



F. No.11/86/2017-Th.II (C.No 238797)

Government of India

Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, dated the 08th November, 2023.

To,

1. The Chief Secretary, Government of Uttar Pradesh.
2. The Chief Secretary, Government of Rajasthan.
3. Chairperson, CEA
4. MDs of Thermal Power Plants/IPPs in Northern Regions.
5. Mission Director, SAMARTH Mission.

Subject: Price Benchmarking of Biomass Pellets for co-firing in Thermal Power Plants for Northern Region (excluding NCR)- reg.

Sir/Madam,

In order to promote and develop sustainable supply chain of biomass pellets and enable faster pellet procurement by power utilities, Ministry of Power (MoP) vide letter No.11/86/2021-Th.II [C.No:238797] dated 16th June, 2023 issued 'Modification of Revised Policy for Biomass Utilization for Power generation through Co-firing in Coal based Power Plants'. In pursuance of Para 2(b) of the above policy dated 16.06.2023, a Committee on price benchmarking of biomass pellets was constituted on 22nd June, 2023 to carry out region-wise price benchmarking of biomass pellets in order to accelerate the capacity addition of pellet manufacturing and to address the issue of existing volatility of raw biomass prices.

2. In this regard, the Price benchmarking Committee carried out study for Northern Region (excluding NCR) and submitted its report with recommended benchmark price for Northern Region (excluding NCR). As per the recommendation of the Committee, biomass fuel price has been specified for a period of 1 year w.e.f 08.11.2023. The benchmark prices for non-torrefied biomass pellets in the Northern Region (excluding NCR) have been derived as Rs 2.27/1000 kcal. The price specified is excluding GST & transportation cost at the pellet manufacturing plant site. The pellets shall have moisture content below 14% and GCV between 2800-4000 kcal/kg.

3. The concerned TPPs may be advised to adhere to the above mentioned benchmark price of biomass pellets and to take necessary action in this regard.

4. This issues with the approval of Hon'ble Minister of Power & NRE.

Yours sincerely



(Jitendra Misra)

Under Secretary to the Government of India

Tele: 23063746

Copy to:

- (i) PS to Hon'ble Minister of Power & NRE.
- (ii) PS to Hon'ble MoS for Power
- (iii) Sr PPS to Secretary(Power)
- (iv) PPS to SS&FA ,PPS to AS(AT)
- (v) All Joint Secretaries/EA/Chief Engineer, Ministry of Power
- (vi) In-charge, NIC, Ministry of Power- with a request to upload this advisory on the website of MoP.

Copy for information:

- (i) Secretary, Ministry of Environment, Forest & Climate Change
- (ii) Secretary, Ministry of Petroleum and Natural Gas
- (iii) Secretary, Ministry of Agriculture and Farmer Welfare.
- (iv) Chairperson, Commission for Air Quality Management in NCR and Adjoining areas.



F. No.11/86/2017-Th.II (C.No 238797)

Government of India

Ministry of Power

Shram Shakti Bhawan, Rafi Marg,
New Delhi, dated the 08th November, 2023.

To,

1. The Chief Secretary, Government of Gujarat.
2. The Chief Secretary, Government of Madhya Pradesh.
3. The Chief Secretary, Government of Maharashtra.
4. The Chief Secretary, Government of Chhattisgarh.
5. Chairperson, CEA
6. MDs of Thermal Power Plants/IPPs in Northern Regions.
7. Mission Director, SAMARTH Mission.

Subject: Price Benchmarking of Biomass Pellets for co-firing in Thermal Power Plants for Western Region - reg.

Sir/Madam,

In order to promote and develop sustainable supply chain of biomass pellets and enable faster pellet procurement by power utilities, Ministry of Power (MoP) vide letter No.11/86/2021-Th.II [C.No:238797] dated 16th June, 2023 issued 'Modification of Revised Policy for Biomass Utilization for Power generation through Co-firing in Coal based Power Plants'. In pursuance of Para 2(b) of the above policy dated 16.06.2023, a Committee on price benchmarking of biomass pellets was constituted on 22nd June, 2023 to carry out region-wise price benchmarking of biomass pellets in order to accelerate the capacity addition of pellet manufacturing and to address the issue of existing volatility of raw biomass prices.

2. In this regard, the Price benchmarking Committee carried out study for Western Region and submitted its report with recommended benchmark price for Western Region. As per the recommendation of the Committee, biomass fuel price has been specified for a period of 1 year w.e.f 08.11.2023. The benchmark prices for non-torrefied biomass pellets in the Western Region have been derived as Rs. 2.24/1000 kcal. The price specified is excluding GST & transportation cost at the pellet manufacturing plant site. The pellets shall have moisture content below 14% and GCV between 2800-4000 kcal/kg.

3. The concerned TPPs may be advised to adhere to the above mentioned benchmark price of biomass pellets and to take necessary action in this regard.

4. This issues with the approval of Hon'ble Minister of Power & NRE.

Yours sincerely



(Jitendra Misra)

Under Secretary to the Government of India

Tele: 23063746

Copy to:

- (i) PS to Hon'ble Minister of Power & NRE.
- (ii) PS to Hon'ble MoS for Power
- (iii) Sr PPS to Secretary(Power)
- (iv) PPS to SS&FA ,PPS to AS(AT)
- (v) All Joint Secretaries/EA/Chief Engineer, Ministry of Power
- (vi) In-charge, NIC, Ministry of Power- with a request to upload this advisory on the website of MoP.

Copy for information:

- (i) Secretary, Ministry of Environment, Forest & Climate Change
- (ii) Secretary, Ministry of Petroleum and Natural Gas
- (iii) Secretary, Ministry of Agriculture and Farmer Welfare.
- (iv) Chairperson, Commission for Air Quality Management in NCR and Adjoining areas.