

ULTRA MEGA POWER PROJECTS

Environment Ministry delinks clearances for mines, power stations

Siddhartha P. Saikia

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In an effort to speed up implementation of ultra-mega power projects, the Environment and Forests Ministry has decided that the go-ahead for power stations of such projects will no longer be linked to clearance of their captive coal blocks.

Earlier, mines and power stations were considered a single component for green clearances.

This meant that a delay in getting approval for a mine impacted the construction of the plant, as is the case with the Odisha project.

“The Ministry issued a noti-

fication on December 30 delinking forest and environment clearances of the coal block from that of the power station,” a senior Power Ministry official told *Business Line*.

The Power Ministry has been urging the Ministry to change the procedure, he said, adding: “Earlier, till the time the coal block got stage-1 forest clearance, the power plant could not apply for environmental approvals.

“This delayed the commissioning of projects.”

According to industry watchers, the latest move is seen as a decision to help the industry after M. Veerappa Moily took

over as Minister for Environment and Forests.

PFC INVITES BIDS

On December 24, the Ministry of Coal issued a show-cause notice to Power Finance Corporation (PFC) seeking an explanation for slow progress in three coal blocks: Meenakshi, Meenakshi-B and dip side of Meenakshi. These blocks have been allocated for the 4,000 MW project at Bedabahal in Odisha. The mines were allocated on September 13, 2006.

PFC has invited bids for this project, which is likely to be awarded in February. Nine power developers are in the fray

to bag the 4,000 MW power plant at Bedabahal, which will use domestic coal.

The bidders are Jindal Steel and Power, Tata Power, NTPC, Adani Power, JSW, Sterlite Invention, CLP India, Larsen & Toubro and NHPC.

The Government believes that it is offering investment-friendly parameters for the projects and claims to have eased regulatory hurdles.

India has awarded four UMPPS, one to Tata Power and three to Reliance Power. So far, only Tata Power's project in Mundra, Gujarat, is fully operational.

siddhartha.s@thehindu.co.in