



## ABSTRACT

ENERGY – Coastal Thermal Power Generation by Merchant Power Plants in Tamil Nadu – Policy reviewed - High Power Empowered Committee and the Sub Committee - Constituted - Disbanded. – Orders – Issued.

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### **ENERGY (A1) DEPARTMENT**

**G.O.Ms.No.96**

**Dated:24-11-2009**

Read:

1. G.O.Ms.No.75, Energy (A1) Department, dated:14.8.2007
2. Letter.Ms.No.80/A1/2007, Energy (A1) Department, dated: 16.8.2007

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### ORDER:

In the Government Order 1st read above, orders were issued constituting a High Power Empowered Committee consisting of the following members to scrutinise various applications received from TNEB relating to establishment of merchant power plants in Tamil Nadu taking into account various aspects including financial strength and capabilities of the promoters, firm plan for financial closure, suitability of site for power plants, linkage for fuel supply, firm schedule for commencement of power plant and to prescribe any other necessary conditions which it deems fit and the Committee will obtain necessary orders and thereafter issue a letter of facilitations:

Chief Secretary to Government	-	Chairman
Principal Secretary to Government, Energy Department	-	Convener
Secretary to Government, Finance Department	-	Member
Secretary to Government, Environment & Forest Department	-	Member
Secretary to Government, Highways Department	-	Member

2. The High Power Empowered Committee decided to constitute a sub committee consisting of finance and company law experts, to assist the Principal Secretary, Energy in analysing the various documents furnished by the promoters and the Sub Committee was constituted in Letter (Ms) 2<sup>nd</sup> read above,

consisting of Additional Director, Finance (BPE) Department; Chief General Manager & Company Secretary, Tamil Nadu Industrial Development Corporation and Chief Financial Controller (General), Tamil Nadu Electricity Board .

3. Based on the Sub Committee's assessment and the recommendations of the High Power Empowered Committee, letters of facilitation were issued by the Government for setting up of Coastal Thermal Power Generation Plants to a few Merchant Power Plant Promoters in Tamil Nadu with some conditions.

4. Some of the companies, which received the facilitation letters, filed petitions in the Tamil Nadu Electricity Regulatory Commission objecting to certain conditions. The Tamil Nadu Electricity Regulatory Commission held that certain conditions were ultravires of sections 7, 10, 32, 62 and 86 of The Electricity Act, 2003. The Tamil Nadu Electricity Regulatory Commission has also observed in its recent orders on the merchant power plants that section 7 of The Electricity Act, 2003 dispenses with the need for issue of licence for power projects.

5. The Government reviewed the Policy of Coastal Thermal Power Generation by Merchant Power Plants in Tamil Nadu and decided that the procedure of issuing facilitation letters for merchant power plants through Government to be dispensed with, and High Power Empowered Committee constituted in G.O. Ms. No.75, Energy (A1) Department, dated 14.8.07 and the Sub Committee constituted in Letter Ms.No.80, Energy (A1) Department, dated 16.8.07 to be disbanded.

6. The Government after careful examination order that the procedure of issuing facilitation letters for merchant power plants through Government is dispensed with and the High Power Empowered Committee constituted in G.O. Ms. No.75, Energy (A1) Department, dated 14.8.07 and the Sub Committee constituted in Letter Ms.No.80/A1/2007, Energy (A1) Department, dated 16.8.07 are disbanded.

(BY ORDER OF THE GOVERNOR)

P.W.C. DAVIDAR,  
SECRETARY TO GOVERNMENT

To  
The Chief Secretary to Government, Chennai-9  
The Principal Secretary to Government, Finance Department, Chennai-9  
The Principal Secretary to Government,  
Highways and Minor Port Department, Chennai-9  
The Principal Secretary to Government,  
Environment & Forest Department, Chennai-9  
The Additional Director, Finance (BPE) Department, Chennai-600 009  
The Tamil Nadu Industrial Development Corporation, Chennai-8

The Chief Financial Controller(General),  
Tamil Nadu Electricity Board, Chennai-2.  
The Chairman, Tamil Nadu Electricity Board, Chennai-2

Copy to:

The Secretary to Hon'ble Chief Minister, Chennai-9  
The Secretary to Government, Revenue Department, Chennai-9.  
The Vice-Chairman and Chief Executive Officer,  
Tamil Nadu Maritime Board, Vairam Complex, 2<sup>nd</sup> Floor, Pandu Bazar,  
T.Nagar, Chennai-17  
The Special Personal Assistant to Hon'ble Minister (Electricity),Chennai-9  
The Private Secretary to Chief Secretary, Chennai-9  
The Private Secretary to Secretary, Energy Department, Chennai-600 009  
The Finance Department, Chennai-9  
The Environment & Forest Department, Chennai-9  
The Highways and Minor Port Department, Chennai-9.  
Sf/Scs.

//Forwarded::By Order//

SECTION OFFICER.