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**GREEN PLANET ENERGY**  
PRIVATE LIMITED

29<sup>th</sup> April, 2015

**Mr S.K Chatterjee,**  
**Joint Chief (Regulatory Affairs)**  
**CENTRAL ELECTRICITY REGULATORY COMMISSION (CERC)**  
**3rd & 4th Floor, Chandralok Building, 36, Janpath, New Delhi 110 001**

**Sub: Central Electricity Regulatory Commission (Terms and Conditions for Tariff determination from Renewable Energy Sources) (Third Amendment) Regulations, 2015-Draft Notification No. : L-1/94/CERC/2011 dated 16.04.2015**

**Ref: Public Notice No: L-1/94/CERC/2011 Dated: 16 April, 2015**

**Dear Sir,**

**Introduction:** Green Planet Energy Pvt Ltd is engaged in installing Biomass Based Power Projects in Punjab. Total 100 MW Capacity Biomass Power Projects (**situated in Nine Tehsils of Punjab**) have been allocated to our Company by Punjab Energy Development Agency for development on BOO basis. Two projects (12MW capacity) already commissioned and third (6MW Capacity) is expected to be commissioned before Dec, 2015. Land and statutory clearances for other projects already secured.

Para wise comments on above referred CERC Draft Notification are as under please:

### **1. Amendment of Regulation 38 of the Principal Regulations (Station Heat Rate)**

- Sub-Regulation (1) of Regulation 40 of the RE Tariff Regulations 2009 & 2012 stipulate that the Biomass based power generating stations are to be designed in a way that they use different types of non-fossil fuels available within the vicinity of biomass power project such as crop residues, agro-industrial residues, forest residues etc. and other biomass fuels as may be approved by the Ministry of Non-Renewable Energy (MNRE). Sub-Regulation (2) of the said Regulations stipulates that the biomass power generating companies are to ensure fuel management plan to ensure adequate availability of fuel to meet the respective project requirements
- Keeping in view the spirit of above said tariff regulations and variety of biomass fuel availability in Punjab, Travelling Grate Boilers are considered the best option. All our Projects (**currently in operation and likely to commissioned during this year**) have installed

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Travelling Grate type Boilers which are equipped with pneumatic spreaders designed for feeding low density biomass fuel only. At no stage we have ever considered coal as support fuel. Coal density being much higher as compared to Biomass mix, pneumatic spreaders cannot push the coal pieces up to grate end. For feeding coal, we need to install crushers for sizing and mechanical spreaders for feeding into furnace as well a separate conveyer system. This provision shall entail additional capital investment. Further due to significant difference in burning time of coal and Biomass, much of coal shall come out only partially burnt thus adding to overall % age of un- burnt in Bottom ash...

- Punjab State has to transport Coal from mines situated (in other States) more than 1500-2000 Kms away & even Coal based Thermal Power Plants operating in the State are often starved of coal supply. Coal supply for Biomass Plants is not likely to materialize as State has not earmarked any linkage for these Plants
- Poor grade coal available in open market sells at around Rs 10/- kg. High rates of Coal, its scarcity and high cost has forced the State Industry (Brick Kilns/ Industrial Boilers etc) to switch over to Rice Husk and other Biomass as fuel.
- UNFCCC- Clean Development Mechanism (CDM) does not permit the use of fossil fuel in Biomass based Power Projects. Project Developers in their PDDs had not considered coal as support fuel .If fossil fuel is used, it shall entail proportionate reduction in the number CERs earned.
- If coal is considered as part of fuel mix for Biomass Plants , high prices of coal in the State shall also push up the State specific fuel prices annually recommended by CERC while determining the generic Tariff for Biomass Power Plants (Renewable Energy Sources)
- Our projects ( **already installed/ pending to be installed**) were given environmental clearance by SEIAA/ Consent to establish & operate by State Pollution Control Board with the condition that industry shall not use any other fuel except Biomass (agro residue) as feed for the Boilers. Use of fossil fuel shall necessitate revalidation of SEIAA/ PCB clearances
- **Use of Fossil fuel shall dilute the State Govt's emphasis for maximizing the consumption of paddy straw which is burnt in the open fields causing huge environmental pollution**



*“In view of aforesaid, we are of the opinion that use of Coal may be made optional and allowed only in States closer to coal mines. Punjab, being situated thousands of Kms away from Coal mines, may specifically be excluded from this provision considering logistics of arranging coal, its scarce availability & high prices, and also technical reasons explained above.*

*It is thus strongly recommended that Station Heat Rate for Biomass Plants in Punjab may be retained as 4200 Kcal/Kwh for Travelling Grate Boilers without use of any fossil fuel”*

**2. Amendment to the Regulation 43 of the Principal Regulations**  
(Calorific Value of the Biomass fuel used):

*“In view of reasoning given in Para 1 above, it is strongly recommended that GCV of biomass mix may be retained as 3100 Kcal/Kg and use of fossil fuel may not be allowed in the State”*

**Note: One representative of Company shall attend the proposed hearing on 5th May, 2015 please.**

**Thanking you**

Yours truly,  
For Green Planet Energy Pvt Ltd

  
( N S Thethi)  
Project Director

