

No. J-11013/41/2006-IA.II(I)
Government of India
Ministry of Environment & Forests

Paryavaran Bhavan,
CGO Complex, Lodi Road,
New Delhi-110003

Dated: 19th April, 2012

OFFICE MEMORANDUM

Subject : Consideration of Projects of Thermal Power, Steel Sector, etc. for Environmental Clearance with sourcing of Coal from dedicated Coal Blocks / Coal India Ltd. – Regarding

This is in continuation to this Ministry's earlier circular of even number dated 1st November, 2010 on the above mentioned subject regarding proposals relating to thermal power and other projects, which are largely dependent on availability of coal as a raw material. It was stipulated that such projects shall be considered only after firm coal linkage is available. Further, it was also required that the status of environment and forestry clearance of the coal source, i.e. the linked coal mine / coal block will be intimated for consideration of such proposals. In case of projects based on imported coal, a copy of the firm MOU signed between the coal supplier and the project proponent would be required.

2. The issue of firm coal linkage as a pre-requisite for consideration of projects for environment clearance has been further considered in order to bring in greater clarity and to elaborate the procedure for submission and processing of proposals for environment clearance.

3. It is essential to have detailed information regarding quality of coal to assess the environmental impacts of a thermal power project. The various important parameters of coal quality, inter alia, include (i) calorific value; (ii) sulphur content and (iii) ash content. The calorific value of coal would determine the quantity of coal requirement per unit of power generation, ash content would determine the land requirement for the ash pond as also the water consumption for its disposal in slurry mode and sulphur content would impact on the SO₂ emissions which, in turn, would affect the air quality.

4. Accordingly, quality of coal to be used in the project is taken into consideration while preparing the environment impact assessment (EIA) report and carrying out the environmental appraisal.

5. It is, therefore, essential to provide firm coal linkage for consideration of proposals for environment clearance of thermal power projects and other projects which are largely dependent on coal as a raw material. It is clarified that the coal linkage could either be in the form of a linkage through a specific mine or a basket of mines or through dedicated coal block, in the form of linkage accorded by Standing Linkage Committee of the Ministry of Coal or a fuel supply agreement. The

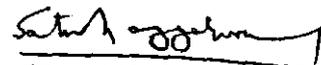
linkage/FSA must provide the details of the coal quality parameters, specifically (i) calorific value; (ii) sulphur content and (iii) ash content and such other parameters as may be prescribed by MoEF from time to time. Further, it would be necessary to indicate the location of mine as this would determine the necessity of using beneficiated washed coal.

6. In the eventuality of change in coal parameters with respect to the parameters based on which EIA was prepared, it would be necessary that the project is referred back to MoEF to revisit the environment clearance granted earlier so as to assess the adequacy of the conditions already stipulated and to incorporate any additional condition as may be necessary in the interest of environment protection including provision of FGD for control of SO_x emissions.

7. As regards the issue relating to the status of EC/FC for the linked coal mine, it is clarified that the case for environment clearance of Thermal Power Projects would be processed based on the status furnished by the proponent in line with the parallel processing being adopted for granting environment clearances of projects where forestry clearance is also required, i.e. having convergence at the last step. However, EC would be issued only after stage-I forestry clearance for linked mine has been issued.

8. The above procedure comes into force with immediate effect.

This issues with the approval of the Competent Authority.


(Dr. S.K. Aggarwal)
Director

To

All officers of IA Division

Copy to:

- (i) PS to MEF
- (ii) PPS to Secretary(E&F)
- (iii) PPS to SS(JMM)
- (iv) PPS to JS(RG)
- (v) All SEIAAs/SEACs
- (vi) Website of MoEF
- (vii) Guard File