

Minutes of the meeting held under the Chairmanship of Sh. Tarun Kapoor, Additional Chief Secretary (Forests & Environment), HP Government on 06.07.2017 at 03:00 PM in the Conference Hall of Armsdale Building, Shimla-2 to discuss the issues relating to the Members of the Forum of the Hydro Power Developers and other Stakeholders in various river basins of Himachal Pradesh. Sh. Tarun Shridhar, Additional Chief Secretary (MPP & Power), HP Government also graced the meeting with his presence. Dr. Ajay Sharma, Director Energy; Sh. H.R. Sharma, Special Secretary (Environment & S&T) and Sh. Sanjay Sood, Member Secretary, H.P. State Pollution Control Board were also present.

The detail of participants who attended the meeting is enclosed as **Annexure**.

At the outset the Secretary General, Forum of Hydro Power Producers extended a warm welcome to all the participants and thereafter took up the agenda for deliberation, discussion and decisions as hereunder:-

1. Issues concerning Forest Clearance

1.1 FRA issues

In regard to the issuing of FRA Certificate by Deputy Commissioner after obtaining recommendations/consent of Gram Sabha, Forest Right Committee, Sub Divisional Level Committee and District Level Committee which is a lengthy and cumbersome process, **it was assured for reviewing the issue after examining and taking up the same with the Tribal Development Department so that process is further simplified and made time bound for expeditiously issuing FRA Certificate to be further sent to MoEF & CC for seeking first stage forest clearance.**

1.2 CAT PLAN

1.2.1 CAT PLAN SUBMISSION

As per latest guidelines of MOEF&CC, FCA Case for diversion of Forest Land has to be submitted online and against one of the column for submission, Annexure of approved CAT Plan is to be uploaded. It was apprised by the Forum that uploading of approved CAT Plan at the initial stage of submitting FCA Case to MOEF& CC is not possible, since preparation of CAT Plan and its approval from State Forest Department is a lengthy process and is taken up in parallel with other activities. **After discussions it was decided that for the submission of FCA case confirmation of CAT Plan preparation is sufficient for processing the matter further instead of uploading of approved CAT Plan as such.**

1.2.2 BASIN WISE CAT PLANS

State Government is in process of preparing Basin wise Comprehensive CAT Plans and for some of the River Basins, Comprehensive CAT Plans are in position. Project proponents proposed for exemption from preparing Project specific CAT Plans for projects for which comprehensive CAT Plans prepared by HPFD are in position. **This issue though seems to be logical as explained but to be examined for final decision.**

1.2.3 CAT PLAN COST

Forum pointed out during the meeting that incidental Project costs such as CAT Plan cost must be rationalized and standardized to bring about uniformity at National level. The cost of CAT Plan in Himachal Pradesh is stipulated to be not less than 2.5% of the Project cost whereas it is not even 1% in other states. **Forum was assured that this issue would be discussed with all concerned and particularly with the Forest Department for rationalizing the same to the possible extent.**

1.3 COMPENSATORY AFFORESTATION

As per the latest guidelines of MoEF&CC, State Govt. has to provide non-forest land for raising Compensatory Afforestation equivalent to the area of forest land proposed for diversion for construction of hydroelectric project whereas there is acute shortage of non-forest land in the state of HP and grant of Forest Clearance for many of the hydroelectric projects is being delayed due to this reason only. Forum suggested that MoEF&CC should revert to the previous guidelines wherein double the area of the degraded forest is earmarked for carrying out compensatory afforestation in lieu of the area of forest land proposed for diversion for construction of hydro electric projects. **Keeping in view this practical aspect of the problem, it was assured that this issue is fully supported by the State Government and would be pursued accordingly.**

1.4 ENHANCING ACREAGE LIMIT OF REGIONAL OFFICE

The matter of Forest Clearance (FC) limits to 40 ha of land at the Regional office level of MoEF & CC in respect of hydro power projects should **again be got confirmed from MoEF & CC and the hydro projects upto 40 ha Forest Land requirement may be classified under the category of linear projects to extend comfort level to the hydro power developers.**

1.5 CAT PLAN & CA PROGRESS REPORT

Before obtaining the Final Forest Clearance, Project Proponent has to deposit the Cost of CAT Plan and Compensatory Afforestation with CAMPA/MoEFCC. It has been noticed that quarterly progress reports of implementation of CAT Plan and CA (*project-wise and component-wise*) are not being received from HPFD which is required by the project proponent for its further submission to lending agency of the project and also to the Regional Office of MoEFCC. **In regard to the issuance of CAT Plan and CA progress reports, it was decided that HPFD would be directed for project-wise reports instead of a consolidated report for the convenience of the project developers.**

1.6 UTILIZATION CERTIFICATE

SJVN representative apprised the Chair that Forest Department periodically submits utilization of expenditure on CAT Plan & Compensatory Afforestation works that too in financial terms. Whereas, a detailed utilization report highlighting the component-wise and area-wise physical and financial achievements may be provided on a regular basis to speed up the development process. The same is also required for submitting half yearly compliance reports to MoEF&CC and during CAG audits. The Chair was requested to kindly issue necessary instructions to Forest Department for submitting a detailed achievement report (Physical and financial) on CAT Plan and CA works on a regular basis to

project proponents. Furnishing of Utilization Certificate by Forest Department *w.r.t.* compensatory afforestation, catchment area treatment plan, etc. **as decided above under item 1.5.**

1.7 INESCAPABILITY CERTIFICATE

SJVN representative apprised the Chair that the case for forest clearance in respect of Luhri Stage-I HEP has been held up for want of inescapability certificates that “No alternative suitable non-forest land is available for Compensatory Afforestation” and “No alternative suitable non-forest land is available for the project in question” both from DC Kullu and DC Shimla. The case for the above NOCs from the respective DCs was initiated on 17.06.2016 for both the districts i.e Shimla and Kullu. The DC, Kullu district has issued the desired NOCs but the DC, Shimla District has raised the observation on the same that around 50 encroachments exist in different patches of forest land identified for the project. Therefore, they cannot issue the NOC until the land in question is free from encroachments or the encroached land is deleted from the requirement of land identified by SJVN. On this issue, SJVN is facing a roadblock, as neither the encroached land can be deleted from the requirement nor project can get the land vacated from the encroachers. However, SJVN is ready to give an undertaking that at the time of execution of project, the liability arising out of vacating the encroached land shall be borne by the project proponent and the matter shall be addressed suitably. The Chair was requested to intervene on the matter so that concerned authority may issue the desired NOCs for pursuing the case of forest clearance in respect of Luhri Stage-I HEP.

In regard to this, it was decided that the addressed issue would be examined in detail for resolving.

2 ENVIRONMENT CLEARANCE

2.1 ENVIRONMENT CLEARANCE BEFORE PROJECT ALLOTMENT

Forum brought out that as per MoEFCC, EIA Notification, 2006, Environment Clearance is granted by MoEFCC/State Level Environment Impact Assessment Authority after its scrutiny and recommendation by the Expert Appraisal Committee of MoEFCC/SLEAC, as the case may be, depending upon the capacity of the project. This is a time consuming and cumbersome process for the project developers and delays the project execution which ultimately leads to enhanced project cost. This problem was further supported by the example of Dugar Hydro Electric Project as explained by one of the participants. As experienced, there was a considerable delay in getting the EC. During one of the meetings of the EAC while considering the extension of Terms of Reference, it was approved that for preservation of fish, the Dam will have a civil structure similar to a fish ladder. The developer informed the Committee that as per the Impact Assessment Studies, there was no fish in Chenab, but the Committee did not agree. Developer had to get a report from a National Institute to say that there was no fish in the said river. This not only cost money but also took about six additional months.

Similarly, in another meeting, the Committee stipulated that the Environmental flow for Dugar HEP would be 30% of average monsoon discharge for the whole year. Such a condition was unheard of and it was for the first time that such a stringent condition was prescribed. This would have resulted in drastic

reduction of the proposed installed capacity and would have also resulted in no generation during the lean season. The company had to go to the EAC at least two more times to get this condition altered.

The Chair exhorted the power developers that such issues should also be brought out to the notice of the concerned department as and when these happen through the Forum for follow up.

2.2 CONSENT TO ESTABLISHMENT

The Forum was of the view that clearance like 'consent for establishment' by the Pollution Control Board, should be in line with the instruction contained in CPCB reference bearing No. B-29012/ESS/CPA/2016-17/2570 dated 02.02.2017. When Environment Clearance is already in place, it is considered superfluous and time consuming. Instead, periodical monitoring by Pollution Control Board to ensure compliances as per Environment Clearance is considered rational. In this regard it was intimated to the participants that up to 25 MW no such consent is needed; and **above 25 MW capacities it is a statutory requirement and hence cannot be dispensed with.**

2.3 PERMISSIONS FROM LOCAL ADMINISTRATION

In regard to the permission needed from 'local administrative authorities' for activities like mining, quarrying etc. etc., it was informed to the participants that this statutory requirement cannot be done away with. **However, some timelines can be fixed along-with some mechanism for addressing the issue and accordingly matter would be looked into.**

2.4 ENVIRONMENT MONITORING COST

The issue of environment monitoring cost was deliberated in detail and it was informed that no unreasonable monitoring cost should be payable. Up to 25 MW capacity projects, there is no requirement of environment monitoring cost. However, **it was decided that in consultation with HP State Pollution Control Board, norms would be framed to streamline the whole issue of monitoring cost.**

2.5 CONDUCTING PUBLIC HEARINGS

In the meeting, Forum discussed that procedure for Environment Clearance from MoEF&CC has been streamlined and period for each activity viz. approval of ToR for EIA study, issuing public notices and conducting Public Hearing, Appraisal by EAC, etc., has been specified in the EIA Notification, 2006. However, considerable time is consumed in conducting Public Hearings by the State Government, and similarly processing of cases at MOEF&CC. As per section 3.1 of Annexure-IV of the EIA notification dated 14.09.2006, Member-Secretary of the SPCB is required to finalize the date, time and venue for conducting of public hearing within seven days from the date of receipt of draft. In regard to this, **it was decided that issue would be looked into and HPSPCB would also be directed accordingly to conduct public hearings as per stipulated timelines.**

3. CAMPA PROGRESS

It was decided that the issue of progress under CAMPA funds would be duly intimated to show the achievements of these funds vis-à-vis visible results on the ground.

4. OTHER ITEMS WITH THE PERMISSION OF THE CHAIR

4.1 KOL DAM CAT PLAN

The representative of NTPC Koldam apprised the Chair that NTPC Koldam has not received the updated physical & financial progress of Koldam CAT Plan and RIM Plantation scheme even after the end of the targeted completion dates of both the schemes in 31.03.2015 **(including the maintenance period)**. The NTPC representative was informed that the funds for execution of various CAT Plans and RIM stabilization works are lying with the Adhoc CAMPA and are not as such available with the HP State Forest Deptt. **Utilization certificate for the works executed will be issued after receipt of CAMPA funds from Adhoc CAMPA. Further, it was informed that after depositing CAMPA funds price escalation has affected the physical progress resulting in mismatch in the physical progress and the expenditure against the received funds.**

4.2 NGT ORDER REGARDING ACTIVITIES IN THE VICINITY OF HIGH FLOOD LINES

One of the participants apprised the Chair regarding the Hon'ble National Green Tribunal's order as has been quoted by DFO Kullu which states that ***"NGT further prohibit any construction on River Beas and any of tributaries, rivers within 25 meters from High Flood Line or 50 meters from the edge of the river which ever higher"*** has been issued in context to the dumping/setting up plant for municipal solid waste and STP in the river bed and a rope way project on 19.08.2016 in OA No. 237(THC) of 2013 titled as Court on its own motion Vs State of HP.

In Hydro Power Projects, there are certain components which cannot be avoided and relocated away from the river course and HFL. These project components are designed accordingly. As such this matter is of concern for the hydro power projects under construction or proposed on river Beas and its tributaries. **It was decided that this issue be examined in totality technically as well as legally in the context of development of hydro power projects already allotted.**

4.3 CHHANJU-I HEP— Regarding Free Power, Discom Wheeling Charges and Overloaded Transmission Line

Sh. S.K. Goyal, Director, IA Hydro Energy Pvt. Ltd. brought to the knowledge of the Chair that Hydroelectric projects in the State are facing the problems of – **1)** Very High distribution losses as well as wheeling charges clubbed with transmission losses and charges; **2)** High amount of Free power to the State Government; and **3)** Specific issue of evacuation of power from Chanju-I HEP (36 MW) in district Chamba having connectivity through LILO point at Nakror on Kurthala-Bathari 132 kV D/C transmission line of HPSEBL.

The IPP explained in brief that when they add transmission and wheeling charges these work out around 22% and the free power as 20.63% then the remaining net saleable power at regional periphery is around 57-58%, and under these circumstances it is not possible to export power outside the state whereas Himachal Pradesh State Government is already having surplus power. Therefore, IPP is left with no other option to export power; and apprehends that no buyer would be ready to absorb such expensive huge energy on account of wheeling & transmission losses and free power as well. He emphasized that if no immediate corrective action is taken then it will be very difficult for IPP to survive in this competitive market.

Sh. Goyal further brought to the notice of the Chair that while scheduling of power in IEX from our power plant, they are getting regular telephonic instructions from Bathri 132 kV Sub-Station for curtailment of power injection from their generating station despite the fact that at present quantum of power generation is only 26.4 MW i.e. 66% of their total installed capacity (39.60 MW) though their all three units are ready for power generation. But due to power evacuation constraint, they are not able to complete the COD of the plant. He also pleaded for power injection of all IPPs in the system on uniform basis keeping in view the existing transmission network constraints. He also pointed out that Bathri-Jassure 132 kV S/c line is getting overloaded due to over injection (@ 120% of installed capacity) by almost all IPP's connected to this network.

On the above issues, the Director Energy GoHP informed the IPP that earlier these issues have never been brought to the notice of the Govt. However, to evacuate power of Chhanju-I HEP separate transmission line is being erected which would on completion address the problems of IA Energy. Other issues would also be got examined in detail separately.

In the end, the ACS (Forests & Environment), H.P. Govt. exhorted the participants to frequently come out with their problems and suggestions in the implementation of projects through the platform of the Forum of the Hydro Power Producers and all other Stakeholders to deliberate on the issues on regular basis on generation and associated transmission and distribution network being used for power evacuation. All generation companies and other stakeholders of power sector should invariably be the members of the Forum which was established in the year 2005 on key issues concerning the expeditious development of hydro electric projects and the associated transmission system and thereafter for unhindered operation and maintenance. Forum is also a platform for co-operation amongst the Stakeholders to achieve common goals and objectives for harnessing the hydro potential of the State in an eco-friendly manner and to ensure the development of the area including the welfare of the people. In this regard not only PSUs but IPPs have also got an important role to play in the efforts of the HP Govt. to realize the set objectives. Sustainability of the projects is very important but at the same time expectations of the public and the Government cannot be overlooked.

Meeting ended with the vote of thanks to and from the Chair and the participants.