

**PRESS RELEASE**

Text of the D.O. letter dated 23.11.2012 addressed by **Selvi J Jayalalithaa**, Hon'ble Chief Minister of Tamil Nadu to **Dr.Manmohan Singh**, Hon'ble Prime Minister of India is reproduced below:-

"I write this letter seeking your urgent intervention in a matter of great importance to the State of Tamil Nadu.

As you are aware, Tamil Nadu has been facing a severe power deficit. My Government has been taking earnest efforts to augment the capacity addition to meet this huge power deficit which is of the order of 4000 MW by early commissioning of on-going power generation projects in the State. One such on-going project which is in an advanced stage of commissioning is the 2x600 Megawatt North Chennai Thermal Power Project Stage-II at an estimated cost of Rs.5813 Crores. The two units of this project have been programmed to be synchronized in December, 2012, and February, 2013, and are likely to be put in continuous operation in April – May, 2013.

I am constrained to bring to your notice that, after delaying the issue of environmental clearance for the above project for the past six years, the Union Ministry of Environment and Forests has now advised the State Government to ask Tamil Nadu Generation and Distribution Corporation Limited, a fully owned power utility of the Government of Tamil Nadu to apply afresh for environmental clearance for the above project in accordance with the provisions under the Environmental Impact Assessment Notification 2006.

Originally, this project was proposed by M/s.Videocon Power Limited which had obtained Environmental Clearance for the establishment of 2x525 Megawatt North Chennai Thermal Power Project Stage-II with validity up to 10.5.2006. However, due to various circumstances, the project could not be developed by M/s.Videocon Power Limited. The Government of Tamil Nadu decided to take up this project under the State Sector through the erstwhile Tamil Nadu Electricity Board presently known as Tamil Nadu Generation and Distribution Corporation Limited (TANGEDCO) within the validity period. Accordingly, on 9.10.2006, based on the site inspection report, the Ministry of Environment and Forests conveyed its decision to transfer the environmental clearance earlier granted to M/s.Videocon Power Limited to the Tamil Nadu Electricity Board. In the meanwhile, the proposed capacity of the project has been enhanced to 2x600 Megawatts based on the guidelines of the Ministry of Power, Government of India. The Expert Appraisal Committee of the Ministry of Environment and Forests also recommended the proposal to the Ministry of Environment and Forests in the meeting held on 3.5.2011 for issue of Environmental Clearance for the enhanced capacity.

An important aspect in this issue is that this project is already cleared under the environmental angle for M/s. Videocon Power Limited as well as while enhancing the capacity to 2x600 MW in the meeting of the Expert Appraisal Committee held on 3.5.2011. If the Ministry of Environment and Forests was not satisfied then with the validity of the Environmental Clearance, the proposal would not have been referred to the Expert Appraisal Committee by the Ministry of Environment and Forests and the recommendations of the Expert Appraisal Committee would not have been posted in the website of the Ministry of Environment and Forests.

Now, after six years of follow up, the Secretary, Ministry of Environment and Forests, Government of India, in his letter dated 16.11.2012 addressed to the Chief Secretary, Government of Tamil Nadu, has asked TANGEDCO to apply afresh for

Environmental Clearance for the North Chennai Thermal Power Project Stage-II. The main contention of the Secretary, Ministry of Environment and Forests, is that as per the Environmental Impact Assessment Notification 2006, the Environmental Clearance issued to M/s. Videocon Power Limited cannot be extended beyond ten years. He has further informed that the transfer of Environmental Clearance can be considered only when there is a written no objection certificate by the transferor and for the same validity period. He has also added that in this case there is no valid Environmental Clearance which could be considered for transfer.

In this context, I would like to inform you that the Environmental Clearance granted to M/s. Videocon was based on the Environmental Impact Assessment Notification 1994. As per clause 2 (iii) (c) of the above notification, the clearance granted shall be valid for a period of 5 years for commencement of construction or operation of the project. As per this Notification, the commencement of construction has to be within the validity period and once the work has commenced, the question of further validity does not arise. In this case, in order to verify the commencement of project activities, the Ministry of Environment and Forests sent the Chief Conservator of Forests, Regional Office, Southern Zone, Bangalore, to inspect the site and based on his report and only after satisfying themselves that the project works have commenced, the Ministry of Environment and Forests transferred the Environment Clearance to the Tamil Nadu Electricity Board for 2x525 MW on 9.10.2006.

Regarding the issue of obtaining a written No Objection Certificate from the transferor, there is no provision in the Environmental Impact Assessment Notification 1994 on this issue. Since the Ministry of Environment and Forests has already transferred the Environmental Clearance on 9.10.2006, the issue of obtaining No Objection Certificate from the transferor does not arise now.

As such, applying the stipulations of the Environmental Impact Assessment Notification 2006, for the project governed by the earlier Environmental Impact Assessment Notification 1994, at this point of time when the project is ready for commissioning is not acceptable.

The inordinate delay and the non-issuance of Environmental Clearance for the enhanced capacity by the Ministry of Environment and Forests has resulted in the cancellation of the Letter of Assurance given by M/s. Mahanadhi Coal Fields Limited for supply of coal for the above project on 28.9.2012.

Under the above circumstances, I request you to kindly intervene in the matter and direct the Ministry of Environment and Forests to issue the Environmental Clearance for the enhanced capacity immediately without insisting on a fresh application so that the project could be commissioned thereby helping to contain the severe power deficit faced by my State."

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