

**C A G****Citizen consumer and civic Action Group**

New #246 (Old #277B), TTK Road (J.J. Road),

Alwarpet, Chennai 600 018

Phone : 91- 44 - 2466 0387/ 2499 4458

Fax : 91 - 44 - 2499 4458

Email : helpdesk@cag.org.inWebsite : www.cag.org.in

To,

EAC (Thermal) members:

Dr. Navin Chandra

Dr. Narmada Prasad Shukla

Mr. R.N. Mohan Karnat

Dr. Sharachchandra Lele

Dr. S. Kerketta

Mr. N. Subrahmanyam

Dear Sir,

I write to you from Citizen consumer and civic Action Group (CAG), a 33 year old non-profit, non-political and professional organisation that works towards protecting citizens' rights in consumer, civic and environmental issues and promoting good governance processes including transparency, accountability, and participatory decision-making.

This is with regard to an application for amendment of Environmental Clearance awarded to IL&FS Tamil Nadu Power Company (ITPCL), which is to be considered in the 22nd EAC Meeting for Thermal Power, on October 25, 2018.

The project proponent has proposed a change in the nature of coal- from imported Indonesian coal to a blend of indigenous and imported coal in the ratio of 25:75.

The existing machinery for the power plant has been designed for the use of imported coal. The existing coal handling systems and boilers have been customised for the use of imported coal, which typically has lower ash and higher sulphur content than Indian coal and lignite. This makes the existing systems inherently unsuitable for the proposed coal blend, which also has lignite from NLC. Therefore, it is inherently impractical to propose a change in coal without changing the coal handling systems and boiler technologies.

Indigenous coal is proposed to be brought into the plant (which is over 40 kms from the NLC mine) using road transport to the tune of 1.25 MMTPA. The proposed changes significantly affect the method of transportation of coal, at the rate of 168 trucks a day, which will pass through 29 villages, including agricultural land and plantations, not to mention water bodies like the Neyveli river, Uppanar River, Buckingham Canal, Perumal lake Flood Channel near Anaiyampettai and water tank near Vadalur. This is apart from the transportation of imported coal from the Karaikal Port at the rate of 5 rakes a day currently, which will reduce to 'approximately 4 trains' with the new coal mix. While coal dust from the coal storage yard is already posing a serious problem to the immediate neighbourhood of the plant (as detailed in this news [report](#)), the proposed coal transport mechanism is likely to exacerbate the coal dust problem, by affecting more villages that the coal will be transported through.

Trustees

Mr. Sriram Panchu (*Senior Advocate*)

Dr. Arjun Rajagopalan (*Surgeon*)

Dr. R. Hema (*Associate Professor*)

Dr. Suchitra Ramkumar (*Doctor and Teacher*)

Dr. George Thomas (*Orthopaedic Surgeon*)

Dr. C. Rammanohar Reddy (*Economist and Editor*)

Mr. Keshav Desiraju (*IAS, ret'd.*)

Advisors

Ms. Tara Murali (*Architect*)

Mr. N.L. Rajah (*Senior Advocate*)



The proposed change calls for a more detailed analysis of the impacts of the proposed blend of coal and transport of the same, on the local environment, than what has been covered in the technical note on the use of blended coal by the project proponent. It is thus important to conduct a fresh EIA for the project, inclusive of the public consultation process.

It is also significant to note that the project proponent has already sought amendment of EC conditions on multiple occasions, including an amendment in March 2015 for the transport of coal. In the aforementioned amendment, the EAC allowed for ‘temporary transportation of coal by rail route until the captive port is operational’, while the original EC provided only for transport of coal using a closed conveyor system from coal berth to plant site. The transport of coal using the railway siding- allowed through the amendment- is also contributing significantly to the coal dust problem wherein the spill of coal while being transported has been witnessed, impacting communities surrounding the railway sidings. In addition, what was approved as a temporary measure, now seems to have become permanent as even after 3.5 years of the approval, with the activities for the construction of the captive port having just begun.

A few of our other concerns about the power plant and the proposed amendment to EC are listed below:

1. In applying for the extension of validity of Environmental Clearance in 2017, the project proponent expressed confidence that the remaining units (only 1200 MW commissioned out of 3180 MW), could be commissioned by 2020. Environmental Clearance was extended for that period only upon that assurance from the proponent. In such a case, it is surprising that the amendment proposed is only for the 1200 MW, while it is mentioned that the project proponent will apply for the other units after they are operational. Such a piecemeal approach in granting clearance through amendments dilutes the provisions of the EIA Notification, which stresses on a holistic approach to understand the impacts of a project.
2. It is unclear as to why the change in coal quality is being considered a ‘modernisation’ by the proponent in the updated Form 1, when there is no change in the technologies adopted for the production of power. Any modernisation should also come with fewer environmental impacts, while the proposed changes will cause more pollution by transporting the coal on road. This is -in fact- acknowledged by the proponent whose technical note states- ‘In general, coal transport through road network is not preferable in most of the cases due to its difficulty in traffic.’[4.4 Selection of Preferred Mode of Transport for Indigenous Coal]
3. The road transport of coal has been proposed as an interim option until NLC develops separate sidings. However, there are no clear details about the implementation of that siding and it is said that the development of railway line/sidings is under consideration of NLC in the long run’ [4.4]. There is also a vague mention of ‘an MoU signed by the company with a logistics provider to explore the possibility of utilising existing resources or developing a new railways siding in



Neyveli'. While road transport of coal is being proposed only as an interim solution, the application falls short of specifying a roadmap with timeline for the development of sidings.

4. There is no clear mention of the fuel supply agreement entered into with NLC, besides procuring coal through e-auctions. It is mentioned here that 'ITPCL is in discussion with NLC India Limited for "Sale of Lignite other than by e-auction" and hope this will be recognised by them and suitable agreement will be entered.'
5. Even within the stipulated emission norms, it has been our observation that the standards prescribed have not been adhered to, by the power plant. It is particularly appalling in the case of sulphur. The original Environmental Clearance, issued in May 2010, stipulated that sulphur content not be more than 0.2%. However, the project proponent sought to increase this to 0.8% through an amendment, which was made in February 2014.

And yet, a perusal of the information provided in the Environmental Statement for 2016-17 for the power plant, shows a different picture. For the declared coal consumption of 5 lakh tonnes for both units, with a 0.8 % sulphur content, the expected SO₂ load should be 21.917 Tonne Per Day. The monitored load for both units declared (test data of 25-10-2016), is 44.286 Tonne Per day, more than twice the permitted amount. This questions the quality of the coal used and the efficacy of the FGD systems installed.

I therefore impress upon your esteemed selves to ask the project proponent to conduct a fresh Environmental Impact Assessment- including Public Consultation, for the proposed change to coal, and its impact on the people. The need to consider a fresh Environmental Clearance in case of a change in coal mix was recently spelt out by the Principal Bench of the National Green Tribunal (on September 19, 2018), when hearing an appeal on the EC granted to the Cheyyur Ultra Mega Power Project. While adjourning the case for hearing, Justice SP Wangdi and Expert Member Nagin Nanda- specified that '...if there is a decision to convert the nature of coal used..., the Ministry of Environment Forest and Climate Change shall take these aspects into consideration while going into the question of granting fresh Environmental Clearance" .

This has also been specified in the Environmental Clearance accorded for the power project in Cuddalore in May 2010, which states that 'In case source of fuel supply, now proposed to be run on imported coal from Indonesia, is to be changed at a later stage, the project proponent shall intimate the Ministry well in advance along with necessary requisite documents for its concurrence for allowing the change. In that case the necessity for re-conducting public hearing shall be determined by the Ministry in consultation with the Expert Appraisal Committee (Thermal).'



I therefore request the members of the EAC to take a holistic view of the developments surrounding the ITPCL power project since it first obtained clearance in 2010, and call for a fresh EIA to assess the impacts of the proposed change in nature of coal used.

Thank you

Sharadha Narayanan