

**COMMISSION FOR AIR QUALITY MANAGEMENT
IN NATIONAL CAPITAL REGION AND ADJOINING AREAS**

17th Floor, Jawahar Vyapar Bhawan (STC Building)
Tolstoy Marg, New Delhi-110001

F. No.120015/25/TPP/2021/CAQM

Dated: 30.08.2023

To,

1. Chairman and Managing Director, NTPC.
2. Additional Chief Secretary (New and Renewable Energy), Government of Haryana
3. Additional Chief Secretary (Additional Source of Energy), Government of Uttar Pradesh
4. Principal Secretary (Power), Government of Punjab
5. MDs of Power Plants:
 - I. Mahatma Gandhi TPS, CLP Jhajjar, Haryana
 - II. Panipat TPS, HPGCL, Haryana
 - III. Rajiv Gandhi TPS, Hisar, HPGCL, Haryana
 - IV. Deenbandhu Chhoturam TPS, Yamunanagar, HPGCL, Haryana
 - V. Guru Hargobind TPS, PSPCL, Punjab
 - VI. Nabha Power Ltd, Rajpura TPS, Punjab
 - VII. Talwandi Sabo TPS, Mansa, TSPL, Punjab
 - VIII. Guru Gobind Singh TPS, PSPCL, Punjab.
 - IX. Harduaganj TPS, UPRVUNL, Uttar Pradesh

Subject: Co-firing of Bio-mass (focusing on paddy straw-based pellets) in Thermal Power Plants.

Sir,

Grave concerns on air quality in NCR owing to paddy stubble burning in the entire NCR and adjoining areas and the potential of *ex-situ* utilisation of paddy straw for co-firing in thermal power plants led to issue of Direction No. 42 dated 17.09.2021, following an advisory on 28.07.2021 to the State Governments of Punjab, Haryana and Uttar Pradesh related to various strategies for *ex-situ* utilisation of paddy stubble.

2. The above referred statutory directions of the Commission mandate all the 11 identified thermal power plants situated up to 300 kms of Delhi to



regularly co-fire bio-mass based pellets (with focus on paddy straw) up to 5-10% of their total coal requirements, through a continuous supply chain.

3. The above stated directions were facilitated by successful field trials by NTPC and technology demonstrations in some of its plants across the country and accordingly the identified 11 thermal power plants as above, including NTPC plants, were directed for regular co-firing.

4. To this effect, while NTPC units and a select other TPPs have started regular co-firing, there are still 3 TPPs in the State of Haryana, and 4 in the State of Punjab respectively which are yet to take up co-firing on a regular basis. However, even for the plants where co-firing has been started the progress is far below the targeted quantities of biomass pellets. The progress in this regard is being regularly monitored by the Ministry of Power and the Commission. Furthermore, the MoEFCC Notification No. G.S.R. 499(E) dated 11.07.2023 stipulating EC charges in respect of TPPs not achieving the targets laid down for co-firing may be taken note.

5. During all such reviews with the thermal power plants, non-availability of biomass pellets in the desired quantities under a continuous / regular supply chain is highlighted by most of the plants including NTPC, due to Non-finalisation of tenders, owing to unworkable rates quoted by various bidders and / or for not conforming to the criteria / conditions of the tenders. Situations were also reported where some successful bidders bagged multiple tenders but lacked capability to simultaneously supply such quantities to multiple thermal power plants, including for other *ex-situ* applications in the region.


6. In all such reviews, benchmarking of price / rates for bio-mass pellets was strongly felt so as to ease out the process of repeated procurements of large quantities of agro-based pellets for co-firing in TPPs.

7. In line with the above, the Ministry of Power, Govt of India vide its letter No. 11/86/2017-Th. II dated 23.08.2023 have issued a benchmark price of non -torrefied bio-mass pellets in the NCR @Rs. 2.32 / 1000 Kcal, excluding

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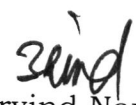
GST & transportation cost at the pellet manufacturing plant site, for a period of one-year w.e.f. 01.09.2023. Such pellets however, need to have a moisture content of below 14% and GCV between 2800-3400 Kcal/Kg.

8. Considering that an established benchmark price facilitates and significantly eases out the process of procurement /tendering of bio-mass pellets and with abundant availability of agro-based bio-mass, including paddy straw in particular, the state Governments and the 11 identified Thermal power plants within 300 kms of Delhi are required to substantially step-up bio-mass co-firing in their respective units as per the targeted quantities, towards effective implementation and compliance of the statutory Direction No. 42 of the Commission in letter and spirit. Appropriate action may accordingly be taken on top priority and well before the ensuing paddy harvesting season.


(Arvind Nautiyal)
Member- Secretary
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Copy to:

1. The Chief Secretary, Government of Haryana
2. The Chief Secretary, Government of Punjab
3. The Chief Secretary, Government of Uttar Pradesh
4. The Chief Secretary, Government of Rajasthan
5. The Chairperson and all Members, CAQM.
6. Secretary, Ministry of Power


(Arvind Nautiyal)
Member- Secretary