has been deallocated by Ministry of Coal on 27.12.2019. Re-bidding process would be initiated after notification of revised Guidelines and Standard Bidding Documents (SBDs).